PARLIAMENTARIANS’ OVERSEAS STUDY TRAVEL REPORTS

JULY TO DECEMBER 2009

JUNE 2010
PARLIAMENTARIANS’ OVERSEAS STUDY TRAVEL REPORTS
1 July to 31 December 2009

Background

The previous Government announced on 15 May 2004 that overseas study travel reports would be tabled in the Parliament.

The individual reports provided by Senators and Members are consolidated into one document and tabled as a separate volume to the other two tabled documents, which cover the costs of current and former Parliamentarians’ expenditure on entitlements for the period 1 July to 31 December 2009.

Supporting Information

To reduce the size of the tabled report, some pages may have been excluded from individual reports (indicated on relevant title pages). A copy of the full report (and any supporting documentation, including a wide range of reference material such as copies of legislation, itineraries and reports prepared by other entities) is available on written request to the Office of the Special Minister of State.

Reports appear in travel date order. This report is also available on the Department of Finance and Deregulation’s website at www.finance.gov.au.
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SENATOR THE HON MICHAEL RONALDSON

United Kingdom, France, Canada and the United States of America
27 June – 19 July 2009
Senator the Hon. Michael Ronaldson  
Shadow Special Minister of State  
Report on Overseas Study Leave, June-July 2009

Meeting Participants

LONDON:

1) Rt Hon Francis Maude MP, Shadow Minister for the Cabinet Office
2) Mr John Dauth LVO, High Commissioner, Australia
3) Mr Eric Pickles MP, Chairman, Conservative Party
4) Mr Peter Wardle, Chief Executive, UK Electoral Commission
5) Ms Sue Pamphlett, Inward Visits Manager, Overseas Office, House of Commons
6) Mr Hugh Thomas, Head of Compliance, Conservative Party
7) Ms Philippa Broom, Director of the International Office, Conservative Party
8) Mr David Lidington MP, Chairman of the Conservatives International Office and Shadow Minister for Foreign and Commonwealth Affairs
9) Mr Edward Llewellyn, Chief of Staff to Rt Hon David Cameron, Leader of the Conservatives
10) Mr Peter Smith, Managing Director, Huntsman
11) Ms Rebecca Sharp, Marketing Assistant, AWI
12) Mr Peter Ackroyd, AWI
13) Mr Patrick Bunting, Head of UK Sales, Dormeuil
14) Mr John Wilson OBE, Director General, UK Fashion and Textile Association
PARIS:

1) Mr Nagy Bensid, General Manager Europe, AWI

2) Catherine Procacci, UDP Sénateur Du Val De Marne, Conseillère Générale

OTTAWA:

1) Hon Steven Fletcher P.C, MP, Minister of State, Democratic Reform, Conservative Party of Canada

2) Mr Dan Hilton, Executive Director, Conservative Party of Canada

3) Ms Kara Johnson, Vice President of National Council, Conservative Party of Canada

4) Mr Doug Finley, Director of Political Operations, Elections Canada

5) Mr William Corbett, Commissioner, Elections Canada

6) Mr Francois Leblanc, Director of Political Financing and Audit, Elections Canada

WASHINGTON:

1) Mr Steven Walther, Chairman, US Federal Election Commission

2) Mr Matthew Petersen, Vice Chairman, US Federal Election Commission

3) Mr Alan Frumin, Parliamentarian, United States Senate

4) Mr Raphael Danziger Ph.D, Director, Research & Information, Editor *Near East Report*, AIPAC

5) Mr Mike Shields, Director of Special Projects, National Republican Congressional Committee

6) Mr John DeStefano, Deputy Executive Director, National Republican Congressional Committee
NEW YORK:

1) Mr Jason Weingartner, Executive Director, New York Republican County Committee

2) Mrs Rose Siniscal, Administrator, New York Republican County Committee

3) Dr Herbert I. London, President, Hudson Institute

4) Mrs Anne Bayefsky, Senior Fellow, Hudson Institute

5) Mr Doug Lieb, Executive Assistant to the Executive Director, American Jewish Committee

6) Mr David Harris, Executive Director, American Jewish Committee

7) Mr Andrew Goledzinowski, Deputy Leader, Australian Mission to the UN

8) Mr Phillip H Scanlan AM, Australian Consul-General

9) Various people at the Australian American Leadership Conversation: ‘The Global Energy Challenge- Opportunities for Australia.'
Conclusions and Major Findings

Funding and Disclosure

Certainly the most enlightening part of the trip was the opportunity to investigate and assess the various arrangements used for electoral funding and disclosure. Following the publication of the Electoral Green Papers in Australia and as we approach the next election, finding the right mix will be vital for the health of Australia’s democratic polity.

Overseas, the approach has generally been to limit both income and spending for political parties. I will put aside the US for a moment and seek to draw together the key points from the other nations.

Firstly, all recognise that the right to free speech is not an untrammelled right to ‘buy’ an election. The restriction of expenditure allows for a more level playing field, creating a battle of ideas rather than of cash. In most instances, even the ‘usual suspects’ among human rights lawyers and associated busybodies have refused to litigate the constitutionality of these laws, seeing that there is a more important principle at stake. The US is, of course, the exception and has the historical difficulties following from the 1976 Supreme Court case of Buckley v Valeo.

The expenditure limits are set at various levels and have differing timeframes. The Canadian limits only apply in the final, short period before an election. In the UK the limits start a full 365 out from an election. The UK has an expenditure cap across the nation, while the Canadians have a ‘belt and braces’ approach, with limits on how much can be spent nationally, as well as how much can be spent in each riding (i.e. their electorates).

This ‘election period’ limit presents its own range of problems. Like Australia, Canada and the UK do not have fixed terms, so the whip hand remains with the government of the day. Snap elections are a large potential benefit to the incumbent government.

Using a ‘short’ regulated election period allows for an unscrupulous PM to launch a blitz in the unregulated period, establishing a framework for the campaign proper. A longer period has the reverse problem – an Opposition could be ‘foxed’ into expenditures, only to find that it has no money left that it can legally spend at the ‘pointy end’ of the campaign. Overall, however, and based on advice from UK officials and Tory activists, a longer statutory campaign period is preferable to a shorter one.
Foreign donations are banned across all jurisdictions that I visited, and I believe that we should have such a policy in this country.

What the US, Canada and UK all acknowledge is ‘the elephant in the room’ – the non-party activism and, especially, the role of the unions in providing support to Left-of-centre parties. Ironically, this is less of a problem in Canada because the unions are caught between two major Left parties (the Liberals and the NDP) and, with a first-past-the-post system, if they split their voter base they can ironically assist the Conservatives to win tightly contested ridings! Thus the Canadian unions generally stay out of large-scale funding for political campaigns.

Not so in the Great Britain or United States. Despite the reforms of Tony Blair, the UK Labour Party remains firmly in pocket of the trade unions. Not only do they provide direct financial support to the Party, but they can run their own multi-million Pound campaigns with their own money. This ‘third party’ activism is a new and major feature across all political entities.

In the Scottish elections, for example, pro- and anti-Europe business groups ran their own campaigns which effectively pushed voters to support, respectively, the Labour Party and the Scottish Nationalist Party. In the US, the health unions poured over $200 million into support for the Democrats at the last election.

Attempts at limiting the influence of ‘big money’ contributions to political parties have largely floundered in the US, as Political Action Committees (PAC) have risen to take the place of direct contributions. The most famous of these was the ‘Swift Boat Veterans for the Truth’ which all US commentators agreed was crucial in damaging John Kerry’s 2004 presidential campaign. Similarly, the role of ACORN, while not strictly a PAC, in President Obama’s win is clear and highlights the lack of regulation on those sorts of bodies to pursue overtly partisan ends.

In Australia, the role of the unions and of GetUp has been remarked upon by many commentators. If these remain unregulated, and reforms are only introduced to limit the income and expenditure of political parties, I have no doubt that we will be facing a US-style situation in a few years time. I believe that the GetUp organisation understands that unless there are limitations placed on third parties then there is not genuine reform.

The role of public funding overseas is also very interesting. It seems to me that the Canadian model is near perfect. They have a system of quarterly payments to political parties, amounting to an annual C$1.75 per vote for that party at the previous election. Some may say that this will lead to imbalances, and I concede that
there may well be good reason to introduce a ‘smoothing’ effect, such as averaging
the vote over the past two or three elections. But the fundamental principle remains
sound.

I am less enamoured of the free time rules in the UK and Canada. These seem to me
to be little more than an expropriation of potential advertising revenue from the TV
stations and their transfer to political parties. The Canadian system is a marvel in
itself – parties are allocated a fixed period of time, with the option of purchasing
more up to a set limit. Both limits are based on previous electoral success. For
example, the tiny Marijuana Party has three minutes of ‘free’ air time, while the
Conservatives have several hours, and the ability to buy more is roughly
proportional. I consider that effective expenditure limits in the Australian context
would lead to similar outcomes, but without the administrative rigmarole. Still, a
Canadian model would do no particular harm – I am just not sure the extra
bureaucratic effort produces a necessarily better outcome.

In the US, public funding for presidential campaigns is capped at $84m, although you
can choose to remove yourself from that system and have no effective limits on your
campaign expenditure. The latter is exactly what Obama did in 2008, spurred on by
grassroots activism and a quest for a large number of people making small, regular
donations, rather than a few people making large donations – although he also got
these people too.

Thus when we turn to reform in Australia, I believe that there are a number of
lessons that need to be learned from the overseas experiences of funding and
disclosure reform:

- There is real merit in limiting BOTH income and expenditure for political
  parties;
- The limits on income should apply both to the source of the donation and the
  quantum;
- Caps on expenditure in relation to particular electorates are very hard to
  enforce, and often result in arbitrary decisions about what is ‘local’ and what
  is ‘national’ having to be made by unwilling officials; but national expenditure
  limits merit serious consideration;
- There is no point having income restraint without expenditure restraint,
  otherwise the upward escalation of the ‘arms race’ of political expenditure
  will simply continue in a new guise;
- Similarly, direct limits on donations to parties will simply push money in the
direction of ‘third party’ organisations, unless there are stringent controls
placed on the expenditure of those organisations;
- Public funding is not a burden on taxpayers, but a real means of directing the
time and effort of elected members onto their real job of servicing
constituents and working on policy;
- Donations should be limited to individuals only, and there need to be strong
anti-collusion rules as in the Canadian system.

Internal Party Dynamics

It is often said that Australian political campaigning is ten years behind the US. I am
not so sure that that is true today, given the level of engagement between political
professionals around the world. But the point remains that Australian political
parties can learn much from what their overseas compatriots have done right and
what they have done wrong.

Firstly, if we accept that the funding and disclosure system is to be reformed, we
need a different mode of engagement with people in our Party and in the
community. In the UK, the Tories found themselves at a complete loose end
following the Hague era. David Cameron’s approach has been to shock voters into
realising that what they thought they knew about the Conservatives was wrong.
There is no doubt that in a policy sense, the perception is that the Cameron
Conservatives have moved more to the Centre of the political spectrum. They have
reaffirmed the role of the NHS and sought to placate voters on climate change and
other environmental issues. That does not mean that they have given up the
traditional role of small government, economic conservatives. But it has allayed
fears among British voters that the Tories are a ‘hard’ and ‘extreme’ party, which is
how they were effectively branded by Labour.

This new openness has manifested itself in a greater ‘grassroots’ engagement. While
I am proud of the Victorian Liberal Party’s move towards internal plebiscites for
preselections, the Tories took it even further – in one instance they wrote to
everyone in a constituency with a list of possible candidates and basically said: “Who
do you reckon the Tory candidate should be?” The woman, a local doctor with
minimal support in the Party, was endorsed by the Tories and, when the real election
came around, she won in a landslide. This is, of course, a neat appropriation of the
US ‘open primary’ model, and it may just be a little too radical for most of us in
Australia. But even milder efforts by the Tories – such as the public advertisement for potential candidates – warranted further consideration and discussion.

If there is one theme which was prevalent in my trip it was this: ‘grassroots’. From the massive use of online supporter bases in the US, to the highly-professional databasing of voters and supporters in Canada to the UK Tories attempts to broaden the base, everything is pushing in this direction. I do not see how we can resist that future.

In Canada, for example, there are 150,000 members of the Conservatives. But there are some 3 million people who are donors or supporters. Of course, the same (and more) could be said of the US, but what is fascinating is that the Canadians are a Westminster model like us, with comparable demographic challenges. It has to be said that a large part of this impetus has come from the necessity of broadening the funding base. If you can only donate C$1,100, you need a lot more people in the mix to pay for the costs – you find those people, or you die politically. The fact that the Canadians do it leads me to conclude that the same is possible, and probably inevitable, in Australia.

Israel and the World

During my time overseas, I held a number of discussions with government and private officials about affairs in the Middle East and was heartened by the continuing support for Israel.

What I was not so happy about is the apparent nonchalance from Left-of-centre governments in relation to the Iranian nuclear program. Everyone knows that there is something sinister going on in Iran, but nobody wants to do anything about it. Perhaps the political fallout from the Iraq War remains too strong in people’s minds. But it is almost as if there is a belief that by collectively looking the other way, pretending that what is happening is not really happening, that somehow it will all just go away.

This attitude is unsustainable and is reminiscent of the mentality which gave us the Munich Agreement. I am again reminded of Churchill’s comments about appeasers: “An appeaser is one who feeds a crocodile, hoping it will eat him last”.
The UN and the International Atomic Energy Agency have proved to be their usual ineffective selves. Iran has adopted that ‘North Korea model’ where bluff and brinkmanship are used to foil proper international action.

While the world fails to adequately deal with despotic regimes, then it fails itself.

Wool

The enormous challenges facing the wool industry were clearly articulated during my meetings in London and Paris with various industry representatives.

The question of ‘mulesing’ was put into context by the retailers I spoke with. It is clear that the decision to phase out mulesing by the former board of AWI created more issues than it addressed. This was particularly so because the board elected in late 2008 were forced to take the only option available to them, namely the withdrawal of that policy.

It would appear that with limited exceptions retailers are not pursuing a complete ban on mulesing but rather want to be convinced that appropriate animal husbandry regimes are in place to minimise the impact of the mulesing procedure. Pre- and post-analgesic treatment was viewed, by those I spoke with, as the most appropriate animal husbandry technique.

There is no doubt that the ‘consumers’ of wool are desperate for the industry to stop talking about itself and get on with properly marketing the best fibre in the world. The actions of the new AWI board are being viewed very favourably internationally and they are to be congratulated accordingly.

The prospects for the Australian wool industry remain favourable in the medium to long term. Demand for fine wool remains strong and will continue to do so for the foreseeable future, according to industry sources that I spoke with in Europe.

Acknowledgements

In closing I wish to sincerely thank all those who assisted in making my trip possible, especially the wonderful officials from DFAT in Canberra and, especially, in the overseas posts, including Monica Hart, Christopher Benschler, Rosemary Scott, Imogene Thomson, Justin Brown, Ross Highfield and Terry Porter, without whose help my trip would have been much more difficult. I would also like to thank Peter
Ackroyd for assisting me in arranging meetings with industry representatives in London and Paris in relation to wool matters.

I sincerely appreciate the generous amounts of time given to me by officials of foreign governments and the various conservative political parties and I hope that our friendships and communications may continue for many years into the future.
MR MICHAEL KEENAN MP

Singapore, France, United Kingdom, and Ireland
2 – 16 July 2009
Dear Minister

In accordance with the requirement of Clause 9.2(b) of Remuneration Tribunal Determination 2006/18 (the Determination), I submit the following statement reporting on my recent overseas study journey:

(i) (a) Confirmation of Purposes:

I advised your predecessor as Special Minister of State, Senator the Hon John Faulkner, that the trip was to examine the operation of industrial relations systems of the visited countries. This examination was to be undertaken with a special emphasis on job creation and what other developed nations were doing to counter growing unemployment levels. It was impossible to do this without taking into account the state of the global economy and this formed the basis of many of the discussions. I also took the opportunity in the United Kingdom to study some of the modern campaigning techniques employed by the Conservative Party.

(b) Itinerary

Singapore 2\textsuperscript{nd} – 3\textsuperscript{rd} July

OECD, France 4\textsuperscript{th} – 7\textsuperscript{th} July

London, UK 7\textsuperscript{th} – 12\textsuperscript{th} July

Dublin, Ireland 12\textsuperscript{th} -14\textsuperscript{th}
(ii) Key Meetings and outcomes/findings:

**Singapore**

Met informally with representatives from Microsoft and Singapore Airlines. Visit to the Port of Singapore was cancelled due to an administrative issue that I believe requires your attention and which I will detail later in this letter.

**Organisation for Economic Co-Operation and Development**

Mr Paul Swain, Principal Administrator, Division of Employment Analysis and Policy and Mr Stefano Scarpetta, Head of Division of Employment Analysis and Policy

The OECD is currently compiling research on what member countries are doing to combat the global economic downturn and how successful different approaches have been. The key point from this meeting was that it is too early to tell what is working and what isn’t. There is a general concern at the organisation about the debt that is being accumulated by member nations in response to the downturn and an acknowledgement that debt may not be the answer. There is also a general concern about the state of public finances in light of plummeting taxation revenues and the extra demand for government services and expenditures.

**Ms Deborah Roseveare, Head of Education and Training Division, Education Directorate and Ms Kathrin Hoeckel, Education Directorate**

The OECD is undertaking a very extensive study into how to assess adult education and training which is known as the OECD Programme for the International Assessment of Adult Competencies (PIAAC). Australia is one of the nations participating in the study. The study is the most comprehensive of adult skills ever undertaken. A sample size of 5000 adults will be interviewed per country. The study is due to report in 2013.

In Australia, as in other developed nations, there is a growing to use the available skills of the populations. Yet there are huge gaps in the understanding of how to recognise what skills individuals have. This groundbreaking new research will address many of these shortfalls in knowledge. The study addresses literacy and numeracy skills as well as the ability to solve problems in technology rich environments.
Once the study is completed it will provide a useful tool for Australian policy makers. It will also allow Australia to assess our performance in relation to other developed economies.

**Mr Christopher Langman, Australian Ambassador to the OECD**

General discussion about the operations of the OECD and Australia’s relations with the organisation. Mr Langman hosted informal lunch with Australian officials and officials from the OECD. Discussion focused on what was happening in Australia and other member countries in response to the global economic downturn.

**Mr Johnathan Coppel, Senior Economist, Economics Directorate**

The OECD is very focussed on how to lessen the duration of the economic downturn, alleviate its consequences and then prepare member economies for the impending recovery.

Restoring economic growth will require a collaborative approach from the global community and the OECD member countries in particular. There is an urgent need to put public finances back on a more sustainable footing. Protectionism in trade and investment will undermine the economic recovery and restrict growth opportunities.

**Mr Mark Keese, Principal Administrator, Division for Employment and Analysis Policy**

Briefing on the progress of the PIAAC and the outcomes of a pilot study done in support of this. This study is known as the Job Requirements Approach (JRA).

The JRA pilot study took place in Australia, France, Greece and Korea during 2008. The pilot has been a success. The lessons learnt during the JRA study will be applied to the PIAAC study.

Key findings from the study include: most workers only require a low level or literacy and numeracy for their jobs; there is a significant digital divide amongst workers; only a minority of workers use computers for complex tasks; computer skills are often acquired by doing; and informal assistance was often most relevant to expanding IT abilities.
Mr John Martin, Director, Directorate for Employment, Labour and Social Affairs

There will be many lessons to be learnt from the crisis but the evidence of how to address its impacts, particularly the employment impacts is minimal at the moment. Both active and passive labour market programmes should play a role. Australia has a unique and unusual industrial relations system among member countries of the OECD and a unique cultural approach to the issue.

London

Mr Kenneth Clarke MP, Shadow Secretary of State for Business, Enterprise and Regulatory Reform

General discussion about British and Australian politics and governance. Industrial relations is not a large issue in British politics at the moment and industrial disputation is low. Union membership has sharply declined in the UK in recent decades.

Mr Peter Luff MP, Chairman, Business and Enterprise Committee and Committee Officials

Mr Luff is a Conservative Member of Parliament. Committee members are drawn from all three major parties in the British system.

Industrial issues are not hotly contesting in the United Kingdom at the moment. The Conservative Party has not publicly proposed any major alteration to the existing system that operates if they win government at the election due to be held by next year.

Dr Paul Gollan, Associate Fellow, London School of Economics

Dr Gollan conducted a tour of the LSE.

Discussion about the role of industrial relations in the UK and in Australia and our comparative systems.

Mr Patrick Nolan, Chief Economist Reform
Reform is an independent, charitable, non-party think tank whose mission is to set out a better way to deliver economic services and economic prosperity. Its Advisory Board is drawn from all three of the major British Parties and from the business community.

Mr Nolan hosted a lunch at which I was guest speaker to discuss the Australian economic situation and how policy makers are responding in Australia to the challenge of rising unemployment. Lunch was attended by political, business and government figures.

Mr Terry Rooney MP, Chairman, Works and Pensions Committee

Mr Rooney is a Labour Member of Parliament. Committee membership is drawn from all sides of the Parliament.

The UK has a national insurance system that differs substantially from Australia’s system of entitlements. The Labour Party has governed since 1997 and has made attempts at welfare reform with varying degrees of success.

Mr Jonathan Djanogly MP, Shadow Minister for Corporate Governance

Mr Djanogly is the junior Shadow Minister with responsibility for workplace relations. Discussion about the strengths of the relative systems of industrial relations in Australian and the UK and what plans the Conservative Party had for the policy area if elected.

Mr John Dauth LVO, Australian High Commissioner to the UK

Informal discussion about the state of the bi-lateral relationship between Australia and the UK and about British politics in general.

Dr Eamonn Butler, Director, Adam Smith Institute

The Adam Smith Institute is a UK think tank devoted to free-market economic and social policies. Politically independent and non-profit, the Institute promotes its ideas through reports, briefings, events, media appearances, and its website and blog.
Discussion about policy different policy approaches in the UK and Australia. Briefing about the role of the Institute and about the ongoing research of the Institute.

Mr Gavin Barwell, Target Seats Director, Conservative Party

General discussion on campaigning techniques and the strategy of the Conservative Party in the lead up to the next election. Focussed, in particular, on campaigning in marginal seats. Was shown previews of upcoming Conservative Party campaign materials and how the party intends to campaign in the lead up to the next election.

Mr David Willetts MP, Shadow Secretary of State for Innovation, Universities and Skills

Discussion focussed on welfare reform and the role on education and training in both the UK and Australia.

The success of the welfare reform approaches is widely admired in the UK and has contributed to the thinking of the Conservative Party when they have to produce their policies in the lead up to the next election.

Mr Lawrence Kay, Research Fellow, The Policy Exchange

The Policy Exchange is an independent, non-partisan educational charity. They work with academics and policy makers from across the political spectrum. They are particularly interested in free market and localist solutions to public policy questions.

Discussion focused on the research conducted by the Policy Exchange on public spending and the scale of the challenge of controlling the public purse in light of a significant drop in revenue. Also on the work done by the think tank about the actually causes of the global financial crisis and the policy mistakes in the United State and the UK that led to this situation.

Dublin

Ms Anne Plunkett, Australian Ambassador to Ireland
General discussion about the state of the bi-lateral relationship between Australia and Ireland and about Irish politics. Briefing on upcoming meetings and some background on people I was going to meet.

Mr Brendan McGinty, Director Human Resources and Industrial Relations, Irish Business and Employers Confederation

Briefing on the state of the Irish economy and on workplace relations system and issues in Ireland.

The Irish have for many years operated under a system of “social partnership” that was a tripartite arrangement between government, the business community and the union movement. During the years this partnership has operated Ireland was transformed by an extraordinary period of economic growth known as the “celtic tiger years”. This boom transformed Ireland into one of the wealthiest countries in Europe. For the years 1994 – 2000 GNP growth averaged 8.4% and employment grew by 5.4%. From the period 1987 – 2000 unemployment fell from 17.3% to 3.2% and industrial action dramatically declined.

IBEC puts this success down to several factors: EU membership, fiscal stability, investment in education and training, a young population, lowered corporate taxation, fiscal rectitude and increased competitiveness. This competitiveness was enhanced by the cost certainty granted to business through 3-year, internationally competitive wage pacts. Government spending was also targeted to business orientated infrastructure whilst debt was significantly reduced.

The challenge now for Ireland is how to deal with the global downturn which has had a significant impact of the Irish economy.

Mr George Hook, Commentator Newstalk Radio

I appeared on the radio programme “The Right Hook” with Mr Hook who is one of Ireland’s more provocative political commentators to discuss public policy in Australia and Ireland.

Dr Leo Varadkar TD, Opposition Spokesperson on Enterprise, Trade and Employment

Discussion about Irish politics and the public policy challenges facing Ireland.
The bursting of the “celtic tiger” economy presents enormous challenges for the Irish Government. Public finances are in serious difficulty and there is much public discussion about how best to achieve the savings that everyone seems united in agreeing are needed. At present trends unemployment is set to reach more than 10%. National income is set to decline by over 10%. Without drastic action the government deficit will be 11/12% of GDP for each year to 2013. There is a serious risk that the Irish economy will be battered more severely than other developed economies. There has been a marked decrease in confidence in Ireland.

**Joint Parliamentary Committee on Enterprise**

Attended and addressed a briefing of the Joint Parliamentary Committee on Enterprise. Committee Members are from all sides of the Irish Parliament and from both chambers.

Committee members were keen to hear about the Australian experience in response to the global downturn. Also much of interest in the recent success of the Australian economy over the last decade and what policies led to this success.

**Willie Penrose TD, Chairman Committee on Enterprise**

Meeting and then lunch with the Committee Chairman and Members of the Committee. Accompanied by the Australian Ambassador to Ireland, Ms Plunkett. General discussion about the state of the Irish and Australian economies and about industrial relations issues in both nations.

**Mr Dara Calleary TD, Minister of State for Enterprise, Trade and Employment**

Discussion about the state of the Irish economy and about industrial relations issues in Ireland.

There is still widespread support of the social partnership model that has been followed for many years. The second referendum on the ratification of the Lisbon Treaty is a vital political issue for Ireland. Failure to ratify would have severe consequences for the Irish but also for Europe as a whole. The Government has given much consideration as to where to reduce spending to try to bring public finances back under control. They are engaging a review that has been labelled “SNIP” to identify areas in which money can be saved.
Industrial relations has been a small issue in Ireland in recent times. Industrial action is rare and time lost to strikes has been dramatically reduced since the 1980s and the onset of the "celtic tiger" economy.

The Government is considered ways to tackle increasing unemployment through both passive and active labour market programmes.

(iii) Conclusion

Due to the sound economic management of recent decades, Australia has found itself in a far better position than almost all other developed economies to face up to the global economic downturn. The absence of debt prior to the onset of the downturn has meant Australia has had far more policy options available to it than comparative nations that were already burdened by high debt levels prior to the onset of the crisis. This has meant that public finances in many of the OECD economies are in poor shape. Many countries had been spending more that they earned but this is now acute in many countries due to the collapse of public revenue as a result of the downturn.

The example of Ireland is perhaps the most telling. All of the Irish politicians I met were united in the view that public spending must be brought back under control and the Irish Government is going through a systematic review of public expenditure with a view to making substantial cutbacks. This is unsurprisingly a contentious process although there does seem to be widespread acceptance that something must be done in the face of collapsing taxation revenues.

In the UK a similar public debate is occurring and all sides of politics seem to be coming to the view that cuts to government expenditure will need to be made.

The employment effects of this crisis are universally more severe in other OECD countries than in Australia, yet this has not led to an increase in discussion about the workplaces relations systems in most developing economies. In the UK and in Ireland they have transitioned from combative industrial relations frameworks – with widespread industrial disputation - to an environment where industrial relations is relatively quiet.

Developing countries are all giving consideration to how to deal with rising unemployment. There is not much hard evidence about what approaches are actually successful in dealing with this problem although clearly the best remedy will be a return to strong economic growth. There is a growing unease that this return to growth will be hampered by the massive levels of public debt that are being accrued as a result of government borrowings.
I informed you earlier that during the Singapore leg of my trip I was unable to complete my appointment at the Port of Singapore because of an administrative issue that requires your attention as Minister.

This occurred because the Singaporean authorities required that an Australian Government official sign an indemnity form that apparently all visitors to the Port need to comply with. Although I was insured privately through Medibank Private, the Singaporean authorities required a government official to sign the form. They would not accept my signing the form either. The Australian Embassy had tried in vain to find an official who was prepared to take responsibility for this in the Department of Foreign Affairs, the Department of Finance and Deregulation, the Parliament and other Australian Government agencies. Because of the inability to find anyone who was prepared to sign this indemnity that visit was ultimately cancelled.

This seems like a significant anomaly that is worthy of investigation by you as Minister. I understand that the Australian Embassy in Singapore was also following the issue through and I would ask that your department liaise with the Department of Foreign Affairs and Trade to seek a solution to this problem. Although cancelling the appointment was a relatively minor matter, I am sure you can see that this actually has the potential to cause huge embarrassment to Australian Parliamentarians and Officials in similar circumstances in the future if not resolved.

I note that, in accordance with Clause 9.5 of the Determination, a copy of this statement may be obtained from you upon request by any Senator or Member. I also note that this statement will be tabled in Parliament at your discretion, including as part of the six-monthly tabling of travel costs for Senators and Members.

Yours sincerely

Michael Keenan MP
Member for Stirling
Shadow Minister for Employment and Workplace Relations
SENATOR THE HON RICHARD COLBECK

Germany, Finland, Belgium, France and the United Kingdom
5 – 21 July 2009
RC/km

Senator the Hon. Joe Ludwig
Special Minister of State
Suite MG 64
Parliament House
CANBERRA ACT 2600

21 August 2009

Dear Minister,

In accordance with the requirements of Clause 9.2(b) of Remuneration Tribunal Determination 2006/18 (the Determination), I submit the following statement reporting on my recent overseas study journey.

(i) (a) **Confirmation of Purpose:**
Undertook study directly related to my Shadow Portfolio responsibilities (Agriculture, Fisheries and Forestry), as well as former role as *Chair of the Senate Select Committee* into Climate Change.

Subjects of discussion covered were: *Climate Change Policy and Emissions Trading Schemes*, particularly as they relate to agriculture and emissions, intensive and trade exposed industries, certification of timber products through Standards (FSC, AFS, PEFC) and accounting for timber products under carbon accounting rules.

(b) **Itinerary:**

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(ii) **Key meetings and outcomes/findings:**

**Wednesday 8 July 2009**

Mr Tuominen (Vice President, Pulp Mill Systems, Andritz, Finland)

Visit to the Varkaus fabrication plant of Andritz to view manufacturing facilities for boiler and condenser units utilised in pulp and paper manufacturing internationally and to discuss technologies and manufacturing techniques.

**Thursday 9 July 2009**

Mr Tuominen (Vice President, Pulp Mill Systems, Andritz, Finland)

Visit to the Savonlinna workshop of Andritz to view manufacturing facilities for pulp washing and ancillary equipment utilised in pulp and paper manufacturing internationally and to discuss technologies and manufacturing techniques.

Visit to Botnia Joutseno Pulp Mill. Discussions with operations management discussing history of mill and its development since 1908, including ownership, growth and technology upgrades. Particularly the latest major redevelopment completed in 2001. At the time of completion it was the largest single line softwood pulp mill in the world.

Further discussion of the environmental and emissions requirements, and performance which are reported publicly on Botnia's Environmental balance sheet.

Comparisons with newest mill in Botnia stable in Uruguay which incorporated the latest pulping and environmental technology also discussed.

Tour of mill, timber delivery, storage and environmental management facilities including outflow and sampling sites.
Mr Erno Jarvinen

Central Union of Agricultural Producers & Forest Owners

Meeting and discussions on structure and services provided by organisation. Comparisons with structure of similar Australian organisations such as Private forests Tasmania.

Discussions of forest planning, forest reserve systems, mapping and harvest practices, including comparisons of technology, equipment and mapping techniques.

Comparisons discussed of timber species types, growth rates, rotation periods and product end uses for the different species, including pulp wood, sawn timber and energy wood.

Visit to site recently voluntarily reserved under forest reserve system as part of whole of farm management process including discussion of management and certification of voluntary reserve system

Farm visit to mixed farming operation to view recent harvest site including viewing of storage and drying process for energy wood and how forestry is integrated into farm management.

Tour of local area to view coupes harvested or thinned at varying intervals over previous years to view regrowth at various stages and densities in different species, including impact of browsing.

Visit with logging contractor to view equipment types and discuss economics and life cycles of equipment.

Viewing of coup logged and managed with a regeneration burn during last harvest season. Discussion of changes in harvest and regeneration practices and the impact of changed practices on both tree types and other forest native plant types.
Mr Andrea de Freitas

Executive Director

FSC Headquarters, Charles de Gaulle Strasse 5, 53115, BONN

Briefing on structure of FSC international board and discussion of structures and representation in individual countries. Comparisons discussed of two major certification structures and the level of representation in various countries.

Discussion of certification of timber products and chain of custody certification internationally and in Australia.

Role of FSC in certification in emerging carbon markets in forestry and carbon stored in solid timber products. Included discussion of internal processes including establishment of working group to determine FSC role and once that process completed to progress development of FSC involvement in certification of stored carbon and forestry carbon markets.

Discussion of relationship and connections between FSC International and FSC Australia

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Tuesday 14 July 2009

Mr Jos Delbeke, Deputy Director General

Directorate C, European Commission – DG Environment

General Discussion about climate change policy and respective positions of Australian Government and Opposition with reinforcement of bipartisan support for reduction targets of 5%, 15% and 25%

More detailed discussion on agriculture and forestry and broad EU principals for that sector and country specific responsibilities

Discussion about development of negotiations on accounting rules moving towards Copenhagen with specific focus on forestry and carbon stored in timber products, including EU concerns about security of carbon credits. This concern is based on confidence (or otherwise) in governance supporting credits and the passage of the credits into EU markets. Concern that EU
countries may inherit liabilities for credits if adequate governance does not exist.

Mr Bernard de Galembert

Forest and Research Director

CEPI aisb1- Confederation of European Paper Industries

Discussion on forestry certification processes with particular focus on two major schemes, PEFC and FSC, then penetration of each scheme in various markets and methods of operation.

Discussion on Green procurement policies in Europe and the interaction of certification with those policies.

Development of accounting rules for carbon stored in timber products, threats to the process and desirability that negotiations be kept open rather than closed down.

Tensions emerging in environmental groups as science and accounting rules develop and threaten the accepted philosophy of some environmental groups.

Impact of renewable energy credits for 'energy wood' on raw material supply and price for pulp and paper industry

Wednesday 15 July 2009

14:00 Tom Menadue

First Secretary, Australian Embassy – Ph. +33 (0) 1 40 59 34 21

- Discussion on Southern Ocean fisheries and climate change
- Briefing on recent discussions on recognition of Patagonian Tooth fish stocks as one biomass and proposals for cooperation with French government on management into the future
15:00 Meeting with OECD officials

- Ms Helen Mountford, Head of Climate Change, Biodiversity and Development Division, OECD Environment Directorate
- Wilfrid Legg, Head of Agriculture and Environment Division, Trade & Agriculture Directorate at the OECD

General discussion on Australia's current policy settings on climate change and position of Opposition in debate including bipartisan support for reduction targets

Discussions on incentive to reduce deforestation and preference at this time for fund based mechanisms rather than carbon market based schemes. Opportunities for development of carbon market based mechanisms, particularly with the recognition of carbon stored in timber products, and the possibilities for directing assistance to emerging nations to maintain sustainable forest industries in the longer term.

Thursday 16 July 2009

10:00 – 11:00 Meeting with Carlos Busquets, Policy Manager, International Chamber of Commerce, PARIS

Discussion on general progress of negotiations towards Copenhagen and expectations for COP 15 meeting.

Consideration of major influences on various elements of negotiations.

Gearing of aid budgets towards climate change

Business concerns that schemes may be funding opposition

Role of finance institutions in influencing policy and negotiations
Meeting with Office of the Minister of Environment and Energy

- Mr Gilles Mentre, Deputy Chief of Staff
- Mr Said Rahmani, Counsellor

General discussion on Australia's current policy settings on climate change and position of Opposition in debate including bipartisan support for reduction targets.

Issues with carbon leakage more of an issue post 2012 when new provisions under EU scheme are implemented

Discussion on recognition of forestry and carbon accounting negotiations and strong stance for inclusion of forestry at Copenhagen.

Discussion on 'Grenelle' process of consultation recently conducted across France and the priorities resulting from consultation.

French proposal for listing of Blue Fin Tuna under CITES

Proposal put forward by President Sarkosi requesting IMO to conduct international survey to promote management of ocean resources including those in international waters.

French technology to capture CO2 and freeze for storage.
09:30 – 10:30  
Ms Rachel Butler  
Head of Sustainability, Timber Trade Federation, London  
Discussion on pressures in timber supply chain, activities of various NGO’s and their involvement in timber certification standards.  
Priorities of developing nations in negotiations for Copenhagen and development of programs the reduce deforestation. REDD  
Impact of biofuel targets and incentives on deforestation and conversion  
Recognition of carbon stored in timber products and opportunities to replace program type schemes with market systems to encourage changed forest practices in developing countries.

11:00 – 12:30  
Mr Chris Lambert  
Assistant Government Affairs Adviser  
National Farmers Union  
General discussion on Australia’s current policy settings on climate change and position of Opposition in debate including bipartisan support for reduction targets  
Discussion of UK approach to CO2 reduction including targets agreed with agricultural sector including proposed targets, methods of achieving targets and administration  
Food security – report of Env Food and Rural Affairs Committee  
Biofuel Targets  
University of Edinburgh research into sequestration using Biochar  
Carbon Footprint – carbon labelling, UK voluntary scheme and French mandatory labelling from 2011
Ms Lee McDonough
Deputy Director, Head of Fishing Industry Management

Ms Alison Reeves
Deputy Director, Head of Marine Stewardship Team
Department Environment, Food & Rural Affairs

General discussion on Australia's current policy settings on climate change and position of Opposition in debate including bipartisan support for reduction targets

Discussion on development of Marine Protected Areas both in Australia and UK

Fishing boat specifications (length restrictions) and management. Additional vessel constraints.

Allocation of quota and total allowable catches.

Certification systems – Marine Stewardship Council

Management of historical fishing rights and fishing zones

Dolphin Management
10:00 – 11:00
Mr Mike Clark, Chairman
Ms Hilary Khawam, Communications Director
PEFC International, London

Discussion on forest certification systems and relationship between FSC and PEFC.

Recognition of Australian Forestry Standard
Recognition of carbon stored in timber products
Australian role in SE Asia in reducing deforestation
Development of Chain of custody certifications and complications

Engagement of environment groups with Australian Forestry Standard board.

11:30 – 12:30
Mr Zitouni Ould-Dada
Head of Climate Change Mitigation Team
Department Environment, Food and Rural Affairs

General discussion on Australia's current policy settings on climate change and position of Opposition in debate including bipartisan support for reduction targets

UK proposals for agriculture and carbon reduction, not to be included in emissions trading scheme, but with negotiated reduction target of 6%

Development of plan for voluntary action
Government sponsored comprehensive advisory service
Financial assistance to adopt new technologies
Measurement systems for determining success in achieving targets set for agriculture
Role of REDD in reduction of deforestation and Australian role in SE Asia including significant investment

Role of UK Forestry commission managing forests for timber supply, source of biomass for energy generation and carbon storage.

(iii) **Conclusion:**

The visits and meeting undertaken relate directly to my responsibilities as Shadow Parliamentary Secretary for Agriculture Fisheries and Forestry and also my role as chair of the Senate Select Committee on Climate Policy

I note that, in accordance with Clause 9.5 of the Determination, a copy of this statement may be obtained from you upon request by any Senator or Member. I also note that this statement will be tabled in Parliament at your discretion, including as part of the six-monthly talking of travel costs for Senators and Members.

Yours sincerely

Richard Colbeck

**Liberal Senator for Tasmania**
**Shadow Parliamentary Secretary for Agriculture, Fisheries and Forestry**
Metsissä ei kuljeskehu
Richard Colbeck samoo, ettei Australiaossa tai Tasmaniassa ole samantakaista metsää, joka liikkuu kulttuurissa. Suomessa, Tasmaniassa, metsäkellä harrastetaan eikä mielikkäksi monien nähtävää laajaa lauseuta, sillä pitkien metsien pitoteen on ollut aina hyvin erilainen.

"Tämä vuosi Suomen metsät ovat erittäin hykkinen", puhuu Colbeck. "Metsien kasvattaminen ja pitkikasvisuus on ollut metsäntöön erittäin tärkeää aloitettu."}

"Metsät ja metsäteollisuus
Metsäteollisuus on tärkeä ja maaseututuote, joka tuottaa hyvää palkkaa ja työllistää paljon. Tasmanian metsät ovat tärkeä epävirallista osuus metsäteollisuudessa.

"Metsät ovat tärkeä naturalisti
Metsät ovat tärkeä naturalisti, ja niillä on merkittävä rooli elämän monipuolisuudessa. Piispanmetsä on yksi tärkeimmistä muutoksista, jotka ovat tapahtuneet tasmaniassa.

"Metsäteollisuuden tulevat
Metsät ovat tärkeä osa tasmaniassa, ja niillä on tulevat tärkeä rooli tulevaisuudessa. Metsätäeltäminen on tärkeä osa tasmaniassa, ja niillä on tulevat tärkeä rooli tulevaisuudessa.
Due to the size of this individual study report a number of pages are not included in this Tabling document. A copy of the full report (and any supporting documentation) is available on written request to the Office of the Special Minister of State.
31st July 2009

Minister the Hon Joe Ludwig
Special Minister of State
Parliament House
CANBERRA ACT 2600

Minister,

RE: REPORT ON ACCESS TO OVERSEAS STUDY ENTITLEMENT - UNITED STATES OF AMERICA (NEW YORK AND BALTIMORE) ON POLICE-RELATED MATTERS

As required, I report on accessing my study entitlement for the purpose of travelling to the United States of America, studying police related matters that marry in with my Parliamentary Committee involvement. I departed Australia on Tuesday, July 7th, 2009 and returned to Australia on Saturday July 18th, 2009.

The study tour was very successful. I had the opportunity to study police corruption intervention, policing (management, crime and general), United Nations action on international crime (West Africa), gangs (attendance and keynote speaker at the 22nd annual gangs conference), serious and organised crime and other police-related matters.

My roles with the Australian Crime Commission (ACC) and the Australian Commission for Law Enforcement Integrity (ACLEI) have been enhanced by this tour. I will brief both agencies and the Australian Federal Police (AFP) of matters covered. Some of the material presented to me, or discussed with me, is of a confidential nature and therefore cannot be presented within this document, but where appropriate I will privately pass on to the relevant agencies aforementioned. As indicated in my request to access the entitlement, the AFP will come under the scrutiny of the Parliamentary oversight committee for the ACC, so information gained during the tour will be of an added assistance in my role on that committee when the changes occur.

Please find attached at Appendix ‘A’ the 22nd Annual Gangs Conference Programme. At Appendix ‘B’ you will find the United Nations Office on Drugs and Crime ‘Programme Concept’ in relation to West Africa and at Appendix ‘C’ a list of senior police and federal/state officials that I had dialogue with during my study tour, not mentioned in the report below.
Study Tour Overview:

The tour comprised of two stages. Firstly New York, where I examined the oversight process of the New York Police Departments (NYPD) Internal Affairs Bureau (IAB), attended a conference session of a United Nations Committee concerned with Crime and Corruption in West Africa and had general dialogue with NYPD detective and officers. The second phase was attendance at the 22nd Annual Gangs Conference in Baltimore. I was invited to be the luncheon keynote speaker, where I outlined Australia’s approach to serious and organised crime; briefly spoke of the Serious and Organised Crime Bill of 2009, explained our approach to policing, and spoke about the gang situation in Australia. I attended every session of the conference and found this to be rewarding, in particular the interaction with some 560 law enforcement officers from the United States of America and Canada.

New York, NY:

I arrived in New York, directly from Australia, late Tuesday July 7th.

**United Nations (Part One)**

On Wednesday, July 8th I attended the United Nations Headquarters in New York and had a familiarisation tour of the UN, escorted by Commander David Bachi of the Australian Federal Police.

That afternoon I attended a UN lead multi agency conference concerned with strengthening the national capacities and cross border co-operation to tackle organised crime and drug trafficking, which is undermining peace and development in West Africa. The focus was on targeted economic assistance. The conference was held in a conference room (No.3) at the UN building and was chaired by His Excellency Ambassador U Joy Ogwu. Ambassador Ogwu is the Permanent Representative of Nigeria to the United Nations for the Economic Community for West African States (ECOWAS).

The four countries to be initially targeted for this assistance will be Cote D’Ivoire, Guinea Bissau, Liberia and Sierra Leone.

Addresses were delivered by:

- Mr B Lynn Pascoe, Under-Secretary-General, United Nations Department of Political Affairs (DPA). His topic was *Drug Trafficking: A Threat to Peace and Security*
- Mr Antonio Maria Costa, Under-Secretary-General and Executive Director United Nations Office on Drugs and Crime (UNDOC). His topic was *Translational Organised Crime in West Africa: Threat Analysis*
- Mr Andrew Hughes, United Nations Police Adviser, United Nations Department of Peacekeeping Operations (DPKO). His topic was *Specialised Translational Crime Units.*
- Mr Said Djinnit, Special Representative of the Secretary-General for West Africa, United Nations Office for West Africa (UNOWA). His topic was *Securing Political Commitment and mobilising UN support: The case of UNOWA.*
Various statements and arguments were presented from the floor of the conference, attended by some 100 or more delegates.

I found that this conference supplemented information gained during the Australian Crime Commission tour of key countries examining Serious and Organised Crime. On the ACC tour, West Africa was highlighted by a variety of agencies as being an organised crime focal point.

The UN will target US$49.7 million, over a three year period, to seven key areas:

| Component | $US  
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<tr>
<td>Development of a specific Translational Crime Unit</td>
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<tr>
<td>Political Framework (National Action Plans &amp; Security Reform)</td>
<td>220,000</td>
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<td>Judiciary &amp; Prosecution (Human Capacity, Administration &amp; Legislation as well as strengthening the Penitentiary System)</td>
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<tr>
<td>Forensics (Establish Laboratory and Crime Scene capability)</td>
<td>8,600,000</td>
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<td>Law Enforcement Capacity Building (Basic Training Enhancement, Investigation C, Community Policing Concepts, Internal Oversight Units established.)</td>
<td>8,560,000</td>
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<tr>
<td>Border Management (Establish Joint Maritime, Airport Interdiction and Seaport Interdiction teams)</td>
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<td>Money Laundering (Financial Investigation Units, Prosecutors and Magistrates capacity building)</td>
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With support costs of $US5,725,915 and Programme Management and Implementation costs of $US2,889,500 the total costs will be $US49,771,415.

**Commission to Combat Police Corruption**

I spent the morning of Thursday, July 9th at the office of the New York Commission to Combat Police Corruption (CCPC).

I had a very informative and frank discussion, lasting most of the morning with the Chair of the Commission Mr Michael Armstrong, the Deputy Executive Director of the Commission Ms Maria Sciortino and other senior staff.

A number of issues are of a confidential nature and cannot be reported in this document, however the following observations were made.

The Commission is an oversight body for the New York Police Department Internal Affairs Bureau (IAB). The Commission has no direct powers other than it reports directly to the Mayor, and through the Mayor can access, investigate or generally report on any aspect of the IAB. It would be a brave Mayor or Chief of the IAB who refused any such requests or demands by the CCPC.

The Commission conducts examinations of files, investigations and the general conduct of the IAB.
Two major areas the IAB seems to excel at are Integrity Testing and Police Training.

**Integrity Testing** - The IAB will set up large scale integrity testing using detailed surveillance and evidence collection, based upon 'real life' scenes. Many examples were provided of the types of integrity testing and the scale of the covert operations. Some utilise the setting up of actual private businesses and shop fronts to give effect to the operation. The testing can be labour intensive and costly, but the costs are seen to be worthwhile in light of the strong deterrent and detection factors.

I had discussion relating to ‘entrapment’ issues that may arise through integrity testing. It appears (without detailed analysis) that laws in the United States of America, and precedent, are not as restricted in that regard as in Australia. Irrespective of legislative or judicial implications, ‘entrapment’ matters are taken seriously and the IAB is keen not to invoke any undue attention by being accused of ‘entrapment’.

**Police Training** - The second aspect, one of police training, is also significant. The Chief of the IAB will personally address each new intake of police recruits and show video examples of actual integrity testing cases. The effect is strong. Every graduate is aware that at any stage throughout their career they may be subjected to integrity testing. A further element of police training is to ingrain a culture of ethical behaviour and compliance with the law. Comment was that the culture of the NYPD has changed for the better through strong ethical training elements.

Police corruption in New York was at a peak in the 1970s. Two Commissions of inquiry were held, namely: The Whitman KNAPP Commission, and more recently in the 1990s, the Milton MOLLEN Commission. Both Commissions resulted in improvements and the eventual creation of the CCPC.

Other matters I found of interest were:

**Field Associates** – This is a concept where the IAB invites certain officers to become ‘Field Associates’. The purpose of this is to be the ‘eyes and ears’ of the IAB and report any unethical or corrupt behaviour. The identity of the ‘Field Associate’ is generally only known to the Commissioner, the current Unit Commander and the IAB senior executive. These appointments are usually for an entire career. There may exist more than one ‘Field Associate’ in any one command or location, as each Associate is generally unaware of who else is an Associate. Associates are drafted from as early as the Academy or through the early stages of their career. All members of the Police Department are aware that Associates are amongst them – adding further to the deterrent factor. This concept would be a more difficult one to introduce into Australia when one considers our reluctant culture to report on ‘mates’. From my recent observations of Australian policing, this form of reporting is occurring more than in the past, but on a less structured basis.

**Penalty Review & Consistency** – The CCPC has a role to monitor penalties to ensure appropriateness and consistency. This further strengthens the scrutiny of the Commissioner to ensure that there is no favouritism or other elements of inconsistency when disciplinary action is taken. The Commissioner is given the opportunity to comment on any penalty prior to the CCPC issuing a formal report.

**Recruitment (Sworn Officer and Civilian)** – A large consideration in recruitment is about ethical behaviour and known associations, for both civilian and sworn officer
alike. Whilst academic ability is important, the emphasis is toward the right minded person first. Interesting challenges occur when applicants appear to have great ethical standards but have siblings with prior convictions or connections to criminals because of their family and neighbourhood exposure. In New York this could potentially reduce applicants form many suburbs. However, selecting the right people, irrespective of their background associations, is proving to work if the right ethical testing is conducted.

Rotational Service/Direction to Serve – Like many Integrity Agencies, rotational deployment is adopted in most cases within the IAB. Officers do not serve long continuous periods with the IAB, particularly field operatives and investigators. Promotion seems to be linked to service in the IAB as officers are not necessarily willing candidates as they are directed to serve. Officers are not permitted to request to work in the IAB, and no provision exists for application to work in the IAB.

Australian Embassy – Police Unit

Following my visit to the CCPC I attended the Australian Embassy in the afternoon and spent some time with Commander Bachl and his unit.

United Nations (Part Two)

Later Thursday afternoon I returned to the United Nations building and had briefings with Assistant Commissioner Andrew Hughes, the Director of the Police Division of the Department of Peacekeeping Operations of the UN. General matters were canvassed concerning policing, the United Nations and the West African resolution.

Social Engagements with Police and Military Persons

On Thursday evening I attended the Armoury Building, New York, the home of the 1st Battalion, 69th Infantry Regiment, 42nd Infantry Division. There I had the opportunity to meet several police and military officers and engaged in dialogue concerning general and specific policing, security matters, and further engagement concerning the United Nations and operations worldwide. Some of the officers engaged were:

- Detective Lieutenant John Schneider - NYPD Criminal Investigation Department
- Captain Detlef Scheuer - German Naval Captain responsible for the Strategic Military Cell of the Department of Peacekeeping Operations
- Major Jason Williams – Second Secretary, Deputy Military Advisor - Australian Mission to the UN
- Lieutenant Colonel Paul Mogg – United States Marine Corps, Deputy Military Advisor – USA Mission to the UN
- Colonel Tim Simkin – Senior Military Advisor, UN Assistance Mission for Iraq
- Captain (Police) Dennis McGowan – US Department of Homeland Security

I spent Friday, 10th July compiling report notes from the previous two days in New York and travelling to Baltimore via train from New York.

Baltimore, MD (22nd Annual Gangs Sharing Conference):

I arrived in Baltimore on Friday evening and moved into the conference venue hotel. Saturday, July 10th was spent as a rest day.

On Sunday, July 11th I registered for the 22nd Annual Gangs Conference. Engagement was made with conference organisers and some delegates, as well as reading the provided material for the conference.
The conference programme is attached at Appendix ‘C’. It is worth noting that when seeking permission to attend the conference, I was asked to give the keynote luncheon address. This took place on Tuesday and the feedback suggests that my presentation was well received.

The United States of America has a unique sharing forum in relation to organised crime. The country is divided into six regions. These are called Regional Information Sharing Systems (RISS). The Federal Department of Justice, through the Bureau of Justice Assistance (BJA) heavily sponsors the RISS.

Of the six RISS centres, I attended the MAGLOCLEN (Middle Atlantic-Great Lakes Organised Crime Law Enforcement Network). Each year, every RISS centre holds a number of conferences, seminars and training days relating to law enforcement efforts in tackling serious and organised crime.

Some examples of the type of conferences and seminars that are still to be conducted this year are:
- State and Local Anti-Terrorism Seminar – August
- Threat Assessment in the School Environment Seminar – August
- Cold Case Homicide Investigations Seminar - August
- Anti-Terrorism for Campus Law Enforcement Seminar – August
- Transient Criminal Activities Seminar - September
- Interview and Interrogation Seminar - September
- East Coast Gangs Conference - October
- Narcotic Investigators Conference - October
- Sex Crimes Conference - November

The conferences and seminars are strictly for law enforcement officers, with some for only senior police or chiefs of police. I was fortunate to be accepted largely due to the police related work that I am currently undertaking with the federal parliament and my background as a police officer and detective.

I attended the 22nd Annual Gangs Sharing Conference at Baltimore, Maryland.

The purpose, tenor and structure of the conference is to share confidential information and receive reports, often by way of case studies, that inform attendees of the latest gang issues, trends and methods that gangs are adopting.

Strict security is on hand at every session to prevent ‘spies’ from gangs attending. Infiltration of conferences has been attempted in the past.

Around 560 law enforcement officers attended the four day conference. Many state and county police chiefs were in attendance as well as senior investigators, detectives and key officers, including some covert operatives. Senior officials from the Department of Justice were also present along with personnel from the RISS agencies.

From notes made at the conference I present the following as observations and comments from each session:

**Opening Session**

An overview was presented by the Co-Hosts, Patricia Borelli (Executive Director, MAGLOCLEN), James Birch (Acting Director, Department of Justice – Bureau of Justice Assistance), Kenneth Melson (Acting Director, Bureau of Alcohol, Tobacco, Firearms and Explosives), Terrence Sheridan (Superintendent, Maryland State Police) and the Commissioner of the Baltimore City Police Department, Frederick Bealefeld. Each gave a brief overview of crime and gangs with an emphasis on technological improvements in countering such issues.
Mr Melson made mention of improvements in ballistic imaging and matching, national data bases and the gangs ‘most wanted’ list.

Mr Burch placed importance on the need to share information in a rapid and secure manner and federal funding associated with improvements.

Superintendent Sheridan highlighted Maryland State attributes in fighting crime, and gang related crime, including mention of the 500 close circuit televisions units monitored by police (one of the US leaders in this field) as well as the fact that the DNA laboratory is one of the best in the country. Handheld computing for officers has been rolled out and Maryland has a good mobile telephone tracking system.

Commissioner Bealefeld gave an overview of the strength of Baltimore Police and some of the highlights within the city.

**Urban Gang Mindset – “We Speak for the Dead and Educate the Living”**

Coroner Owens, the Hamilton County Coroner presented an interesting overview of his area, with some statistical analysis of homicide events. Among the data was the clear correlation of homicide perpetrators to level of education and the death rate relative to lower income areas.

Coroner Owens spoke about the evidentiary burden of homicide with an interesting observation that Juries expect a higher standard of scientific evidence presented to them because of the CSI television phenomena. Prosecutors are finding that they have to re-educate Juries that the burden of proof is different in each case, especially when the offender is known. The CSI cases are not reflective of real policing and the same amount of evidence is not collected on every case. Others I spoke to at the conference expressed similar concerns.

**Outlaw Motorcycle Gangs (OMCGs) – East Coast Overview**

Two police officers, Mark Lovett and Larry O’Neill gave the conference an insight into East Coast OMCGs. A great session with some good facts, key points that can be disclosed included:

- *Wheels of Soul* OMCG want to become the largest in the world. They are actively recruiting. This club will allow mixed racial membership. They have been known to affiliate with the *Hells Angels* on occasions.
- *Phantom* OMCG are very well organised and are moving to operate in a more covert nature “going underground”.
- *Hells Angels* OMCG are taking back lost territory.
- Legal astuteness is apparent amongst clubs with the *Hells Angels* taking action against *Disney Studios* for the depiction of them in “*Wild Hogs*”.
- OMCGs are recruiting smarter people, particularly individuals with technical skills in computing, radio communications. Police jammers are often found during raids as well as sophisticated equipment.
- Inter club rivalry is apparent with violence and homicide resulting from ‘colours’ issues and territory.
- Extortion amongst clubs with stronger clubs making weaker clubs pay to use ‘colours’
- OMCGs are cashed up with a recent $US350,000 cash payment for a premises.
- A worrying trend is that some clubs are willing to allow law enforcement officers to join. This would never have occurred in the past. The clubs are looking to gain inside intelligence from officers, or recently retired/resigned law enforcement members.
Cutt Boyz Investigation

Special Agent Mike Eberhardt gave an overview of the problems in New Orleans. He detailed the investigation into the Cutt Boyz, with some graphic and informative video footage. Some general observations were also made, which included:

- New Orleans police/authorities are still recovering from Cyclone Katrina
- The police Crime Laboratory is over-run with 440 shooting cases behind.

Miami Field Division of the Bureau of Alcohol, Tobacco, Firearms and Explosives

Four Special Agents (Galloway, Stankiewicz, Espinosa and Checo) gave an overview of the Miami gang and crime situation with some video footage. Other matters covered included:

- A ‘Home Invasion Task Force’ has been established to combat a rise in home attacks
- Police impersonation has been a real issue of late, with police equipment and cars stolen or illegally entered. Second hand police equipment has been purchased, improved and sold on the black market for impersonation purposes. A special squad has been formed to combat this.
- Police vehicles have been ‘wired’ by offenders/witnesses in the back seats, resulting in more fastidious sweeps of cars after each passenger.

Dead Man Inc (DMI)

Assistant State Attorney, Dan Dougherty presented details of the gang, ‘Dead Man Inc’. This gang is one of the fastest growing gangs in Maryland and the USA. It is in the top three of prison gangs and the top five of all gangs.

Some facts about DMI:

- Extremely violent - most vicious in prisons
- Will kill
- Will do contract killing
- DMI deliberately get members jailed in counties/states where they do not have members in prison.
- Has anti-government overtones. The term DAWG is associated with this gang, which stands for ‘DMI Against World Government’
- Is regarded as a political organisation
- Deals in explosives
- Facilitates routes and methods for getting contraband into prisons
- Will attack prison staff and law enforcement officers outside of prison
- Have been recruiting ‘clean skins’ for law enforcement or prison jobs
- Has white supremacist inclinations.

The founder, Perry Roark, wanted to join the BGF gang, but was excluded because he was not black, so founded his own group but is aligned with BGF. A Bryan Jordan is a co-founder. It has been suggested that this gang could morph into the gang ‘Knights of Destruction’ (KOD).

White Supremists and Hate Groups

Mr Christopher Magyarics from the Anti-Defamation League presented on white supremacist and hate gangs. This was a disturbing revelation about the extent, size and violent nature of these gangs. Some notable and reportable points are as follows:
• Since the election of President Obama there has been an increase in violence attributed to white supremacist gangs. Twelve race related murders have occurred in 2008, the largest number for many years.

• Some of these gangs blame the global financial crisis on the Jewish Community.

• Racist skinheads are the more violent and most active of the white supremacist groups. They use weapons as well as bats, boots and knives. There are non racist skinheads that attend venues to join in the fights without having racist views. These are known as ‘sharks’.

• Symbols form an important part of the white supremacist gang member. If a spider web tattoo or symbol is worn it indicates that the wearer has murdered for racist reasons. White shoe laces means that the wearer has yet to ‘blood’ Boot parties are then arranged to enable the member to wear red laces once damage has been inflicted that draws blood to the wearers boots.

There are so called Christian groups that use the bible to justify white supremacy. These groups also use violence against non-whites and Jews.

The gangs are also involved in ‘hate’ music and selling of merchandise of some of the more noted performers. A disturbing quote from one gang member was, “We don’t just entertain racist kids; we create them.”

Project ‘Schoolyard’ was recently uncovered where the gang members distribute hate music CD’s in the school yard.

Several sound tracks were played, and the lyrics of some world known artists displayed, which showed a clear message inciting violence and hatred against non-whites.

This session was a poignant reminder of the power of entertainers over youth and how vigilant parents and authorities must remain.

**Joseph Place Crew Investigation**

Three police officers (Hayes, Bernabei and Deming) presented a case study of Joseph Place, Ludwig Street, Rochester NY. Forty Five homicides occurred in this district with 14 at Joseph Place, a four block estate with five story apartment buildings on the estate.

The gang influence was apparent in the case study, with a long term investigation finally winning out over violence and intimidation directed to potential witnesses. A total of 11 persons were charged with a wide range of offences including several for murder.

Some salient points about detailed forensic examination of crime scenes and projectile cross matching with weapons seized were made. Unrelated weapons offences by gang members were eventually traced back to the Joseph Place investigation. These links moved closer to the perpetrators, aiding the investigation.

More relaxed firearms legislation exists throughout the United States than in Australia, which makes it more difficult to trace ownership. Often female associates of gang members or criminals will purchase firearms for them.
Video surveillance tapes were played showing the initiation process by gangs in this region. Prospective members are encouraged to break the law to prove worthiness. Once this has been verified, the gang member prospect is ‘bashed’ until near unconsciousness, by his fellow gang members. If he permits this, and survives, he is accepted.

**Computer Forensics Case Studies**

Acting Special Agent in Charge, Lance Garver (Bureau of Alcohol, Tobacco, Firearms and Explosives - Computer Forensic Branch) presented to the conference on what technical products and internet areas gangs are using. He also highlighted some practical issues relating to raids and seizure at gangs premises.

Gang recruitment has been occurring via internet using in particular ‘MySpace’

‘Skype’ has proven to be problematic for police as it is difficult to infiltrate, as ‘Skype’ is fully encrypted.

**Criminal Intelligence Resources**

Deputy Chief of the RISS IT Office, Mr Angelo Fiumara, is developing techniques to monitor internet gang activity and securely dispatch information to approved access users.

**Forgotten Gangs in America**

Mr Dale Yeager presented information about the more political and racist gangs. It was noted that left wing radical gangs have killed more police officers than white supremacy groups.

A number of gangs were mentioned, some with animal activist trends.

Mention was made of iconic movies or artists, one example being the film “Seven”

A history of political behaviour of gangs was presented commencing with the Spanish civil War through to modern day political activists and the influence these regimes and philosophies have had on mainstream political and racist gangs.

Some unusual gangs have presented which advocate strong moralistic views such as ‘Straight Edge” which advocates no sex before marriage and no drugs.

**Washington DC/Margin Area Gangs Overview**

Detective Corporal Jonathan Burroughs presented this session. Some of the points covered included:

- In Maryland there are 679 active gangs, with a total membership of 9341. 396 gang members were released from prison in 2005, of which 66% came from Maryland.
- The Bloods are the biggest gang
- Latin Kings are on the rise
- MS-13/Crips are going low key and even dropping some overt signing and tattoos.
Effects of Street Gangs in the suburban Communities – Police and Correction Departments Working Together

Lieutenant Tammy Lall, Detective Elliot Gross and Detective Brian McDonough presented this informative final session. Key points included:

- Gangs fear federal laws over state laws
- Concerts provided a large recruitment venue and opportunity for violent behaviour
- High School closures occurred on a regular basis due to gang activity. Schools were using the phrase “two groups of youths” to avoid adverse publicity
- A sad case of a young boy, Chris Jones, 14 years of age was presented to the conference. Chris was bashed to death in a suburban street because he would not join a gang. This case had national media attention.
- Prisons are co-ordinating information with police agencies on a regular basis with meetings of guards/police/probation/parole operatives to ensure up to date intelligence is shared. This is having a positive effect.
- Some prisons are under pressure to remove gang ‘identities’ or split up gang members. This assists in many cases but also has the effect of transferring the problem to another prison.

Summary – 22nd Annual Gang Conference

Whilst only a brief overview has been provided in this report, I believe it demonstrates that gang violence and activity is a growing problem in the United States of America. It would be my strong suggestion that law enforcement officers from Australia monitor the gang situation in other countries, particularly the US. Australia does not have the population, and concentration of large clusters, as in the United States. Gang activity is apparent in Australia and better collation of activities, membership and the nature of gangs should be coordinated across all jurisdictions. Potentially the Australian Crime Commission should be the central collation point.

Conclusion

The study tour undertaken has been worthwhile on many fronts, particularly in relation to the ethical standards of policing, the administration of police and the identification of the potential major threat that unchecked gangs may have on Australia.

The formal dialogue afforded a great opportunity to study these issues, but of equal importance the informal conversation with police and other law enforcement officials has provided an invaluable insight across many fronts within the area of my study.

Senator Stephen Parry
Chief Opposition Whip in the Senate
Manager of Opposition Business in the Senate

11
MR DON RANDALL MP

United Kingdom and Italy
7 – 24 July 2009
21st August 2009

Senator the Hon. Joe Ludwig
Special Minister of State
Suite MG-64
Parliament House
CANBERRA ACT 2600

Dear Minister,

In accordance with the requirements of Clause 9.2(b) of Remuneration Tribunal Determination 2006/18 (the determination), I submit the following statement reporting on my recent overseas study journey.

(i) (a) Confirmation of Purposes

As indicated in my initial notification the purpose of accessing my study leave entitlement were many and varied. Primarily my focus was on the development, implementation, efficiency and success of renewable energy technologies in Europe. As you will see detailed in the discussions of key meetings section this purpose was met with meetings focusing on technologies, efficiency, energy transmission cost sustainability and advancement detailed below.

Secondly my study of the Italian immigration system met the purpose of gaining a valuable insight to the system of processing, detaining and administration of illegal immigrants into that country and changes since my last investigation. A dramatic shift in Italy’s immigration policy under the Berlusconi Government is reflected in Sicilian situation as detailed below.

In my role as Shadow Parliamentary Secretary for Roads and Transport I had intended to visit port and ERG oil refinery. Despite attempts made by the Department of Foreign Affairs and overseas posts this was not able to be facilitated. However the approach to sustainable development of large scale infrastructure projects was discussed with local government authority in Milan.

This study trip has further enhanced relationships with foreign businesses, diplomats, officials and has resulted in a better understanding of alternative energy technologies and their practical application. It has broadened my
thinking to the opportunities available in Australia, and in my electorate of Canning, working towards implementation of the Renewable Energy Target Scheme and being responsive to global targets, research and technology.

(i) (b) Itinerary

*Tuesday 7th July 2009*

*8th July 2009*
- Cambridge, United Kingdom

*9th July 2009*
- London: Meeting with Dr Alan Whitehead, Chair of the All Party Groups for Renewable and Sustainable Energy All Party Group regarding renewable energy technologies.
- London: Visit to West Australian House to meet with Agent General Kerry Sanderson.

*10th July 2009*
- Cambridge: Visit to University Colleges and Newmarket.

*11th July 2009*
- Flight: London – Milan, Italy.

*12th July 2009*
- Bergamo, Region of Lombardy

*13th July 2009*
- Self transport: Visit to Varese Ligure (Region of Liguria) and meeting with Mayor Michela Marcone of the Local Authority of Varese Ligure regarding renewable energy including visit to power generation plant.

*14th July 2009*
- Self Travel: Milan. Meeting with Mauro Fasano, Director of Integrated Projects and Sustainable Development for the Region of Lombardy.
- Flight: Milan - Catania, Sicily.

*15th – 19th July 2009*
- Sicily, Italy.

*20th July 2009*
- Sicily: Meeting with Prefect of Caltanissetta, Vincenzo Petrucci and visit to Identification and Expulsion Centre at Caltanissetta.

*21st July 2009*
- Mt Etna: Visit to Province of Catania and Oasi di Fiume Freddo e Alcantara on Mount Etna and meet with Assessor Giovanni Bulla, Assessor for the Environment and the Local Territory, Province of Catania.

*22nd July 2009*
- Depart Sicily – Arrive Rome
- Depart Rome – Arrive London
• Depart London – Arrive Singapore (23rd July 2009)

23rd July 2009
• Depart Singapore – Arrive Perth (24th July 2009)

(ii) Key meetings and outcomes/findings

Dr Alan Whitehead
While my meeting with Dr Whitehead, Labour Member of the House of Commons for Southampton Test was brief because of his hectic schedule he offered an interesting and knowledgeable insight to sustainable and renewable energy. Dr Whitehead has been the Chair of the All-Party Renewable and Sustainable Energy Group since 2003. He is certainly well versed in energy policy, also holding the position of Vice Chair of the Renewable Transport Fuels Group and a Member of the Select Committee on Energy and Climate Change.

Dr Alan Whitehead & Myself in front of the Parliament following our discussions about renewable energy challenges.

Dr Whitehead and I were able to engage in a wide ranging exchange of information on renewable energy sources and their implementation challenges.
Dr Whitehead outlined the British Governments proposed “future proofing” of Europe on energy needs by a very visionary project that has at its heart a whole range of renewable energy sources. Of course they are:

- Wind;
- Solar;
- Thermal;
- Wave; and,
- Tidal.

The proposal is that all members of the European Union are connected by a renewable energy grid. The cabling for this grid is something I will detail later in this report.

This proposal quite simply envisages that if wind power is being generated at a location and country in Europe, that energy will be taken into the grid. In a place where the wind is not blowing that country or region will be a beneficiary of energy created in the windy country. The same applies with solar and wave energy sources when their traditional energy source is not available. Naturally thermal power is not relevant in daily or short-term variables. At its heart it is a basic principal of each country sharing the benefits of its own climate and conditions on a needs and ability basis.

Dr Whitehead believes that if Europe is coordinated with the major renewable power sources this will iron out the peaks and troughs that would normally be experienced by the sources operating in isolation. Dr Whitehead also has evidence that these sources, when combined in a particular fashion, will produce sufficient base load power that is required for such a large demand.

This project is one that the British Labour Government in particular and Dr Whitehead in his official role, and his committees, are currently promoting and negotiating with the European Union and European parliaments. He well acknowledges that at times this grid will need to rely on traditional power generation sources should the matrix of renewable powers fail to deliver base load power. Of course such traditional power is sourced from coal, oil, gas and nuclear means.

As an aside, Dr Whitehead pointed out that there is even a long term European plan to bring solar power from the Sahara Desert to the continent. The point is that all avenues are being explored in order to determine the best and most effective ways of catering for current and future energy demands.
As demand soars adding existing capacity to old systems does not necessarily resolve power transmission issues. A major challenge that this European project is confronting is the long distance transmission of Direct Current (DC) power to the population and industrial bases. (Mind you, this is a challenge for all countries of the world wanting to do long distance transmission).

Currently there is significant research and investment being placed into the long distance transmission challenge with the aim of avoiding the erosion of current over these distances. The best method is to transfer this power by DC electrical current. As we know the only major problem with this method of transmission is that when it reaches its destination it must then be converted to AC power.

Research shows that having super grids linking countries within regions using High Voltage Direct Current (HVDC) cables is the most efficient and cost effective way of transmitting electricity over long distances. HDVC loses only around 3% of power per 1000km compared to the high losses of AC power. It’s a reality that could theoretically see solar power transferred from North Africa to Northern Europe with only around a 10% loss in power.

Testing on superconducting HVDC is well underway and a major project in China (due for completion in 2011) proves this cables technology has a far greater capacity to transmit electricity underground and underwater than AC power. AC power is prohibitive to meeting this ‘regional’ approach because of its high additional energy losses when lines are buried. A number of EU countries are investigating interconnector sites in order to share power from offshore facilities and onshore energy facilities. Once the transmission challenges are overcome the possibilities of transmitting renewable energy sourced power are limitless.

I’m pleased to note that Australia, due to its geography complexion and vast distances, is a leader in transmission science and advancement of this technology. For example, I would acknowledge the energy sources, both gas and thermal in the Cooper Basin in South Australia.

Transferring power over long distances using the technological advancement in cables is exciting. In time I will bring to the Australian Parliament the challenge of investigating through our committee system greater research, discovery and scrutiny of the inhibiting factors that are the loss of power over distance. I will also seek references for our parliamentary committees for further examination more cost effective technology in the latest research and innovation regarding the conversion of DC power to AC power.
Finally, I was able to respond to Dr Whitehead’s enquiries about Australia’s strengths and challenges in the renewable energy sector and the transmission of its power.

Dr Whitehead and I undertook to stay in touch with each other in relation to the exploration of both countries advancements in this area. Dr Whitehead has a keen interest in Australia and its progress in this energy sector as he has visited Australia in his own capacity in recent years.

**West Australia House**

**Meeting with Agent General and Migration Officers**

The European Office of the Western Australian Government is tasked with overseeing emerging opportunities for trade throughout the United Kingdom, Europe, Russia and other European countries.

The staff, under the leadership of the Agent General, perform a wide variety of activities to encourage and facilitate investment and trade. These areas include:

- Industry and resources;
- Migration;
- Education services;
- Agriculture;
- Food and beverage; and,
- Business and events tourism

I was delighted to have the opportunity meet Western Australia’s Agent General in London Ms Kerry Sanderson.

Ms Sanderson’s previous 17-year role as Fremantle Ports Chief Executive promoted discussion about my interest and role in maritime policy. Historically the Agent General played an important role in maintaining and promoting business, government and cultural ties with Europe, but now it plays a more instrumental role in trade relations and business opportunities. Interestingly in 2006-07 trade between the European Union and WA was $11.7billion.

I also met with Senior Migration Official Genelle Surace and had a productive and open discussion about the issues faced by many migrants when applying for skilled migration to Australia. Genelle was able to provide further information on their role in State or Territory Government Sponsored Migration Program which I found very interesting.

With recent changes to the immigration legislation allowing for priority processing of applications sponsored by state or territory governments, it was beneficial to discuss
the role Genelle’s team play in assisting potential applicants in their sponsorship. The European Office has for many years been involved in this area. Indeed, through the recent boom, migration was a primary focus of the Office due to the dramatic skills shortage which was exacerbated by long period of positive economic growth, particularly evident in my home state of Western Australia.

Working together with the Small Business Development Corporation (SBDC) in Perth, the European offices are able to assist skilled applicants with potential sponsorship applications and improve communication and coordination between applicants, the Department of Immigration and Citizenship and the SBDC. The SBDC is, amongst other things, responsible for approving State Government Sponsorship on behalf of Western Australia across a number of skilled and business visa categories.

Varese Ligure, Italy – Renewable Energy
In the town of Varese Ligure, in Italy’s north, I met with Mayor Mrs Michela Marcone and Councillor Elisa Delucchi to discuss the town’s success in being able to operate on almost 100% renewable energy. Whilst Mayor Marcone wasn’t the mayor ten years ago when the town first began investing in its main natural resources, she has continued the trend within the framework of sustainable development set up by the local government authority and supported by the community.
The town became the first ISO 14001 certified Italian local authority in October 1999 and the first European EMAS-registered local authority in November 1999. The certification they received from the International Organization for Standardization (ISO), highlights the town’s clean air and water. It relates specifically to the locality as a whole in their alternative energy achievements.

Secondly, the certification identifies the town’s control of the environmental impact of its activities, products and services, whilst continually improving its environmental performance, and implementing a systematic approach to setting environmental objectives and targets and achieving these. Varese Ligure was the first town in Italy to receive this certification from the ISO, however there are now many other towns in Italy who have since received similar certifications. The Mayor says this is due to the success of Varese Ligure in developing its natural resources, thus many other Italian towns have also adapted the idea.

Since its certification ten years ago, from its wind turbines alone the town now produces more than three times the energy it requires. The annual energy production as of May 2007 is approximately 6.4GWh, that is capable of fulfilling the energy load of 10,000 end users which is much higher than the current population of Varese Ligure, with roughly 2,358 people. The wind turbines are at an altitude of 1,100m in a good coastal position and receive wind at an average speed of 3-4m/s.
All energy manufactured goes into the national grid and then the town withdraws what it needs from the national supply. Thus the production of energy is a big income earner for the town because they sell the energy that they generate.

Varese Ligure currently generates energy from the use of wind power as well as photovoltaic and a small hydroelectric plant which is estimated to have produced around 5kWh per year since its creation in June 2006.

The technology for wind turbines has improved significantly in the last 20 years and so has the cost competitiveness. Costs have decreased by up to 50% in the last decade. The Mayor also explained to me the positive impacts of the wind project, such as a decrease of deforestation, an enhancement in overall environmental awareness, a decreased risk of fire which is normally associated with burning fossil fuels, very low level CO2 emissions, elimination emissions of toxic pollutants such as mercury.

Because it is only a small town and fairly non-industrial, they do not need much of the power they create. The combined capacity of wind and solar allows Varese Ligure to reach almost the same capacity of energy as a hydroelectric plant, which is why the technology mix is a winning formula.

Mayor Marcone says the whole town is behind the idea of renewable energy. For example, local homes use biomass such as wood for heating, because 95% of the land in the locality of Varese Ligure is forest.
My hosts also took great pleasure in showing me the town’s many historical architectural sites and places of significant of which they are extremely, and rightly, proud. The Church of St John the Baptist dates back to the 16th Century when wealthy landowners and families in the district gave generously to ensure the alter and artworks were of sufficient grandeur. The oratory next door is associated with the Confraternity of the Saints Rocco and Antonio which was founded in 1451 and still operates today. Under the “modern” town planning scheme of the 12th Century the Fieschi family wanted to build a town that could also act as a fortress – the Borgo Rotundo. The area was walled in with stone and completed with a moat.

Region of Lombardy, Milan
Meeting with Mauro Fasano, Director of Integrated Projects and Sustainable Development for the Region of Lombardy gave me a great insight into the challenges faced in large scale redevelopment. Melbourne’s sister city, historically Milan is a major financial hub of Europe. Milan is a leader in energy technology and is currently undergoing urban redesign to revitalise old industrial estates.

The format of the meeting with Mauro Fasano took in the style of a panel information dialogue. He had two supporting officers and a clerical staff member to follow up on issues resulting from our meeting and the regional authority provided an interpreter which was welcomed.

As I have stated above that the Region of Lombardy is currently undertaking a massive renewal programme to invigorate what has slowly become a tired and ageing region. As the regional authorities undertake this renewal programme it’s an opportunity to integrate the energy saving measures needed and incorporate the use of alternative energy sources into their residential buildings and industrial complexes.

On a domestic level the Region is mandating architectural and design guidelines for new buildings. It’s also demanding that renovations and additions also follow the energy saving guidelines. These include the building guidelines for allowing natural sun to penetrate houses, insulation, and the recycling of the dwellings’ internal climate to maintain a more uniform temperature. Like Australia, the authority is encouraging the use of solar hot water in as many dwellings as possible by providing incentives to do so.

The Lombardy Region which includes Milan is the economic power house of Italy. It’s not only the fashion capital of Italy (and possibly Europe) but it is the industrial hub of Italy. It’s manufacturing base includes the car industry with such names as Fiat and Audi. The industrial range of production also includes, clothing and textiles, shoes and value added products such as food-stuffs and domestic produce.
As Italy and the Lombardy Region in particular is energy deficient, energy generation is a huge challenge confronting this Region in its attempt to stay at the forefront of the industrial world in this emerging and changing energy debate.

Presently, the Region obtains most of its energy needs using eastern European gas. However, it was demonstrated last year when Russia was in conflict with the Ukraine, that generation ability is fallible and was severely disrupted. Doubts were raised as to the future supply. The use of other fuels such as coal and oil are cost prohibitive as transport and pollution are negative factors in their affordability and use in the Region.

The Region is working closely with the central Italian Government to provide new sources of generation so reliance on eastern European gas is not their only fuel for power generation.

It is interesting to have been informed by Mauro’s advisers that Italy is in the process of commissioning five new nuclear reactors to fill the supply uncertainty and provide a clean alternative in their words. They explained to me that many years ago Italy held a referendum which voted to cease using nuclear power as a means of generating electricity. However, the Italian Government has now been able to move on from that decision as nuclear generation has become far more sophisticated and the neighbours of Italy in the main all generate power by nuclear methods. For example, 70 per cent of France’s energy is generated by nuclear power stations.
It is interesting to note that Australia has an excellent opportunity to export uranium to the new and emerging nuclear facilities to be built in Italy. If we don’t the nearby Eastern European countries such as Kazakhstan will provide their limited but nearby uranium from local mines. It must be said at this point that Italy has little in the way of naturally occurring fossil fuels within their borders. There is little prospect of any being found. They must look at realistic alternatives and rely on neighbours.

The Region also informed me that they are investing heavily in more hydroelectric power stations in the Italian Alps. This hydropower is to be by the ‘run of the river’ method rather than vast dams which would be ecologically and environmentally opposed. In addition to hydropower, the authority is also investing in greater renewable sources of alternative energy such as wind and thermal power. Solar, tidal and wave generating opportunities are not an option for Italy due to its geographical location. The authorities are fully aware that these alternative energies are an addition only to their power grids because they are unable to provide base load power to their heavy and manufacturing industries.

Finally, the Lombardy authority were able to demonstrate to me that they are within Europe’s best practice when it comes to recycling waste. In the recycling of waste they have developed technology whereby this waste has become an importance source of fuel for energy generation. It is understood that Italian companies are exporting this technology to the rest of the world – including some Australian local authorities.

The meeting concluded with Mauro and his team inviting me back to the Lombardy Region as soon as I was able so that they could personally show me their initiatives on the ground. For example, they wanted to show me their energy efficient town of Breschi which operates on similar principles to Varese Ligure. They undertook to provide me with follow up data from our most informative panel dialogue.

**Caltanissetta & Plan del Lago, Italy – Immigration**

Having previously studied the immigration policies of Italy, it was very beneficial to see first hand how immigrants to Sicily were processed.

I met with the Prefect of the locality, Mr Vincenzo Petrucci in the council chambers of Caltanissetta, where we discussed Italy’s position on illegal immigrants and how the town’s detention centre operates. Previously, after 60 days in the detention centre, the immigrants must be released back to their country if they are not permitted residency in Italy. However, under new laws recently introduced by Prime
Minister Silvio Berlusconi, there is now a period of 180 days in which to process the immigrants. They can then apply for asylum in this time, and most do.

![Giuseppina Di Raimondo, The Prefect – Mr Vincenzo Petrucci, Mrs Licia Messina & the Translator - Donatella Candura at Caltanissetta.](image)

It is a difficult task to find out the nationality of each immigrant and whether they are genuine asylum seekers or not. Most illegal immigrants and asylum seekers come from Morocco, Tunisia, Egypt & Libya.

The Prefect explained the recent negotiations between Italian Prime Minister Silvio Berlusconi and Libyan leader, Muammar al-Gaddafi. On 30 August 2008, the two signed a historic cooperation treaty in Benghazi. Under its terms, Italy will pay $5 billion to Libya as compensation for its former military occupation. In exchange, Libya will take measures to combat illegal immigration coming from its shores. This agreement was ratified by Libya on 2 March 2009. The Democratic Party and Italy of values opposed the visit of Gaddafi to Italy in June 2009, and many protests were staged throughout Italy by human rights organizations and the Radical Party. However, this treaty means that when immigrants arrive from these countries, Italy has an agreement with Libya to send any boats they see coming towards Italy, back to Libya and Libya will then disperse the immigrants back through Africa.

In the last three months, there have been no immigrants from these countries, since the ratification of the agreement between Italy and Libya. In Sicily, there are few immigrants from anywhere but Africa. Asians for example, go to the North of Italy
and end up in detention centres such as Bari. Under Berlusconi’s new immigration policy, boats with illegal immigrants are immediately sent back to where they came from, without even checking who is on board. This initiative is popular with the Italian people according to the Prefect, however the opposition of course oppose it.

When asked whether immigrants can apply for citizenship, the Prefect explained that they could not, however in Italy, illegal immigrants have the same rights as Italian citizens. They are given €800 per month to find housing etc and can seek medical assistance even before going through the identification process.

The Government’s stance has always been to assist the asylum seekers – until now. Now with the new laws, coming illegally to Italy is actually a crime. When asked if immigrants are encouraged to disperse through Europe by the Italians, the Prefect says no. He says the immigrants want to disperse out of Italy into England, France & Germany.

Labour immigration to Italy has an annual quota which was created after employer requests for foreign workers. These quotas have been raised over the past few years to meet forecasted demands. In both 2006 and 2007 the quotas were set at 170 000 work visas, twice the 2005 figure.

**Tour of Detention Centre**
The tour of the Detention Centre in Caltanissetta was very beneficial to my study of immigration, as it provided invaluable insight into the real immigration system of Italy. There are many Europeans in the detention centre – not just illegal African arrivals. During my visit there were immigrants from European countries such as Romania who were in detention for 15 days before being deported from Italy because of crime. Immigrants who are sick or deformed are still able to enter the detention centre after a health check and those with mental issues are also closely monitored. If they have documents to support their claim of a medical problem they are treated. Otherwise they are evaluated by the centre’s doctors and receive treatment if recommended. As it says in Italy’s constitution, anyone that comes into
the country must receive help.

It was also interesting to note that there is no age limit on immigrants, however if they’re a minor they cannot enter without their parents. Therefore most immigrants are men who then bring their families over in the future when they have established a life in Italy. Babies born in Italy, or detention, are not considered Italian citizens. All that is required from illegal immigrants is their name and place of birth. This being the case 99% of immigrants don’t have documentation. Police take their photo upon arrival, fingerprint them and then this information is entered on a database. The database will show which immigrants have entered to EU before as well as their criminal record in the EU, but not a record outside of the EU. According to the Geneva Convention, they are not allowed to investigate their past outside of the EU.

When illegal immigrants enter Italy, the police can send them home or place them into detention for up to 60 days, unless they ask for political asylum (which most do). Breakouts are uncommon because of the security and the good living conditions at the centre, but the military do patrol the perimeter and carry weapons. The military do not enter the camps.

Of the three centres in Caltanissetta for detention, the first is the Centre for Identification and Deportation which is designed to detain illegal immigrants pending their identification and deportation. It has a capacity of 96 people, and is currently home to 96 foreigners. In this particular part of the detention centre the immigrants are not allowed to leave.
Immigrants are usually from North Africa and it is only men who are sent to this centre. It’s very comfortable with heaters, air-conditioning, prayer areas and detainees can make phone calls and have visitors. A judge comes often to the centre to preside over judgments as to whether the immigrants can obtain Italian residency. They are given legal representation if they cannot afford it, to help their case for residency. If their case is denied they can appeal the decision - 40% do. The judge and a doctor each have an office in the Centre for Identification and Deportation which ensures that none of the residents have to leave the site for such services.

The second centre in the complex is for refugees seeking asylum in Italy. Around 5% of immigrants are given political asylum and the remainder are returned to their country of origin. This centre only accommodates non-EU citizens who request international protection. It has a capacity of 96 people and currently home to 90 foreigners. These decisions are made within 60 days.

Lastly, I visited the ‘Assistance Centre’ which provides first aid and assistance to immigrants who reach Italian soil illegally. After they gain the assistance they need, the centre then assesses their identification and establishes their legal position. It has the capacity to hold 360 people and is currently home to 220 foreigners.
The Centre has been successfully operating since 10 August 2000, with forty staff employed to take on the role of legal assistants, social assistants, cultural mediators, interpreters, psychologists and doctors, which work in shifts, 24 hours a day. The centre encourages cultural activities as well as football matches and rugby. Additionally there are indoor activities such as an array of books and DVDs.

**Province of Catania & Mt Etna**

In the Province of Catania, I met with the Minister for Environment and the Local Territory, Assessor Giovanni Bulla. We met initially at the Provisional Offices in Catania before he, along with his two staffers and members of the local police escorted me to Mt Etna, where I was shown the facilities put in place for tourists.
Whilst at the Provisional Offices in Catania, I met with a range of Provincial Officers. I was presented with an official colour plate book on the Catania region and Etna. These officers were very keen to learn more about Australia’s approach to a range of issues. These include interestingly the relationship between Sicily and Australia. The reason for this interest is because so many Sicilians have migrated to Australia and in particular Western Australia. Many have a paternal connection to Australia.

Other issues discussed were energy challenges. In particular, the move to renewable energy sources. Although there are no thermal energy sources associated with Mt Etna, there is an ongoing study on how to use this massive thermal energy source (as is done in New Zealand).

Tourism which is obviously the main industry associated with Mount Etna was extensively discussed. The tourism infrastructure is well organised and highly beneficial financially for the Catania Province. The transport infrastructure includes the roads and tourism buses to the safe hub on the volcano. From there bus and car parks and a funicular is used to take tourists to a point further towards the summit of Etna.
Finally large 4WD vehicles take tourists to the volcano's crater. Interestingly this same infrastructure is used to take snow skiers to the summit of the volcano. During the winter months Etna transforms into a massive snow ski destination. The melting snow provides a huge water supply for the region. This melting snow is also a source of dammed water from which the region generates hydroelectric power.

It is also of interest to have been shown that in recent times the rehabilitation of the mountain is using almost exclusively Australian plants and wattle trees. Over the centuries lava flows and volcanic ash cause considerable damage, notably to the houses, structures, businesses, and often infrastructure such as roads, bridges, rock walling and monitoring equipment.

The sooner stabilisation and rehabilitation takes effect, the sooner normalisation of residential activity and communal businesses can begin. Therefore, revegetating these effected areas is a priority. The reparation of the area is the responsibility of Catania's Assessor of the Environment, Mr Bulla.
Finally, I was extremely grateful to Giovanni Bulla and his staff. These staff included police and security officers as well as provincial staff from his office. Their hospitality was extremely generous and made an official visit to this great tourist icon a very valuable experience.

(iii) Conclusions

I found this study leave to be highly beneficial to my understanding of energy alternatives and development opportunities for Australian industry. This knowledge broadens my understanding of the options available as Australia moves towards a statutory regime on tackling Climate Change and legislating the future energy needs and environmental security of the country.

The timing of this report, linking in the renewable and sustainable energy focus of my study leave, is perhaps fortuitous with the agreement on Australia’s own Renewable Energy Target Scheme being reached this week. There is certainly a lot to learn from the examples and research being undertaken in Europe broadly as well as isolated projects and the general introduction of technology in that specific area. A 20 per cent Renewable Energy Target (RET) for Australia by 2020 will serve to further promote the development of new technology in this country and bring forward implementation. It will serve to dramatically increase the share of Australia’s energy needs generated from solar, wind, geothermal and other renewable sources.

At its most basic level my finding from this leave is that focus should be given to those technologies that are supported in the geographical makeup and needs of the industry in that area. Australia’s geographic isolation may mean that we are unable to undertake the large-scale collaborative efforts like those European nations sharing connectors, but we can put our vast renewable sources to their best use.
Obviously Australia’s vast natural resources mean our trade opportunities are endless. With the West Australia Government supporting uranium mining in the state new opportunities will arise. It is certainly interesting to note that other countries around the world have reconsidered their position on nuclear power stations in recent years in light of energy needs and alternatives to coal fired options. Nuclear power generation is prominent throughout Europe with almost 200 plants generating a total of 170,000 MWe. Australia’s potential to up its export uranium would bring huge financial benefits for the country and Western Australia in particular.

My meeting with Agent General Kerry Sanderson and her staff has certainly opened my eyes to the additional resources and advice available to those being considered for state sponsorship for Australian immigration. With the announcement of the Gorgon project this week I anticipate that skilled visa applications will be on the rise and I find it valuable to know that Ms Sanderson’s team can assist skilled applicants with potential sponsorship applications and improve communication and coordination between applicants, the Department of Immigration and Citizenship and other authorities. Any number of immigration inquiries find their way to my office and often they are a result of inaccurate or overload of information that has led to confusion. A group of trained professionals to act as a ‘go-betweens’ for overseas applicants and sponsors is certainly beneficial and one which I will no doubt be able to recommend in the future.

There is a lot to be learned from the Italian immigration experience. In June 2008 more than 9000 immigrants had arrived in Italy which was double the figures of the previous year. It’s geographic location makes it an attractive destination for illegal immigrants from Africa and people smugglers are happy to take the business. The Berlusconi Government has taken a tougher stance on people smuggling, turning boats around before they meet the shore and doubling the number of expulsion centre’s. A strong and effective immigration system is an essential deterrent for people smugglers. I will continue to call for an unashamedly tough approach to border protection to ensure that the floodgates of people smugglers are not opened once again.

Finally I would like to take this opportunity to put on the record my thanks and appreciation to those who in accommodating my full schedule and making this study experience extremely valuable. I would like to acknowledge the advice of Monica Hart at the Department of Foreign Affairs and the assistance Paul Garwood and Sabrina Albanese at the Australian Embassy in Rome and Terry Porter at the Australian High Commission in London. With the G8 conference coinciding with my leave in Italy it was an extremely busy period for that diplomatic post so their cooperation and help during this time was welcome and appreciated.
I note that in accordance with Clause 9.5 of the Determination a copy of this statement may be obtained from you upon request by any Member or Senator. I also note that this statement may be tabled in Parliament at your discretion.

Yours sincerely,

[Signature]

Don Randall
Federal Member for Canning
THE HON PETER LINDSAY MP

Mongolia
21 July – 2 August 2009
17 August 2009

Senator the Hon Joe Ludwig
Special Minister of State
Suite MG61
Parliament House
CANBERRA ACT 2600

Dear Minister

In accordance with the requirements of Clause 9.2(b) of Remuneration Tribunal Determination 2006/18 (the Determination), I submit the following statement reporting on my recent overseas study journey:

Confirmation of Purpose

I travelled to Mongolia during the winter recess as a member of the Australia Mongolia Parliamentary Friendship Group. The Mongolian Ambassador in Australia, Mr Tserendorj JAMBALDORJ believed that there would be great value in a delegation from the Australian Parliament visiting Mongolia.

In June 2009, an invitation came from His Excellency Mr N. Enkhbold, the Vice-Chairman of Mongolia’s State Great Hural (Parliament) and Chair of the Mongolia-Australia Friendship Group, offering on behalf of the Mongolian Parliament to host a delegation from our Parliament. The Mongolian Government covered all the internal costs of the visit and I have accessed my Study Trip entitlement to fund the cost of the airfares to and from Mongolia.

I have included a copy of the report on the visit to Mongolia of the Australia-Mongolia Parliamentary Friendship Group 22 July 2009 – 29 July 2009.

I note that in accordance with Clause 9.5 of the Determination, a copy of this statement may be obtained from you upon request by any Member or Senator. I also note that this statement may be tabled in Parliament at your discretion.

Yours sincerely

Peter Lindsay MP
Federal Member for Herbert
<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Activity</th>
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<tbody>
<tr>
<td>Tuesday, 21 July</td>
<td>1615</td>
<td>Depart Brisbane QF541</td>
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<tr>
<td></td>
<td>1750</td>
<td>Arrive Sydney</td>
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<tr>
<td></td>
<td>2000</td>
<td>Depart Sydney CA174</td>
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<td>Wednesday, 22 July</td>
<td>0550</td>
<td>Arrive Beijing</td>
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<tr>
<td></td>
<td>0745</td>
<td>Depart Beijing CA901</td>
</tr>
<tr>
<td></td>
<td>1005</td>
<td>Arrive Ulaanbaatar</td>
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<tr>
<td></td>
<td>1230-1400</td>
<td>Lunch with Mr Mark Bailey, Executive Director, Leighton Asia LLC</td>
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<td></td>
<td>1430-1500</td>
<td>Courtesy call on HE Mr Damdin Demberel, Chairman of the State Great Hural (Parliament) of Mongolia</td>
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<td></td>
<td>1530-1630</td>
<td>Tour of the National History Museum</td>
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<td></td>
<td>1730-1830</td>
<td>Meeting with Mr Mike Lelliott, Operations Manager, Aquaterra company</td>
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<tr>
<td>Thursday, 23 July</td>
<td>1100-1145</td>
<td>Meeting with members of the Mongolia-Australia Parliamentary Group</td>
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<tr>
<td></td>
<td>1115-1220</td>
<td>Tour of the State Palace</td>
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<td></td>
<td>1500-1530</td>
<td>Courtesy call on HE Mr S Bayar, Prime Minister of Mongolia</td>
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<tr>
<td></td>
<td>1800-1915</td>
<td>Attend National Folk Song and Dance Concert at the Drama Theatre</td>
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<td>Friday, 24 July</td>
<td>0930-1000</td>
<td>Tour of the Gandan Monastery</td>
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<td></td>
<td>1130-1215</td>
<td>Meeting with HE Mr D Zorigt, Minister of Mineral Resources and Energy</td>
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<td></td>
<td>1445-1545</td>
<td>Meeting with Didi Kalika and “Lotus” centre children</td>
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<tr>
<td></td>
<td>1800</td>
<td>Attend dinner hosted by HE Mr N Enkhbold</td>
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<tr>
<td>Saturday, 25 July</td>
<td>1000-1630</td>
<td>Visit to the “Terelj” National Park</td>
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<tr>
<td>Sunday, 26 July</td>
<td>0900</td>
<td>Depart Ulaanbaatar ZY755</td>
</tr>
<tr>
<td></td>
<td>1030</td>
<td>Arrive Dalazadgad</td>
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<tr>
<td></td>
<td></td>
<td>Special program drafted by Ivanhoe Mines</td>
</tr>
</tbody>
</table>
Monday, 27 July 2009  Oyu Tolgoi site tour, including presentations and meetings with Ivanhoe Mines officials

Tuesday, 28 July 2009  1100 Depart Dalazadgad ZY756
1220 Arrive Ulaanbaatar
1430 Meeting with HE Mr S Batbold, Minister of Foreign Affairs
1530-1700 Meeting with CEO Mr Douglas McGay Petro Matad company office
1900 Dinner hosted by Petro Matad

Wednesday, 29 July 2009  1000-1930 Visit to Khustain Nuruu
1930 Return to Ulaanbaatar

Thursday, 30 July 2009  1105 Depart Ulaanbaatar CA902
1315 Arrive Beijing
1535 Depart Beijing CA175
1745 Arrive Shanghai

Saturday, 1 August 2009  1915 Depart Shanghai CA175

Sunday, 2 August 2009  0800 Arrive Sydney
1005 Depart Sydney QF516
1135 Arrive Brisbane

REPORT ON THE VISIT TO MONGOLIA OF THE AUSTRALIA-MONGOLIA PARLIAMENTARY FRIENDSHIP GROUP
22 JULY 2009 – 29 JULY 2009

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3. Delegation

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   - Political Context
   - Key Themes
     - Third neighbour policy
     - Desire for Australia to establish an embassy in Mongolia
     - Significance of the Ausaid scholarship program
     - Areas of cooperation between Mongolia and Australia
5. Visit to Oyu Tolgoi Mine

6. Appendix 1 Details of individual meetings

7. Appendix 2 Significant issues reported in the media during the visit

8. Appendix 3 Opinion pieces published relating to the Oyu Tolgoi Mine

RECOMMENDATIONS

1. Establish an Australian embassy in Mongolia.

2. In the meantime, transfer responsibility for processing visa applications from Mongolians from the embassy in Beijing to the embassy in Seoul.

3. Expand the AusAid scholarship program in terms of both the number of scholarships granted and the disciplines in which the scholarships are offered. Remove any barriers to scholarship recipients bringing their families with them to Australia.

4. Include Mongolia on the program of official delegations from the Australian Parliament in 2010.

5. Take advantage of the opportunities created for Australia through the “third neighbour policy”.

BACKGROUND

In recognition of the growing links between our two countries in October, 2008 Mongolia appointed an Ambassador to Australia and established an embassy in Canberra.

Since his arrival in Australia the Ambassador, Mr Tserendorj JAMBALDORJ, has been very active in engaging with the Australian Parliament and particularly with the members of the Australia-Mongolia Parliamentary Friendship Group. The Ambassador made us aware of the role of our counterparts in the Mongolian Parliament, many of whom studied in Australia prior to beginning their parliamentary careers and who continue to have a great interest in their country’s relationship with Australia and the growing involvement of Australian companies in Mongolia’s developing resources sector.

Thanks to the Ambassador’s efforts MPs and Senators have a much better appreciation of the cooperation that is already occurring between our countries, those areas in which our interests coincide and the opportunities that exist for us to broaden the relationship.
From the start, the Ambassador believed that there would be great value in a delegation from the Australian Parliament visiting Mongolia. In June 2009, an invitation came from His Excellency Mr N. Enkhbold, the Vice-Chairman of Mongolia’s State Great Hural (Parliament) and Chair of the Mongolia-Australia Friendship Group, offering on behalf of the Mongolian Parliament to host a delegation from our Parliament. As the Chair of our Friendship Group I therefore responded by arranging for a group of MPs to travel to Mongolia during the winter recess.

THE DELEGATION

The delegation included: Ms Kirsten Livermore MP, Member for Capricornia
Ms Sharon Grierson MP, Member for Newcastle
Hon. Peter Lindsay MP, Member for Herbert
Dr Mal Washer MP, Member for Moore
Mrs Nola Washer

The delegation arrived in Mongolia’s capital city, Ulaanbaatar, on the morning of Wednesday 22 July to begin a series of meetings and visits coordinated by the State Great Hural. Throughout the week we were accompanied by officials from the Hural’s Foreign Relations Department, Ms G. Bayasgalan (Bayasa) and Mr M. Batbold (BB).

The delegation’s program can be broadly divided into (1) meetings with Members of the Executive and State Great Hural and (2) meetings with Australians/representatives of Australian companies operating in Mongolia. We also had the opportunity to visit the Oyu Tolgoi copper mine as well as spending an afternoon with children from Didi Kalika’s Lotus Children’s Centre.

COUNTRY OVERVIEW

Mongolia is a country that is the same size as Western Australia. It has the same population, same area. The population of Perth is roughly the same as Ulaanbaatar at 1.5 million people.

Ulaanbaatar is the coldest capital city in the world, typically minus 40 degrees in winter. Mongolians have a far better work and safety ethic than Australians. Their philosophy is ingrained based on the premise “I have to take care of myself”. No one does anything silly.

There are lots of Korean companies in Mongolia. Mongolians remain happy with the Russians, they get on well with the North Koreans but are wary of the Chinese.

Interestingly, every Ger is a home and every car is a taxi!
MEETINGS

Details of individual meetings at Appendix 1

Political context

The meetings took place within days of a dramatic and unresolved showdown between the Parliament and the Government – a coalition between Mongolian People’s Revolutionary Party (the MPRP) and the Democratic Party which was formed in the aftermath of riots following last year’s disputed election result. The Cabinet is made up of representatives of both parties and includes some ministers from outside of the parliament.

At issue is the investment agreement between the Canadian company Ivanhoe Mines, a joint venture partner with Australia’s Rio Tinto, and the Mongolian government which will determine the terms on which those foreign investors will be able to proceed with the development of the Oyu Tolgoi copper and gold mine in southern Mongolia. Attempts by the foreign companies to achieve an agreement date back 6 years so the consensus seems to be that the end game has been reached and that failure to conclude an agreement this time will see the departure of Ivanhoe/Rio with wider consequences for future foreign investment in Mongolia.

The most recent version of the draft agreement provided for the Mongolian government to take a 34% stake in the mine and exempted the foreign companies from the standard 68% Windfall Profits Tax and other taxes (worth an estimated $18 billion US). It appears that this set of arrangements was unacceptable to the majority of MPs.

Just before our arrival, in the last days of the parliamentary session, MPs declined to vote on the agreement itself and instead passed a resolution which authorises ministers to reopen negotiations with Ivanhoe/Rio Tinto and finalise the investment agreement with the proviso that the terms of the agreement comply with the existing legal framework ie no tax breaks. While the resolution gives authority to the executive, the parliament has effectively signalled the terms on which it thinks the government should settle and these are terms that have been rejected by Ivanhoe/Rio Tinto in the past.

Talks between the government and the companies resumed on Monday, 27 July.

Key themes

- Third neighbour policy
- Desire for Australia to establish an embassy in Mongolia
- Significance of the Ausaid scholarship program
- Particular areas of cooperation between Mongolia and Australia
Third neighbour policy

The significance of the relationship between Mongolia and Australia and the need for it to be strengthened and broadened can be understood in the context of Mongolia’s “Third Neighbour” policy which underpins its approach to foreign relations, foreign investment and economic development. As explained to us by the Foreign Minister, H.E. Mr S. Batbold, the Third Neighbour policy is aimed at achieving a balance in Mongolia’s foreign policy and its economy.

As a small land-locked nation positioned between and most would say dominated by China and Russia, Mongolia is proactively seeking to counterbalance the influence of those two giants through the development of a series of strategic partnerships with other nations such as the USA, Japan, Korea, Canada and Australia across a range of policy areas. Mongolia is also an active participant in multi-lateral bodies, presently the UN and the North-East Asia group, with the ambition of becoming a member of APEC.

For example, Mongolia committed troops to Iraq and recently announced an increase in its forces in Afghanistan. This is in addition to the presence of its peacekeepers in Chad and an upcoming international exercise which will bring peacekeepers from 7 nations to Mongolia for training at its 5 Hills Peace Operations Centre. On a recent visit to Japan the Prime Minister of Mongolia finalised an MOU on nuclear power and the development of Mongolia’s uranium resources. There is also a significant scholarship program for Mongolian students wanting to study in Japan.

A key plank of the Third Neighbour policy is how the Mongolian government leverages its mineral resources to not only bring financial security and improved living standards for its people but also to enable it to bolster its independence and influence in a volatile and strategically important part of the world. The message to us was that Mongolia wants and needs foreign investment under the right conditions from a range of countries. That gives those countries a stake in Mongolia’s future and is also seen as more acceptable to the general public who are very sensitive to efforts by China and Russia to increase their control over Mongolia’s resources and economy more generally.

Desire for Australia to establish an embassy in Mongolia

Chief amongst the proponents of this request was the Foreign Minister, H.E. Mr S. Batbold but it was raised at numerous meetings by both Mongolian MPs and also Australians representing business interests in Mongolia.

H.E. Mr N. Enkhbold, Vice-Chairman of the State Great Hural and Chair of the Mongolia-Australia Parliamentary Group was especially emphatic on this point and said that the presence of an embassy would indicate that we are building our relationship with Mongolia at a key time in its development. Australia already has a starting point for building its profile in Mongolia with a significant number of MPs, Ministers and senior officials having completed their education in Australia as recipients of Ausaid scholarships. Enkhbold
proudly informed us that the “Mozzies” are the most active of the Parliamentary groups.

Coming from the other side it was unanimously agreed by those Australians we met who are working in Mongolia’s resources sector – whether it was veterans like Petro Matad’s Doug McGay or newcomers like Mark Bailey from Leighton - that the establishment of an Australian embassy should be a priority. The view of Australian executives was that it is easier to do business in Mongolia than other countries at similar stages of development and that we are missing opportunities by not capitalising on the good relationships and respect for the expertise we have to offer that already exists.

After our time in Mongolia the delegation sees many similarities between the opening up of Australia’s mineral resources over the last 50 years - the challenges of regulating the industry, developing communities, providing infrastructure and making decisions about foreign investment. Government representatives recognise these similarities too and spoke candidly about looking to Australia as a model for a whole range of governance structures that are needed to underpin its development.

Mongolia is making it clear that it is reaching out to Australia and sees us as having a stake in its future success and opening an embassy in the country is a way of us reciprocating in a meaningful way and one which we assume would see benefits for Australian interests too.

A further side issue was raised with us concerning the division of responsibilities between the Australian embassies in Beijing and Seoul. As it was explained to us, although the post in Seoul assumes general responsibility for Mongolia, applications for visas to allow Mongolians to travel to Australia are handled by Beijing. The complaint was made to us that the processing of the comparatively small number of Mongolian applicants is therefore delayed because they are going through the same post as the large volume of Chinese applications. We were told that it would be preferable for the embassy in Seoul to take responsibility for visa applications coming out of Mongolia.

Significance of the AusAid scholarship program

This was another aspect of Australia’s relationship with Mongolia that was raised at every meeting and not surprisingly since there was always at least one MP, Minister or official in attendance who had studied in Australia as a scholarship recipient. We were struck by the gratitude that was expressed to the Australian government by these graduates and the obvious benefits to both countries of such senior officials having had the opportunity to obtain world class qualifications at Australia’s top institutions and develop life-long links with our country.

H.E. Mr N. Enkhbold, a Sydney University Masters graduate, told us that to date 300 Mongolians have studied in Australia and this includes a current Minister and 3 serving MPs. He said that the Ausaid program is regarded as
one of the most effective aid programs operating in Mongolia and is of more value than small projects here and there throughout the country. He sees the money made available through that Ausaid program as going 100% to Mongolia.

A number of government representatives, including Mr Enkhbold and the Minister of Mineral Resources, H.E. Mr D. Zorigt (an ANU graduate), asked for the scholarship program to be broadened in terms of the disciplines made available for applicants to study. To date the emphasis has been on qualifications in the humanities, law, public policy etc. Officials we spoke to believe that at this stage of its development Mongolia needs to take advantage of Australia’s expertise in disciplines such as engineering, geology, technology which are targeted at Mongolia’s emerging resources industries. Consequently they would like to see the scholarship program expanded in both numbers of students and courses offered.

A number of graduates we spoke to also emphasised the importance of families being able to accompany students to Australia for the duration of their study. They recognised it as a way of enriching the experience because it is usually the partners and children of the students who have more opportunities to become involved in the broader Australian community through school and childcare etc. Consequently the students go back to Mongolia having obtained a much deeper understanding of Australia and more diverse links with the country than in the case of a lone student mixing largely with other students.

**Particular areas of cooperation between Mongolia and Australia**

The Prime Minister, H.E. Mr S. Bayar, enumerated these as follows:

- **Mining**
- **Agriculture** (although developments in the resources sector dominated much of our time in Mongolia, agriculture is in fact the cornerstone of Mongolia’s economy and way of life at present and is clearly an area in which Australia has expertise to share)
- **Ecology**
- **Education** (in other meetings we picked up that Australia’s VET system in particular is highly regarded)
- **Energy**

Another area of cooperation which came up at a number of meetings is that of governance.

Mongolia’s parliament has operated as a democratic institution since 1990 however as a relatively new democracy there are aspects of parliamentary procedure and the administration of the parliament that are still to be fully developed. There is quite a strong and constructive partnership growing between the Mongolian parliament and the Australian parliament among others. For example a delegation from the parliament visited Australia
earlier this year to study the role and operation of the Parliamentary Library and the independent research services it provides to members and senators.

We were also told of upcoming meetings in Australia to strengthen cooperation between the Australian Competition and Consumer Commission and its Mongolian counterpart, the Authority for Fair Competition and Consumer Protection. Similar meetings will take place with the Foreign Investment Review Board.

In addition there is the Australia-Mongolia Joint Working Group on Mining and Energy Cooperation which is understood to be meeting again in Canberra in August 2009.

VISIT TO OYU TOLGOI MINE (OT)

Our host at OT was Chad Blewitt, Chief Financial Officer from Ivanhoe Mines. Chad was formerly with Rio Tinto’s Beijing office.

We also met with Oljmedekh.D, Dalanzadgad Branch Manager, Dr David Crane, Exploration Manager and Ms Isabel Cane, PhD Candidate, Centre for Social Responsibility, Department of Anthropology, The University of Queensland.

The mine is 220 kms from Dalanzadgad which meant driving 5-6 hours on dirt tracks through the arid countryside passing the gers of herding families every 5-8 kms or so and wells at regular intervals.

Halfway to OT we stopped for a look at one of the open cut pits at the Tavan Tolgoi coal mine (described to me subsequently by an American mining company executive as the jewel of Mongolia’s coal industry because of the quality of the coal). There are 4 pits at Tavan Tolgoi. At the one we saw the equipment was small compared to that in use at Australia mines – no dragline just average excavators that you would expect to see on road building projects and single trailer average-sized trucks hauling away the coal. There didn’t appear to be any means of dust suppression in use.

As we drove away from the pit towards OT we passed around 100 trucks lined up waiting to go into the pit and saw others already full on their way across the open country to China.

The Mongolians explained to us that border security and integrity is a problem with such long borders with China and Russia and very little capacity to police them. There are two official border crossing points and in conversation with a fellow passenger on the flight from Ulaanbataar to Dalanzadgad we heard of plans to install scanning equipment to allow the Mongolian authorities to better police what is leaving the country, particularly the movement of uranium.

We didn’t receive any briefings on the plans to build railway infrastructure to support the mining at Tavan Tolgoi but we are aware through media reports that the government is in discussion with various stakeholders such as
Deutsche Bank to determine who will build a railway line and the route it should take.

The attempts to develop OT are just one part of the story of what has been happening in the resources sector in Mongolia in the past 10 years. In 2007 there was $95.4 million invested in mining and since 1997 production has increased by a factor of 6.

The attempts to develop OT are just one part of the story of what has been happening in the resources sector in Mongolia in the past 10 years. In 2007 there was $95.4 million invested in mining and since 1997 production has increased by a factor of 6.

OT is located 550kms from Ulaanbataar, 220 kms from Dalanzadgad, 80 kms from the Chinese border and 45 km from Khanbogd the nearest soum (town). There are direct flights available from UB to OT with plans to expand the airport at OT if the investment agreement is signed off allowing mining to proceed.

Australia’s interest in OT goes back to 1996 when BHP found small traces of copper and gold. In 2000 Ivanhoe took over from BHP and in 2003 the Hugo underground deposit at OT was ranked as the international geological find of the year. The current operation is part of a 35 km mineralisation trend. The company proposes to commence with an open pit and there is potential for block caving of the deep resources.

The current total accommodation capacity is 2000 (gers and dongas).

Work is underway on the first vertical shaft which will allow for exploration and development access to the Hugo underground deposits.

Preliminary work has started on the head frame for the second shaft.

If the mine proceeds as planned a 100,000 tpd concentrator and a power plant will be constructed.

Water exploration has been completed as well as baseline studies to underpin the comprehensive environmental testing and monitoring program.

The company aims for 90% of its workforce to be Mongolians during the operational phase.

OT is effectively in care and maintenance until such time as the investment agreement is finalised with the Mongolian government. The management and staff we met at the mine are waiting for the outcome to determine whether the mine ramps up to the full construction and operation phase or whether Ivanhoe/Rio Tinto walk away. Currently the operation at OT is costing $3 million/month. If the mine goes ahead it will represent an investment of $5 billion to get it fully operational.
Visit to the Hustai National Park

The delegation visited the Hustai National Park which is now world famous for the successful reintroduction of the Przewalski horse. In addition to these wild horses, roaming freely in their land of origin again, the park and its surrounding area have much to offer to the lovers of nature and the culture of our beautiful country, located in the heartlands of Asia.

Hustai National Park proudly present the Przewalski horse – Takhi, the only still living wild ancestor of the domestic horse and other wild life. Our Takhi reintroduction project is continuing with good results and first generation of Takhi born in the wild are reproducing themselves now. In 2008, there are 20 groups of Przewalski horses and their total number has reached over 230.

The horses are quite special because they have 66 chromosomes compared to the 64 that every other horse breed has elsewhere in the world.

The quality of the various ecosystems within the Park assures an abundant wild life. Till now 46 mammals, 217 bird, 2 amphibian, 3 reptile, 15 fish and over 400 insect species have been recorded.

Many of these are mentioned in the Red Data Book as globally threatened with extinction such as the Przewalski horse, the Mongolian gazelle, Red Deer, Roe Deer, Wolf, Marmot, Lynx and many more.

Most time of the year HNP is an excellent place for observing birds as many species are spectacular due to size, rarity, numbers and behaviour.

Notable are the number of large raptors like the Black vultures, Golden eagles and several species of falcons including the highly valued Saker falcon. Other rare birds are Demoiselle crane, the Great bustard, Black stork and many more.

The Mongolian Government is to be congratulated for the work it is doing in looking after it’s own endangered species.

Visit to the National Museum of Mongolia (E)

The National Museum of Mongolia was established in 1924. The museum moved to its current location in 1971 enabling it to house a collection of over 46000 Mongolia archaeological, ethnographical, historical and cultural artefacts.

Visitors travel through time from prehistory, the era of Chinggis Khan, on to Manchu era, the Bogd Khan State, and to the socialist and democratic periods of Mongolia’s history and culture.

The Museum is very well maintained.
APPENDIX 1

1. **H.E. Mr Damdin Demberel**, Chairman of the State Great Hural of Mongolia (Speaker) and his advisor Mr Davaasambuu Dalrain

Of interest to the delegation was the method of voting in the chamber with MPs having their votes recorded electronically. MPs are still required to be in the chamber for a vote but instead of being individually counted and marked off they are each given a pin number and using that code they register their vote via a machine on each desk. The name and vote of each MP is then displayed on a screen at the front of the chamber.

2. Members of the Mongolia-Australia Parliamentary Group

   **H.E. Mr N. Enkha**bold, Vice-Chairman of the State Great Hural and Chair of the Mongolia-Australia Parliamentary Group
   **Mr Ch. Khurelbaatar**, Chair of the Standing Committee on Budget and Deputy Chair of the Mongolia-Australia Parliamentary Group
   **Mr N. Ganbyamba MP**
   **Mr Ya. Batsuuri MP**

   Also at the meeting were officials from the Mongolian Authority for Fair Competition and Consumer Protection.

   **Mr Mandakh Dashdorj**, Chairman
   **Mr Altankhuyag Shagj**, Vice Chairman

   Mr Mandakh outlined the role of his Authority in strengthening market economy principles through the provision of fair competition, protection of consumers’ rights as well as the rights of businesses. He believes this enhances economic growth which in turn improves the living standard of Mongolia.

   The Fair Competition and Consumer Protection Authority strongly follows the principles of transparency, fair play and rule of law; and also, are ready to cooperate efficiently and effectively with all the players in the market economy.

   Although it is early days still for the Authority and the country, the creation of cooperation and a competition friendly environment in the market and protecting the consumer interest is their goal.

   They were very well aware of the Australian Competition and Consumer Commission and the way it operates and indeed have modelled some of their laws on the Australian system.
Authority Vision

To be an organisation that is prominent, trustworthy among the consumers as well as the business organisations with productive support from the government resource of and its high-moral, knowledgeable and experienced officials.

Authority Mission

Our mission is to maintain sustainable economic growth and improve public well-being through creating fair and free competitive market environment in the Mongolian economy.

Projection of rights

The Authority will act if:
- if businesses face problems because of monopoly and unfair competition
- if anti-competitive decisions issued by government or local administrators are harmful to the conduct of business
- if consumer rights are violated by illegal business activities.

3. H.E. Mr S. Bayar, Prime Minister of Mongolia

4. H.E. Mr D. Zorigt, Minister of Mineral Resources and Energy and Mr Sangajav Bayarbat, Deputy Director, Finance and Investment Department and Head, International Cooperation Division of the Ministry of Mineral Resources and Energy

Both men studied in Australia, the Minister at ANU.

The Ministry has responsibility for all resources, energy distribution, fuel policy and renewable energy investment.

Mongolia is a signatory to Kyoto

There is work being done with the Koreans to investigate the potential for waste coal seam methane as a source of energy.

5. H.E. Mr S. Batbold, Minister of Foreign Affairs and Mr Batlai Chuluunhuu (Chooka) who studied in Adelaide

The Minister has responsibility for foreign affairs, trade and foreign investment.

He will attend the UN General Assembly meeting later this year and expressed a wish to meet the Australian Foreign Minister. The General Secretary Ban Ki Moon visited Mongolia in the days just before our meeting with the Minister.

Mongolia is engaged with the North East Asia group (which includes North Korea) in preparatory meetings for Copenhagen. There have been two already including one at the ministerial level.
Mongolia hopes to make its 5 Hills military training facility a regional training centre for peacekeepers. There has just been an international exercise involving troops from 7 countries including the US at the centre.

As one of 30 land-locked countries identified by the UN as requiring special assistance, Mongolia is playing a leading role in the establishment of a think-tank on land-locked countries.

He advised that the UN Secretary General thinks Mongolia is a role model for small democracies.

6. **Governor Badraa Badamgarav**, Governor of Umnugobi Aimag (province)

This meeting took place upon our arrival in Dalanzadgad on our way to Oyu Tolgoi. Dalanzadgad is the capital city of Umnugobi Aimag. The Governor was elected fairly recently and is aligned with the Democrat Party as are the MPs from the province.

The province is rich in mineral deposits including gold, copper and coal among others as illustrated on a large map in the Governor’s boardroom and which he pointed out to us in some detail. 56% of the territory of the province is under mining licences. The province also relies on agriculture primarily the herding of goats and camels for wool and meat.

The Governor is anxious for the province to benefit from the development of mining and is especially interested in how to increase training opportunities for locals so they can acquire the skills necessary to participate fully in the mining operations. He mentioned that he is working to have the Umnagobi Province Professional and Vocational Training Centre upgraded to be a branch of the National Technical University.

The province is required to remit $10 million T annually back to the central government. A chief source of this is the province’s ownership of 51% of the Tavan Tolgoi coal mine.

7. **Nyamsan Jamyandorj**, Director of the Umnagobi Province Professional and Vocational Training Centre in Dalanzadgad

The Director told us that the centre caters for 700 trainees from the ages of 16 and up which is the equivalent of 9th grade and up. The centre encounters many of the difficulties familiar to us here in Australia such as the attraction and retention of skilled teachers in the face of competition from industry and the effective engagement of industry in developing and delivering the curriculum.

The graduation and employment figures were above the 70% mark.

The Director expected the amalgamation with the National Technical University to go ahead.
8. *Mr Mark Bailey*, Executive Director of Leighton Asia LLC

Leighton is involved in mining coal at Tavan Tolgoi (TT) in Umnagobi. Mark only recently moved to Ulaanbataar after working in Hong Kong and Beijing. He was one of those who finds working in Mongolia easier than China.

Mark raised concerns about the new tax laws affecting Australians working overseas. He suggested some recognition of those people working in areas that involve some hardship in view of the contribution that they can make towards growing the capacity of countries like Mongolia to develop their economic potential. In his experience there is value in encouraging Australians with expertise in relevant areas to work in developing countries and where that involves working in isolated or harsh conditions part of the incentive is in the concessional tax arrangements.

Leighton employs 700 local people and 8 Australians.

9. *Mr Mike Lelliott*, Senior Hydrogeologist/ Operations Manager, Aquaterra company

Aquaterra is a company providing specialist water and environment services to the mining industry: hydrology, hydrogeology, ground water and surface water modelling and environmental sciences.

Mr Lelliott provided an upbeat assessment of the opportunities for Australian companies in Mongolia who have the technical capacity to support the mining industry. He believes Australians are highly regarded in the industry and in the country. His company has been providing specialist water and environment services to the mining industry internationally since 1998 and have been actively working on mining projects in Mongolia since 2002. (including the Oyu Tolgoi copper/gold mine as well as coal and uranium mines).

Aquaterra established a permanent presence in Ulaanbaatar in early 2008 and are currently the only locally based international water resources specialist. Growth of their Mongolian based service capability continues with the appointment of local professional and technical staff.

They understand the key issues facing projects in Mongolia. With their industry leading technical expertise and local experience they provide the insight needed to make the best project choices when it comes to water issues.

**Aquaterra capabilities**

The Company provides industry leading mining services from their office in Ulaanbaatar, supported by over 50 technical experts in their Australian and UK offices.

The team has over 200 years international mining experience with key members having over 5 years direct experience working on Mongolian mining projects.
Aquaterra works with all sectors of the mining industry, from emerging new prospects to developing projects and operating mines. They have developed in depth knowledge of the regulatory processes and established good relationships with all relevant Government agencies.

Their international experience and capabilities cover open pit and underground mines and in situ recovery projects.

10. **Didi Kalika**, Director of the Lotus Children’s Centre

Didi took us out to one of the summer camps outside Ulaanbataar where children from the centre are spending their school holidays.

11. **Mr Doug McGay**, Chief Executive Officer Petro Matad

Doug is a long term resident of Mongolia having lived and worked in the country for 10 years. After a career in the WA mining industry he moved to Mongolia and has been involved in numerous mining developments mainly in the exploration stage across a range of different resources. Petro Matad, a Mongolian company, is currently exploring for oil in the south east of Mongolia and expects the project to be operational in the near future.

He was a great source of information on the potential for Mongolia’s resources, the challenges involved in developing and transporting those resources and the political situation both domestically and in terms of Mongolia’s relationships with its neighbours.

On politics, we discussed the situation where, on the final day of the summer sittings of the Parliament, 30 members switched their vote (across party lines) because of constituency reasons and an apparent move to destabilise the Cabinet.

The point was made that if China ended up with the Oyu Tolgoi copper/gold mine, then it would be both the seller and buyer of the copper output. This would be a worrying outcome.

Mr McGay also observed that transit costs of exports from this landlocked country cost about 8% of GDP.

Doug’s son Sean works with him at Petro Matad and we also met Paul Harrison who is Principal Geophysicist for Isis Petroleum Consultants.

Petro Matad Limited (AIM: MATD) is the parent company of a group focussed on oil exploration, as well as future development and production in Mongolia. It is exploring in the east of Mongolia, with a Production Sharing Contract on Matad Block XX, in which it is the sole contractor with the Government of Mongolia.

Block XX is immediately south of the largest producing oilfield in Mongolia, in the Tamtsag Basin. The Company is currently undertaking seismic surveys designed to define targets for a drilling programme commencing in 2009.
Petro Matad is the parent company of a group focussed on oil exploration, as well as future development and production in Mongolia. The Group holds the sole operatorship of three Production Sharing Contracts with the Government of Mongolia.

The principal asset is the PSC for Block XX, a petroleum block of 14,250km² in the far eastern part of the country. The two other Blocks, IV and V are located in central Mongolia and jointly cover 73,498km².

In the last six months, the group has made significant progress in enhancing the value of its portfolio, particularly with the signing of the two new Production Sharing Contracts ("PSC") in Mongolia and the completion of the high quality technical evaluation of parts of its existing Block XX.

Petro Matad now has a chain of prospects and projects ranging from “drill ready” through to advanced leads/prospects and finally, frontier exploration. As previously reported the Davsan Tolgoi Prospect has been thoroughly evaluated with 2D and 3D seismic surveys, and its 130km² area has had drill targets defined.

The Company envisages commencing a three well drill programme in the 2009 drill season. The Board believes that the Company’s immediate priority is the drilling of exploration wells in Block XX, specifically on the Davsan Tolgoi Prospect. As soon as satisfactory funding has been assessed and finalised, the drilling programme will commence. Negotiations have been progressed with prospective contractors and the Company is confident that, on the agreement of terms rigs can be mobilised to our project within 4 to 6 weeks.

Daqing Oilfields (the parent company of the operator of the Production Sharing Contracts immediately to the north of the Company’s Block XX), has been continuing exploration and evaluation at a fast pace. Approximately 30 drill rigs are operating in their contract areas.

On 8 July 2009, Petro Matad group company, Central Asian Petroleum Corporation Limited, executed two new PSCs with the Petroleum Authority of Mongolia, Blocks IV and V. As announced, the contract contains terms that are both commercial, encouraging investment in Mongolia’s petroleum exploration sector, while still maintaining significant advantages for the country.
APPENDIX 2

Significant issues reported in the Media during our visit.

Oyu Tolgoi Talks to Resume Monday

Canada’s Invanhoe Mines Ltd said it will resume negotiations with the Mongolian government on Monday to finalize an investment agreement for its Oyu Tolgoi (OT) copper-gold mine, according to Reuters.

Ivanhoe’s investment weighs largely on the OT project, which has been delayed for more than four years.

Last week, the parliament approved a resolution that gives the government the power to sign the OT draft agreement with Ivanhoe and its partner Rio Tinto, which holds a 10 per cent equity stake in the project. The details have yet to be resolved, according to the Reuters report.

The resolution that was approved last week excluded a tax holiday that was submitted as part of the original draft agreement. The Canadian mining company would have received tax holidays from windfall profits tax, value added tax, customs duty, and dividend withholding tax, totalling about $US18 billion.

The government of Mongolia will take a 34 percent stake in the project, according to the draft agreement.

The mine is expected to produce an average of at least 440,000 tonnes of copper and 320,000 ounces of gold over its estimated 35-year life.

Ivanhoe had indicated that the Mongolian government seeks a mutually beneficial agreement.

Second Flash Flood Hits UB, More Heavy Rain Predicted

Ulaanbaatar was hit by another flash flood after heavy rainfall and hail pummelled the city on Tuesday and Wednesday.

No human casualties have been reported, but Songinokhairkhan district was greatly affected, as well as the previously flood-hit areas of Bayanzurkh and Khan-Uul districts.’

In Khan-Uul district’s 12th khoroo – known as Biokombimat area – Mayor of Ulaanbaatar G Monkhbayar worked with local government officials to evacuate over 2,000 people from the flood-risk areas with the help of the army soldiers from neighbouring military unit No 132.

The local government reported that it needed Tg1.6 billion to repair the damaged dam and roads, as well as for relocation of families.

Six different areas in the same district – a total of 570 hectares of new land – have been affected.
Last week, six people died in a flood that devastated Ulaanbaatar, most of them children. An additional 18 people died in Gobi-Altai province.

"In a population of 2.7 million, that death toll ranks as a significant disaster. Mongolia shouldn’t have to pay this price for its harsh climate and its way of life, which is in a state of perilous transition," IFRC stated.

S.Korea’s Minister of Defense in UB

Mongolian Minister of Defence L. Bold met with visiting counterpart of South Korea on Wednesday in Ulaanbaatar.

At the meeting, South Korean Minister of National Defense Lee Sang-hee called on Ulaanbaatar to play ‘a constructive role’ in persuading North Korea to return to talks with South Korea. Lee Sang-hee’s two-day visit started on June 22.

The two ministers agreed that unified international action is needed to achieve nuclear dismantlement in North Korea. Minister Bold said he would make active efforts to resolve the North Korean issues.

Mongolia is one of the few countries that maintain traditionally friendly relations with North Korea. Mongolia and North Korea had earlier agreed to a number of cooperation protocols, especially in importing workers from North Korea to work in Mongolia’s mega infrastructure projects.

Mongolia to Send Troops to Afghanistan

Mongolian military officers said the country plans to send troops to Afghanistan, in a cooperation that stems from its ‘third neighbour’ policy to reach out to allies other than China and Russia.

Mongolia has previously operated artillery training teams in Afghanistan and sent troops to serve with the U.S. led occupation of Iraq.

"It is one of the best ways to show that Mongolia is not only thinking about itself,” said Major General Y Choijamts, deputy chief of the general staff. "It will show we’re contributing to regional stability."

Some 130 Mongolian soldiers will arrive in Kabul in August to help protect Camp Eggers, while 23 others on training missions with the Afghan National Army should deploy by late September.

Additional Mongolian troops could participate in a NATO operation to protect a German-led reconstruction team in northern Afghanistan at the end of this year.

The Mongolian army, which has not seen major combat since assisting the Soviet invasion of Manchuria in 1945, will acquire vital, on-the-ground experience, Choijamts added.
Mongolia’s involvement in Iraq and Afghanistan has helped cement its alliance with the United States and secure grants and aid.

Military officers hope additional deployments will bring in funds to modernize the nation’s antiquated combat systems.

Most of Mongolia’s arsenal was manufactured during the 1960s and 1970s in the Soviet Union, giving Mongolian trainers and edge when training Afghan counterparts in the use and maintenance of their larger weapons.

"(The Afghans) have Russian equipment; we have Russian equipment," said Major Dahjivaa Ariunbold, a veteran of the Iraq campaign. "It’s a lot easier for them to work with us."

Deteriorating security in Afghanistan hindered Mongolia’s previous training teams, which operated there from 2003 to 2008.

"Initially we conducted operations on our own, but after 2006 we had to use escorts," said battery officer Lieutenant Colonel D Munkhsaikhan. "Things have gotten worse."

Mongolia’s deployment will mark its largest military presence in Afghanistan since the age of Chinggis Khaan, when Mongol forces stormed through the area on their way to Persia.

......The UB Post – Mongolia’s Independent English News, Friday, 24 July 2009

**UN Chief Visits Mongolia**

United Nations Secretary-General Ban Ki-moon arrived in Ulaanbaatar on Sunday and took a tour of the countryside.

During the events, the Secretary-General took time in a traditional Ger to discuss the environmental problems facing country people in Mongolia.

"We are trying to protect the nature of this area and prevent desertification. We have begun an environmental project to help protect the land," said M.Batchuluun, a herder and the owner of the host ger, which sports a satellite dish and solar panel.

Ban asked many questions related to the environmental impact that the people in the countryside face.

He also spoke to government officials about the effects of desertification, deforestation and the additional challenges that face landlocked countries such as Mongolia.

He met with Foreign Affairs Minister S. Batbold, Prime Minister S. Bayar and President T. Elbegdorj at Government House on Monday.

The UB Post – Mongolia’s Independent English News, Tuesday, 28 July 2009
Opinion pieces published relating to the Oyu Tolgoi Mine

The UB Post – Mongolia’s Independent English News
Tuesday, 28 July 2009

Mining Decisions Need Extra Care – Letter to the Editor

In response to the issue of mining in Mongolia for gold, copper and uranium before the legislature, I would like to contribute some considerations to guiding principles in making decisions.

First and foremost, these precious metals are the treasure of Mongolia that could free the people from want. They belong to the people of this land: men, women, and children whose future needs to be considered at all times. There should be no financial arrangements that enable only certain individuals to gain wealth.

Instead of terms that favour the proceeds of the initial phases of mining going to outside companies when returns are greatest, what can be negotiated is leasing equipment that will be purchased, so the ownership of the means to carry out mining operations eventually belongs to Mongolians. Mongolia is in a strong position, not a weak one, to make purchase agreements and award work contracts.

Expertise and training can be contracted in such a manner that operations are quickly assumed by Mongolians, but reasonable compensation must be provided so that there is incentive for outside mining companies to operate here.

These payments can be arranged on favourable terms to the Mongolians out of the proceeds of the mining operations, certainly not through deficit financing.

This wealth should not be abrogated by the outside mining companies, not any percentage. Ownership should never be conferred to people who are not of the land.

Great caution should be exercised in making these decisions. Decisions made hastily may be regretted for a long time to come because once the metals have been mined, they are irreplaceable.

Mongolians also need to have a voice in how these metals are used, in particular, uranium, so that it is used in processes that nurture and nourish life and not to destroy, because it can taint the land for a very long time indeed, if used improperly.

Stewardship of the land should be the major guiding principle in mining operations, not maximizing profit. These operations need to be carried out
carefully, with regard to all life involved, and within reasonable bounds so that the land and waters are not spoiled or degraded, and the safety of the people working in the mines is not endangered.

The value gained from mining operations is better served generally through trading and bartering this mineral wealth directly with other countries for what the people of Mongolia need to life themselves out of poverty, to build sources of clean energy, and make good lives for themselves.

Both women and men in Mongolia are to be involved in making decisions and working in mining operations for balance and harmony to result.

Ceremonies honouring the Earth for the abundance that she provides are to be carried out in all the comings and goings of mining operations. A spirit of gratitude, respect, and stewardship are required, or the country will suffer dire consequences.

The women of Mongolia also need to be honoured and uplifted into more harmonious relationship with men, not only in respect to the mining operations, but to share in the educational and business opportunities that will grow out of the wealth being mined, if properly guided. This treasure belongs to them as well as the men.

As the treasures of the land are taken, a good part of the proceeds are to be returned to the earth by investing in stewardship of animal and plant life, air, waters, and land.

I submit these considerations in service to Terra Gaia, our home, our planet.

– Ariel Ky.

Will Sharing be to Mongolia’s Benefit?
Economist D Jargalsaikhan

The Mongolian parliament agreed to approve the Oyu Tolgoi agreement after the Naadam festival, two weekends ago. If that deadline wasn’t met, a different partner would replace Ivanhoe, as the minister responsible for those negotiations warned. It looks like Rio Tinto – Ivanhoe’s partner that owns a 10 percent equity stake – may back out from the option of buying 30 percent shares of Ivanhoe Mines, which was agreed a few years ago. In any case a ‘dog barking is getting close’ as we Mongolians say.

The nation is coming to a crossroads after a long ride with irresponsible mining in the past, and it’s a time to choose how much the government should share with the company that found and estimated the huge reserve of gold and copper in the southern mine of Oyu Tolgoi.

The question is, is it worth sharing? It is the duty of society to contribute their opinion when choices are being made in a democratic country, but the final decision is in the government’s hands.
Profit sharing. The Oyu Tolgoi agreement has been focusing mainly on profit sharing for the last few years. Our political leaders have been dividing the 'skin of a bear, which is not yet dead'. Meanwhile, the general public has been confused on whether the government will own shares of the company, or own shares of the reserve.

Under the constitution, Mongolia owns 100 percent of the under surface minerals in Mongolia, which includes the Oyu Tolgoi deposits. Foreign and domestic companies are given rights to explore, and if they find anything, they are given the rights of developing and producing the minerals on behalf of the government. A portion of the proceeds from the sale of minerals or products will be granted to that company for taking the risk making the discovery, and developing the mine. The remaining profit is taken by the owner – the state. This is the common business practice all over the world.

The more the estimated amount of gold and copper in the Oyu Tolgoi deposit increased, the hungrier Mongolians were to own a larger share of the mine. There has been an attempt at majority share, and now it has been settled to be a large chunk of the total profits. If the government didn’t receive the larger share, political owners threatened not to give permission for further operations of the mine. Furthermore, they made a law saying not only Oyu Tolgoi’s, but also all ‘strategic deposits’ must be owned at a minimum 34 percent by Mongolia.

The reply from the investor was simple: The government has to buy shares of the company and take responsibility as equity owner. The government’s share of the investment will be about US$1.7 billion. If the government can’t invest now, they are given the option to borrow from Ivanhoe and pay later, with an interest rate of 10 percent per year.

This means that if the government does not pay anything in 10 years time (which is likely since it’s running a deficit), the country will be subject to interest payment equal to the principle sum, which in 20 years is two times the amount – in 30 years, three times. In such case, the total required investment for the project (US$5.1 billion) will be paid in time and in total by the Mongolian side. If this is the case, it would be a domestic investment, rather than the expected foreign investment. Even after the money is invested by the country, Mongolians still only receive 34 percent of the profit.

Spring Session Ends with a Negotiation Date for OT
Market Commentary by Dale Choi

The spring session of parliament ended on July 21. According to leading Mongolian daily Unuudur, “not only Mongolians, but foreign and domestic investors and some countries were carefully watching the outcome of the Oyu Tolgoi (OT) investment agreement, which is so important for the development of Mongolia."

Parliament is messing up everything related to the Oyu Tolgoi agreement, and making the future of other deposits unclear. The Speaker of Parliament was brief on the subject and just noted that the government has authorisation to conclude the agreement.
OT was a key source for fulfilling promises of universal social transfers that both ruling coalition parties made themselves.

The investment agreement was of interest not only to foreign business, but to domestic companies as well. For nearly eight years, almost 900 Mongolian companies have been cooperating with the OT project in order to receive US$1.2 million per month for goods and services. In sum, there was a great possibility for national companies to grow following the agreement. Politicians were racing each other promising that days after OT is approved they will disperse new money, and the lives of people will immediately improve. The National Security Council gave direction for developing third-party policy for Mongolia. There is already interest in Mongolia taking over if Rio Tinto backs out of Mongolia.

But there is a chance that some companies may use OT as a political weapon.

Influential columnist Baabar boldly writes in his column in *Udriin Sonin* that, “hopes for finding great treasures in the Gobi Desert have been squashed by this session of parliament.”

He goes on to say that it has been eight years since the deposit was discovered and six years since Ivanhoe tries to reach an agreement with the Government of Mongolia – three times sitting behind negotiation tables.”

Mongolians have been audacious in demanding 68 percent in taxes and asking for 51 percent and then 34 percent of the company for free. Some 66 percent of parliament stood firmly behind these strange demands and therefore all ways for cooperation with western companies are once and for all shut,” said Baabar.

The racketeers have accused Mongolia of losing its treasures to Ivanhoe, only for Ivanhoe to sell back 34 percent, but changes to the robbery-like tax of 68 percent on profit was not supported. Parliament has issued a resolution to the government that has a meaning: Rob 34-51 percent of the company, and then loot 68 percent of the profits. If the investors don’t comply, chase them away. This means that it is practically impossible for the government to establish a contract.

After this parliamentary resolution, Rio is deciding to leave Mongolia, and the company is most likely getting ready to announce it. It is certain that no western company will come in to Mongolia after the world’s biggest mining company pulls out.

The only place that might be interested is China’s Chinalco. China’s Shenhua is making an agreement to invest in Tavan Tolgoi (TT). If China buys both TT and OT it will control 90 percent of Mongolia’s economy, yet Mongolia was proclaiming third neighbour policy to not depend on two neighbours.

Most regrettable is that the parliament resolution is an organized, intentional action by the country’s MPs. They realize that the consequences of their
action will be complete economic dependence on China. Even though two parties supported the government’s version of the agreement, when it came to actually voting on committee meetings, it is clear that MPs don’t care about party decisions and vote according to official position, distribution or financial interest.

Every issue in the parliament is decided by temporary interest groups, based on conspiracy and corruption. It becomes clear that groups within the parliament organized all these racketeers-patriots who demonstrated on streets and just stopped short of attacking foreign companies. Will corrupted Mongolians be not controlled by China? Both Shenhua and Chinalco are Chinese State companies. Mongolia’s universal social transfers will be decided from Beijing. The investment agreement between Ivanhoe, Rio Tinto and the government is a very beneficial agreement to Mongolia by world standards.


The Washington Times

Sunday, August 2, 2009
Mongolia sitting on a gold mine

David W. Jones (Contact)

ULAN BATOR, Mongolia — It is late June, but a biting north wind has swept in from the Siberian steppe, driving temperatures down by 40 degrees and bringing an icy drizzle that chills the skin.

Bundled in an inadequate cloth coat, Khavdal Khurman stoops behind a makeshift mine piling with a small sack, sifting through the detritus for a few lumps of coal to heat his tent against the unseasonal chill. Around him lies a coal-blackened Mad Max landscape of abandoned mining equipment and derelict buildings, the windows long since stripped of glass.

Life has been tough for Mr. Khavdal, who worked for 11 years in the coal mine a few miles outside of the capital until it was closed because of safety concerns in 1990 — the same year Mongolia rejected socialism in favor of democracy and a market economy.

Aged somewhere "over 40," he receives a small pension from the government because of a mining-related ailment, but "it is not enough to
survive. I run out of tea and salt," he says. Yet like almost all Mongolians, he still has faith in the country's new commitment to democracy.

"Eventually life will get better," he says.

U.S. officials, who would like to hold up Mongolia as a role model for other countries poised on the cusp between democracy and authoritarianism, sincerely hope he is right.

During a visit to Washington in early June, Foreign Minister Sukhbaatar Batbold received access far beyond what might be expected for a country with a population of just 2.7 million and a gross national product roughly equal to Buffalo, N.Y., including meetings with Secretary of State Hillary Rodham Clinton, Commerce Secretary Gary Locke and senior members of Congress.

"The United States has no greater foreign policy goal than to expand the number of democratic countries in the world," said Ambassador Mark Minton, who lauded Mongolia as a country that, almost entirely through its own efforts, has done just that.

"That is useful in and of itself," he said. But it also "gives hope to other countries that ... are geographically isolated and under pressure that they can in fact develop democratic institutions for the benefit of their own people."

For that to happen, however, Mongolia must demonstrate that free markets can improve the lot of its people, and in that respect it has hit a bump in the road. After several years of rapid economic growth, the country has been hard hit by the global recession, which knocked the bottom out from under prices for its main exports — copper, other minerals and to a lesser extent the cashmere that goes into the fine suits of New York and London stockbrokers.

Coupled with that have been several years of droughts and harsh winter storms that have decimated the herds of Mongolia's traditional nomadic herders. As a result, close to half the population is now clustered in Ulan Bator, the majority living in vast tent and shanty communities that sprawl across the hillsides overlooking an increasingly shabby city center.

At the city's core, a few soaring glass-and-steel towers, initiated amid high
hopes and soaring commodities prices of a few years ago, stand vacant on streets with gaping potholes surrounding a modernist new parliament building with an imposing statue of Genghis Khan.

Hopes for a turnaround are focused almost entirely on some enormous mineral deposits in the southern Gobi Desert that, in the words of Mr. Minton, have the potential, if properly developed, to turn Mongolia into "a prosperous middle-class country" within 20 years.

More than five years of bickering over how to develop the first of those deposits, a mine site called Oyu Tolgoi with copper and gold reserves estimated in excess of $200 billion, appears to be coming to a conclusion and could be settled within days or weeks.

Mongolians say the deal that is being negotiated with a Canadian company that holds licenses on the property will serve as a model for negotiations to develop nearby Tavan Tolgoi, billed as the world's largest undeveloped deposit of coking coal with estimated reserves of more than 6 million metric tons.

"With the minerals that we know about, on a per capita basis [Mongolia] is one of the 10 most wealthy nations," President Elbegdorj Tsakhia told al Jazeera in perhaps his only interview with a foreign news organization since he took office on June 18. "Yet the average living standard is 150th in the world."

Mongolia's potential wealth has not escaped the notice of its only immediate neighbors — Russia and China.

Moscow, after nearly two decades of virtually ignoring its former Cold War client, is suddenly showing great interest in Mongolia, demonstrated by a personal visit to Ulan Bator by Prime Minister Vladimir Putin in June and plans for a follow-up visit by President Dmitry Medvedev later this year.

After years in which there was no military cooperation between the countries, Mongolia has also received visits from Russian Defense Minister Anatoly Serdyukov and armed forces Chief of Staff Nikolai Makarov. The two countries recently held their first joint military exercises since the end of the Cold War.
Russia's interest extends beyond gold and copper, though it has suggested the proceeds from the Oyu Tolgoi and Tavan Tolgoi mines might be shipped to market through its Pacific coast ports. While in Ulan Bator, Mr. Putin said he expected within "several weeks" to announce a deal for the "joint extraction and processing" of some of Mongolia's estimated 60,000 metric tons of uranium ore.

China has been less active diplomatically, but it can afford to be. With its major industrial and population centers much closer to Mongolia than Russia's, it already accounts for more than 50 percent of the country's trade and investment and provides the bulk of its produce and consumer goods. When it closed the main border crossing for two days to protest a visit to Mongolia by the Dalai Lama in August 2006, food shortages in Ulan Bator quickly drove home the message.

Chinese business interests are among the 10 current bidders to develop the Tavan Tolgoi deposits, but Beijing does not seem particularly worried about the outcome. Economic and geographic considerations suggest that whoever develops the mines, most of the coal and copper will travel south to feed the voracious appetite of China's growing industrial sector.

Public sympathies are much more with Moscow, thanks largely to the Russian troops who helped Mongolia to free itself from Chinese rule and achieve its independence in 1921. Most of the infrastructure that Mongolians now depend on — roads, railways, power plants, schools, hospitals — was built by the Soviet Union.

Nineteen years after the rejection of socialism, a statue still stands in front of the national university to Choibalsan — sometimes called the Mongolian Stalin — who as interior minister in 1937 oversaw a purge in which some 30,000 people were executed, including 17,000 Buddhist monks.

At a shabby, paint-peeled and seldom-visited museum honoring the victims of that period, an exhibit case holds about two dozen skulls, each with a bullet hole in the forehead, taken from the mass grave of about 600 monks that was accidentally discovered in 2003.

Yet, "We still like the Russian people," said Shinee Dampimparev, the only staffer at the museum one recent afternoon. "It was not the Russian people who killed Mongolians, it was one person — Stalin. The Russians ... are more
welcoming, more warm-hearted than Chinese."

While public opinion is decisively with Russia, government officials are more pragmatic and work hard to treat the two countries with equal respect. That extends to military cooperation; a few dozen Mongolian soldiers visited Beijing for their first joint exercise with Chinese troops over the July 4 weekend.

Prime Minister Sanjaa Bayar was quoted in the English-language Ulan Bator Post in April saying economic and trade cooperation with China is going through its best period in history "and will continue to progress in the future."

The United States is also in the game, along with Japan, South Korea, Australia and a few others. While democracy is America's "overarching" interest in Mongolia, Mr. Minton said, "there are other interests, economic interests."

U.S.-based Peabody Energy Corp., the world's largest coal-mining company, "has a very strong interest in helping Mongolia develop its coal deposits in the Gobi Desert."

U.S. influence is expected to be boosted by the election of Mr. Elbegdorj, who holds degrees from the University of Colorado and Harvard's John F. Kennedy School of Government. Balancing that is the Russian-educated prime minister, Mr. Bayar, who maintains close ties to Kremlin leaders.

Like Russia and China, the United States is backing its diplomatic overtures with economic aid, notably a grant of $285 million from the Millennium Challenge Account, most of which was earmarked for a badly needed upgrading of Mongolia's aging rail system.

That deal, approved in 2007 after several years in which Mongolia struggled to meet the good governance requirements of the Millennium Challenge program, was stymied this year when Russia — a 50 percent partner in the Mongolian rail system — declared that it, not the United States, would take care of the upgrade. Washington is now considering a request from Mongolia for permission to divert the $188 million that would have gone to the rail system to another purpose.
Mongolians, long accustomed to being what one described as "the meat between two large buns," have become expert at balancing their two large neighbors against one another. As insurance, they have developed what they call the "Third Neighbor" policy aimed at establishing close ties with virtually anyone else.

"The United States, the European Union, Japan, Korea, [Southeast Asia], these are all Third Neighbors," said Mr. Batbold during an interview at his offices in Ulan Bator. "As a small country sandwiched between Russia and China, we need to be proactive rather than just sitting here. We like to talk to all other countries and balance their interests."

Even if Mongolia manages to navigate the diplomatic maze, it faces other challenges in exploiting its mineral bonanza. Among the most demanding are a penchant for corruption and a long-running argument over how to distribute the spoils.

In the early part of this decade, when commodity prices were low and Mongolia was desperate to attract foreign investment, "the government offered too many incentives, too many tax holidays," explained Oyun Sanjaasurn, an independent member of parliament and sister to a deceased hero of the protests that brought down socialism in Mongolia.

As a result, foreign companies were able to mine out some gold reserves with little or nothing accruing to the Mongolians. Then, when commodity prices shot up, "there was a natural reaction," she said. "Now we are turning the pendulum to very left policies in parliament."

In what Ms. Oyun described as a wave of populism, the two main parties both promised during a close-fought parliamentary election last year to pay every Mongolian a sum in the neighborhood of $1,000 once the Oyu Tolgoi deal is signed.

"We had a federal budget of $2.5 billion last year; this proposal would roughly equal the whole budget; there would be no money left for anything else. This will be almost impossible to deliver," she said.

Difficult or not, the country's youthful and sophisticated mining minister, Dashdorj Zorigt, said in an interview that the government has an obligation to keep its campaign promises. "That is the whole thrust of the democratic
system. Trust between the government and the people is based on it."

In the tent camps overlooking the capital, people are already planning how they will spend their share of the handout.

"We need the money so badly," said Narantuya Duln, a 50-year-old widow who lives with 12 children, grandchildren, in-laws and two dogs in three tents, or "gers," in a bare-earth compound with a stunning view of the more prosperous city center. Surrounding it is an utterly unplanned hodgepodge of gers — called "yurts" in Russian — and simple frame or brick homes, separated by steep, rutted dirt roadways on which children wrestle large canisters of water from public pumps.

Mrs. Narantuya said she worked for Mr. Elbegdorj in the presidential campaign, helping him to carry her neighborhood by a two-to-one margin, and that she has faith that he will keep his promises. "I hope he will really do something for this district," she said.

But asked whether the windfall from the Oyu Tolgoi might better be spent to upgrade the country's infrastructure or do something to spur long-term economic growth, she was adamant. "He should hand out the money. There are so many poor people around — lots of families who cannot even buy bread. So we need the money. Then we can build a house here."

On another hillside half a mile away, Magnai Migid, 40, moved to block the drizzle and icy wind from a 5-year-old neighbor whose face bears the scars of a fire that destroyed her tent home and killed her parents. Mrs. Magnai longs to live in an apartment in the city below, she said, "but that takes money, and to have money you need a good job. It is very hard to get a good job, especially at my age."

Like Mrs. Narantuya, she said she is looking for the new president "to fulfill his promises." If he does not do that, "he will not be elected again."

There is more skepticism about the proposed handout among better educated Mongolians, people like Sandagdorj Bayanbaatar who was able, because of the nation's transformation in 1990, to go to Japan for schooling and now runs a Mongolian-Japanese joint venture computer services company in Ulan Bator.
The payout "will be like a small rain in the Gobi Desert," said the 37-year-old entrepreneur. "It will soon be gone. We need to invest the money in a big infrastructure project."

The Oyu Tolgoi proposal approved by parliament calls for an upfront payment to the country of about $125 million, which would be essentially a loan against future revenues. But that is just 5 percent of what it would take to fulfill the campaign promise, and it will have to be repaid from future profits at 9.9 percent interest.

Ms. Oyun said the parliament is now beginning to talk about alternatives to a cash payment, perhaps vouchers to purchase education and health care or even a general distribution of shares from what is expected to be a 34 percent government stake in the mine.

Another recurring theme, heard both in city offices and in the tent camps, or Ger District, as it is known, is a fervent hope that the new president will bring a greater level of honesty to government.

"There is corruption in every country, but in Mongolia it is everywhere, from the lowest levels all the way up to the [Cabinet] ministers," said Garigtsatsralt Chuluunkhuu, the 26-year-old head of the marketing research department at the Transportation and Development Bank of Mongolia.

"To start a business, you need hundreds of licenses; at every ministry you need to get a lot of licenses," opening the door to bribes, said Miss Garigtsatsralt, who added that her bank has seen many of its small business customers go bankrupt since the start of the global downturn.

The pattern extends also onto the hillsides, where a herder moving in from the countryside must pay bribes to get a license for a plot of land on which to pitch his ger — the more desirable the lot, the higher the payment.

Ms. Oyun readily acknowledged the problem. "Corruption is a problem and it has been all during the transition as in other post-communist countries. Mongolia is not an exception," she said. But she noted that Mr. Elbegdorj had earned something of a reputation for fighting corruption during a previous stint as prime minister and had made it a central issue in his campaign.

Mr. Minton, the U.S. ambassador, also was hopeful that progress is being
made. "Surveys are taken regularly. The trend lines are a small but steady decrease in citizen concerns about corruption. This is becoming a more open society," he said.

A great deal is riding on the shoulders of Mr. Elbegdorj, but perhaps nothing is more important than the faith of people like Mrs. Narantuya, who despite the hardships in her life believes Mongolia will never turn back from its commitment to democracy.

Asked what democracy means to her, she said it "means being honest. No corruption. Everybody has their workplace and everybody lives in comfort. I hope one day we will reach that."
Due to the size of this individual study report a number of pages are not included in this Tabling document. A copy of the full report (and any supporting documentation) is available on written request to the Office of the Special Minister of State.
Senator the Hon Joseph Ludwig  
Special Minister of State  
Suite MG 64  
Parliament House  
CANBERRA ACT 2600

Dear Minister

In accordance with the requirements of Clause 9.2 (a) of Remuneration Tribunal Determination 2006/18 (the Determination), I submit the following statement reporting on my recent overseas study journey:

(i) (a) Confirmation of Purpose: 
I travelled to England, Ireland, Wales, Italy and France in July and August 2009, this being the first study leave taken since I was elected to parliament in 2001. My main purpose was to investigate the European approach to Internet Crimes against Children. This is an emerging crime type and one for which I am convinced we need to develop sound policy responses.

I met with leading law enforcement bodies, NGOs, academics and practitioners as well as Australia’s partners in the Virtual Global Taskforce (an international alliance of law enforcement agencies working together to prevent and deter online child abuse).

In my (then) role as Shadow Minister for Justice and Customs I also took the opportunity to receive briefings from Britain’s Serious and Organised Crime Agency, Ireland’s Office of the Revenue Commissioners and the newly formed UK Border Agency.

(b) Itinerary: 
please see attachment A

(ii) Key meetings and outcomes/findings:  
please see Attachment B
(iii) **Conclusion:**

I believe the discussion and outcomes noted in the body of my report demonstrate that the subject I set out to study is one to which Australian Parliamentarians will need to turn their attention in at least three relevant areas;

- How we effectively support law enforcement to properly manage the continual increase in internet crimes against children, in particular the heinous crime of online child sexual exploitation. Note: Internet crimes may be prosecuted as federal (rather than state) crimes
- How we deal with Internet Sex Offenders in a way which identifies their level of risk and properly manages it
- How or if we block or filter the Internet to make the sharing of internet child sexual abuse images more difficult without restricting free flow of information

I note that in accordance with clause 9.5 of the Determination a copy of this statement may be obtained from you upon request by any Member or Senator. I also note that this statement may be tabled in Parliament at your discretion.

Yours sincerely

Sussan Ley

Federal Member for Farrer

11 April 2010
ATTACHMENT A – ITINERARY

Wednesday 22 July 2009

13.30 Arrive London Heathrow ex flight QF29

Transfer to Marlin Apartments City Dockside, 577 Commercial Road, E1
(official transport)

Thursday 23 July 2009

10.00 Arrive Australian High Commission, Strand, WC2.

Met by Ms Liz Lindores, Manager, Visits & Client Services

Courtesy call on Mr Adam McCarthy, Acting High Commissioner

10.30 Leave AHC accompanied by Mr Chris Lines, Counsellor, Police Liaison.

11.00 Arrive Serious Organised Crime Agency, Spring Gardens

Discussions with Mr Mark Webster, an expert in E-Crime/Computer Forensics

MUST carry passport for identification

12.00 Leave SOCA

15.55 Arrive 11 Bedford Square Centre for Abuse & Trauma Studies, Kingston
University and Royal Holloway, University of London, 11 Bedford Square,
London WC1B 3RF.

16.00 Discussions with Professor Julia Davidson PhD, Professor in Criminology &
Sociology, Kingston University and Co-Director of the newly formed Centre
for Abuse & Trauma Studies and Professor Antonia Bifulco

17.00 Leave University of London
Friday 24 July 2009

09:50 Arrive at Empress State Building Reception, Lillie Road, SW6.
Tel: 020 7230 3506
Met by Miss Joanna McVey, Metropolitan Police Visits Liaison Officer & Mr Chris Lines

10:00 Discussions with Detective Chief Superintendent Gordon Briggs and Detective Constable Jonathan Taylor, Child Abuse Investigation Command

**MUST carry passport for identification**

12:00 Leave Empress State Building

Friday 24 July 2009 Cont’d

13.55 Arrive Child Exploitation & Online Protection, 33 Vauxhall Bridge Road, SW1.
Met by Mr Lines

**MUST carry passport for identification**

14.00 Tour with Ms Gabrielle Shaw

14.30 Overview of Operations (including VGT) with Mr Jim Warnock

15.00 Overview of Intelligence with Ms Ruth Allen

16.00 Leave CEOP

Saturday 25 & Sunday 26 July 2009

*Private arrangements*

Monday 27 July 2009

Train to Cambridge

10.30 Discussions with Mr Peter Robbins OBE, QPM, Chief Executive Officer, Internet Watch Foundation, East View, 5 Coles Lane, Oakington, Cambridge CB24 3BA
12.00 Leave IWF

Train to London Heathrow. Depart for Dublin Aer Lingus EI 179

21.25 Arrive Dublin and transfer to Mespil Hotel, Mespil Road

Tuesday 28 July 2009

11.00 Mr John Laffan, Executive Director, Office for Internet Safety,

Block 2, Floor 3, Harcourt Centre, Harcourt Street, Dublin 2

15.00 Mr Michael Colgan, Head of Central Intelligence and Drugs

Enforcement Branch, and Mr Denis Graham, Assistant Secretary,

Investigations and Prosecutions Division, Revenue Commissioners,

Ashtown Gate, Navan Road, Dublin 15

Wednesday 29 July 2009

10.00 Dr Yvonne Quinn with Dr. Davina Walsh, Senior Clinical Psychologist at

the Granada Institute – Stillorgan Park Hotel, Stillorgan, Co. Dublin -

12.00 Mr Mr Adrian Dwyer, Membership Coordinator, INHOPE, Stillorgan

Park Hotel

20.20 Arrive Cardiff ex RE315

Collect hire car. Overnight accommodation Abergavenny

Thursday 30 July 2009

08.30 Discussions with Dr Phil Huckle, Medical Director, Llanarth Court,

Llanarth Raglan, Abergavenny, Monmouthshire NP15 2YD

10.30 Leave Llanarth

Drive to London Heathrow

21.45 Arrival at Fiumicino airport Terminal C on Flight BA558
Met by driver from Fabio Atturi Service

*Accommodation Best Western Universo Hotel, Via Principe Amedeo 5/B*

**Fri 31 July 2009**

09.00  Car with driver to pick up Ms Ley at hotel

09.30  Meeting with Dr Michele Palma, Director-General for Economic and Social Action, Department of Equal Opportunities, Presidency of the Council, and Dr Cinzia Grassi, Coordinator of the Observatory against child sexual abuse and pornography

Venue: Department of Equal Opportunities, Largo Chigi 19, 4\(^{th}\) floor

- will be met at the entrance by the interpreter Ms Luisa Sanjust di Teulada

11.30  Meeting with Dr Sergio Staro, Deputy Assistant Commissioner, Post and Communications Police Service. Ministry of the Interior,

and with Dr Vulpiani, Director of the Service

Venue: Post and Communications Police Service Headquarters, Via Tuscolana 1558

Contact: Dr Staro’s office, Tel. 06 46530 130 or 06 46530 028

After the meeting car with driver to take Ms Ley back to hotel

**Sat 1 August 2009**

13.00  Departure by plane for Lyon AF 5822

(Taxi to and from the airports)

*Accommodation Axotel Perrache Hotel Lyon*
Sunday 2 August

No appointments

Monday 3 August

0900 – 1300  Interpol – Trafficking in Human Beings sub-directorate

Contact is Hamish McCullough, technical adviser on child exploitation/database issues. Meeting co-ordinated by Australian Delegate to UNESCO

17.55  AF 3484 Lyon to Amsterdam

21.20  Arrive Norwich ex AF8380

Tuesday 4 August 2009

09.55  Arrive 24 Hurricane Way, Norwich Airport Business Estate, NR6 6EY

**MUST carry passport for identification. The building is not well sign posted apart from a simple number 24 and lots of cameras.**

10.00  Met by Ms Joy Singleton, MAPPA Manager, Vulnerable People Directorate, Norfolk Constabulary

Discussions with Superintendent Chris Hobley, Officer in charge of the vulnerable People Directorate

Discussions with members of the Police Public Protection Unit

12.00ish  Escorted by Ms Singleton to the Probation Unit

Discussions over lunch with Assistant Chief Officer Judith Blackman covering high risk cases, Mr Charles Ramshaw, Treatment Manger & Ms Gill Pooley, Senior Probation Offender Manager.

Additional discussions with members of the Public Protection Unit

14.00  Leave MAPPA
Wednesday 5 August 2009

No appointments

Accommodation Swissotel The Howard, Temple Pl., WC2

Thursday 6 August 2009

10.10 Arrive Home Office, 2 Marsham Street, SW1

Met by Mr David Wilden, Minister - Counsellor Immigration, Regional Director Europe and Mrs Jane Sansom, Principal Migration Officer

10.15 Discussions with Lin Homer, Chief Executive, United Kingdom Border Agency and Brodie Clark, Head of Border Force

11.00 Leave Home Office accompanied by Mr Wilden & Ms Sansom

(car booked by DIAC)

12.00 Arrive London Heathrow Terminal 5

Site visit covering:

- Primary Arrivals Control / arrivals hall

- the forgery unit

- detection unit

- Iris Recognition Immigration System (IRIS)

- freight sheds and customs areas

16.00 Visit concludes

17.00 Arrive Central London

22.15 Departure from London Heathrow

QF2 London – Bangkok – Sydney
MR TONY WINDSOR MP

United Kingdom and Denmark
24 July – 22 August 2009
24 November 2009

Senator the Hon Joe Ludwig
Special Minister of State
Parliament House
CANBERRA ACT 2600

Dear Minister

I submit the following statement reporting on my recent overseas study journey as required by Clause 9.2(b) of The Remuneration Tribunal Determination No. 14 of 2003.

Should you wish to discuss any aspects of this report, please don’t hesitate to contact me.

Yours sincerely

[Signature]

Tony Windsor MP
Member for New England
MR TONY WINDSOR  B. Ec. MP

RENEWABLE ENERGY STUDY TOUR
EUROPE

24 July 2009 to 22 August 2009
EXECUTIVE SUMMARY

- Countries of the European Union are considered the global leaders in development and application of renewable energy.
- In view of this and considering the discussions globally regarding climate change and the need to pursue more sustainable practices to reduce greenhouse gas emissions across the World. The study tour was essentially about looking at what Europe was achieving in terms of the broad sustainability agenda.

I held a number of meetings with farmers in south western England and Scotland looking at farming systems that may have an impact on greenhouse gas emissions. Soil based technologies such as no-till are virtually non existent with real issues developing once animal waste and nitrous oxide issues relating to fertilizer use and methane emissions from livestock industries.

Concern was often expressed about how food production from agriculture would or should be treated in a global attempt to restrict greenhouse gas emissions.

Geothermal power generation plants in Germany and Italy clearly demonstrate the potential for the use of natural heat sources. The small scale experimental plant at Newstadt-Glawe is the coldest geothermal plant in the World producing steam by the use of brine additives at temperatures below boiling point.

Concern was expressed also about a potential collision point between food fuel and carbon in the global warming debated and how it will impact on landuse currently used for crop production.

In a global carbon economy there may be substantial changes to landuse driven by environmental factors and the so-called carbon market signals. It may well be more viable long term for grain farmers to grow fuel from plant material as ethanol or biodiesel or use land for forestry offsets for carbon purposes than the more traditional food crops.

In fact the market signals from an Emissions Trading Scheme (ETS) may well actively discourage food production in favour of energy or carbon benefits.

The implications for food security, global stability and refugee potential issues need to be considered if any ETS is to be imposed on food production.

*The Carbon Capture & Storage Association (CCCa)*

I met with Dr Jeff Chapman, Chief Executive of the Carbon Capture and Storage Association.

Aims of the CCSA:
• To encourage development of CCS in the UK and internationally and to support business interests in global developments.
• To inform the public, professions and policy makers about the environmental, technical, socio-economic and commercial benefits of carbon capture and storage.
• To provide advice to policy makers on regulatory issues and potential incentive mechanisms associated with CCS.
• To promote industry priorities on financial, technical, research and policy issues related to CCS.
• To liaise with other industry and professional groupings having interests in energy conservation and CCS.
• To provide a forum to encourage information exchange, networking and enhanced capability in relation to CCS.

The Carbon Capture & Storage Association (CCSA) was launched in March 2006 to represent the interests of its members in promoting the business of capture and geological storage of carbon dioxide (known as Carbon Capture and Storage, or CCS) as a means of abating atmospheric emissions of carbon dioxide and, potentially, as a means of enhancing the production of fossil hydrocarbons. From its base in London the CCSA brings together specialist companies in manufacturing & processing, power generation, engineering & contracting, oil, gas & minerals as well as a wide range of support services to the energy sector such as law, banking, consultancy and project management. The Association is a model for sectoral cooperation in business development and its existence is welcomed by government.

• To inform the public, professions and policy makers about the environmental, technical, socio-economic and commercial benefits of carbon capture and storage
• To provide advice to policy makers on regulatory issues and potential incentive mechanisms associated with CCS.
• To promote industry priorities on financial, technical, research and policy issues related to CCS.
  To liaise with other industry and professional groupings having interests in energy conservation and CCS.
• To provide a forum to encourage information exchange, networking and enhanced capability in relation to CCS.
• To encourage development of CCS in the UK and internationally and to support business interests in global developments.

**UK Business Council for Sustainable Energy (UKBCSE)**

I met with Mr David Green, Chief Executive, United Kingdom Business Council for Sustainable Energy on Monday 27 July 2009.

The UKBCSE aims to:
• Provide a forum for dialogue between the UK energy industry, government and other stakeholders on the key issues shaping the deployment of sustainable energy;
• Promote the policies, investment and commitment needed to secure market growth and sustain long term business planning;
• Highlight the scope for technological and market innovation to deliver key environmental goals.

Through an extensive programme of stakeholder consultation, the UKBCSE took the lead role for the UK Government in bringing together the UK Energy Sector input to the World Summit on Sustainable Development. At the World Summit, the UKBCSE worked with the UK Government to launch the Renewable Energy and Energy Efficiency Partnership (REEEP).
The UKBCSE also plays an active part in the Climate Change negotiations.

History

The UKBCSE was formally launched in January 2002, and was set up at the suggestion of Government and leading NGOs to create a framework for high level policy engagement across the energy sector on climate change, sustainable development and the transition to the wider use of sustainable energy.

The UKBCSE took the lead role for the UK Government in bringing together the UK Energy Sector input to the World Summit on Sustainable Development, also working to support the launch of the Renewable Energy and Energy Efficiency Partnership (REEEP). In parallel, the UKBCSE launched at the Summit a strategic partnership with the US, Australian and European Business Councils for Sustainable Energy.

In the UK, the Council has taken an active role in the development of cross industry input into the UK energy review, and the succeeding Energy White Paper as well as the Review of the UK Climate Change Programme and a range of other cross cutting issues.

The Council continues to take an active part in the Climate Change negotiations. It is involved in the international discussions about the structure of the second phase of the Kyoto protocol following the end of the first period of the Kyoto Protocol (2008-2012).

The Council has also taken a key role in the development and delivery of the UK Prime Ministers agenda for his G8 and EU Presidencies. The Prime Minister, in his address to the G8 summit as it received the G8 Renewables Task Force Report, welcomed its creation:

"We will work with the UK Business Council on Sustainable Energy to develop further initiatives to promote the use of renewable and sustainable energy."

**Whitelee Windfarm**

On Thursday 30 July 2009 I met with Alan Mortimer, Policy Manager of Scottish Power at Whitelee Windfarm, 40km from Glasgow. The wind farm is located on high ground on Eaglesham Moor 370 m above sea level, with the turbines located across an area of 7 x 4 miles of moorland and forest.

Whitelee Wind Farm is Europe’s largest onshore wind farm built by Scottish Power a part of Spanish renewable energies company “Iberdrola Renovables”. The first phase started feeding power into the
electricity grid in January 2008, and was completed ahead of schedule in May 2009. It consists of 140 Siemens wind turbines, each rated at 2.3MW, provide 322MW of electricity, sufficient for virtually every home in Glasgow - a total of 200,000 homes.

The generated power will prevent emissions of over 650,000 tons of carbon dioxide every year from fossil fuels which would otherwise have to be burned. The wind farm is authorised for a further 36 turbines increasing capacity to 452MW, and could expand to 600MW in the future.

Half a million people live within a 30 km radius, including Glasgow some 15 km away to the north.

Scottish Government has a target of generating 31% of Scotland’s electricity from renewable energy and 50% by 2020. The majority of this is likely to come from wind power.

The often mentioned concerns regarding noise seem to have been restricted due to design improvements on the wind turbines.

Scottish Crop Research Institute Invergowrie

On Friday 31 July I met with various representatives at the Scottish Crop Research Institute at Invergowrie, Dundee.

Overview

The Scottish Crop Research (SCRI) is a scientific institute located in Invergowrie near Dundee, Scotland, and it has operated since 1951.

The SCRI has both staff and PhD students conduct research into different aspects of plant science. Their facilities include laboratories, office space, glasshouses, growth chambers, and 172 hectares of land designated for field work. Research is organised into four areas:

- Plant Pathology
- Genetics,
- Crop Breeding
- Plant Products and Food Quality.

Additionally, on behalf of Scottish Government, the Institute researches profitable and sustainable agriculture and, as member of Agriculture and Climate Change Group, researches the effects of climate change on crop production.

The work being done in relation to cell wall breakdown of barley and wheat stubble is nearing the point where ligno-cellulosic ethanol production from the stubbles could be achieved in a much more efficient manner.

This work could lead to a substantial value add to agriculture and also improve biofuel technology.
Observed Climate change  The 'One tonne less' campaign encourages the Danish citizens to reduce their personal CO2 emissions. Thousands have already taken the first step.

On Monday 3 August 2009 I met with Mr Bjarne Juul-Kristensen and Mr SOren Frederiksen, geothermal experts at the Danish Energy Agency.

The DEA is responsible for:

- Designing and preparing main energy policies, including legislation and planning.
- Implementing the adopted energy legislation, managing energy programmes, and Danish participation in international multi- and bilateral energy relations.
- Energy efficiency, electricity, heat supply, hydrocarbon activities and associated activities in the North Sea.
- Natural gas supply, renewable energy sources, environmental aspects of energy policy, and energy research and development.
- Advice to the minister, assist other authorities to administer Danish energy legislation.
- Conduct analyses and assessments of the development in the field of energy, nationally and internationally.

DEA carries out tasks linked to the production of energy and its transportation through pipelines to the stage where oil, natural gas, heat, electricity etc. are utilised for energy services by the consumer. This is both nationally and internationally, in relation to the production, supply and consumption of energy,
as well as conduct analyses and assessments of the development in the field of energy, nationally and internationally. The DEA ensures security of supply and the responsible development of energy in Denmark from the perspectives of the economy, the environment and security.

**District Cooling (Kobenhavns Energy)**

![Royal Danish Theatre](image)

On the afternoon of 3 August 2009 I met with Jøn Højgh, Project Manager of Kobenhavns Energy who operates Denmark’s first district cooling project in Copenhagen.

**Overview**

The plant combines three different technologies, based on an integrated production of cooling from:

- Free cooling and pre cooling seawater.
- Absorption cooling based on steam.
- Compressor based cooling.

In this district, seventeen potential customers were identified (businesses such as Magasin, Illum, and the Royal Danish Theatre). Estimates are that customers could save up to 80% on their electricity bills for cooling, while avoiding noise pollution and the need for bulky equipment, and time consuming maintenance. The saving is about 7GWh and an annual reduction in co2 of 3,000 tonnes. This project has the potential to expand into their other districts and service commercial customers, real estate combines, and individual customers.

**Novozymes**

On Thursday 4 November 2009 I met with Mr Justin Perrettson, Senior Advisor at Novozymes in Copenhagen.

**Overview**

Novozymes is the world leader in bio-innovation with customers across a broad array of industries, creating industrial biosolutions. It has over 700 products used in 130 countries, promoting natural and sustainable solutions, from removing trans fats in cooking to advancing biofuels to power world of tomorrow. Novozymes has over 5,000 employees working in research, production and sales around the world and is listed on the OMX Nordic exchange Copenhagen A/S (NZYM B).

Novozymes is a classic example of the forms of research that have been driven by concerns regarding greenhouse gases, food production and biofuels.
Danish Technological Institute

Energy Efficient Houses under evaluation by the Institute

Danish Technological Institute Overview

DTI has been operating within the area of energy since 1912 and now offers:

- Energy Technology: Energy Management in service and production facilities / Testing of boilers for gas, oil and solid fuel in accordance to both Danish and international standards.
- Energy Distribution: District heating / Natural gas / Combined heat and power technology / Installation, Metering and Calibration.

Riso Denmark Technical University (DTU)

On Tuesday 4 August 2009 I met with a number of representatives at the Riso Technical University of Denmark's National Laboratory for Sustainable Energy. I discussed wind energy research with Mr Peter Hauge Masden, Head of Division, climate and energy systems with Mr Hans Larsen (Head of Division), solar cells research with Peter Sommer Larsen (Head of Programme) and viewed a demonstration of Riso Grid connected polymer solar cells.

Riso is the National Laboratory for Sustainable Energy at the Technical University of Denmark – DTU. It carries out scientific and technical-scientific that can provide Danish Society with new development opportunities. Riso is based on the idea that knowledge is the key to the development of an innovative and sustainable society capable of facing global competition.

Riso undertakes large strategic research and development projects at international level. Research at Riso is performed in six research divisions and two research programmes:

- Biosystems
• Fuel Cells and Solid State Chemistry
• Material Research
• Radiation Research
• System Analysis
• Wind Energy
• Plasma Physics and Technology Programme
• Solar Energy Programme.

Many of the scientists working at DTU are at the forefront of the Intergovernmental Panel on Climate Change recommendations.

Amagerforbrænding

The waste-to-energy plant is located close to the centre of Copenhagen by the coast of Øresund.

Amagerforbraending Overview

Amagerforbraending is a partnership company owned by five municipalities. Its core business is recycling and waste-to-energy incineration. The company is a co-owner of an environmentally safe deposit where non-recyclable, and non-incinerable waste is stored.

In 2008 the company received 435,000 ton of waste, representing 10% of all incinerable waste in Denmark. Waste consists of :

• Refuse from private households-50%
• Incinerable waste from recycling stations-10%
• Industrial waste-40%

The incineration process supplies 140,000 house holds with electricity or district heating.
Geothermal Power Plant Neustadt – Glewe

On Thursday 6 August 2009 I travelled to Neustadt-Glewe, 176km from Berlin and met with Thomas Funke, Managing Director of Edwarne-Kraft, the Company that organises visits to this Geothermal Power Plant.

Geothermal Power Plant Neustadt – Glewe - Overview

- First geothermal plant in Germany, commenced providing heating to Neustadt Glewe in 1994, meeting most of the town’s demand (1,400 households) with a geothermal output rated at 6MW.
- The brine is derived from two wells (production & rejuvenation)2250m deep, at 98 degrees C, world’s lowest used temperature.
- Less demand of heat in the summer allows for generation of electricity.
- The electrical output is 200Kw providing for annual demand for 500 households.
- Production of heat has priority hence electricity generated augments the demand from the grid.

This process of producing electricity from water that hasn’t boiled seems incredible but shows the ingenuity of scientific endeavours when faced with an issue of below boiling point geothermal power.
Enel Lardello Geothermal Field and Plant

Enel Lardello Geothermal Field and Plant Overview (Tuscany)

- Geothermal generation, concentrated in Italy in the region of Tuscany at Lardello Geothermal Field.
- The field provides 5 billion kWh per year: equivalent to the requirement of 2 million Italian households.
- This results in saving 1.1 million tonnes of oil equivalent and avoiding 3.8 million tonnes of CO2 emissions.
- There are currently 32 operating geothermal plants, with a total installed capacity of 790 MW.
- The steam which hits the earth’s surface at 200°C shoots through massive steel pipelines and into turbines to produce electricity.

The Lardello site has been producing geothermal power since early last century and is an ideal example of the scale that can be achieved.

On Monday 10 August 2009, I met with Professor Ralph Sims at the International Energy Agency (IEA) in Paris. Professor Sims is the Senior Analyst in Renewable Energy and Climate Change at the IEA whilst maintaining the position of Professor of Sustainable Energy at Massey University, New Zealand where he began his energy research career over three decades ago. He was the Co-ordinating Lead Author of the “Energy Supply” chapter for the 4th Assessment Report of the Intergovernmental Panel on Climate Change, the 2007 Nobel Peace Prize recipient and a Lead Author of the focus group for the forthcoming IPCC Special Report on Renewable Energy. He has also acted as a consultan to many energy companies and is a chartered engineer and Companion of the Royal Society of New Zealand.

The International Energy Agency (IEA)
The agency acts as a policy adviser to 28 member countries.
Its mandate has increased to include climate change, market reform, energy technology collaboration, Outreach to the rest of the world, especially to major consumers and producers of energy, such as China, India, Russia and OPEC Countries.
ADEME

ADEME is the French Environment Management Agency. It is under joint supervision of French MEDAD and Higher Education Industries. It encourages, supervises and facilitates operations with the aim of protecting the environment and managing energy.

ADEME priority areas are energy, air, noise, transport, waste, polluted sites, and environmental management.

Electric vehicles were another area of interest. Whilst in Paris I visited La Poste, the French post office which is looking at a range of environmentally friendly initiatives.

The use of electric bicycles in ‘charging’ racks around the city is a fascinating example of the future. Bicycles can be accessed by membership cards and ridden for free for up to 30 minutes if replaced in another charging rack. If used for a longer period, a charge will be generated against the membership card or changed to a credit charge. Location of bicycles also monitored using GPS technology.

Electric vehicles are in use for mail delivery within Paris and in other French centres. La Poste is considering using airships to deliver mail between cities as an energy efficient way of service delivery.

LA POSTE

La Poste delivers all French Mail and is committed to ecological transport. Some of their initiatives are:

- The ecological driving trials undertaken in Lyon and then in the Val d’Oise have allowed them to reduce fuel consumption by 8%.
- La Poste has decided to offer training in ecological driving to 60,000 postmen and postwomen between now and the end of 2009.
- In 2007, 800 postmen and postwomen were equipped with electrically assisted bicycles.
- La Poste is building a fleet of electric vehicles for the collection and delivery of mail in urban areas.
- European call for tenders was launched for the supply of 500 electric vehicles and 10 electric quad bikes were on trial.

La Poste takes big car fleets users on the way of the electric vehicle
A group of French companies and public authorities - La Poste, French Government, EDF, France Télécom, GDF-Suez, Veolia Environnement and Vinci - signed a common letter of intent relative to a grouped purchasing of electric vehicles on 17 February 2009.

This alliance, which remains opened to the other car fleets administrators in France and in Europe, aims at "allowing the emergence of a strong demand materialized by the launch of one or several invitations to tender from summer 2009". 100 000 units over 5 years would be the threshold to reach a long-lasting industrial production of electric vehicles.

The advance taken by La Poste on this subject is recognized by the French Government which had already ordered, within the framework of the "Grenelle de l'Environnement", to Jean-Paul Bailly a report on "the prospects of electric vehicles industrial development, conditions of success and action plan". Two types of potential demands were identified: the demand of commercial vehicles for a delivery usage, and the demand of vehicles in self-service.

At the same time as this commitment, the French Government has launched a workgroup the same day in order to define the national strategy to implement some refill infrastructures for electric vehicles. This group gathers car manufacturers, Government, collectivities and territories, energy providers, actors of building sectors, as well as administrators of public places. A development plan of the refill infrastructures necessary should be delivered by the end of June 2009. (source: La Poste)

Savoie Technolac Science and Technology Park

Savoie Technolac Science and Technology Park is based in Le Bourget due Lac, a town on the Rhone-Alpes Region and Savoie district in the foothills of the Alps, 100km from Mount Blanc, the highest mountain in Europe.

1987
Savoie Technolac opened a business incubation unit designed to house new high-tech businesses. With its focus on higher education and high technology activities the new science park drew its inspiration from the Californian model and accordingly its development plan ensured that the design and architecture of the site complemented the surrounding alpine environment. Some 10,000 trees of diverse species were planted as part of an ambitious architectural and landscaping programme.

1991
By 1991 Savoie Technolac had become home to some 20 companies and the University of Savoie had transferred its science and engineering faculty onto the park into buildings designed by leading architects in distinctive styles evoking the engineering disciplines. On site services for the expanding business community were progressively put in place. The French post office opened a unit close to the business incubator and a business cantine was opened.

1995
The Chambéry Graduate School of Management and ENSAM (one of France’s leading higher education institutions specialized in industrial engineering and design) moved onto the park. From this point on more than 3,500 science, engineering and management students shared the park with around 100 innovative companies.

1997
Savoie Technolac celebrated its 10th anniversary by inviting some 50,000 visitors from all over Europe. The French President Jacques Chirac and Romano Prodi, President of the European Commission of the European Union, held a Franco-Italian summit meeting on Savoie Technolac.
2000
The aeronautics and pilot training technologies developed at the former airbase over the years left an indelible legacy and by the turn of the millennium, 'innovation' and 'international' had once again become the watchwords of the park. 15 years after its creation Technolac was now considered a flagship for technology driven economic growth in the south-east of France and could boast some 150 high-tech companies and more than 6000 people working in what had become a truly Californian style campus setting.

2001
Savoie Technolac obtained ISO 14001 certification (international environmental quality standard) and achieved national recognition for the environmental quality of its services and facilities.

2003
The park's business incubation unit moved to new premises designed by the locally based international architect Jean-Loup Patriarche and was located literally on the edge of Lake Bourget, in original stilt houses called House Boats. The unit was designed to accommodate up to 25 new companies in 1100 m² of workspace.

2006
Local stakeholders set up the new French Institute for Solar Energy (INES) on the park. The INES was officially opened by the French Higher Education and Research Minister, François Goulard on the 3rd July as a collaborative centre of excellence in solar energy technologies bringing together the leading institutions in the field in France, including : the Environment and Energy Management Agency (ADEME), the Atomic Energy Commission (CEA), France's National Scientific Research Centre (CNRS), the Research and Evaluation Centre for the Building Sector (CSTB), the University of Savoie and local government, including the Regional Council of Rhône-Alpes and the General Council of Savoie.

Building on the creation of the INES Savoie Technolac set out its ambitious goal of making Savoie a European leader and world reference in the solar thermal and photovoltaic industries.

As more and more companies specialised is solar energy or environmentally sound technologies moved onto the Park, and in order to play a full role in the renewable energy competitiveness cluster TENNERDIS being developed in the region, Savoie Technolac aligned its corporate identity with its new development strategy to become Savoie Solar Science and Technology Park.

2007
The construction of a new building to accommodate the expansion of the National Institute for Solar Energy from around 80 to more than 250 personnel by 2008 began in March. In August, Savoie Technolac celebrated its 20th anniversary. The occasion was an opportunity for a public of 50,000 to celebrate not only the Park's past successes but also to look positively, beyond aeronautics, to its future in new areas such as renewable and eco-technologies. As a tribute to this historic transition some of the top air display teams in France including the 'Patrouille de France', the 'Patrouille de Voltige de l'Armée de l'Air' and the top civilian passenger Jet team, the Breitling Jet Team, provided nostalgia and entertainment with flypasts. Historic planes such as the Super Constellation and superb performances from the acrobatic display team 'Guinot' and the 'Tango Bleu' helicopter team also contributed to an unforgettable anniversary event.

By 2007 Savoie Technolac had become home to more than 180 companies, with 10-15 new arrivals each year,
as well as to almost 6,000 students and researchers. A large scale expansion programme to add an extra 70 hectares over a 5 year period was launched, literally doubling the size of the site. Building for new business facilities was begun, including a new ‘Life Centre’, designed to incorporate a business concierge service, a conference centre, restaurants, hotel facilities, a nursery school and a fitness centre.

The 20th anniversary of Savoie Technolac with the Patrouille de France (The French air force display team) and enjoyed by a crowd of some 55,000 people.

An artist’s impression of the new Life Centre project.
Due to the size of this individual study report a number of pages are not included in this Tabling document. A copy of the full report (and any supporting documentation) is available on written request to the Office of the Special Minister of State.
Wednesday, 26 August 2009

Senator the Hon Joe Ludwig
Special Minister of State
Parliament House
CANBERRA ACT 2600

Dear Special Minister

During the recent Parliamentary recess I undertook a study tour to the United States and Canada. As part of this tour I focused on defence and security issues with which I have some understanding.

As such, I visited Lockheed Martin Aeronautics Company at Fort Worth, Texas which is building the Joint Strike Fighter (F-35); Boeing Corporation in St Louis from which Australia has recently purchased the C-17 Globemaster and F/A-18F (Super Hornet); and Washington for further discussion with Boeing management and to meet with senior US defense personnel, and Mr Dennis J Richardson AO, Australia’s Ambassador to the United States.

In addition, I visited Boston for discussions with Raytheon and Harvard University where I met with academic leaders to discuss climate change and health care reform. Finally, I visited General Dynamics Land Systems in Ottawa.

Please find attached a copy of my formal report.

If you have any questions or concerns, please do not hesitate to contact me.

Yours sincerely

DR BRENDA NELSON MP
Member for Bradfield
INTRODUCTION

In undertaking the study trip I focused on defence and security issues with which I have some understanding. As such I visited Lockheed Martin Aeronautics Company at Fort Worth, Texas which is building the Joint Strike Fighter (F-35); Boeing Corporation in St Louis from which Australia has recently purchased the C-17Globemaster and F/A-18F (Super Hornet); Washington for further discussion with Boeing management and calls arranged on my behalf by the Australian Embassy across defence, foreign affairs and economic matters. I then went on to Boston for discussions with Raytheon and visited Harvard University for meetings with academic leaders on climate change and health care reform. Finally, I visited General Dynamics Land Systems in Ottawa and undertook the programme developed in consultation with our post.

FORMAL ITINERARY

- 25 July – 26 July 2009
  Travel and transit.

- 26 July 2009 (Fort Worth, Texas)
  - Dinner hosted by Mr Tom Burbage, Executive Vice President and General Manager, Lockheed Martin F-35 Program Integration (Lockheed Martin Aeronautics Company) and Admiral Jim Gigliotti (retired) Head, F-35 Business Development Program for Australia. There was lengthy discussion of the progress of Australia’s new air combat capability, issues in relation to the development and production of the F-35 and the importance to the Australian Government of meaningful industry participation including the use of Lockheed Martin’s American and global supply chain to provide introductions to Australian Small and Medium Enterprises (SMEs) to its global networks.

- 27 July 2009 (Fort Worth, Texas)
  - Formal briefing by Lockheed Martin management on the F-35 program including inspection of the production line. (Formal printed programme attached).
  - Dinner hosted by Lockheed Martin including senior US Navy personnel and US Secretary for Defense Procurement.

- 28 July 2009 (Fort Worth, Texas)
  - F-35C carrier variant roll out attended by Brigadier General David Heinz, Program Executive Officer F-35 Lightning II Program and Admiral Gary Roughead, Chief of Naval Operations. (Printed program attached).

- 29 July 2009 (St Louis)
  - Boeing Corporation, St Louis with briefings on the F/A-18F from senior management led by Ms Shelley Lavender, Vice President and General Manager, Global Strike Systems and other senior technical staff. (Formal printed program attached).

- 30 July – 1 August 2009 (Washington DC)
  - Breakfast meeting with Embassy of Australia staff including: Mr Alexander A Arvizu, Director of Senior Assignments, Bureau of Human Resources; Mr Mark Pierce, Minister Counsellor (Political); and, Dr Mary Habek, Associate Professor of Strategic Studies at John Hopkins University’s School of Advanced International Studies.
  - Meeting with Lieutenant General David W. Barno, US Army (retired) and Dr Ali Jalali, former Afghan Interior Minister.
- Lunch with Ms Celia Perkins, Minister Counsellor (Defence Policy); Mr Michael Garretty, Defence Material Attaché; and Ms Beth McCormick, Deputy Director, Defense Security Cooperation Agency.
- Acquisition Roundtable Meeting hosted by Mr Bruce Bade, Director, Pacific Armaments Cooperation, Office of the Secretary of Defense, Acquisition Technology and Logistics; Mr Rino Pivorrotto, Deputy Director, Navy International Program Office; and, Mr Phil Wheeler, Desk Officer Navy International Program Office.
- Meeting with Major General David R. Heinz, Principal Executive Officer, Joint Strike Fighter Program; Mr Michael Garretty, Defence Material Attaché; and, AVM Kym Osley, AM, CSC, Head Australian Defense staff (Washington) and Defence Attaché.
- Breakfast meeting with Ambassador Dennis Richardson, Australian Ambassador to the United States with Mr Philip Scanlon, Australian Consul General, New York.
- Meeting with Mr Shephard (Shep) Hill, President, Boeing International; with Mr Stanley Roth, vice President for Asia International Relations.
- Roundtable Meeting hosted by Mr Robert Scher, Deputy Assistant Secretary of Defense for South and South East Asia and AVM Kym Osley, AM, CSC, Head Australian Defense staff (Washington) and Defence Attaché.
- Casual Brunch hosted by AVM Kym Osley, AM, CSC, Head Australian Defense staff (Washington) and Defence Attaché and Mrs Debbie Osley.

2 August – 4 August 2009 (Boston)
- Boston. Harvard University, John F Kennedy School of Government meetings with:
  - Professor Robert N. Stavins, Albert Pratt, Professor of Business and Government; Member of the Board; Director Harvard Project on International Climate Agreements and Director of Harvard Environmental Economics Program.
  - Professor Dan Shrag, Centre for the Environment, Department of Earth and Planetary Sciences and Laboratories for Geo-Chemical Oceanography. Professor Shrag is a member of President Obama’s council of advisers on Science and Technology.
  - Professor John Newhouse, Head of the Interfaculty Initiative on Health Policy and Chair of the Committee on Higher Degrees in Health Policy; Professor of Health Policy and Management.
- Meeting with Mr Dan Smith, President, Raytheon Integrated Defense Systems.

5 August – 6 August 2009 (Ottawa)
- Meetings and briefings with General Dynamics General Manager David Ibbetson; Mr Mike Greenley, Vice President Business Development and Strategic Planning; Mr Brian Akitt, Director, Integration Programs, Air and Naval.
- Meeting/dinner with Australian High Commissioner, Mr Justin Brown and Australian Defence Attaché with Vice President, Business Development and Strategic Planning, General Dynamics, Canada.

6 August – 8 August 2009 (Boston)
Travel and transit.

LOCKHEED MARTIN - FORT WORTH, TEXAS

Mr Tom Burbage, Executive Vice President and General Manager of the F-35 Program Integration supported by his senior team, including the Head of Business Development for Australia, Chief Engineer and test pilots provided me with a day of briefings (program attached) and tour of the flight line. The following day, the carrier variant of the JSF was formally rolled out with much fanfare in an event headed by senior US navy officers. I had the opportunity to speak to the Chief of US Navy Operations, Admiral Gary Roughhead with whom I had considerable dealings whilst Australia’s Minister for Defence.

Lockheed Martin Aeronautics Company is a major publicly owned US company, registered in Maryland. Net sales for 2008 were US$42.7 billion, net earnings were US$3.2 billion and the company achieved a 21.7% return on invested capital. It currently has 147 000 employees and in 2008, 84% of net sales were to the US Government. A further 13%, including Foreign Military Sales, were to foreign governments.
Lockheed Martin operates in four principal business segments: Electronic Systems (27% sales); Information Systems and Global Services (27% sales); Aeronautics (27% sales); and Space Systems (19% sales).

The US parent company has recorded a sustained rise of profitability over the past five years despite the significant downturn in the US economy. Pre-tax sales across the calendar year 2008 increased 11%. The only leading international defence contractor to out perform Lockheed Martin, is General Dynamics.

It is fair to say that overall, the Joint Strike Fighter project is progressing quite well notwithstanding the significant threats to it from the US political process, the technological complexity of the platform, and the extraordinary economic challenges facing the US Government.

The US Department of Defence is pressing ahead with its US$300 billion plan to build what is the world’s first international stealth fighter and combined strike capability. This is the biggest acquisition program in Pentagon history with the F-35 producing three fighter jet variants, the first of which is the conventional take off and landing variant to which Australia has committed to purchase at least 72 and preferably, 100. Australia is one of eight partner nations in the program.

From air-to-air and air-to-ground missions in hostile airspace to increased interoperability and reliability among allies and concurrent new training and maintenance requirements, the JSF will prove to be a key driver of interoperability amongst allied nations.

The production strategy is highly aggressive and the company has proceeded to build production aircraft before flight tests are completed. This creates concurrency pressure where the aircraft finally produced could potentially require retro corrections because production has proceeded in advance of the developmental phase. Notwithstanding this, Lockheed Martin executives and engineers are adamant, as was Major General Heinz, the director of the Joint Strike Fighter Program with whom I met in Washington, that there is minimal risk of this occurring. The many challenges faced by Lockheed Martin in producing the F-22 and the modern computer modelling capability and the testing of systems integration and radar systems on safe aircraft gives both the company and the Pentagon confidence that it will deliver. In my opinion, this is not an unreasonable conclusion.

The F-35 relies on over 20 million lines of software code. Some 80% of these have already been successfully developed and tested.

The aggressive production plans are absolutely essential to ensure on time delivery and drive down costs. The first F-35 production model is scheduled for delivery for training at the Eglin Air Force Base in Florida in 2010. The production rate is expected to reach a peak of one aircraft a day in 2015 (250 aircraft a year).

The argument put to me is that the accelerated production will create the business case to make additional capital investments in automated fuelling and new manufacturing processes. These in turn would further drive down costs in the F-35 program. This is a view reinforced by Major General Heinz.

Significantly, the US Secretary for Defense, Robert Gates has backed the accelerated production strategy. It is clear that he is placing increasing emphasis on the F-35 at the expense of other combat aircraft investments. This of course has faced some resistance in Congress. Gates has managed to increase the Pentagon’s five year budget plan with an increase of 28 JSF. He has successfully argued for closing down the F-22 Raptor production line and retiring Legacy F-15 Eagles, F-16 Fighting Falcon Fighter aircraft and the A-10 Thunderbolt II.
However, contract cost over-runs and the extended time required to complete flight testing hold significant potential to trigger cost increases on the F-35, according to the US Government Accountability Office (GAO). The GAO has also suggested the schedule for system development may need to be extended between one and three years. I am sceptical about placing too much confidence in GAO assessment, but the general consensus from informal discussions with senior US naval personnel (particularly for the carrier variant) and others in Washington familiar with the program, is that it is likely through a combination of technical and political events that there will be some delay.

There are three main risks associated with the accelerated production program. The first is concurrency of production and development; the possibility of customers cancelling their aircraft buys in the context of the global economic downturn; and for the Unites States, the impact that these two variables would have on combat readiness.

The concurrency issue means that the Pentagon could purchase as many as 275 aircraft before flight testing is finished (GAO assessment May 2009). There are others who consider the surrogate use of simulation laboratories, desk studies studies and flying software known as CAT bird as being potentially risky. In fact, the validation methods other than simple flight tests comprise 83% of capability assessments.

At the moment the US military is planning to buy 2443 jets which of course remains subject to potential ambush from the US Congress. International partners at the moment are expected to buy 730 although Lockheed Martin executives advise me that if things go according to plan, considerably more aircraft could be sold internationally. There is quite a risk to Australia from any unexpected cancellation of aircraft orders. Changes in planned quantity and rises in labour and metal costs have already contributed to an almost 40% increase in unit cost to the F-35 between 2001 and 2009.

As in Australia there is a concern (shared by senior US Navy leaders) that a “gap” could emerge in US fighter capability should there be further set backs to the program.

However, the JSF remains the ideal aircraft for Australia with an extraordinary concept of operations.

The most high threat scenario envisaged is one in which the aircraft enters contested air space on the first day of a war and uses air-to-ground weapons to destroy long range surface to air missiles and command and control systems.

Today it would be extraordinarily difficult (impossible) for Australia to undertake such an operation. I was advised that it would need approximately thirty aircraft including fighters, AWACS, tankers and electronic jammers. The JSF will put all of these tasks into the one aircraft and with its substantial capacity to carry fuel and weapons internally, stealth characteristics and electronic jamming capability, it is an amazing enhancer to our nation’s air combat capability.

It is three years since I last visited Lockheed Martin as Australia’s Defence Minister when the first developmental aircraft had been built and was two months away from flying. The changes in the factory, work activities and progress is nothing short of stunning.

Perhaps one of the most significant innovations is a moving assembly line. The F-35 production line begins with the Electronic Major Assembly System (EMAS) where the basic aircraft components – the fuel fuselage, wing components and centre and after fuselage are put together. The airframe works its way through 15 stations in the moving assembly line and rolls forward at the rate of approximately 10 centimetres an hour. This will increase twelve fold when peak production occurs.
Another impressive feature is the automation of hole drilling which has drastically reduced the risk of error and now 85% percent of F-35 hole drilling is now fully automated. The quality of the composite materials is world leading and lasers have placed high pressure water jets to speed up the inspection process. One of the more interesting features of the briefing was to inspect the low observability repair demonstration. The aircraft’s lightning strike protection is inside its composite skins, rather than applying a lightly striped coating that would interrupt the continuity of very low observable coatings on the aircraft.

An enormous amount of effort has been invested in directly reducing costs by reducing metal requirements. Today a 2700kg piece of metal is forged by machine down to an F-35 wind frame that weighs just 900kg. The scrap metal is recycled.

Given the exponential increase in the price of titanium, Lockheed Martin is trying to reduce the amount of metal wasted by building metal aircraft components from the ground up. This of course is where they are working with Australian companies to extrude titanium powder into metal wire which can then be welded into a near-net shape which can be streamed down into a final component part.

The JSF Industry Participation Plan was agreed with Lockheed Martin in November 2006 when I was Defence Minister. It was further updated in June 2009 and identifies approximately A$11 billion potential work opportunities. Nonetheless, this still needs to be won on a ‘best value’ against the international competition.

I emphasised to Lockheed Martin management and the Joint Program Office Director, the critical importance to Australia of increasing Australian company participation in the industrial program.

Whilst it is pleasing that 25 Australian companies have won approximately A$225 million of JSF work, as production rates increase we would expect to see more Australian companies gain work and lock in further second and third source suppliers.

I emphasised to Mr Burbage that Australia needs Lockheed Martin to enter into long term agreements and to increase volume for the inclusion of Foreign Military Sales work. I was advised that this issue was discussed at some length during a visit by Lockheed Martin officials to Australia and then the delegation to the United States led by Air Vice Marshall John Harvey and that progress is being made.

Lockheed Martin is aware that we are pursuing contracts in vertical tail and centre fuselage composite components (doors and panels); electronic counter mission flares; direct manufacture of titanium components; tooling; machine components; and mission systems/avionics along with continuing sustainment work.

On the issue of sustainment I again emphasised that Australia must be able to successfully negotiate its contribution to the JSF Autonomic Logistic Global Sustainment System.

The program is progressing well notwithstanding the considerable complexity and risks associated with it, both technical and political.

The first three development test aircraft are flying, another five are in ground test and the remaining eleven development test aircraft are to be delivered by June 2010. At this stage the project is approximately three months behind schedule.

There has been no significant problems found in testing or anything other than what was expected through modelling. Approximately 75-80% of the 20 million lines of software code have been completed and all the JSF sensors flown on surrogate aircraft are performing according to expectations.
In discussions with senior US Navy officials, it was clear however that there remain concerns about flight testing for the carrier variant that might reasonably require further acquisitions of Super Hornet by the US Navy to de-risk transition to the JSF. This is obviously not the preferred position of the US Secretary of Defense, but this will become clearer over the next twelve months.

In summary, the JSF program is proceeding surprisingly well given the complexity of the platform, the significant downturn in the US economy, the political risks in the US Congress and issues introduced by international partnership arrangements and international participation negotiations. Israel has indicated that it will consider purchasing twenty-five JSF with a view to purchase a further fifty. This bodes well for the program and it is suggested that Singapore might also then favourably look to purchase the JSF also. This was a very worthwhile visit which included the opportunity to discuss in an extended informal environment US Navy air combat capability, requirements and attitudes to the F-35 JSF program.

**BOEING CORPORATION, ST LOUIS**

The Vice President and General Manager of Global Strike Systems, Ms Shelley Lavender and her Vice President for F/A-18 and EA-18 Programs, Mr Bob Gower provided me with an excellent day of briefings and inspection on the F/A-18F (Super Hornet) and the C17 programs.

The Super Hornet program is three months ahead of schedule with the first Australian aircraft having rolled off the production line in early July 2009.

I have attached a copy of the briefings presented to me by Boeing. Additionally I was given a full briefing and inspection of production of the F/A-18 and EA–18G (Growler).

Australia has sensibly decided to wire twelve of our twenty-four aircraft for Growler capability giving us an airborne electronic attack aircraft potential.

The key capabilities presented by the Growler are:
- Active Electronically Scanned Array (AESA) radar for ES and EA;
- Digital Measurement Receiver in ALQ-218(v)2RF Receiver System (which provides accurate emitter location application along with selective reaction jammer capability);
- ALQ-227- (D1) Communication Counter Measures set enable communications through low band ALQ 99 jammer pod;
- Joint Helmet Mounted Cueing System;
- Link 16/multi function information distribution system
- Digital Memory Device
- Multi Mission Advanced Technical Terminal (MMATT), providing access to integrated broadcast service;
- Interference Cancellation System, providing UHF capability communications technology during ALQ 99 jamming and significant communication situational awareness enhancement

The AESA which will also be in the Joint Strike Fighter, is included in the Super Hornet. It is lethal and survivable.

AESA provides long detection range and tracks twice as many targets as existing systems. It has a higher resolution FAR map at long standoff ranges and provides Australia with simultaneous air-to-air and air-to-surface tracking capabilities. It is optimised for low radar cross section and low probability offset. It will clearly compliment sweep on other platforms Australia is acquiring.

The F/A-18E/F and the EA-18G both have common sub systems.
It was explained to me - and I was able to see in production, the commonality in stores management system, flight control system, environmental control system, secondary power system, electrical system, the F/414-GE-400 engines and of course the common fuel system with large internal fuel capacity and potentially five external tanks with aerial refuelling tanker capability.

Pilots and crews from the Royal Australian Air Force have been training with the Super Hornet for some time. I consider this to be one of the most important and correct decisions taken by the Australian Government. It substantially de-risks our transition to the Joint Strike Fighter and provides certainty in the retirement of the F/1-11 in 2010. Boeing further assured me that the Industry Participation Program being developed is working well and I particularly emphasised the importance of Boeing aggressively abiding by the Australian Defence Industry Policy. The important aspect I focused on was Boeing introducing Australian SMEs to its global supply chain. This is well advanced and I reinforced that Boeing’s footprint in Australia should be one it seeks to increase.

WASHINGTON

- **Breakfast meeting with Mr Mark Pierce, Minister/Counsellor Political; Mr Alexander Arvizu, Deputy Assistant Secretary, Bureau of East Asian and Pacific Affairs, US Department of State.** We were joined by Dr Mary Habeeck, Associate Professor of Strategic Studies at John Hopkins University’s School of Advanced International Studies.
  
  The issues we discussed in detail were firstly terrorism and in particular Islamist extremism in Pakistan and Afghanistan canvassing what will be the necessary path that Australia, the United States and NATO will need to pursue in avoiding defeat if not eventually securing a successful outcome in central Asia. The Korean Peninsula, the impact of the Japanese economy on security in North East Asia and the progress in countering terrorism in South East Asia were the key points for discussion. Both Mr Arvizu and Dr Habeeck were of the view that we are making progress, but that this will need to be a sustained effort and that the biggest threat that we have is the declining will on the part of people in Western nations to engage in a long military, economic, developmental and political battle against fundamentalism.

- **Meeting with Ms Celia Perkins, Minister/Counsellor Defence Policy, Embassy of Australia; Lieutenant General David W. Barno, U.S. Army (retired), Director, Near East South Centre for Strategic Studies, National University.** Dr Ali Jalali, former Afghan Interior Minister. General Barno is particularly impressive and reports directly to Director General David Petraeus who is now heading the US operations in Afghanistan having successfully turned the tide against the ethno sectarian insurgency in Iraq. Ali is a key figure in Afghan political and cultural life and at one stage was a possible Presidential candidate for the Afghan elections.

It was clear from the meeting that the United States is changing its approach to the Afghanistan campaign and is likely to need more troops - not only from the US, but NATO and allied countries in addition to a much greater emphasis on aid, education and economic development. The US will clearly be ramping up its efforts to train the Afghan National Army and reports not denied by General Barno that the target for the Afghan National Army could increase from 140 000 to 250 000 troops in addition to 140 000 police officers. The elections in Afghanistan are considered to be an essential part of the process for democraticisation and modernisation of Afghanistan and it is clear that the intellectual thinking on the part of the US leadership is a determination to put maximum effort in to a prevailing to Afghanistan and the federally administered tribal areas of Pakistan to which the new Administration is deeply committed. Again, one of the constant themes was concern around diminishing public support of the United States for the campaign and again as we have seen in Iraq, the clock that is ticking in Washington is a little different from that in Afghanistan. Both men recognised and thanked Australia for its significant contribution in Afghanistan, including the training of the Afghan National Army. Australia is seen as a contributor making a disproportionately positive effort in Afghanistan having
earned the respect of not only the Afghans themselves but the United States and its allies. I emphasised that although public support for the campaign in Afghanistan had declined somewhat, there is very strong bi-partisan political support for it in Australia.

- **Lunch meeting with Defence Materiel attaché, Mr Michael Garety; Mr Bruce Bade, Director Pacific Armaments Corporation, Office of the Secretary of Defense, Acquisition Technology Capability and Logistics. Ms Beth McCormick, Deputy Director Defense Security Cooperation Agency.**

This was convened by Ms Celia Perkins and I was joined also by the Defence Materiel attaché, Mr Michael Garety. When Defence Minister I was overseeing the negotiation of the Defence Trade Cooperation Treaty with the United States. This was essential for streamlining Australia’s participation in US military contracts and easily transferring our technology to the US and it’s technology to Australia.

This meeting canvassed the Defence Trade Cooperation Treaty and indeed the essential opportunity it presents to transform and streamline industry sharing in defence and industrial cooperation between our two countries. Whilst we discussed the limitations of export control procedures and reforms to them which have been beneficial to our ability to manage our acquisition programs efficiently, the US Senate is still yet to formally ratify it. I was reassured that this is simply a consequence of the workload of the Senate and there is absolutely no threat to the Treaty being endorsed by the Senate.

Continued improvements in the export control process is an important issue for US and Australia and pleasingly, the department of state has been actively engaged in the acquisition program.

Both participants reassured me that there are capability development opportunities to achieve in the interoperability between the US and Australian forces and we are currently coordinating across a range of projects in research and development including:

- Harmonised Joint Light X Vehicle program signed in January 2009. This is a four year cooperative technology development investment valued at over US$300 million;
- Cooperation in submarine systems;
- Cooperative arrangements on P-8A increment 1 (maritime control aircraft) production and sustainment;
- Electronic warfare situational awareness and joint air-to-surface and surface warfare and cyber security;
- A high frequency radar project arrangements is also under development. This will mean cooperation between Australia’s DSTO and a number of United States Government Organisations on the over horizon radar.

There was also a very useful discussion about the use of Foreign Military Sales in acquiring military capability and how these might further be improved. Australia has acquired more than A$7 billion in equipment services through FMS in recent years as a part of our strengthening and modernisation of Australia’s Defence Force capability and interoperability. I put to him that we should be doing what we can to ensure that that we get better program management in Australia that is more effective so that FMS might be used by both countries.

One issue which also came from the meeting which might be considered is Australia developing a Foreign Military Sales program itself. This would not only assist Australian industry but would further demonstrate the goodwill and bona fides of Australia in relation to US defence acquisition cooperation.

- **Acquisition Round Table Meeting.**

Mr Bruce Bade, Director, Pacific Armaments Cooperation hosted a roundtable in which I participated. Other participants included Mr Rino Pivorotto, Deputy Director, Navy International Program Office; Mr Phil Wheeler, Desk Officer, Navy International Program Office; Lieutenant Colonel John Collins, Country Director, Australia and New Zealand, Deputy Under Secretary of the Air Force International Affairs; Mr
We had a two hour discussion on defence acquisition issues. The general consensus is that we are now more "partners" than working together through some sort of formal arrangements. The FMS program has led to collaboration and now what the United States sees as partnership. The Collins class submarines is a good example where Australian companies are now providing direct to the United States Navy and vice versa. This is especially the case for logistic support and training.

Again, the issue of Australia developing its own FMS program came up and in discussing submarines the question is: 'What happens if the United States needs a torpedo? Could Australia sell or provide a torpedo to a US submarine that needed one in Australia?' The answer is basically that it would be extremely difficult under the current arrangements. Similarly, Australia has purchased four C/17 heavy lift aircraft. If a US C/17 lands in Australia with a broken windscreen, is Australia able to simply fit on of its own to the US aircraft?

The US participants were disappointed that there is not yet a full partnership on the P-8 program.

In relation to the new warfare destroyer, the AEGIS combat system is on track and is ahead of the AWD itself. If the DDG51 ship building continues the AEGIS line will remain open which gives Australia the opportunity to move to the fourth destroyer.

The AUSMIN Defence Acquisition Committee was discussed at some length including technology and release raid map for the DOWD. One of the points made by the US participants was that Australian decisions need to be made to ensure the US timetable and project is met in terms of feasibility and compliance.

It was also made clear to me that the decision by the Australian Government to keep the Australian Submarine Corporation (ASC) in public ownership was a good one and reduced the possible complexity of technology cooperation with the US should it have been privatised.

Anti ballistic missile defence capability was discussed in the context of the Australian Government's decision to build air warfare destroyers and it was considered naturally to be an essential capability for North East Asia and that hopefully Japan would be an active and cooperative participant. Carrier replacements, C/130J acquisitions, C/17 sustainment programs were all discussed at some length.

Mr Bade did tell me that he thinks that it would be good if a person from the United States could be seconded to the DMO for ADAC. This will need to be raised at the AUSMIN Defence Acquisition Capabilities Committee principal's meeting. They must make sure the interoperability works and that technology transfer initiatives are pressed. This would be greatly assisted if a US person could be seconded to the DMO.

Meeting with Major General David R. Heinz; AVM Kym Osley, AM, SC Head Australian Defense staff (Washington) and (Defence attaché) and Mr Michael Garrety, Defence Material attaché.

General Heinz is extraordinarily impressive and I can appreciate why he has been appointed Principal Executive Office of the Joint Strike Fighter Program. He is confident of progress on the Joint strike Fighter although except the technical complexity surrounding the short take off and vertical landing variant and the testing yet to be done on the carrier variant. General Heinz is especially determined to see that two engines remain in the contest and that Rolls Royce remains a funded competitor, as without the competition, he is concerned that best value will not be delivered. The Australian position of course is that whatever engine is fitted to the aircraft that Australia receives one type only.
Breakfast meeting with Australian Ambassador to the United States, Mr Dennis Richardson and Mr Philip Scanlan, Australian Consul General, New York.
I attended a breakfast meeting at the Australian Ambassadors residence with our Ambassador, Mr Dennis Richardson and Mr Philip Scanlan from the Australian Consular General based in New York. We had a discussion of economic, trade, defence and political relationships between the United States and Australia. In particular I discussed a range of issues that had been raised in other meetings I had attended.

Meeting with Mr Shephard (Shep) W. Hill, President, Boeing International and Mr Stanley Ross, Vice President for Asian International Relations.
I attended a meeting held at the Boeing Centre in Arlington. I spent an hour discussing Australia/China Relations, the Defence White Paper, security arrangements in South East Asia, the Korean Peninsula and North East Asia, and of course projects of interest to the Boeing company. I advised Mr Hill that Australia still had significant issues in relation to both Wedgetail and Vigilare although progress had been made. The company could expect the Australian Government and the DMO to be very protective of the interests of the Australian tax payer in these projects. It is also clear that Boeing is interested in canvassing with the Australian Government the possibility of moving its new Air Combat Capability to a mixed fleet of JSF and Super Hornets on a permanent basis. Australia might expect that Boeing will seek to lobby Australia to purchase a second squadron of Super Hornets on the basis of both cost and capability.

It is also very clear that Boeing intends to seriously consolidate its footprint in Australia and Mr Hill asked me specifically whether having a large workforce in Australia was a positive in considering acquisition of capability. I replied that it is an important part of the decision making matrix although in the end capability, cost and confidence in delivery are the key determinants. However, under the Defence Industry Policy to which Boeing has responded extremely well, getting access to Boeing’s global supply chain for Australian SMEs is absolutely essential and even more so in the soft labour market as a consequence of the global economic downturn.

The Pentagon
Roundtable meeting hosted by Mr Robert Sher, Deputy Assistant Secretary of Defense for South and South East Asia.
This meeting was also attended by AVM Kym Osley, AM, CSC, Head Australian Defence Staff (Washington) & Defence Attache; Ms Christine M. Lueker, Senior Country Director for India, Office of the Secretary of Defense; Ms Alison Garfield, Country Director for North Korea, Office of the Assistant Secretary of Defense, Asian and Pacific Security Affairs; Mr Nicholas C. Wallar, Special Assistant, Central Asia, Office of the Secretary of Defense, Asian and Pacific Security Affairs; and, Xanthi Carras, Country Director (China), Office of the Secretary of Defense, Asian and Pacific Security Affairs, East Asian Security.

This was a two hour meeting which included confidential discussions of China, recognising that it affects every issue in Asia. There are in many ways two Chinas. One that is strong and another that is fragile. From Chinese attitudes and approach to North Korea and Iran to energy and resource security, China dominated most of the discussion which was consistent with Australia’s thinking. Nonetheless the United States remains perhaps a little bit more concerned about military modernisation in China than does Australia. It is likely that following the Afghanistan elections that there will be a US led pressure to substantially increase civilian engagement in their campaign to free Afghanistan from Taliban influence. This will take the form not only of increased military efforts but particularly governance, economic development, education and so-called ‘soft power’ initiatives necessary to prevail in Afghanistan and also Pakistan.
India’s stability, its relationship and attitude to China, and Australia’s relationship with India was also discussed along with the Korean peninsula, security in North East Asia and the campaign against terrorism in South East Asia and the positive role played by Indonesia.

BOSTON

Harvard University

* Meeting with Professor Robert N. Stavins, Littauer 306 Belfer Centre for Science and International Affairs, John F. Kennedy School of Government

Professor Stavins is considered to be one of the leading economic minds on the impact of climate change and various models that might be considered to address it.

Professor Stavins considers climate change to be similar to international trade with even more complexity in the economics and likely resistance for participation from a number of countries. Similarly, it will be an ongoing issue and the December meeting in Copenhagen should be seen as just one part of the process. In the same way that trade negotiations always continue and never cease, so too will be discussions around the economics of climate change and measures put in place to deal with it.

Interestingly, he sees disagreement as being a positive. “It is much better that there is strong disagreement on something that is meaningful rather than agreement on something that is meaningless.”

Professor Stavins believes there should be various degrees of cost along the lines of GDP per capita. Importantly for Australia, he believes that it is “inconceivable that the US will pass meaningful legislation without China and India being on board”. As far as the US is concerned, the state of the US economy is key, especially if unemployment is high.

He considers that the cap and trade model is not ideal, but is easiest to implement globally. He, like a number of others in his field, considers a carbon tax would be ideal in an ideal world.

Whatever model is used, it needs to be progressive and allow for the “late comer” factor. Importantly the cap and trade model is counter-cyclical.

Professor Stavins has worked with Professor Warwick McGibbon specifically on the macro-economic volatility of climate change.

He considers the United States Senate is less protectionist than Congress, but it will be a matter to see what it does with legislation coming to it.

I asked Professor Stavins about carbon capture and storage, which he considers to be essential as coal will continue to be used as a principal source of energy. The many issues he sees includes legal ones and the attitude of many people not to have carbon storage anywhere near their own suburb. The cost estimates are extremely high and the Massachusetts Institute of Technology Study, which had assumed $45-$75 per tonne for new coal fired plants to be competitive, is now saying it will be up to $250 per tonne. Put simply, carbon capture and storage is a leap into the unknown but eventually, it will have to be done.
Meeting with Professor Dan Schrag, Laboratory for Geochemical Oceanography, Department of Earth and Planetary Sciences, Centre for the Environment

Professor Shrag has been a significant contributor to the work of former US Vice President, Al Gore. His Department and he personally, have played a significant role in driving the policies of the Democratic Party and the President in particular.

Like others he is a supporter of a carbon tax and overall sees action on climate change as a form of insurance. This would be consistent with the view espoused by Rupert Murdoch that we have a responsibility to “give the planet the benefit of the doubt”.

I put it to Professor Shrag that adaptation is an important part of this equation that is not receiving attention. He was energetically excited in agreement and that much more economic, technological and political effort is to be invested in preparing human kind to adapt to a warmer world.

Interestingly, I put to Professor Shrag that I cannot remember an issue in my lifetime where Government’s are about to change the fundamental architecture of our countries based on scientific consensus. It is also the case that I cannot remember an issue of science where there is such a significant minority of credible scientific opinion questioning the consensus of the IPCC. I thought his response was interesting in that he said that there was a “pecking order” in science as there in medicine. In the case of medicine he saw neuroscientists and plastic surgeons as being at the “top” and family physicians as being at the “bottom”. He put it to that the physicists who had traditionally been at the top of the “pecking order” and others with a similar geological perspective on climate change had a relatively “narrow view” of the issue of climate change and were not looking at it holistically. There was also a degree of resentment in his opinion from scientists in those fields that climatologists and atmospheric earth scientists were being listened to rather than those who traditionally dominated scientific and political thought. I thought this was a rather interesting response.

Meeting with Professor Joseph Newhouse, Belfer Centre for Science and International Affairs, John F. Kennedy School of Government

I had a one hour discussion with Professor Newhouse about Healthcare reform and the likelihood of reforms in the United States. In particular, Professor Newhouse has written and lectured extensively on the subject of health care and reform to it. We discussed the arrangements in Massachusetts which had become particularly expensive and the need for the United States to find a solution to the almost fifty million Americans who do not have health cover. Whilst he was doubtful that the political architecture would deliver some sort of publicly funded system, he nonetheless believes that reforms in the way that private health insurance currently operates to deal with some of the often cruel anomalies in the US system.

I explained at length the history of the Australian healthcare arrangements which emerged from egalitarian principles and a deep commitment to a health insurance ethic. I explained the arrangements for Medicare for both inpatient and outpatient care in Australia and despite its imperfections, the system worked quite well.

Professor Newhouse asked me about consideration of imminent reforms in Australia and I worked through the models presented by the Australian Hospital and Healthcare Reform Commission.

Raytheon

I had a meeting with Mr Dan Smith, President Raytheon Integrated Defense Systems. Raytheon is a company that has delivered extremely well in Australia. It delivers a reputation for reliability and is well above average for other leading Australian based defence contractors. Indeed, the company’s performance on most of its projects has been exemplary.
Whilst there had been some issues with smaller projects associated with technical quality for business development and services to support and enable helicopter capabilities I assured Mr Smith that its 1300 employees served the Australian Defence capability and Australian tax payers extremely well.

We discussed the Defence Capability Plan and the recent White Paper and the prospects possibly of a fourth air warfare destroyer for which of course Raytheon would provide an AEGIS combat system.

There was discussion about the Australian Submarine Corporation, the Alliance for the air warfare destroyers and the planned acquisition for propelled Howitzers where Raytheon has teamed with Samsung.

Mr Smith also reiterated that Raytheon is interested in further expanding in Australia. However I am aware that F-111 revenues have fallen sharply and there is significant competition in other areas of the aerospace market. As a consequence, the company’s prospects for success in Australia hinge on the naval sector and in particular, on the prospects for a fourth air warfare destroyer.

It is likely that Raytheon will seek to diversify in Australia as evidenced by it recently joining the Skilling Defence Industry Scheme (SDKI).

OTTAWA

- **General Dynamics Land Systems**

  General Dynamics Canada General Manager Mr David Ibbetson provided an exemplary program for me through briefings and inspection of its manufacturing capability developments.

  Although headquartered in Falls Church, Virginia with 92 000 employees world wide and $28 billion in annual revenue, General Dynamics Canada is the country’s largest defence employer with 5300 employees. Some 1500 of these are based in Ottawa.

  General Dynamics Canada provides land systems and ordnance and tactical systems as well as C4 systems. The later are advanced information systems and information technology and systems integration. These range from vetronics (Vehicle Electronic Arch), single board computers, smart/rugged displays, surveillance suites, in direct fire control etc; air naval systems integration; airborne ISR; underwater sensor sweep; C/3ISS (Brigade and below C/3); voice and data distribution; bio detectors etc; and, joint C/4ISR (land, air and navy command, control and communications and integration capability).

  Through these meetings I discussed with General Dynamics’ leadership the possible projects in which General Dynamics might consider being involved, if not tendering in Australia. I also emphasised the importance of General Dynamics establishing a greater presence in Australia and working with defence SMEs. They have assured me that this is precisely what they intend to do and the projects. I put forward as ones being in which General Dynamics may have potential interest include: Land Systems (JP2072, Land 75 or 125, JP154, JP2110, Land 17 and Land 121); Information Assurance (JP2069); Airborne ISR (AIR 5276, AIR 7000, AIR 9000, JP2070, JP2089); Air 5406 ; and Joint C4ISR (JP2030).

  Of further importance is the possibility of projects in the future that Defence Capability Plans in Australia could interest General Dynamics. I proposed that airborne intelligence surveillance and reconnaissance with multi mission unmanned vehicles would be an opportunity. Battle space communication systems and other multi battle management systems will clearly be needed across tanks, light tactical armour vehicles and various carrying platforms. In the maritime space there will be a need for long range submarine detection capability in the future. A further likely area for General Dynamic’s interest will be joint command support environment.
General Dynamic's Leadership also advised me that it will be using the Canadian Government much more to assist its expansion and that of other defence companies in Canada. This will be through Canadian commercial which will be more involved in promoting and selling products in foreign markets through a Canadian Foreign Military Sales Program. One of the key issues of course for General Dynamics is price and the impact of ITARS (International Trade in Arms Regulations) on selling to other countries. This is an issue well known to Australia.

Meeting/Dinner with Australian High Commissioner, His Excellency, Mr Justin Brown
Joined by Vice President of General Dynamics Canada and Vice President for C4 systems, Mr Mike Greenley we discussed a range of political, economic, trade and defence issues of common interest and concern for Canada and Australia. I took the opportunity to further emphasise the importance of General Dynamics consolidating its profile in Australia and recognising that there is strong bi partisan support for Australian for delivering on the White Paper Defence Capability Plan, notwithstanding the challenging economic circumstances for the medium term.

CONCLUSION

Overall this was a particularly useful study trip focusing predominately on defence, foreign affairs, and strategic issues. The visit to Harvard to consider the political, economic and environmental issues surrounding climate change and the healthcare reforms being undertaken in both the United States and Australia was also timely and helpful.

Hon Dr Brendan Nelson MP
13 August 2009
SENATOR STEPHEN HUTCHINS

Ireland, Turkey and Thailand
25 July – 9 August 2009

Due to the size of this individual study report a number of pages are not included in this Tabling document. A copy of the full report (and any supporting documentation) is available on written request to the Office of the Special Minister of State.
Dear Minister,

In accordance with the requirements of Clause 9.2 (a) of Remuneration Tribunal Determination 2006/18 (the Determination), I submit the following statement reporting on my recent overseas study journey:

(i) (a) Confirmation of Purpose

(b) Itinerary

(ii) Key meeting and outcomes/findings

(iii) Conclusion

(iv) Appendix

I note that in accordance with clause 9.5 of the Determination a copy of this statement may be obtained from you upon request by any member or Senator. I also note that this statement may be tabled in Parliament at your discretion.

Yours sincerely,

[Signature]

Senator Stephen Hutchins
Senator for New South Wales

Thursday, 29th October 2009
## Full Itinerary

### Dublin - Ireland

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<tr>
<th>Date</th>
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<tr>
<td><strong>Saturday, 25th July</strong></td>
<td>4.25pm</td>
<td>Flight QF31 departs SYD at 4.25pm and arrives at Heathrow on 26th July 2009 at 6.40am. Flight BD123 departs Heathrow at 8.55am and arrives in Dublin at 10.20am.</td>
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<tr>
<td><strong>Sunday, 26th July</strong></td>
<td>10.20am</td>
<td>Arrive Dublin, Travel to Portlaoise.</td>
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<td><strong>Tuesday, 28th July</strong></td>
<td>3.00pm</td>
<td>Travel to Dublin.</td>
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<td>Meeting: Ambassador Plunkett</td>
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<td>Embassy, 7th Floor, Fitzwilliam House, Wilton Terrace Dublin</td>
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<td><strong>Wednesday, 29th July</strong></td>
<td>9.45am</td>
<td>Meeting: Department of Justice, Equality and Law Reform, 94 Saint Stephen’s Green, Dublin 2 – Meet with Mr Gerry Hayes, who will accompany throughout</td>
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<td>10.30am</td>
<td>Meeting: Criminal Assets Bureau Officers, Harcourt Square</td>
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<td></td>
<td>11.30am</td>
<td>Meeting: National Criminal Intelligence Unit, to include Organised Crime, Drugs and Fraud – Harcourt Square</td>
</tr>
<tr>
<td></td>
<td>1.15pm</td>
<td>Lunch - hosted by An Garda Siochana - Ambassador Plunkett to join. Venue TBA</td>
</tr>
<tr>
<td>Date</td>
<td>Time</td>
<td>Event Description</td>
</tr>
<tr>
<td>-----------</td>
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</tr>
<tr>
<td>Friday, 31&lt;sup&gt;st&lt;/sup&gt; July</td>
<td>2.20pm</td>
<td>Flight TK1978 departs Dublin at 2.20pm and arrives Istanbul 8.45pm.</td>
</tr>
<tr>
<td>Monday, 3&lt;sup&gt;rd&lt;/sup&gt; August</td>
<td>9.00am</td>
<td>Flight TK116 departs Istanbul at 9.00am and arrives in Ankara at 10.05am.</td>
</tr>
<tr>
<td></td>
<td>10.05am</td>
<td>Met by Mr Nigel Stanier, Charge d’Affaires.</td>
</tr>
<tr>
<td></td>
<td>2pm</td>
<td>Meeting: Mr Recep Guve, Deputy Department Head, Intelligence Department of Turkish National Police.</td>
</tr>
<tr>
<td></td>
<td>3:30pm</td>
<td>Meeting: Mr Osman Balct, Acting Department Head of Anti-Smuggling and Organised Crime, Ministry of Internal Affairs, Turkish National Police.</td>
</tr>
<tr>
<td>Tuesday, 4&lt;sup&gt;th&lt;/sup&gt; August</td>
<td>10am</td>
<td>Meeting with Mr Adnan Ertürk, Head of Financial Crimes Investigation Board, Ministry of Finance</td>
</tr>
<tr>
<td></td>
<td>11.15am</td>
<td>Meeting with Mr Mürsel Alikaplan, Department Head, Presidency of Revenue Administration, Ministry of Finance</td>
</tr>
<tr>
<td></td>
<td>12.15pm</td>
<td>Meeting: Mr Garry Fennelly, Serious Organised Crime Agency (SOCA) Liaison Officer, British Embassy.</td>
</tr>
<tr>
<td></td>
<td>3.00pm</td>
<td>Flight TK131 departs Ankara at 3.00pm and arrives in Istanbul at 4.05pm. Flight BA677 departs Istanbul at 5.30pm and arrives in Heathrow at 7.35pm. Flight QF302 departs Heathrow at 10.00pm and arrives in Bangkok on 5&lt;sup&gt;th&lt;/sup&gt; August 2009 at 3.20pm.</td>
</tr>
</tbody>
</table>
### Bangkok – Thailand

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Wednesday, 5th August</strong></td>
<td>3.20pm</td>
<td>Arrive Bangkok</td>
</tr>
<tr>
<td><strong>Thursday, 6th August</strong></td>
<td>9.00am</td>
<td>Meeting: Royal Thai Police Transnational Crime Coordination Centre</td>
</tr>
<tr>
<td></td>
<td>11.00am</td>
<td>Meeting: Kittipong Kittiyarak, Permanent Secretary, Ministry of Justice</td>
</tr>
<tr>
<td></td>
<td>2.00pm</td>
<td>Meeting: Department of Special Investigations</td>
</tr>
<tr>
<td><strong>Friday, 7th August</strong></td>
<td>9.00am</td>
<td>Meeting: Ambassador Paul Grigson</td>
</tr>
<tr>
<td></td>
<td>9.30am</td>
<td>Meeting: Australian Federal Police Bangkok Office</td>
</tr>
<tr>
<td></td>
<td>11.00am</td>
<td>Meeting: Office of the Narcotics Control Board</td>
</tr>
<tr>
<td></td>
<td>2:30pm</td>
<td>Meeting: Mr Gary Lewis, Representative, United Nations Office on Drugs and Crime Regional Office</td>
</tr>
<tr>
<td><strong>Saturday, 8th August</strong></td>
<td>6.10pm</td>
<td>Flight QF2 departs Bangkok at 6.10pm and arrives in SYD on 9th August 2009 at 6.05am.</td>
</tr>
</tbody>
</table>
Confirmation of Purpose

On 26 June 2009, I sought permission from the Special Minister of State, Senator the Hon. Joseph Ludwig to conduct an overseas study journey for the following purpose:

To engage with the different legislative and operational methods that have been employed to deal with organised crime in other jurisdictions.

As you would be aware, the issue of serious and organised crime has come to the forefront of public debate in recent months – whether from OMCG’s to significant drug busts at Sydney’s ports.

Serious and Organised crime is increasingly crossing jurisdictional boundaries and as such, coordinated international solutions to criminal activities may improve domestic policy outcomes and assist in developing a global response to the problem.

In my capacity of Chair of the Parliamentary Joint Committee on the Australian Crime Commission I have been involved in an inquiry that has been investigating legislative methods of dealing with organised crime groups. This inquiry had been going on for more than a year and had involved extensive consultation with numerous stakeholders and every State and Territory Government. The PJC is about to commence an Inquiry into the adequacy of aviation and maritime security measures to combat serious and organised crime.

In order to further my understanding of the issues involved and get a better grasp on how to deal with the issue of serious and organised crime, I sought permission to study methods in 3 different jurisdictions, each with a particular area of crime enforcement that our officers are familiar with.
Ireland

Recently, the Committee has been looking in greater detail at the possibility of unexplained wealth legislation as a means of identifying and apprehending the proceeds of organised crime. A bill was recently introduced in the House of Representatives proposing such provisions. In undertaking this overseas study I visited Ireland in order to see how their unexplained wealth provisions operate and discuss the benefits and pitfalls with local officials. This legislation is substantially relevant to current PJACC deliberations and the legislation that is likely to come before the Senate in the upcoming sessions.

Turkey

I am keen to discuss local strategies employed to combat organised crime – particularly drug related crime – with Turkish authorities. My office has been in discussion with the Department of Foreign Affairs and trade to organise meetings with the Australian Ambassador to Turkey, the Gendarmerie General Command, the Turkish National Police, Customs, and the Coast Guard. I believe these agencies will give a well-rounded view of local law enforcement strategies.

Thailand

I wish to visit Thailand for two reasons. The first is that it will give me a South-East Asian perspective on organised crime. The second is that the Headquarters of the United Nations Office on Drugs and Crime is based in Thailand. The UNDOC does a significant amount of work on transnational organised crime and has a global perspective on legislative arrangements to tackle serious and organised crime groups. I believe that it would be very beneficial to have their input as they are in a position to monitor global trends.
Dear Minister,

Thank you for the opportunity to conduct a study of 3 jurisdictions efforts to combat serious and organised crime. Each of course has its own particular emphasis, however, the effect on the decent and law abiding citizens of their societies are no different to ours.

In The Republic of Ireland (Eire) I met with what our Australia Crime Commission (ACC) regards as the most successful recovery agency in Europe, the Criminal Assets Bureau (CAB).

Only the director of CAB can be identified by the law. All other officers are protected from having their identities disclosed. Disclosure is punishable by a fine and/or imprisonment.

This in itself may suggest a background into some of the Republic’s difficulties and reflect their response to the exposure of their officers or citizens.

It has been well documented the murder of prominent journalist Veronica Guerin investigating links to crime and police. The murder of jurors and relatives of jurors in high profile criminal trials had shaken the system. In fact I understand at one stage two hundred citizens were called to attend for jury service and only a handful turned up. The overwhelming majority risking fines in lieu of attendance this of course has led to significant public opprobrium and demand for the authorities to act.
This has therefore meant significant legislative responses supported by all parties. Recent legislation has even been more enterprising. It has continued the trend for non jury trials, special criminal courts, evidence from the Garda (police) and former Garda being treated specially hearsay evidence. None of this is would be possible unless there was significant public support for the actions of the Dail. As noted earlier, the ACC regards the CAB as Europe’s most successful recovery agency.

Australia is a member of the informal Camden Road Group which I think is named after the pub the all (ie OECD nation police agencies) may have gone to after their meeting.

Like the Italians, and the US the CAB are well aware that serious and organised criminals don’t even mind going to gaol but what annoys them most is losing their assets. They are of the strong belief, as are many agencies throughout the world, that a significant bow in the armoury of law enforcement now, is to target the assets not the person. An unusual trait of most criminals appears to be that despite their gaudy displays of wealth is that they still cling to the belief that they are obliged to some form of social security benefit.

The agencies in Eire have found that in addition to pursuing their assets, that depriving them of their social security has had a welcome unhappy reaction.

The National Criminal Investigation Bureau (NBCI) deals with what one would expect of such a prestigious group. They are responsible for the provision of intelligence and assist in operations. A number of trends that they had observed in methods of organised crime have been the use of mules in money laundering and the increased awareness of economic crime (eg tax evasion) as a threat to the State.

Equally when meeting with the drugs unit, their officers advised that they had noted that the use of crack cocaine was increasing, whilst the demand for other recreational drug use was down.
As an UNDOC senior official observed to me once, parents don’t like to see needles sticking out of their children’s arms.

The Republic of Ireland is a fine example of where public opinion was prepared to give authorities the powers that modern law enforcement agencies know they need to combat serious and organised crime. The public have been prepared to allow certain civil liberties to be refined so as to allow the prosecutors and agencies to crack down on and disrupt crime.

They were prepared to do this with terrorism, as we have been why are, criminals treated more differently?

Turkey

As my journey commenced in the west, I proceeded to Turkey. Some say in Europe, some say not. Its government of a mild Islamic persuasion, but one which has been pressured to become more like its Eastern and near eastern neighbours. However, this has been unfavourably welcomed by the armed forces, the heirs of Ataturk, who are generally regarded as the protectors of secularism in public life.

Commentary on crime in the current environment in Turkey is diverse. I had the chance to meet with officers whom I regarded as highly ethical and dedicated servants of law enforcement and civil agencies. I also had the opportunity to speak frankly with representatives of Turkey based foreign agencies; their observations will be between them and me. If you would like me to share them with you, I will of course, however they were private and will remain so.
As stated, written commentary is diverse. On one hand there is a view that the authorities are unable and unwilling to proceed more aggressively, and on the other hand that the difficulty is more one of topography.

In Turkey I met with a number of significant agencies they are listed. My notes of those meetings are herein. Our significant agency is the Anti-Smuggling and Organised Crime Unit. It has a large budget to deal with the major criminal issues confronting the nation. As its name implies smuggling is a significant issue. Smuggling anything from people, arms, narcotics and all associated with it are covered by this unit The Turkish Legislature has given it significant authority to deal with these challenges. They are a particularly impressive set of laws and the unit collects a great amount of revenue.

The link to terrorism is often also the link to organised crime. Whether drugs or arms the authorities believe that the separatist PKK terrorist group is involved. Even more so now the global financial crisis (GFC) has dried up a number of traditional sources of finance for their operations.

Turkey is a conduit of heroin through to Europe. Some I gather in Turkey do not regard it as their problem. Their people don’t use it. But what is of concern is a trend that has been emerging of a shift of amphetamine (ATS) production from developed to developing countries.

One trend commented on has been the growing use of synthetic heroin manufactured in Western Europe for use in Iran and Iraq. Again this puts pressure on the State. Columnist Philip Robins believes that there is serious narco corruption and that it has corroded the will of the State to act.

This may be harsh when measured against the significant legislative effort in the past few years and the determination of officials I met. However, the unique geographical position of Turkey as a
bridge between Europe and Asia, and therefore the route of the refined poppy seed into Europe.

Turkey finds itself in the middle of people trafficking/smuggling. It is estimated that in 2008 67,000 people passed through Turkey to Greece.

The European Union has been ramping up its rhetoric on both Turkey and Libya to deal with this problem. The EU has even claimed that this flow is affecting the effective operation of services in some of its member states, such as Greece. The EU has offered them all sorts of assistance to curb this traffic. Not only does it threaten, they say, the existence of some nation states, but it also puts vulnerable people in the hands of ruthless, inhumane smugglers.

They cite the numbers killed in accidents, through neglect or omission, the numbers that die at sea. They want them to crack down on the smugglers. They want them to take them back to their shores.

Turkey, rightly, I think, asks what do we do with them if we take them, they are not our citizens? Again, the major obstacle to not only this, but other smuggling is the topography of the country. Of course, the attitude of the government particularly when it comes to drugs also is an important determinant particularly as regards its agencies actions.

Finally as stated the agencies that I met have been armed with significant legislative power to confront serious and organised crime. The area of asset forfeiture and seizure is not as comprehensive as other jurisdictions, however it does have exist.

One area of concern has been the impact of the global financial crisis. Due to the GFC, Turkey has invited any Turk to bring back any money from anywhere and keep it in the country. No questions are asked as to the origins of the money, or how it was acquired. Any fair minded observer may conclude that this is just legalised money laundering.

Thailand
Australia’s relationship with Thailand is extremely important in the context of our fight against serious and organised crime.

Thailand, Burma and Laos supply 70% of Australia’s heroin. It is the source of crimes that are not unique to Thailand, but appeared to be conducted in a more refined way. Intellectual property crime, financial, people smuggling (for sexual exploitation and forced labour) and of course drugs as mentioned earlier.

The law enforcement agencies’ responses to these crimes have been extensive and impressive. The Australian Federal Police have a very good relationship with all agencies. Their officers accompanied me on my meetings, and were warmly welcomed and clearly respected.

Thailand, it seems to a layman, is a country at the crossroads of the criminal activities mentioned earlier. And its government has acted, despite acknowledged corruption in public life. Indeed legislation exists to severely punish public officials who are convicted of corruption.

But it is the diversity of criminal activity that seems to be unique.

In relation to people smuggling, Thailand has signed and enforces the Protocol on Trafficking in Persons. Authorities are often exasperated, as the illegal migrants are more than willing to trade their exploited labour rather than return to their countries of origin. The authorities have turned their attention to the recruiters not the end users.

Cyber crimes, intellectual property crimes are pursued as well as electronic card fraud and even phone fraud. Thailand seems to be a place where innovative crime is trialled.
Drugs and the money raised from their sales are of great concern due to the ability to corrupt public life and the deleterious effect of drug use, but also the significant links to terrorism. Like Turkey, and at one time Ireland, Thailand’s battle with drugs and their impact is clearly linked to terrorism.

Before I comment further on terrorism, the agencies advised me of developments that they found disturbing. First, that there was an alarming increase in drug abuse, and second, and increased link between non injecting drug use and HIV infection. Australians are well aware of the strong stand taken by Thailand in relation to drug use, movement etc.

As mentioned the link from drug production and distribution to terrorism is not just confined to the increasing opium production and poppy growing in the Shan State. In Burma, on Thailand’s border, the separatist Karen Buddhist Army is active in not only illicit drugs but also people trafficking.

This is why Thailand has significant anti-money laundering laws. In fact the State pursues the money under the civil law rather than criminal law, thereby lowering the onus of proof. These assets are then sent straight to the Treasury. The authorities believe, like most law enforcement agencies, that the most effective means of targeting organised crime and terrorism is through, as they put it, “the pocketbook”. The agencies I met with were cooperative and dedicated to the challenge.

Finally, I had the opportunity to meet with the Far East office of UNODC, headed by Gary Lewis. They reemphasised to me the changing nature of organised crime. That the players are stateless traders that they specialise in transactions, not commodities or products. How much more must we in this country heed that advice and the experience of the nations that I journeyed to. Time and time again I was advised that one of the most effective ways to deal with these traders was to target their assets, to ensure that there were strong asset forfeiture laws, strong anti-money laundering laws. That the agencies be given the means to track down those who would harm and destabilise the harmony and good governance of our civil society.
Minister, my study tour has allowed me to engage with authorities in three starkly different jurisdictions. Each of these jurisdictions has shown different ways to deal with serious and organised crime. The clarity that this study tour has given me on how other national police organisations fight criminals has shown me that, while Australia’s situation is unique, we can learn from the effective policies implemented in Ireland, Turkey and Thailand. Further, we can apply elements of these nations’ approaches to improve and empower Australia’s institutions to combat the threat posed by serious and organised crime. This study tour has been of great benefit, I now see a way that Australia should move in our detection and prevention of serious and organised crime.

We must strike at the assets of criminals. Long gaol sentences no longer work as a deterrent, and often do not target the crime bosses orchestrating criminal operations that are transnational in scope. I believe in providing Australian institutions with the means to take the fight to those who profit from serious and organised crime by empowering domestic law enforcement agencies, and increasing international cooperation to defeat these networks at their source. Following my discussions, I find this belief reinforced. Australia must not be left behind when going after the assets of criminals. By not acting to make crime less profitable and a less comfortable enterprise the international epidemic of serious and organised crime will continue to flourish.

Again thank you for the opportunity for allowing me to go on this study tour.

Regards,

Senator Steve Hutchins
Senator of New South Wales
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Due to the size of this individual study report a number of pages are not included in this Tabling document. A copy of the full report (and any supporting documentation) is available on written request to the Office of the Special Minister of State.
December 23, 2009

Senator the Hon. Joe Ludwig
Special Minister of State
Parliament House
CANBERRA ACT 2600

Dear Minister,

Please find enclosed a copy of my report and associated documents in relation to the Study Tour I took between August 18, 2009 and September 7, 2009.

As you will recall, the trip comprised nine days in Italy, two days in London and four days in New York (excluding transit time).

The primary purpose of my Study Tour was to provide an insight into energy industry developments in Europe and the USA with particular emphasis on nuclear, renewable and other emerging energy technologies.

Yours sincerely

[Signature]

Ian Macfarlane MP
Federal Member for Groom
Report on Study Tour: 18 August - 7 September 2009

The Honourable Ian Macfarlane MP
Shadow Minister for Energy & Resources
Representative of the Shadow Minister for Industry (et al) in the House of Representatives
Member for Groom

Tour Objectives

My study tour was designed primarily to provide an insight into energy industry developments in Europe and the USA with particular emphasis on nuclear, renewable and other emerging energy technologies. I also sought information in regard to carbon capture and storage, including soil carbon.

I conducted extensive discussions while in the USA on the proposed Waxman-Markey Bill and its implications for Australia in the context of our own impending CPRS legislation.

While in Italy, I also availed myself of the opportunity to inspect one of the world’s most advanced vehicle building plants.

Itinerary

The trip comprised nine days in Italy (in Rome, Naples, Florence, Turin, Varese and Venice), two in London and four in New York plus transit time (detailed itinerary is at Attachment 1). It incorporated meetings with representatives of:

Nine private sector energy organisations:

- ENI
- British Gas
- International Power
- Centrica
- BP
- Verdant
- Alcoa
- Rio Tinto
- NRG

Three other private sector organisations:

- ANZ
- Fiat
Six public sector research or regulatory organisations:

- EUBIA/ETA
- Ichar
- Joint Research Centre-Ispra of the European Commission
- EPA
- UN Development Group New York
- VEGA Science & Technology Park

I also met with the following diplomatic representatives:

- Consul at the Australian Embassy Rome: Mr Paul Given
- Australian Ambassador to the Holy See: HE Mr Tim Fischer
- Hon Australian Consul Venice: Mr Massimo Columban
- Australian Consul General New York: Mr Phil Scanlan
- Ambassador to the UN: HE Mr Gary Quinlan

Key Findings

**Nuclear Power**

The trip reinforced and confirmed my long held belief that Australia must very soon face the reality of nuclear power. Currently there are 436 nuclear power stations generating totally emission free power across the world and a further 53 stations are under construction.

Italy has passed legislation to permit nuclear power stations to be built while the UK is embarking on a significant expansion of its nuclear generation capacity.

In the USA, the Waxman-Markey Bill proposes significant government borrowing guarantees for the expansion of its nuclear industry.

While I saw encouraging developments in a range of emerging renewable energy technologies, I saw nothing to suggest that any of them, alone or in concert, will become sources of base load power, in the short to medium term at least, anywhere in the world.

Nor did I see anything that might challenge my (and the Government's) view that CCS technology is unlikely to be in commercial scale operation for decades.
Motor Industry

Inspection of Fiat's Mirafiori assembly plant was sobering being overwhelmingly dominated by robotics. If Australia's motor industry is to survive it will need to follow suit and on doing so the vast majority of medium and low skilled employment roles will disappear.

Record of Meetings

Notes on my meetings are at Attachment 2.
<table>
<thead>
<tr>
<th>Date</th>
<th>Activities</th>
<th>Accommodation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuesday, 18 August 2009</td>
<td>Fly: Canberra-Sydney-Frankfurt-Rome</td>
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<tr>
<td>Wednesday, 19 August 2009</td>
<td>Arrive: Rome</td>
<td>Rome</td>
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<td>Thursday, 20 August 2009</td>
<td>Meeting: Consul Paul Given; Aust Embassy</td>
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<td></td>
<td>Meeting: Ms Maria Manuela Liverzani</td>
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<td></td>
<td>Manager International Public Affairs ENI</td>
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<td></td>
<td>Meeting: Aust Ambassador to Holy See; Tim Fischer AC</td>
<td>Rome</td>
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<tr>
<td>Friday, 21 August 2009</td>
<td>Drive: Rome to Amalfi Naples</td>
<td>Naples</td>
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<td>Saturday, 22 August 2009</td>
<td>Personal time</td>
<td>Naples</td>
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<tr>
<td>Sunday, 23 August 2009</td>
<td>Train: Naples to Florence</td>
<td>Florence</td>
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<tr>
<td>Monday, 24 August 2009</td>
<td>Meeting: EUBIA/ETA:</td>
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<td></td>
<td>Giuliano Grassi; Sec Gen</td>
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<td></td>
<td>Stephen Senechal; Project Manager</td>
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<tr>
<td></td>
<td>Meeting: Ichar;</td>
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<td></td>
<td>Dr. Franco Miglietta; Chairman</td>
<td>Florence</td>
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<tr>
<td>Tuesday, 25 August 2009</td>
<td>Train: Florence to Milan to Turin</td>
<td>Turin</td>
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<td>Wednesday, 26 August 2009</td>
<td>Meeting: Fiat Auto:</td>
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<tr>
<td></td>
<td>Salvatore Ferrari</td>
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<td></td>
<td>Maciej Mielcarek</td>
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<td></td>
<td>Tour: Flat Mirafiori plant</td>
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<td></td>
<td>Train: Turin- Como</td>
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<tr>
<td></td>
<td>Drive: Como-Varese</td>
<td>Varese</td>
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<tr>
<td>Thursday, 27 August 2009</td>
<td>Drive: Varese- Como</td>
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<tr>
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<td>Meeting and briefings:</td>
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<tr>
<td>Date</td>
<td>Event</td>
<td>Location</td>
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<tr>
<td>Friday, 28 August 2009</td>
<td>Meeting: Massimo Columban; Aust Hon Consul Venice</td>
<td>Venice</td>
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<td></td>
<td>Chair VEGA Science &amp; Technology Park</td>
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<tr>
<td>Fly:</td>
<td>Venice to London</td>
<td>London</td>
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<td>Saturday/Sunday 29/30 August</td>
<td>Personal time</td>
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<tr>
<td>Monday, 31 August 2009</td>
<td>Meeting: International Power &amp; ANZ</td>
<td>London</td>
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<tr>
<td>(NR: Pub holiday in UK)</td>
<td>Richard Heyhoe: Director Utilities &amp; Infrastructure ANZ UK</td>
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<td>Phil Cox: CEO International Power</td>
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<tr>
<td>Tuesday, 1 September 2009</td>
<td>Meeting: BG Group</td>
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<td>Charles Bland; EVP Policy &amp; Corp affairs</td>
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<td>Meeting: Centrica;</td>
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<td>Simon Bonini: Director LNG</td>
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<td></td>
<td>Meeting: BP</td>
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<tr>
<td></td>
<td>Steve Westwell: Exec Vice President and Group Chief of Staff</td>
<td>New York</td>
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<tr>
<td>Fly:</td>
<td>London to New York</td>
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<tr>
<td>Wednesday, 2 September 2009</td>
<td>Meeting: Verdant</td>
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<td></td>
<td>Meeting: Australian Consul Gen Phil Scanlan</td>
<td>New York</td>
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<td></td>
<td>Prof Greg McKay</td>
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<td></td>
<td>Eddie Sugar MD Int Equities Jeffries &amp; Co</td>
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<tr>
<td>Thursday, 3 September 2009</td>
<td>Meeting: EPA</td>
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<td></td>
<td>George Pavlau; Acting Regional Administrator</td>
<td></td>
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<td></td>
<td>Bill Baker; Senior Air Advisor</td>
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</tr>
<tr>
<td>Date</td>
<td>Description</td>
<td>Location</td>
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<td>------------------</td>
<td>-----------------------------------------------------------------------------</td>
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</tbody>
</table>
| Friday, 4 Sept   | Meeting: Alcoa & Rio Tinto  
Meg McDonald; Director Global Issues Alcoa  
Bernt Reitan; President Global Primary Products Alcoa  
Geoff Hopkins; Advisor Economic & Environmental Policy Rio Tinto | New York    |
|                  | Meeting: NRIG  
Bob Henry; Senior Vice President |             |
|                  | Meeting: Ambassador Gary Quinlan                                           |             |
|                  | Meeting: UN Development Group  
Dr Veerle Vandewaerdt; Environment & Energy Group Director  
Minoru Takada; Head of Energy Program | New York    |
| Saturday/Sunday  | Fly: New York to Sydney                                                    | In transit  |
| 5/6 Sept         |                                                                             |             |
| Monday, 7 Sept   | Arrive: Sydney                                                             | Canberra    |
|                  | Fly: Sydney to Canberra                                                    |             |
SENATOR MARK BISHOP

United States of America
18 – 24 September 2009
Ref.mb.ose.hnlru/010-09

29th September, 2009

Hon. Senator J. Ludwig,
Special Minister for State,
Parliament House,
CANBERRA, A.C.T., 2600.

Dear Minister,

In accordance with the requirements of Clause 9.2(b) of Remuneration Tribunal Determination 2006/18 I submit the following statement reporting on my recent overseas study journey:

i. **Confirmation of the Purpose(s):**

I advise that I participated in the Australian American Leadership Dialogue held in Honolulu from 20th – 22nd September inclusive.

A small delegation from both countries engaged one another on a broad range of issues on Northeast Asia (China, Korea, Japan), Southeast Asia (ASEAN/Indonesia) and other matters relevant to delegates.

ii. **Itinerary:**

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<thead>
<tr>
<th>Date</th>
<th>Destination</th>
<th>Flight No</th>
<th>Departure/Arrival</th>
</tr>
</thead>
<tbody>
<tr>
<td>20th Sept</td>
<td>Perth/Sydney</td>
<td>QF 642</td>
<td>Sunday</td>
</tr>
<tr>
<td></td>
<td>Sydney/Honolulu</td>
<td>QF 3</td>
<td></td>
</tr>
<tr>
<td>23rd Sept</td>
<td>Honolulu/Sydney</td>
<td>QF 4</td>
<td>1045</td>
</tr>
<tr>
<td>24th Sept</td>
<td>Sydney/Perth</td>
<td>QF 583</td>
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iii. **Key meetings and outcomes/findings:**

Dialogue sessions ran throughout the days of 21st and 22nd September with key speakers on a range of subjects including:
Australian Foreign Policy under Rudd and US Foreign Policy under Obama;
Global Economic Crisis and Regional Implications for Australia and the United States;
Developments in Asia – South and South-East Asia;
Implications for Architecture of US – Australian Relations; and
Implications for Architecture of Regional Cooperation.

As this was a ‘dialogue’ there was much discussion over a broad agenda on all of the above matters. The discussion and interaction of delegates facilitated the synergies that exist between our two countries with an undertaking to continue to work toward the common goal of a secure and stable future.
iv. Conclusion:

The delegates acknowledged the long friendship and alliance of both countries that enjoy an unequalled understanding. The dialogue promoted bipartisan and informed discussion between delegates from both Australia and America on issues that matter to both countries and to their alliance. As new leaders (Rudd and Obama) and governments are elected, non-government dialogue such as this can provide insight into new directions and the potential for new approaches to old problems. It also endorsed the Australian/American alliance of working cooperatively together with other partners to provide leadership and direction.

I note that, in accordance with Clause 9.5 of the Determination, a copy of this statement may be obtained from you upon request by any Senator or Member. I also note that this statement will be tabled in Parliament at your discretion, including as part of the six-monthly tabling of travel costs for Senators and Members.

Yours faithfully

[Signature]

Senator Mark Bishop
Labor Senator for Western Australia
THE HON BRUCE SCOTT MP

United States of America and the United Kingdom
18 September – 5 October 2009

Due to the size of this individual study report a number of pages are not included in this Tabling document. A copy of the full report (and any supporting documentation) is available on written request to the Office of the Special Minister of State.
United States of America and United Kingdom Study Trip Report by The Hon Bruce Scott MP Member for Maranoa

18 September – 6th October, 2009
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<td>8-10</td>
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<td>- Rehabilitation</td>
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<td>- Coal Seam Gas (CSMG) Extraction</td>
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<td>Meeting with National Farmers Union</td>
<td>21-22</td>
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<td>22</td>
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<td>Acknowledgements</td>
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Report prepared by The Hon Bruce Scott MP, Member for Maranoa
Introduction

The purpose of this Parliamentary Study is to investigate coal mining and the coal seam methane gas sector in the United States of America, including mine rehabilitation of prime agricultural land, and have discussions regarding carbon capture and storage in the USA.

The study also includes discussions with trade representatives and Australian exporters in the US regarding agricultural food imports from Australia, under the free trade agreement, including the potential for organic food.

In the United Kingdom discussions are held with the BG Group (British Gas) regarding their global operations; the National Farmers Union (NFU) on climate change issues and global food security.

My report also outlines discussions with the Clerk of the House, House of Commons regarding debate in the House and the election of the new Speaker; the Conservative Party concerning capped spending for election campaigns in the UK and advertising restrictions; as well as broadband providers in the UK as to future technology.
Program/Itinerary

PROGRAMME

Friday 18 September 2009

09.45      Arrive Los Angeles, US (exQF11)
15.45      Arrive Gillette, US (exQF3285) met by Jeane Hull transfer to Fairfield
           Marriott, 2477 S. Douglas Hway, Gillette, Wyoming

Saturday 19 September 2009

09.30      Visit to Peabody Energy Operations at North Antelope Rochelle Mine, Gillette
           for inspections and briefings at Peabody headquarters (by Jeane Hull, Group
           Executive, Powder River Basin Operations, Wanda Burget, Senior Manager
           Regulatory Services West, and Craig Jennings, Manager, Natural Gas
           Operations) on overall Peabody operations in the Gillette area on coal seam
           methane gas and coal mining.

18.30      Dinner – The Wright Hotel, Open Range Restaurant, 350 Reata Dr, Wright, Wyoming
           (hosted by Jeane Hull)

Sunday 20 September 2009

09.24      Arrive Denver (exUA7129)
14.38      Arrive Indianapolis (ex UA7522) affiliated transportation to meet at airport
           and transfer to Hilton Downtown, 2544 West Market, Indianapolis

18.30      Dinner with Mark Yingling, VP Peabody Energy (Environment & Conservation); Bryce West and
           Ken Rogers

Monday 21 September 2009

7.00       Drive to Peabody Energy’s Farmersburg with Mark Yingling

9.00       Peabody Energy presentation, Safety Training, Q&A – Tom Peck, and Jeff Eyer

10.00      Active mine tour – Tom Peck, Jerry Kempf and Mark Yingling

12.00      Lunch with mine site team

13.00      Reclamation Permitting, soils, success stds etc – Mark Langrod, Ken
           Rogers, Bryce West, Mark Yingling

13.30      Farmersburg Reclamation Tour with ripper demonstration, equipment etc – Mark Langrod, Ken
           Rogers, Bryce West, Mark Yingling

Report prepared by The Hon Bruce Scott MP, Member for Maranoa
16.30 Drive to Hilton Garden Inn, 250 Wabash Avenue, Terre Haute to check in

18.00 Dinner – Stables Steakhouse, 939 Poplar St, Terre Haute with Cartan Sumner, Tom Peck, Jeff Eyers, Bryce West, Ken Rogers, Mark Yingling, Jerry Kempf

**Tuesday 22 September 2009**

7.30 Drive to Peabody’s Farmersburg Mine site – Bryce West, Ken Rogers

8.00 Meeting with mine management team for presentation – Cartan Sumner

9.00 IN Teacher’s Training Presentation – Colleen Baughman, Indiana Department of Natural Resources

9.30 Drive to Bear Run Mine site for tour – Bryce West and Ken Rogers

10.30 Return to Indianapolis – Bryce West, Ken Rogers

17.20 Arrive New York (exUS3880 arrival 20.00 – changed brought forward)

**Wednesday 23 September 2009**

**World Leader’s Forum, venue:** TIAA-CREF, The Wharton Auditorium, 17th Floor, 730 Third Avenue between 45th and 46th St

**Forum Sessions -**

9.15 The Word from Wall Street – Moderator James P Dougherty

10.45 US and Global Economic Outlook – Moderator Theodore Roosevelt IV

12.30 World Leadership Forum Luncheon – Guest of Morgan Stanley Venue: Waldorf-Astoria Grand Ballroom, 301 Park Avenue at 49th Street


15.30 Cybersecurity: Threats and Responses - Moderator James P Dougherty

16.30 Women’s Health and the Development Agenda – Moderator Ann Curry

Report prepared by The Hon Bruce Scott MP, Member for Maranoa
Thursday 24 September 2009

**Boston - Expo East**
Express train to Boston

8.00  
Expo East, Boston Convention Centre, 415 Summer Street, Boston  
MA 02210, Meeting Room 156A; Show Floor Booth # 2131

10.00  
Meet George Siemon, CEO, Organic Valley Family of Farms at Expo

11.00  
Malcolm Luhning, co-ordinating Organic Valley’s presence at Expo East

16.00  
Depart for New York

Friday 25 September 2009

9.25  
Arrive Washington Union Station

10.30  
Meet with Bob Stallman, President of American Farm Bureau  
Federation and Simon Smalley, Australian Agricultural Attaché.  
Venue: 600 Maryland Avenue, SW; Suite 1000W, Washington

15.50  
Arrive New York Pennsylvania Station

17.00  
Reception with Phil Scanlan, Consul General & Gerard Seeber, Austrade  
Venue: Consul General Residence, 1 Beekman Place,  
APT 5L – between 49th-50th, one block east of 1st Avenue.

Monday 28 September 2009

20.35  
Arrive Heathrow (eBA178)  
Accommodation: East India Club, London

Tuesday 29 September 2009

10.00  
Meeting with Talk Talk UK group – Executive Director of Strategy &  
Regulations, Andrew Heaney venue: 11 Evesham St, London

14.00  
Meeting with British Conservative Party – Philippa Brown, James  
Marriott

Report prepared by The Hon Bruce Scott MP, Member for Maranoa
Wednesday 30 September 2009

10.00 Meeting with David Natzler, Clerk of the House of Commons

Thursday 1 October 2009

8.00 Meeting with British Gas (BG Group) venue: Eagle House, London – attending Cath Tanna, MD QGC and Executive VP, Australia; Charles Bland, Executive VP, Policy and Corporate Affairs; Scott Reaves, Global Head of Coal Bed Methane.

Friday 2 October 2009

Train from London’s King Cross to Stevenage and then onto Bigglesway
Met by Peter Kendall, National Farmers’ Union President. Travel to his farm for discussions.

Late afternoon train to Kendall, Gloucestershire

Saturday 2 October 2009

Visited Cirencester area in Gloucestershire

Tuesday 6 October 2009

7.05am Arrive Sydney (exQF2)

9.10 Arrive Canberra (exQF787)
5th October 2009

Senator the Hon. Joe Ludwig
Special Minister of State
Parliament House
CANBERRA ACT 2600

Dear Minister,

In accordance with Clause 9.2 of the Remuneration Tribunal Determination 2006/18 I provide the following report in relation to my approved overseas study travel in order to attend the Australia American Leadership Dialogue in Hawaii in September.

The program for the conference was as follows:

Sunday, 20th September  
Welcome Reception  
Hilton Hawaiian Village

Monday, 21st September  
Opening and Welcomes  
Charles E. Morrison & Andrew MacIntyre

Session 1:  
Overview of Australian Foreign Policy under Rudd and  
US Foreign Policy under Obama  
Arch Bevis & Ed Case

Session 2:  
Global Economic Crisis and Regional Implications for  
Australia and the United States  
Paul Kelly & David Carey

PACOM Visit (Australian Participants)  
Camp Smith  
Pearl Harbour

.../2.
Tuesday, 22nd September

Session 3:
Developments in Asia – North Asia
Raymond Burghardt & David Binns

Developments in Asia – South and Southeast Asia
Andrew MacIntyre & Charles Salmon

Session 4:
Implications for Architecture of US – Australian Relations
Innes Willox & Richard Baker

Session 5:
Implications for Architecture of Regional Cooperation
Charles E. Morrison & Richard Woolcott

Reception
Hosted by Australian Consul-General David Binns

I had earlier advised the list of participants. At the last minute, the Hon. Kim Beazley AC withdrew because of his appointment as Ambassador Designate to the United States. I was asked and agreed to step in to take Kim’s session and provided the opening remarks for the first session covering an overview of Australia’s Foreign Policy with the Rudd Government.

The discussions on a wide range of security, foreign policy and economic issues impacting on the Asia Pacific region and of particular interest to Australia and America were very worthwhile. The background of the participants from business, academia, diplomatic and parliamentary provided a unique opportunity to exchange perspectives.

The Australian participants briefing at PACOM was insightful. Commander Admiral Keating spent some time with the delegation. General Tom stayed throughout the briefing and also accompanied the Australian participants on our visit to the USS Arizona Memorial.

This is only the second Australian American Leadership Dialogue conducted in our region with a direct focus on Asia Pacific matters. Unlike some engagements with American officials, particularly on the East Coast of the States, the American participants in this forum have the same keen interest in the Asia Pacific that Australia has.

Should you require any further report from me in relation to this conference, please do not hesitate to contact me.

Yours sincerely,

[Signature]

Arch Bevis
2 October 2009

Senator The Hon Joe Ludwig  
Special Minister of State  
Parliament House  
CANBERRA ACT 2600

Dear Minister

In accordance with the requirements of Clause 9.2(b) of Remuneration Tribunal Determination 2006/18 (the Determination), I submit the following statement reporting on my recent overseas study journey:

(i) (a) Confirmation of Purpose

At the invitation of the Australian American Leadership Dialogue (AALD), I travelled to Honolulu, Hawaii to participate in discussions hosted by the AALD and the East West Centre. The purpose of the visit was to gain further insights into Australian and US relations and responses to economic and foreign policy issues, particularly in relation to developments in Asia.

(b) Itinerary

Sunday 20 September  
Depart Melbourne – Qantas 446 at 16:00pm  
Depart Sydney – Qantas 4 at 19:40pm

Arrive Honolulu at 09:25am  
Accommodation – Hilton Hawaiian Village

Wednesday 23 September  
Depart Honolulu – Qantas 4 at 10:45am

Thursday 24 September  
Arrive Sydney – 17:30pm  
Depart Sydney – QF465 at 19:00  
Arrive Melbourne – 20:30pm
(ii) **Key Meetings and Outcomes**
The Dialogue provided the opportunity to meet with leading American academics, journalists, politicians and military representatives with a particular focus on economic and security issues in the Pacific. I had the opportunity to contribute Australian perspectives on these issues. The American hosts at the East West Centre provided a comprehensive regional overview.

**Program:**

**Monday 21 September**

9:00 AM - 9:15 AM: AALD Opening and Welcome by Charles E. Morrison & Andrew Macintyre

9:15 AM - 10:15 AM Session 1: AALD - Overview of Australian Foreign Policy under Rudd and US Foreign Policy under Obama - Opening Remarks by Arch Bevis MP & Ed Case

10:30 AM - 11:30 AM AALD Session 2 - Global Economic Crisis and Regional Implications for Australia and United States - Opening Remarks - Paul Kelly & David Carey

12:00 PM - 1:30 PM Working Lunch

2:00 PM - 6:30 PM Afternoon: PACOM Visit (Australian Delegation) - Camp Smith & Pearl Harbour

**Tuesday 22 September**

9:30 AM - 10:30 AM AALD Session 3 Developments in Asia - North Asia: Opening Remarks Raymond Burghardt & Professor Andrew Macintyre

10:45 AM - 11:45 AM AALD Session 3: Developments in Asia - South and Southeast Asia: Opening Remarks Andrew Macintyre & Charles Salmon

12:00 PM - 1:00 PM Working Lunch

1:00 PM - 2:00 PM AALD Session 4: Implications for Architecture of US - Australian Relations : Opening Remarks by Innes Willox and Richard Baker

2:15 PM - 3:15 PM AALD Session 5 - Implications for Architecture of Regional Co-operation: Opening Remarks by Charles E. Morrison & Richard Woolcott

6:00 PM - 8:00 PM AALD Reception
Residence of Australian Consul General, David Binns
(iii) Conclusion

The Dialogue participation will assist in my work as a member of the Parliamentary Joint Standing Committee on Foreign Affairs, Defence and Trade. The study tour contributed to a greater understanding of the Australian/American bilateral relationship and its political, economic and security elements but, in particular:

(a) The fiscal responses of the US and Australia to the challenging global financial circumstances.

(b) Perspectives on the continuity and differences of Australian and American foreign policy with a change of government in both nations.

(c) Economic and security developments in North Asia, South and South East Asia.

(d) The evolving architecture for Pacific regional co-operation.

(e) The architecture of the US-Australian relationship.

Yours sincerely,

MITCH FIFIELD
4 November 2009

Senator the Hon Joe Ludwig
Special Minister of State
Suite MG.64, Parliament House
CANBERRA ACT 2600

Dear Minister

In accordance with the requirements of Clause 9.2(b) of Remuneration Tribunal Determination 2006/18 (the Determination), I submit the following statement reporting on my recent overseas study journey:

1. (a) **Confirmation of Purpose:**

   (b) **Itinerary:**
   21 SEP 09  Adel – Brisbane [QF660]
   Brisbane – Los Angeles [QF15]
   Los Angeles – Washington [QF3085]
   26 OCT 09  Depart Washington for London [BA216]
   01 OCT 09  London – Adelaide [QF10/QF82]

2. **Key meetings and outcomes/findings:**
   The following key meetings were attended:
   - Ms Heather Sexton, Manager, Young Leaders Program, The Heritage Foundation and other staff members.
   - Mr Jordan Lieberman – Editor, Politics and Campaigning Magazine
   - Senator Jim Inhofe – Republican Senator for Oklahoma
   - Senator Rick Santorum – former US Senator
   - Mr Grover Norquist and staff – Americans for Tax Reform
   - Mr Morton Blackwell – Chairman, The Leadership Institute
   - Mr Myron Ebell- Director, Competitive Enterprise Institute
   - Mr David Keane – Chairman, American Conservative Union
   - Rep James Sensenbrenner – US Congressman
   - Mr Ron Robinson – President, Young America’s Foundation
   - The Climate Sense Coalition
   - Mr Donal Blaney – Chairman, Young Britons Foundation and other directors
   - Mr Daniel Hannan – Member of the European Parliament
   - Mr Matthew Sinclair – Taxpayers’ Alliance
3. **Conclusion:**

The primary purpose of this study trip was to establish contact with leadership development organisations and learn about the young leadership development programs that are available in England and the United States and to see if similar programs could be established in Australia.

The meetings with the Heritage Foundation, Leadership Institute, Young America’s Foundation and the Young Britons Foundation were very instructive in this regard. The extensive briefings included discussion on how to engage young people in public life and leadership roles, the types of training required to develop leadership potential, opportunities for international exchange of ideas, programmes and students.

There were also many additional meetings to discuss the impact of climate change and the proposed policy approaches that were being introduced into the US Congress, UK Parliament and the Australian Parliament.

The meetings with Senator Inhofe and Rep. Sensenbrenner were particularly instructive as to the current status of the climate change Bills that have been introduced into the Congress. We also discussed the economic implications of the Bills on the US and world economy.

I was also invited to present a briefing to the US based Climate Sense Coalition which comprises the representative heads of a dozen organisations interested in climate science and climate change policy.

A third focus of the study trip was to discuss tax reform and the administration of taxpayer funds by government. Meetings with Americans for Tax Reform, the Taxpayers’ Alliance and Mr Daniel Hannan MEP, provided valuable insights into this subject area.

In conclusion, the study trip provided an opportunity to learn more about the subject areas above and has resulted in an ongoing information exchange with some of those whom I met. This will provide a benefit to my work as a Senator and will also aid in the development of civic and community leaders in Australia.

I note that, in accordance with Clause 9.5 of the Determination, a copy of this statement may be obtained from you upon request by any Senator or Member. I also note that this statement will be tabled in Parliament at your discretion, including as part of the six-monthly tabling of travel costs for Senators and Members.

Yours sincerely,

[Signature]

Senator Cory Bernardi
4 November 09
Dear Minister,

In accordance with the requirements of Clause 9.2(b) of Remuneration Tribunal Determination 2006/18 (the determination), I submit the following statement reporting on my recent overseas study journey:

(i) **Confirmation of Purpose:** To fully acquaint myself with the issues of HIV and how Australia contributes to the funding of programs particularly in the Pacific Region.

(ii) **Key meetings and outcomes:** Please find attached report on the findings of my meetings.

(iii) **Conclusion:** I believe that I am now in a position to make an extremely meaningful contribution to the work of the Parliamentary Liaison Group on Blood Borne Virus and STDs/ more particularly in HIV of which I am the Deputy Chair. In addition, it has been a valuable learning experience to assist in the community work I am involved in surrounding people living with HIV within Australia.

I note that, in accordance with Clause 9.5 of the determination, a copy of this statement may be obtained from you upon request by any Member or Senator. I also note that this statement along with my report will be tabled in Parliament at your discretion, including as part of the six-monthly tabling of travel costs for Members and Senators.

Yours sincerely,

Kay E. Hull
Member for Riverina
KAY E HULL

MEMBER FOR RIVERINA

REPORT

Overseas Travel Study Entitlement.

25th - 30th September 2009
Mr Benn gave a brief history of the Global Fund and explained Australia’s involvement. Mr Benn explained that Australia had become a donor in 2004, when it was realised that the Global Fund was not just an African aid fund and that the Asia Pacific focus for Australia was also on the agenda for the Global Fund.

Australia has committed $210 million dollars to the fund since 2004. This equates to 6.11% of the gross ODA for health in 2007. Whilst Australia is not a large donor, it is in the top 20 donors to the Global Fund.

The Pacific Countries that have had funds approved from the fund are Papua New Guinea, Solomon Islands and Timor-Leste.

<table>
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<tr>
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<td><strong>Programs Approved for Funding</strong></td>
<td>HIV/AIDS, Tuberculosis, Malaria</td>
</tr>
<tr>
<td><strong>Principal Recipients</strong></td>
<td>The Department of Health of the Government of Papua New Guinea, TBD</td>
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<tr>
<td><strong>Total Funds Approved</strong></td>
<td>112,805,573</td>
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<td><strong>Funds Committed (Phase 1)</strong></td>
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<td><strong>Funds Committed (Renewals)</strong></td>
<td>23,059,043</td>
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<td>HIV/AIDS, Tuberculosis</td>
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<td><strong>Total Disbursed</strong></td>
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<td><strong>Programs Approved for Funding</strong></td>
<td>HIV/AIDS, Tuberculosis, Malaria</td>
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<tr>
<td><strong>Principal Recipients</strong></td>
<td>The Ministry of Health of the Government of the Democratic Republic of Timor-Leste</td>
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<tr>
<td><strong>Total Funds Approved</strong></td>
<td>17,288,320</td>
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<td><strong>Funds Committed (Phase 1)</strong></td>
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<td><strong>Funds Committed (Renewals)</strong></td>
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The report from AUSAID titled “Tracking Development in the Pacific” in August 2009 outlined the progress in the Millennium Goals in these 3 nations. It is of grave concerns that MDG 6 is deemed as “off track” in PNG and Fiji and the Solomon Islands progress is deemed as “of concern”.

Mr Benn was acutely aware of the AUSAID report and in our lengthy discussion he outlined how the Country Co-ordination Mechanism (CCM’s) worked. In the area of the Pacific the CCM was located in Fiji. The CCM had oversight of the funding that has been allocated to PNG and Solomon Islands for their programs. The Emerging Market Group is the recipient for PNG and the Solomon’s and Price Waterhouse Coopers is the recipient for Timor-Leste. The recipients are accountable to the CCM in Fiji.

Mr Benn outlined the challenges surrounding the lack of capacity of the administrators and the geographical issues that confront the program in the Pacific, with little to no transport or infrastructure and no real internal capacity.

Examples of the challenges that were outlined were of Timor-Leste; Whilst Australia had a lot of man power on the ground covering law and order capacity and other programs, there was no health official. Timor is desperate for health assistance. There was no distribution or supply chain for health measures and this was presenting significant challenges from the Timorese.

Mr Benn travelled to Australia and met with AUSAID officials who had by then recognised the need for health program leadership in Timor and set about putting this in place.

Recipients of funding are required to meet performance indicators as an accountability mechanism and there are difficulties with capacity to meet the targets prescribed. Assistance is provided when recipients consistently miss their targets. This capacity does appear to be lacking in the Pacific region and it may be something that AUSAID could look to working on in order to play a key role in assisting the Pacific nations to get back on track in meeting MDG 6 particularly.

In our discussions on the future of PEPFAR; Mr Benn outlined how the Global Fund and PEPFAR were now working co-operatively in the 15 countries where their programs overlap however there is major concern at the lack of a HIV/AIDS and Global Health statement from President Obama. It appears the message that is coming out of the United States is “don’t rely on them for the future of Global Health”. This would indeed present major challenges for PEPFAR.

Contribution has been substantial with the Global Fund and PEPFAR providing the first and second line treatment. Mr Benn was quick to point out that 35% of Global Funds budget is spent on strengthening the health care systems. This was an important part of the response to HIV/AIDS as the recognition of primary health care in the treatment of blood borne virus was integral to delivering a quality of life after treatment.

In our discussions on the role of Parliaments and the Global Fund Mr Benn was adamant that it was critical for a strong partnership with both donor and recipient members of Parliament. Of most concern was the need for Parliament members to have oversight of the funding programs, to be the eyes and ears of the fund as they do not have a presence on the ground. For example, it is sadly the case that some Parliaments may reduce their own budgets on health and treatment once Global Fund dollars come into their programs. This is self defeating as the donor funds can only then maintain what has been delivered and not expand the programs. It became clear to me that Members of Parliament should have more interaction with the programs of the fund and that our Pacific Nations
should be assisted to empower their members of Parliament with a good working knowledge of the funds activities in their country.

The Global Fund has created a Parliamentary liaison position to try to better communicate the funds activities to Parliaments. On completion of our meeting Mr Benn advised he would be in Australia in February 2010 and I would strongly suggest that the Parliamentary Liaison Group ensure they host a meeting or function for Mr Benn during his visit.

In addition it would make perfect sense for UNAIDS and Global Fund to jointly fund a Parliamentary liaison position that would be located within the IPU structure in order to facilitate action on MDGS within the 170 member countries of IPU. Meetings should take place urgently between Mr Christoph Benn, Michelle Sidebe, Sussan Timberlake and Anders Johnson on how such a position could be funded.

**Monday 28th of September 2009**

Meeting with Sussan Timberlake, UNAIDS Senior Human Rights and Law Advisor
UNAIDS/WHO Building D 3rd Floor, 20 Avenue Appia, Geneva

Ms Timberlake provided an overview on the Political Declaration on HIV/AIDS 2006. It appears there has not been an effective evaluation and monitoring of the compliance in the declaration over the period. The declaration concludes in 2010.

It occurred to me that this could be a meaningful direction of the IPU HIV/AIDS committee to take. We could possibly look at the political declaration and tease out what relates to the 9 priority areas and cross-cutting strategies document that has been agreed by the IPU HIV/AIDS committee and UNAIDS. I had long discussions with Anders Johnson, James Jennings and Aleksandra Blagojevic on this direction.

Ms Timberlake is keen to have UNAIDS map the Parliamentary environment to complete a data base on politicians who are active in on the ground work in HIV/AIDS. The purpose of the data base would be to engage with Parliamentarians on legislation and policy that is related to achieving MDG 6 on HIV/AIDS and other related issues.

I personally believe it is essential for MP’s to actively engage with UNAIDS and Global Fund as Donor and recipient countries. MP’s must understand their role and responsibility in actively participating in the rights and dignity of those living with HIV.

MP’s can assist in raising the issues of those living with HIV in health debates, Human rights discussions, Legal policy that would impact on the positive work done in HIV response, and most importantly in budgets and estimates committees to ensure adequate funding is allocated and enhanced for HIV response.
Tuesday 29th September 2009
Meeting with Merle Wangerin UNAIDS External Relations Officer, Resource, Mobilization, Partnerships and External Relations.
UNAIDS 20 Avenue Appia, Geneva

Ms Wangerin outlined the role she plays in UNAIDS and Australia. She outlined the success of the recently signed partnership agreement between UNAIDS and the Australian government that provides $25.5 million over three years, 50% to the Pacific response and 50% to UNAIDS core budget. It was a small increase on Australia’s last commitment.

Australia is the 15th largest donor to UNAIDS and is looked on as essential in dealing with issues in the Pacific and to provide strong leadership on actions required to halt the spread of HIV.

UNAIDS has a technical support group located in Kuala Lumpur that is responsible for the Pacific program co-ordination.

Ms Wangerin outlined the need to map the epidemic in areas like PNG, Timor-Leste and the Solomon Islands in order to prepare targeted responses. She also advised that there had been a visit organised for our AIDS ambassador Mr Murray Proctor to view the operations of a UNAIDS technical support group in Africa, she indicated that she would be happy to organise an invitation for me to attend if I considered this would be valuable for me.

Ms Wangerin was not aware of the report of August 2009 by AUSAID Tracking Development in the Pacific and on being showed the data of concern to me on PNG, Solomon Islands and Timor-Leste; she agreed she would obtain a copy of the report in order to understand the issues of serious concern.

Tuesday 29th September 2009
Meeting with GAVI Alliance
Helen Evans Deputy Chief Executive Officer
Geoff Adlade Director Advocacy and Public Policy External Relations
2 Chemin des Mines, Geneva

Ms Evans outlined the focus of GAVI and explained the genesis of the organisation. She advised that she had been with Global Fund for two years prior to her coming to GAVI.

I outlined the issues of concern to me on PNG and again raised the report of AUSAID from August 2009 titled “Tracking Development and Governance in the Pacific” she did not seem surprised at the results detailed within the report and particularly on HIV and child mortality.

Ms Evans outlined her visit to PNG in February 2009 whilst she was still working in the Global Fund. She spoke of the significant lack of delivery capacity on the ground in PNG and expressed alarm at the closing of many health outposts, making access to treatment and testing very difficult for members of the community.
There seems to be a common view that AID programs in PNG are fractured as everyone acts in silos. Ms Evans advised that there is a Parliamentary Liaison Group that is active in PNG and she undertook to send me the contact details.

Ms Evans discussed the Global Fund programs and others that operate in PNG and seemed to agree that there is a need for far more active engagement and funding for this significant general epidemic.

I raised the issue of the allocations of the Global Fund not being disbursed even though there was funding approved. General discussion concluded that this is due to the distribution chain being so difficult and geographical access at times impossible.

Ms Evans discussed the $20 million over 4 years commitment to GAVI by the Australian Government that commenced in 2006-2009 and Mr Adlide went on to discuss the program of "immunisation services" and "new and underused vaccines".

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<th>Immunisation Services</th>
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<tr>
<td>Total US Dollars</td>
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Mr Adlide outlined the benefits of GAVI's Pneumococcal vaccine for HIV in PNG, Solomon Islands and Timor-Leste. He also explained the roll out of the HPV vaccine to young girls and the success of the HiB vaccin roll out.

I pointed out that the vaccines can only be rolled out if the local community can source a supply outlet; and that much of the Pacific areas particularly PNG is not able to access the rollout! There was agreement that the distribution chain was a significant obstacle for aid programs and does limit the success.

Mr Adlide detailed how GAVI was now providing support for strengthening health systems. By far the largest amount of GAVI's support is toward vaccination, this equates to approximately 73% of total country support with the remainder used to strengthen health care systems.

Whilst the vaccine programs of GAVI are limited in the action against HIV specifically they undoubtedly make a valuable and significant contribution to overcoming associated HIV infections.

PNG, Timor-Leste and the Solomon Islands are all eligible for GAVI support and I believe the Australian Government should actively work with GAVI to strengthen the health systems of these countries.
Tuesday 29th September 2009
Meeting with Kate Thomson, UNAIDS Head Civil Society and Partnerships
Rodrigo Pascal, UNAIDS Partnerships Officer
UNAIDS 20 Avenue APPIA

Ms Thomson and Mr Pascal outlined the role that civil society group plays in UNAIDS. We discussed how civil society groups could be more interactive with parliamentarians and why there was a lot of talk about the need for interaction but not clear and decisive action. I was challenging on the need for a meeting of minds on this issue.

I pointed out that there was very little in the 9 point plan of UNAIDS that could be achieved without the co-operation and legislation of Parliaments.

Ms Thomson agreed that they would include this in their work plan they were currently developing as they really did not understand how Parliament works.

There was recognition of the need for more dialogue between civil society groups and parliament. Mr Pascal gave examples of how positive this can be in his experience.

I raised the question of the role that UNAIDS should play in providing assistance to civil society group formation in PNG, Solomon Islands and Timor-Leste.

Ms Thomson undertook to get me information on what groups are active in PNG particularly so that the PLG and NAPWA may be able to interact with them. Ms Thomson also offered to get Jane Wilson the UNAIDS Regional Partnership person in Bangkok to contact me in order to facilitate further discussion and possible actions for the PLG to pursue in relation to PNG.

Our conversation focussed on the issues and challenges that face the Pacific and how our civil society action groups such as NAPWA can play a role.

I believe there will be a continued dialogue on this in the future.

Tuesday 29th September 2009
Meeting with the World Health Organisation

The meeting with WHO officials was interesting and informative. After I outlined my concerns on the issues of the Pacific Nations and specifically PNG and Timor-Leste I was advised that there is now a WHO representative in Timor Leste and that a medical officer for HIV has now been recruited to work in Timor. Dr Ying-Ru Lo undertook to send me the contacts of the WHO representative. The officials at the meeting advised that WHO has a very good working relationship with the Ministry in both PNG and Timor-Leste.

There was a very good appreciation of the long association and valued expertise that Australia brings to the pacific problems such as, a focus on harm reduction, through the implementation of opiate substitution options. It was considered that this was an enormous benefit and it may be of great value.
if Australia actually funded someone on the ground in Timor-Leste under the structure of the WHO to assist in the implementation of WHO/Australian programs in addition to the presence that Australia already has there.

During general discussion it became apparent to me that there was some concern, that because the Australian Government funds were not earmarked, that these funds may not in fact reach the desired areas of need. When I delved further into these obvious concerns the official agreed to provide me within two weeks a written outline of points that they would further like to discuss with the Department and Minister on a field trip to Australia. At the time of writing this report I have not yet received their correspondence.

**Wednesday 30th September 2009**

**IOM**

**Rosilyn Borland, Migration Health Officer, Migration Health Department**

**Dr Christopher Gilpin, Global Laboratory Co-ordinator, Migration Health Department**

**Dr David Mosca, Director, Migration Health Department**

**17 Route des Morillons, Geneva**

Ms Borland outlined the structure of IOM and their involvement with HIV as an intergovernmental body IOM amongst its many roles is a key advocate toward effective respect of human dignity and well being of migrants.

IOM advocates for non-discrimination in the freedom of movement of people living with HIV.

I was interested in hearing from IOM about their role in the health affects of Trafficked People particularly children. Ms Borland was very informative and provided me with a just released publication titled “Caring for Trafficked Person” Guidance for Health Providers. This publication is extensive and has been done in collaboration with the United Nations Global Initiative to Fight Human Trafficking. It is a handbook to provide practical, non-clinical advice to health practitioners to assist in providing appropriate health care for trafficked people including those infected with HIV.

Our combined discussions then centred on HIV and the use of travel restrictions that deny those who test positive for HIV entry into many countries. The points made by IOM centred around the fact that HIV related travel restrictions do not protect public health. IOM advocates that any exclusion of HIV positive people to avoid potential costs of treatment and support be based on individual assessment and should not single out HIV. There are currently 63 countries, territories and areas who deny the entry, stay or residence of HIV-positive people because of their HIV status only.

This impacts on people in many ways including those who travel for work purposes. These people face mandatory testing, have their visas cancelled and denied and can be deported. These travel restrictions are costly to implement and they can result in higher health care costs because they can causes HIV positive people to delay seeking health care until they become seriously ill.

I was provided with a passport size publication on the issue with good information on the subject. We discussed at length the role that IOM could play in having IPU included in the Vienna Conference on HIV in 2010. I outlined my concerns that there was no real interaction with Parliaments and the members and I felt that was a lost opportunity. We had significant discussions
and we finally agreed that IOM would approach the IAS organisers to include a joint symposium of IOM and IPU in Vienna.

Ms Borland advised that IAS had approached IOM to do a pre-conference event and we determined that it would be of great advantage for IOM to liaise with Anders Johnson and James Jennings from IPU to determine how such an event could be centred around laws and legislation and could include the criminalisation debate. Ms Borland undertook to be in touch with both Anders and James on this issue within the next 2 weeks.

There was agreement that there is a large disconnect with the decision makers in Parliament and the activities of most HIV related global organisations and that the conference in Vienna would be a good avenue to include the Parliament of the IPU.

**Wednesday 30th September 2009**

*Barbara De Zaldvondo, Chief Programmatic Priorities Support Evidence, Monitoring and Policy Department*

*20 Avenue Appia*

Ms De Zaldvondo had a wonderful knowledge of the issues confronting the Pacific Nations most particularly PNG.

She discussed the general epidemic status of PNG and the need to have a multi-facet approach to the PNG experience. There was agreement between Ms De Zaldvondo and myself that HIV cannot be addressed as a medical problem. There is too much stigma and many of the prevailing factors are social issues not health! It is the view of Ms De Zaldvondo that we should not medicalise HIV in Pacific Islands and that we should have focus on prevention, social justice and legal frameworks.

Ms De Zaldvondo outlined the makeup of the Social Science Advisory Group in PNG. The members are experienced people from across the world and the committee is funded by UNAIDS.

Ms De Zaldvondo explained the reasons behind the need to “know your epidemic.” The mapping process of the drivers of the HIV epidemics is essential. By identifying the cultural, institutional and structural factors and mapping these factors within HIV, one can determine if the programs are targeting the appropriate areas. A good example, of mapping is the study of Kenya. Kenya has always been defined as a generalised epidemic. It has had more than 1% HIV prevalence in the general population in most parts of the country. A recent analysis showed that most new infections are occurring in “low risk” populations such as cohabitating couples known as low risk heterosexual in nature! This would obviously require targeted prevention programs toward couples that may have not considered the risk. The study also identified the target groups that needed additional focus such as sex workers, IV users and men having sex with men who have not previously been recognised.

Ms De Zaldvondo outlined a study done in Tanzania which determined that there was a 2-4 year gap between diagnosis and disclosure to the partner of the infected person! This is of major concern in containing transmission.

We had a long discussion on the need for Parliament and the members to be more engaged and aware of the issues of HIV. Ms De Zaldvondo stated that Parliaments needed to know and be aware “that
some things never finish and in fact they just go on forever.” This is the case in HIV, you cannot just have a treatment program and then expect that there is no more attention required.

I outlined the role of IPU in keeping HIV on the agenda and Ms De Zaldvondo wanted more understanding of how IPU worked. After a long discussion Ms De Zaldvondo advised that UNAIDS were currently working on developing a training program for individuals to be able to engage with decision makers including Parliaments.

I suggested that UNAIDS should have discussions with IPU on how to engage effectively with members of Parliament, she undertook to have this discussion with those working on this program.

**Conclusion**

The Parliament notes that:-

- It is and should be of grave concern to the Australian Parliament and the AID organisation partners that the response to MDG 6 is “off track” in Papua New Guinea, Timor-Leste, Fiji and is “of concern” in the Solomon Islands.

- The lack of capacity in Ministries and delivering mechanisms need urgent attention in order to make headway in HIV outcomes in the Pacific Nations at risk.

- The Papua New Guinea Government should be approached by the Australian Government to express concern at the closure of many of the health outposts in PNG and how this is impacting on the treatment and testing supply chain for all blood borne virus including HIV.

- AUSAID and the Australian Government should ensure a sizeable component of Australia’s allocated “AID” funds be dedicated to strengthening health care systems within the Pacific.

- The Australian Government through the involvement with IPU should work to encourage recipient countries of AID programs to engage Parliamentarians to oversee the delivery of AID to ensure that recipient countries in the Pacific region do not reduce their own aid financial contributions to their communities because the money is being provided by AID donors and to provide feedback relative to the programs effectiveness and success on the ground.

- The Australian Government through AUSAID should do a specific field visit to all organisations that Australia contributes to in order to devise a strategy to overcome the obvious fractured delivery of programs in the Pacific countries to achieve a better on the ground delivery.

- The Australian Government through AUSAID seek to have a mapping exercise done to know the epidemic in PNG, Timor-Leste and the Solomon Islands, through the inclusion of such a requirement in future financial funding agreements.
- There is very little understanding within AID organisations of how Parliaments work, I believe that we could act decisively to encourage interactive dialogue between Members and Senators and the AID organisations and enhance engagement opportunities within AID programs.

- It is essential that Members of Parliament understand their role and responsibility in actively ensuring the delivery of rights and dignity for those living with HIV including reducing stigma and discrimination.

- It should be a mandatory process for the AID agencies of Government to brief the relevant Parliamentary Committees and actively interested Members and Senators on their MDG reporting procedures and progress statements.

- It should be a mandatory process that relevant Parliamentary Committees and actively interested Members and Senators be briefed and engaged on policies, legislation intent and bills that may have an impact on the rights of those living with HIV by the relevant Departments, for example:-
  
  - Human rights discussions
  - Community social plans
  - Health priority (ageing and primary health)
  - Legal (criminalisation impacts)
  - Immigration (denying entry, stay and residence due to HIV status)
  - Budget and estimates (to ensure adequate attention to HIV responses)

Signed

Kay E Hill

30th Oct 2009
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<tr>
<th>Date</th>
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<tr>
<td>28 September 2009</td>
<td>09:00 – 10:00</td>
<td>Christoph Benn, Global Fund – Chemin de Blandonnet 8, 1214 Vernier, tel. + 41 58 791 1700, &quot;how to get here&quot;, documents attached</td>
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<td>11:00 – 13:00</td>
<td>Conference on Gender – CICG, &quot;How to get here&quot;, documents attached</td>
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<td>Susan Timberlake, UNAIDS, Senior Human Rights and Law Advisor – UNAIDS/WHO Building D, 3rd Floor, Room 34027, Tel. + 41 22 791 1554, UNAIDS address attached</td>
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<td>17:00 – 19:00</td>
<td>Anders B Johnsson, Secretary General IPU, At IPU Headquarters</td>
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<td>29 September 2009</td>
<td>1000 – 11:00</td>
<td>Helen Evans GAVI, Deputy Chief Executive – 2 Chemin des Mines, 1202 Geneva, Tel. + 41 79 340 1993, GAVI’s address and “how to get here” attached</td>
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<td>Merle Wangerin, UNAIDS, External Relations office, Resource Mobilization – UNAIDS/WHO building D, 3rd Floor, Room 32002, Tel. + 41 22 791 5810, UNAIDS’ address attached</td>
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<td>16:00 – 18:00</td>
<td>WHO/HIV – UNAIDS/WHO Building D, 4th Floor, Room 45043, Tel. + 41 22 791 5432, Dr. Jos Perriens, Coordinator, Systems Strengthening and HIV Tel. + 41 22 79 144 56, Dr. Ying-Ru Lo, Coordinator, Prevention in the Health Sector Tel. + 41 22 79 150 57, Dr. Siobhan Crowley, Ag Coordinator, Anti-retroviral Treatment and Care Tel. + 41 22 79 116 09, Mr. Arindam Mookerjee, External Relations Officer Tel. + 41 22 79 154 32</td>
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<td>Barbara de Zalduondo, UNAIDS, Associate Director, Epidemic Monitoring and Prevention – UNAIDS/WHO Building D, 3rd Floor, Room 34023, Tel. + 41 22 791 1557, UNAIDS address attached</td>
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<td>13:00 – 15:00</td>
<td>Anders B Johnsson, James Jennings, IPU Headquarters</td>
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Senator the Hon Joe Ludwig  
Special Minister of State  
Suite MG 64  
Parliament House  
CANBERRA ACT 2600  

13 November 2009  

Dear Minister  

Report of Study Travel  

Thank you for your letter of 27 August 2009.  

In accordance with the requirements of Clause 9.2(b) of Remuneration Tribunal Determination 2006/18, I submit the following statement reporting on my recent overseas study journey:  

Confirmation of Purpose  

The purpose of the study travel was to explore trade and investment opportunities and seek information in relation to climate change initiatives.  

Itinerary  


Thursday 24 September 2009  

• Briefing with Mr Zeph Phillips, Senior Director, US Market Development, Australian Trade Commission  
• Inspection of the Port of Los Angeles conducted by the Marketing Manager, Mr Marcel Van Dijk  
• Meeting with Mr Norman Arikawa, International Trade Development Manager, The Port of Los Angeles and Mr Masashi Morimoto, Assistant Director of Marketing, The Port of Los Angeles and Mr Marcel Van Dijk, Marketing Manager, The Port of Los Angeles  
• Briefing with the Consul-General, Mr Chris De Cure OAM and Ms Sally-Ann Watts, Senior Trade Commissioner  
• Meeting with the Queensland Trade Commissioner, the Honourable Mr Peter Beattie.  

Friday 25 September 2009  

• Departed Los Angeles. Arrived Mexico City
Monday 28 September 2009

- Briefing with the Australian Ambassador, Ms Karina Cooper and Ms Maria-Elena Saint Martin, Acting Australian Trade Commissioner
- Meeting with Mr Gerardo Arroyo O’Grady, Mr Rolando Aguilar, Dr Helena Cotler, Dr Carlos Munoz and Mr Andres Gomez from the National Institute of Ecology.
- Meeting with Sr. Suillermo Florezani, Director of Mining Projects in Mexico, Mining Promotion Division of Economy Ministry and Mr Carlos Eduardo De La Cruz Ledezma, Director General of Mines
- Meeting with Mr Jamie Marquez Diez-Caned, Director of the Cervantino International Festival
- Dinner with Australian business people hosted by the Australian Ambassador, Ms Karina Cooper

Tuesday 29 September 2009

- Meeting Ms Estrellita M Funtes-Nava, International Affairs Manager, Deputy Director-General's Office for Planning, Conagua, Mr Jesus Valencia Ortega, Deputy Manager of International Relations, Conagua and Ms Grisell Medina Laguna, Conagua

Departed Mexico City 29 September 2009. Arrived New York

Wednesday 30 September 2009

- Meeting with Mr Trey Taylor, President, Verdant Power and Mr Dean Whatmoor of Verdant Power

Thursday 1 October 2009

- Meeting with Mr Phil Scanlan AM, Consul General, Australian Consulate General New York, Consul General’s Office, New York, NY
- Meeting with Mr Andrew Goledzinowski, Ambassador and Deputy Permanent Representative, Australian Permanent Mission to the United Nations
- Meeting with Mr Gerard Seeber, Trade Commissioner, North America, Australian Trade Commission (AUSTRADE), Mr Simon Hill, Director, US Market Development, Australian Trade Commission (AUSTRADE) and Mr David Gorman, Senior Investment Director, Australian Trade Commission (AUSTRADE)

Friday 2 October 2009

- Meeting with Professor Gregory McRae, Professor of Chemical Engineering, Massachusetts Institute of Technology (MIT) and; Executive Director at Morgan Stanley, New York.
• Meeting with Mr Tony Von Der Muhl, International Trade Specialist, Global Team Leader for Energy, United States Commercial Service, US Export Assistance Centre, New Jersey and Mr Peter Maloney, Chief Editor, Platts, Global Power Report, New York

Sunday 4 October 2009


Monday 5 October 2009

• Meeting with Mr Brendhan Egan, Trade Commissioner, Austrade-Washington and Mr Patrick Fazzone, Attorney-At-Law, Butzel Long Tighe Patton, Washington
• Meeting with Head of Mission, His Excellency, Mr Dennis J Richardson AO.
• Briefing with Mr Brendhan Egan Trade Commissioner and visit to the Australian Pavilion at the 2009 Association of the United States Army Annual (AUSA) Meeting and Exposition
• Meeting with Senior Trade Commissioner, Ms Alison McGuigan-Lewis and Ms Jan Hutton, Counsellor (Congressional), Department of Foreign Affairs and Trade
• Meeting with Mr Tim Steinhilber, General Manager, Transurban, Capital Beltway Express LLC
• Meeting with Mr Mickey Berra, Vice President of Production, The John F. Kennedy Centre for the Performing Arts

Tuesday 6 October 2009.

Departed Washington. Arrived Chicago

• Briefing with Head of Mission Her Excellency, Ms Elizabeth Schick, Consul-General
• Meeting with Mr Chris Knepler, Investment Director, Australian Trade Commission (Austrade) Chicago and Mr Philip Jankura, Senior Business Development Manager, Australian Trade Commission (Austrade)

Wednesday 7 October 2009

• Meeting with Professor Howard A Learner, Executive Director, Environmental Law and Policy Centre, Chicago
• Meeting with Ms Rita R Athas, President, World Business Chicago, Chicago and Mr Dennis Vicchiarelli, Managing Director, World Business Chicago
• Meeting with Mr Martin B Holland, International Portfolio Manager, Climate Change Exchange, Dr Murali Kanakasabai, Vice-President and Senior Economist, Mr Stephen McComb, Economist and Mr Jeffrey O’Hara, Economist
Thursday 8 October 2009

Departed Chicago. Arrived San Francisco

- Meeting with Consul General and Trade Commissioner, San Francisco, Mr Nigel Warren and staff of the Australian Consulate
- Dinner with Australian expatriates hosted by the Consul General Nigel Warren and Mrs Warren

Friday 9 October 2009

- Visit to the Victorian State Government Business Centre, President’s Cup, Harding Park Golf Course, San Francisco


KEY MEETINGS AND OUTCOMES/FINDINGS

Visit to the Port of Los Angeles/Long Beach

Prior to an inspection of the Port of Los Angeles/Long Beach conducted by the Marketing Manager, Mr Marcel Van Dijk, I was provided with a briefing from the Senior Director, United States Market Development, Austrade, Mr Zeph Philips.

The Port of Los Angeles is the largest port in the United States comprising twenty six terminals which handle approximately eight million containers each year. Mr Philips advised me that the port is the fifth largest port complex in the world and ranks only behind Singapore, Hong Kong, Shanghai and Shenzen, China.

Significantly, the port handles close to half of all goods arriving by sea into the United States and generates some five hundred thousand jobs in Southern California.

With the expected long term growth of the port there are three key areas of primary interest, namely, environment issues, port security and port efficiencies which provide opportunities for Australian companies for investment.

The ports are committed to reducing emissions and are looking for new technologies and services to reduce current levels of negative environmental impacts and to also mitigate impacts arising from further expansion of the port.

The ports are further committed to introducing new security systems which are fully integrated with the various federal, state and local agencies. Local organisations and universities are working together to develop vessel and marine terminal security guidelines.

The ports have a program for infrastructure to improve the efficiency and productivity of the ports, for example, replacement of port bridges, up-grades to port access
roadways, expansion of on and off-dock rail yards, grade separation, improvements to railroad main lines, channel dredging and wharf redevelopments.

In relation to shipping containers, Mr Phillips has referred Mr Wil Grullemans, General Manager, Nordiko Quarantine Systems Pty Ltd to me. Mr Grullemans's company specialises in providing innovative cargo fumigation solutions and services to companies to help ventilate or re-capture residual gases that may be inside shipping containers, post-fumigation.

Mr Grullemans informed me of the on-going dangers Australian shipping workers are exposed through the use of fumigant gases during the fumigation of cargo when import containers are unpacked in ports, terminals or other areas.

I have written to the Minister for Innovation, Senator Kim Carr requesting an appointment for Mr Grullemans to discuss his innovative technology with a member of the Minister's staff.

(pictured with Mr Marcel Van Dijk and Mr Zeph Phillips prior to tour of port)
Meeting with Mr Norman Arikawa, International Trade Development Manager, The Port of Los Angeles and Mr Masashi Morimoto, Assistant Director of Marketing and Mr Marcel Dijk

Mr Arikawa reported that there had been a twenty per cent reduction in container activity due to the global financial downturn and that he saw his job as focussing on business in terms of export opportunities. Mr Arikawa works with the local Mayor’s office to attract foreign investment.

There are many opportunities for investment in the port in three principal areas, namely, security, environment and infrastructure.

In the area of security there are a number of issues associated with the fact that numerous roads lead to the port and, unlike an airport which has secure fencing around its border, the port is exposed and thus vulnerable on land and sea. For example, were a large container ship to be the subject of a terrorist attack and this lead to the ship sinking in the main channel entrance to the port, this could block the entrance and exit to the port for a long period of time. It is estimated that economic consequences of such a scenario could cost the Californian economy many billions of dollars.

In terms of the environment, Mr Arikawa is enthusiastic about the efforts being made to green the city of Los Angeles and it is noteworthy that approximately twenty per cent of the pollution in the Los Angeles basin arises from activities associated with the operation of the port. Mr Arikawa sees the need to improve air and water quality and to develop a clean technology program and promote more use of renewable energy. He wants to attract “small tech” companies to meet the mandates set by the State of California.

With the proposed further expansion of the port there are a wide variety of infrastructure opportunities for Australian companies to be potentially involved in. For example, there are a number of activities associated with the building of more container terminals, crude oil facilities, dredging, wharf construction, pile driving and the construction of cranes. Mr Arikawa is interested in Australian companies partnering United States companies in a diverse range of joint ventures which would “bring our technologies together”.

(pictured with Mr Morimoto, Mr Dijk, Mr Arikawa and Mr Phillips)
Meeting with the Consul-General, Los Angeles, Mr Chris De Cure OAM and Ms Sally-Ann Watts, Senior Trade Commissioner, Australian Trade Commission

Mr De Cure and Ms Watts reported that Los Angeles should be more than a transit point to the United States of America for most Members of Parliament or other government officials. The greater area of Los Angeles is estimated to be the third largest metropolitan economy – third only to Tokyo and New York. Moreover, “Australia is the tenth largest source of direct foreign investment in Los Angeles County.

California is approximately twice the size of the Australian economy and, following the global financial crisis, is still somewhere between the seventh and tenth biggest economy in the world. Importantly, American companies are very proud to have Australians working with them or to work with Australian companies. Large Australian companies operating in California like Lend Lease, James Hardie, Brambles and Westfield, account for nearly US$5B of investment in California. Australia’s merchandise trade with California is about thirty per cent of all merchandise trade with the United States.

There are further opportunities for Australian investment in California in the supply of energy and water arising from the projected increase in California’s population to approximately fifty million people by the year 2030.

With the drought in the United States and the similarity of the hydrology with Australia there are many opportunities for Australian technologies in this field to be exported to America. Moreover, there is an emphasis on the further development of clean technologies like solar, wind and geo-thermal. It is noted that the former Head of the Solar Energy Project in the School of Physics at Sydney University, Dr David Mills was lost to America. His company, AUSRA, which develops solar thermal energy systems, is now based in California.

In Los Angeles, Australia is well regarded for its “creative content contribution” in the fields of music, film, television, entertainment and the other arts. At the moment there are approximately thirty-five Australians with leading roles starring in films and television and producing or directing films and television programs. On the financing side Village Roadshow partially funds a number of Warner Brothers’ movies. (The US Company Dune Entertainment whose Chairman and Chief Executive Greg Coote is an Australian, funds thirty per cent of Twentieth Century Fox movies. Mr Coote has a natural leaning to Australian movies and Australian talent).

The rise of the value of the Australian dollar has had a negative impact on the film industry. For example, Austfilm packages (eighty per cent funded by the Australian Government) are designed to have movies like The Tales of Narnia made in Australia have taken ten per cent off the budget bottom line.

The successful G'Day LA promotion of Australia to America has now developed into G'Day USA and provides a great opportunity for Australian winemakers, sommeliers and wine writers to introduce “Australia’s better class wines to the American market”. 
Another opportunity for Australian investment with mobile telephones is in the area of "digital content". Ms Watts said "Australia is ten years ahead of America" in this field.

In the coffee industry the Australian company *Gloria Jeans* is expanding its reach in California.

Thoroughbred racing is conducted in California at Santa Anita, Hollywood Park and San Diego racetracks. Bearing in mind Australia’s reputation for quality horseflesh and our well regarded administration of racing, there are opportunities for further American investment into Australia’s thoroughbred industry.

(pictured with Mr Chris De Cure and Ms Sally-Ann Watts)

**Meeting with the Queensland Trade Commissioner for the Americas, the Honourable Peter Beattie**

Mr Beattie works closely with Austrade and is very active in promoting business and investment between the Americas and Queensland.

Since becoming Trade Commissioner Mr Beattie has been much focussed on biotechnology, clean technology and water.
At the moment Mr Beattie is very keen promoting a clean technology seminar which will be held in conjunction with the G'Day USA promotion to be held in January of next year. Mr Beattie sees renewable energy as a very important opportunity for Australian investment. With President Obama's announcement this year to commit US$180B over the next ten years to clean energy, Mr Beattie sees that there has never been a better time for Australia to work with America to develop new technologies in solar, clean coal, geo-thermal and algae-based biofuels. Hawaii is leading the way with a target of seventy per cent renewable energy by the year 2030 and Hawaii will become the 'cutting edge' for the production of aviation fuel and fuel for ships. Shell has formed a joint venture in Hawaii to establish a marine algae plant with a view to growing algae which will be converted into biofuel.

With its reputation for biofuels science, Mr Beattie sees Queensland well placed to capitalise on the development of algae as an aviation biofuel. He reported that Boeing has its regional headquarters in Brisbane and that it is leading a consortium of cross-industry representatives interested in aviation biofuel, including Honeywell/UOP, Air New Zealand, Continental Airlines, Japan Airlines General Electric, CFM, Pratt and Whitney and Rolls Royce. With the expectation that the aviation industry will have certification of a Jet A-1/biofuel blend, he sees that biofuels could be providing thirty per cent of all commercial jet fuel by 2030. Importantly, Mr Beattie believes that Queensland and Australia could become a global hub for this emerging green industry.

Mr Beattie is of the strong view that Australia must have a twenty year plan for energy and that we need to get serious about developing clean coal technology. Mr Beattie is adamant that "clean coal has to be integral to the world's clean energy mix" and that Australia should be trying to establish what that energy mix should be for the year 2030.

Mr Beattie is also very enthusiastic about Australia fostering closer trade and investment links with Colombia. In March of this year, Mr Beattie met with the President of Colombia, Mr Alvaro Uribe and he is clearly impressed with the President's reforms throughout the country. Mr Beattie says that Colombia is a very important emerging economy and there are great opportunities for Australian investment in a number of areas, including, mining services, education and energy. He clearly sees Colombia as a whole new market for Australia and notes that BHP, Xstrata and Macquarie are doing business in Colombia.

Mr Beattie believes that Australia needs to establish a Consulate and Austrade office in Colombia which would be a "huge signal" to Colombia of Australia's interest in furthering trade and investment between our two countries. Were this to occur, Queensland would also co-locate its biofuels operations to Colombia.

Mr Beattie alerted me to the presence of very many Canadian companies all throughout Central and Latin America and of the need for Australia to have a greater presence in the region. Australia is clearly missing out to Canadian companies and this needs to be addressed.

Because of its proximity to countries like Colombia and Mexico, Mr Beattie would also like to see direct air services from Australia to Lima, Peru and is actively
encouraging Virgin Australia to fly to Lima. Mr Beattie points out that LAN (the Chilean national airline company) “hubs” out of Lima.

(pictured with the Honourable Peter Beattie)

Briefing with the Australian Ambassador to Mexico, Ms Karina Cooper and Ms Maria-Elena Martin, Acting Australian Trade Commissioner

Ms Cooper reported that Mexicans are still very sensitive about the swine flu epidemic which severely affected the country with businesses having to close for sometime earlier this year. The outbreak of swine flu had a very negative effect on business and tourism and today there is still a “fear” by some Mexicans of a “second wave” of the flu.

The focus of the embassy in Mexico has been in the areas of mining, education, water and associated technology, renewable energy, clean technology, the environment, financial services, agribusiness, infrastructure (oil, gas, ports, airports and highways).
With mining there is a "low level" of Australian investment compared with other Latin American countries. Perceptions of safety and access are negatives for Australian mining companies. However, Mexico wants more mining services.

There was an *Expomin* scheduled for 20 October 2009 in Veracruz. Originally, twenty Australian companies were scheduled to exhibit their goods and services but because of the swine flu epidemic only five companies were intending to participate this year.

In October last year Dr Tom Hatton, a CSIRO Scientist led a delegation to Mexico following a request from the Mexican government for closer collaboration between Australia and Mexico concerning water issues under our existing bilateral technology science agreement. Mexico is keen to improve the quality of the country’s drinking water and its sanitation and sewage services. Like Australia, Mexico is experiencing a shortage of water for the purposes of agriculture and there are opportunities for investment in the better management of Mexico’s river basins and aquifer systems.

(pictured with Ms Karina Cooper (centre) and Ms Maria-Elena Martin)
(pictured at a reception with Ms Karina Cooper, Ms Maria-Elena Martin and Mr Yeomans and Australian business people working in Mexico)

Meeting with Mr Gerardo Arroyo O'Grady, Mr Rolando Aguilar, Dr Helena Cotler, Dr Carlos Munoz and Mr Andres Gomez from the National Institute of Ecology (Instituto Nacional de Ecologia (INE))

The National Institute of Ecology (INE) is responsible for the environmental research agenda of Mexico and provides valuable advice and guidance to the government in terms of the environmental policy needs of Mexico. Dr Munoz described INE as a team of economists and scientists who provide advice to government on sustainable development with a focus on academic and policy-oriented research. INE also designs policy instruments through environmental evaluation, survey research, statistical analysis, case studies and model building.

Each electoral district in Mexico has different environmental challenges and in the lead up to elections candidates are expected to know the local environmental issues like water, air, deforestation and so on. Moreover, INE maintains a voting record on individual members so that the public knows clearly what environmental issues their democratically elected representative supports or opposes. This information is incorporated in INE’s research with a view to establishing how government subsidies impact on environmental outcomes.
INE is particularly concerned with government subsidies for water because “the more you subsidise water extraction the worse it gets”. Accordingly, INE will be looking into sustainable policies to ensure that Mexico does not run out of water.

INE is very interested in the health of the Gulf of California and is undertaking considerable research on the gulf’s ecosystems. I was reminded of Jacques Cousteau’s description of the gulf as being “the world’s aquarium”.

Concerned about the future of Australia’s Great Barrier Reef INE believes that the time is right for a meeting of countries with interests in coral reefs.

INE applauds Australia’s stand on whaling and reported that Mexico has a similar position in its opposition to whaling.

In relation to climate change I was reminded that Mexico subscribed to the United Nations Framework Convention on Climate Change in 1982 and ratified it in 1992. That convention came into effect on 21 March 1994. Mexico signed the Kyoto protocol on 9 June 1998 and ratified same on 29 April 2000. In terms of fulfilling its commitments associated with the convention’s article 4.1, Mexico is developing and periodically up-dating its national inventories of greenhouse gases. Mexico is also undertaking mitigation studies and conducting vulnerability and adaptation studies and elaborating its national communications.

Mexico’s third national communication to the United Nations Framework Convention includes the national context, the national greenhouse gas inventory, institutional arrangements for applying the convention, programs that facilitate an adequate adaptation to climate change and programs to mitigate climate change. Mexico is preparing its fourth national communication that will be published in Copenhagen during the climate change conference.

INE reported that the national communications that Mexico has produced has been crucial for policy-making at all levels because they provide the most up to date information on the science and emerging issues associated with climate change, greenhouse gas emissions and mitigations options, vulnerability and adaptation.

At a State level Mexico has action plans designed to take advantage of local knowledge of climate change related- issues and to promote co-operation in all sectors of public administration, academia and the private sector in order to sustain policies and actions associated with climate change.
(pictured with Mr O'Grady, Mr Aguilar, Dr Cotter, Dr Munoz, Mr Gomez and other members of staff of the National Institute of Ecology)

Meeting with Sr. Guillermo Florenzani, Director of Mining Projects in Mexico, Mining Promotion Division of Economy Ministry and Mr Carlos Eduardo De La Cruz Ledezma, Director General of Mines.

The mining division of the Ministry of the Economy is well aware of Australia's reputation in mining and mining services. Like Australia, Mexico has an abundance of minerals including gold, silver, copper, zinc, lead and iron. Sr Florenzani believes that there are "many opportunities" for Australian mining companies to invest in Mexico. Sr Florenzani said that, of the 263 foreign companies engaged in mining in Mexico, Australia only makes up five of these. These companies are Azure Minerals Limited, Metal Finance Corporation, Allied Gold Limited, Kings Minerals NL and Oz Minerals Limited.

The regions in Mexico that offer most to Australian mining companies in terms of copper mining are La Dal Sa, Lops Verdes, Luz De Cobre, San Javier and Terrazas. Zinc can also be mined in the Terrazas region.

The mining division of the Ministry of the Economy feel that, because BHP and Xstrata are not involved in mining in Mexico, this presents great opportunities for our
smaller mining companies to invest in Mexico. Sr Florenzani alerted me to the fact that “Canadian investment is seventy three per cent of mining in Mexico”.

Importantly, the Ministry of the Economy impressed on me that the oil reserves in Mexico are declining with possibly only some ten years left for export of known oil reserves. Against this background, Sr Florenzani said “Mexico will turn to mining to drive the Mexican economy”. Thus, the time has never been better for Australian mining companies, particularly the smaller ones, to “get in now rather than later”.

(pictured (l-r) with Mr James Yeomans, Second Secretary, Australian Embassy, Mexico, Mr Ledeza and Sr Florenzani)

Meeting with Mr Jamie Marquez Diez-Canedo, Director of the Cervantino International Festival

Mr Marquez is a musician. He plays the guitar and studied under Segovia and John Williams. As Director of the Cervantino International Festival, Mr Marquez is very well known to all local artists.

Mr Marquez reported that the festival is a place of freedom, tolerance and the gathering of many diverse contemporary artistic creations. It is considered a privilege
for the Mexican artists and the public to interact with other innovations of art from around the globe. Each year the festival invited another city in another part of the world to participate in the festival and to give that city a special focus. In 2008, Barcelona, Cataluna was the city and state chosen for special attention at the focus.

Mr Marquez said that the festival had been going for more than thirty years and that it is probably the most important arts festival in Latin America. This year’s festival was scheduled for 14 October to 1 November 2009 and had a theme of “watching the stars” stemming from the four hundredth anniversary of Galileo and the telescope. As mentioned above, the festival also incorporates a special focus on another city and this year it was Quebec.

Some of the activities of the festival include early music, street theatre, orchestral music, chamber music, opera, salsa, jazz, Mexican rock, gospel music, ballet folkloric and the list goes on said Mr Marquez.

Mr Marquez is anxious for Australian participation in such an important festival. He remarked that he had heard the Australian pianist Leslie Howard play an all Liszt program in Mexico in 1999 and that he was very impressed with the pianist.

Mexico has three orchestras (National, Chamber of Fine Arts and Opera) as well as four youth orchestras. Mexican orchestras are sponsored by the Mexican government just like the Australian government funds the ABC’s orchestras.

For the 2010 festival, Mr Marquez intends to invite a wide range of young artistic talent from all around the world including the winners of the important international piano competitions. This allowed me to highlight Sydney’s International Piano Competition to see our competition winners are amongst those invited. Mr Marquez is very enthusiastic about promoting young musicians at the Cervantino festival.

Mr Matquez is intending to make his first visit to Australia and he hopes to visit South Australia early in the new year to see Adelaide’s Arts Festival. He is hoping to meet some of our country’s finest artists.

I encouraged Mr Marquez to meet our indigenous Australians when he comes to Australia so that, amongst other things, he can get a full appreciation of aboriginal culture and aboriginal art, dance and music. I mentioned to him that, one of Australia’s great composers, John Antill had composed a ballet suite “Corroboree” which received wide acclaim and was championed by Sir Eugene Goosens when he was conductor of the Sydney Symphony Orchestra in the 1950s. I suggested that this work might be a suitable item for inclusion in next year’s festival and perhaps the Australian Ballet Company or Sydney Dance Company might be interested in performing this ballet in Mexico. I also mentioned that another Australian dance company Bangarra Dance Theatre may be another possibility for inclusion in the Cervantino festival.
Meeting Ms Estrellita M Fuentes-Nava, International Affairs Manager, Deputy Director-General's Office for Planning, Conagua, Mr Jesus Valencia Ortega, Deputy Manager of International Relations, Conagua and Ms Grisell Medina Laguna, Conagua.

The Mexican Water Commission (Conagua) is responsible for the management and administration of Mexico's national waters. I was advised that its mission is to manage and preserve national waters and their inherent goods in order to achieve sustainable use, with joint responsibility of the three tiers of government (federal, state and local) and society as a whole.

Sixty per cent of Mexico's budget for the environment goes to Conagua. Seventy per cent of Mexico's water is used for agricultural purposes. The challenge for Mexico is to produce more food and, at the same time, less water.

A lot of energy is used to pump water from the Cutzamala basin which is at a lower altitude to the city of Mexico and is also the origin of some fifty per cent of the city's water supply. Currently, there is rationing of potable water and this will continue well into the future. Conagua has had a program in place to conserve water and has
imposed something like a thirty per cent reduction in the water supply. Conagua has also been promoting President Felipe Calderon’s water-saving campaign for all the people of Mexico. Importantly, this campaign has the support of big business.

Conagua is in the process of building four water treatment plants and replacing the deteriorating infrastructure. Although the Mexican government finances fifty per cent of the cost of Mexico’s water, local authorities are autonomous from the government.

The Federal government is making a “huge investment” in infrastructure and technology to guarantee the future of Mexico’s water supply. A major area of concern is the need for “the agriculture sector to get smarter” in the use of water. There is a strong focus on recycling water and in Hidalgo treated water is now being used for agriculture.

Japan is working with Conagua to improve Mexico’s water quality. Conagua issues water standards which must apply in the maintenance of the quality of water. In the area of social participation, Germany is providing assistance to help educate the poorer people of Mexico in the responsible use of water.

The Mexican government has established relations with Israel in relation to water conservation, future foreign investment and the building of infrastructure to service Mexico City.

It was pointed out that “water is free and not cut-off if the bill is not paid”. I also noted that the World Bank provides funding in Mexico for poorer farmers to buy technology (sprinkler systems) to help conserve water.

Ms Funtes-Nava is assisting with the preparation of a water supply paper from Conagua which will be released in Copenhagen at the forthcoming climate change conference. In relation to water, the paper will address agriculture, climate change and social participation.

Ms Funtes-Nava is very keen for Australia to keep working closely with Mexico in dealing with the common problem of a severe shortage of water in both our countries.

Conagua is also keen for Mexico to have a climate change summit in the future where the challenges that both Australia and Mexico face can be further discussed. Dr Tom Hatton from CSIRO has apparently suggested such a seminar.
Meeting with Mr Trey Taylor, President, Verdant Power and Mr Dean Whatmoor of Verdant Power

Verdant Power is a marine renewable company that produces hydroelectric power without dams. The co-founder and President of Verdant Power is Mr Trey Taylor.

Mr Taylor is very enthusiastic about the “enormous amount of power that can be potentially derived from water currents, tides and waves in rivers and oceans”. Mr Taylor said “I am about building sustainable communities and all communities have a flow of water (water currents) with potential to produce clean energy”. As most energy from tides and currents is lost he is anxious to harvest some of this energy. Mr Taylor said this can be achieved in water with a depth as low as one metre. Verdant Power desires to find partners in other countries who are committed to reducing the carbon footprint.

In short, Mr Taylor’s company has established a full-scale tidal free-flow system in the East River, adjacent to Roosevelt Island, New York. At present he has six underwater turbines located one third below the water surface. These turbines are bi-directional and therefore capture the energy from both the in-flow and out-flow of the tides in the East River, driving the turbines and generating clean renewable energy.

Mr Taylor made the point that, unlike wind and solar power, which can, at times, be a not so reliable source of energy, the tides are constant and predictable. They thus
have an advantage over wind and solar technologies which at times can only produce power intermittently. The turbines operate silently and automatically under the water and are out of sight from the shore. Moreover, Mr Taylor said that the design of his tidal free flow systems are “simple and modular in design and can be scaled to produce cost-effective power at a wide variety of sites from population centres to deep off-shore ocean locales”.

The six turbines in the East River, New York, produce enough electricity to power a large supermarket and six storey car park.

Mr Taylor would like to provide a preliminary resource assessment of some of Australia’s waterways such as rivers, tidal channels and man-made canals. Such an assessment would require data gathering by a firm or university with whom Verdant Power could work. A full resource assessment could give Australia an indication of the kinetic hydropower of our region. Were such a pilot program established, it could facilitate an opportunity to provide project and economic modelling to government for consideration of funding support.

I undertook to bring his technology to the attention of our government on my return to Australia.

Since returning from my study travel I have spoken with the office of the Minister for Innovation, Senator Kim Carr. I have also provided detailed information to Senator Carr’s office about the tidal free-flow system project Mr Taylor has established in the East River, New York. Senator Carr’s office will indicate to Mr Taylor what assistance and advice can be provided to Mr Taylor and to see whether Australia can benefit from his assessment of the potential of our waterways as a source of clean, renewable energy.

(pictured with Mr Dean Whatmoor and Mr Trey Taylor)
Meeting with Mr Phil Scanlan AM, Consul General, Australian Consulate New York, Consul General’s Office, New York

Mr Scanlan reported that, during his recent visit to the United States of America for the G20 meeting, the Prime Minister took the opportunity to hold a meeting in New York with a broad cross-section of the financial and business investment community. The Prime Minister gave a power point presentation focussing on the government’s sound economic record and inviting the business people present at the meeting to “start thinking about Australia” as a destination for investment. Mr Scanlan reported that the Prime Minister was very well received and that there was an acknowledgement of the Prime Minister’s word that “Australia has a track record of understated competence”.

Similarly, Mr Scanlan said that the Prime Minister has done a “terrific job” in New York when he addressed the Foreign Policy Association.

Mr Scanlan added that he saw an important part of his job as “reading the economy” and assessing and reporting how he believed Australia was performing globally. He also believes that it is important to monitor the United States/China relationship.

Whilst we know that Prime Minister’s capacity to speak fluent Mandarin is a positive for Australia’s relationship with China, Mr Scanlan brought to my attention the fact that the United States Secretary of the Treasury, Mr Tim Geithner also speaks Mandarin and that many people are unaware of this. Moreover, Mr Geithner’s ability to speak Mandarin is a very strong positive for China/USA relations.

There is very much a “Team Australia” environment in New York and Australia is being promoted as a financial services centre to build intellectual capital. “Everything that is done here is about outcomes” said Mr Scanlan.

“Many Australians are working in New York with important players including J P Morgan and Goldman Sachs” concluded Mr Scanlan.

(pictured with Mr Phil Scanlan)
Meeting with Mr Andrew Goledzinowski, Ambassador and Deputy Permanent Representative, Australian Permanent Mission to the United Nations.

Mr Goledzinowski reported that Australia’s United Nations Mission’s priorities include climate change, the global financial crisis, disarmament and peace-keeping.

At the moment there is much preliminary work being undertaken by the mission in the lead up to the Copenhagen conference on climate change which will be held in December.

As most member countries of the United Nations do not get to the G20 meetings, a working party has been established in order to better service the needs and concerns of the non-G20 countries. Ideally, the working group would like these countries to be “pointing in the same direction as the G20” but understandably some countries can be “suspicious” of the G20.

In the area of disarmament, it was significant that President Obama chaired the United States Security Council where disarmament was the main theme of the meeting. It was noteworthy that this was only the fourth occasion that a President of the United States had chaired the Security Council.

Along with Japan, Australia chairs the International Commission on Nuclear Non Proliferation and Disarmament. The ultimate goal of the Commission is the total elimination of of all nuclear weapons.

In terms of peace-keeping, next year Australia will be represented on the Peace Building Commission by Mr Gareth Evans. Significantly, there are fifteen out of seventeen United Nations peace-keeping missions in Africa and “Australia has to do a lot more in Africa”. This is consistent with the Australian Government’s desire to become more engaged with Africa.

Mr Goledzinowski reported that Australia’s campaign to secure a non-permanent seat on the United Nations Security Council in 2013-14 is progressing well. However, Mr Goledzinowski stressed that our opponents (Luxembourg and Finland) were working very hard to win a seat. The President of Finland has been “everywhere” and Mr Goledzinowski feels that our Prime Minister may, where possible, be required to do more work in this campaign.

Other issues that the mission is engaged in are law of the sea, human rights and United Nations reform.

Following my meeting with Mr Goledzinowski, I was provided with a guided tour of the United Nations Headquarters and, in this regard, I was very appreciative of the efforts of Mr Kelvin Birrell of the Australian Mission for conducting the tour.
Meeting with Mr Gerard Seeber, Trade Commissioner, North America, Australian Trade Commission (AUSTRADE), Mr Simon Hill, Director, US Market Development, Australian Trade Commission (AUSTRADE) and Mr David Gorman, Senior Investment Director, Australian Trade Commission (AUSTRADE)

Austrade representatives in New York work closely with our Consul General, Mr Phil Scanlan and they have an economic focus on four strategic streams (i) financial and professional services (ii) consumer demand (iii) energy and the environment and (iv) government services and regulated services.

As we all know, the United States of America is one of our most important trading partners and Australia is being promoted to America as a financial services hub, particularly as we go into a more advanced electronic age. In this regard, “Australia is in the right time zone”.

There is a push from Austrade “to attract more CEO’s from major companies to Australia” and a special effort to get some of the big players into Australia. “We have to position Australia in the Australia/Pacific region”. In the United States of America the big financial centres include New York, Los Angeles, Boston, Chicago and San Francisco.
In short, Australia with its sound record of economic management and triple A rating of our banking system makes it an ideal country for investment.

With Australia's strong historical record of trade and investment with the USA together with our successful navigation of the global financial crisis, Australia is well positioned to take advantage of the potential economic growth. This has a solid basis against a background that we enjoy shared cultural interests and have a free trade agreement in place. We are also bound by strong strategic defence and security ties.

(pictured with Mr Seeber, Mr Gorman and Mr Hill)

Meeting with Professor Gregory McRae, Professor of Chemical Engineering, Massachusetts Institute of Technology (MIT) and Executive Director at Morgan Stanley, New York.

Professor McRae gave me an overview of his work as an Executive Director of Morgan Stanley.

In relation to climate change and the forthcoming conference in Copenhagen, Professor McRae believes Australia must claim credit for the role Australia’s liquid natural gas will play overall in the coming years in the reduction of carbon dioxide
emissions. This is particularly important at the moment with so much attention being given to those who use clean fuels as a major energy source.

Professor McRae is of the view that uranium must be part of the solution if the world is to significantly reduce carbon dioxide emissions.

In relation to Australia’s export performance Professor McRae noted that Australia does not value-add to our raw materials. Against this background, Professor McRae believes that we should “re-think” our relationship with countries like China and have them “re-invest” in Australia in new technologies to value add to our raw materials. Professor McRae saw significant opportunities for Australia to do likewise with The United States of America and India.

Professor McRae cautioned that the economic cost of renewable energy is very great and that Australia needs to push technologies of renewable energy in terms of life cycles.

Professor McRae noted that “coal is with us for the next twenty to forty years no matter what” and that we have to deal with this problem and communicate the economic analysis effectively. He felt that water and air pollution problems in countries like Mexico, China and Indonesia would be the “driving agenda” for those countries, not climate change.

Professor took me on a tour of one of the trading floors of Morgan Stanley. I was introduced to one of the traders who expressed a personal view that she believed the value of the Australian dollar would continue to increase and that next year may reach parity with the US dollar.

(pictured with Professor McRae)
Meeting with Mr Tony Von Der Muhl, International Trade Specialist, Global Team Leader for Energy, United States Commercial Service, US Export Assistance Centre, New Jersey and Mr Peter Maloney, Chief Editor, Platts, Global Power Report, New York

Mr Von Der Muhl is calling for the United States to host a clean coal technology forum. Apparently, the National Renewable Energy Resource Centre of the United States Department of Energy located in Pittsburgh is working on technologies to deal with clean coal. As a result there may be opportunities for Australian coal mining companies to invest in the development of these technologies.

(pictured with Mr Maloney and Mr Von Der Muhl)

Meeting with Mr Brendhan Egan, Trade Commissioner, Austrade-Washington and Mr Patrick Fazzone, Attorney-At-Law, Butzel Long Tighe Patton, Washington

It is Mr Fazzone’s experience that America sees Australia as a great place to invest, particularly in the field of solar technology. Mr Fazzone is certain that clean energy “is the way to go” in the current economic environment. He is concerned with
America’s dependence on so much coal-fired power. Mr Fazzone sees a bright future for algae as a source of clean energy.

(pictured with Mr Fazzone and Mr Egan)

**Meeting with Head of Mission, His Excellency, Mr Dennis J Richardson AO.**

Mr Richardson provided a thorough overview of the operation of the embassy and the important issues America is dealing with in the aftermath of the global financial crisis.

A large part of our discussion was centred on the green economy which is proving difficult for the Obama administration. There are some 25 committees working on the legislation which is very complex. The Ambassador is not expecting that the government will be able to get the legislation passed before the climate change conference in Copenhagen in December.
(pictured with Mr Richardson)

Visit to Australian Pavilion at the 2009 Association of the United States Army Annual (AUSA) Meeting and Exposition, Washington D.C.- 5 October 2009

The Australian Government’s “The Defence Materiel Organization” (DMO) sponsored this Team Australia event.

Team Australia is the DMO’s registered term used to reflect the collective Australian participants taking part in one of the largest exhibitions of defence technologies and products.

The DMO is the point of entry for those acquiring defence equipment for the Australian Defence Force.

In my visit to the Australian pavilion I met representatives from a number of companies, including, (1) Alloycop which is located in Melbourne and has recently opened a new sales and stocking location in California. The company prides itself on the quality of its industrial ethernet, voice over internet protocol, fibre optic and wireless products; (2) AVI manufactures advanced tactical and military surveillance, detection and control systems; (3) C4i designs, manufactures, integrates and sells
communications solutions for the defence force and other government clients; the company is based in Melbourne and Reston, Virginia, USA, and has had twenty years enhancing the reach and scope of communications networks in the areas of defence, homeland security, public safety and public infrastructure; (4) C5ODAN is located in Adelaide and designs and manufactures a diverse range of products for international high frequency radio, satellite and digital microwave communications; (5) Lunar Lighting is a company which manufactures a diverse range of lighting systems which are already being used by the United States military. I met the director of the company, Mr George Ossolinski and was delighted to learn that he is a constituent of mine who apparently lives in Strathfield. At the Team Australia pavilion, Lunar Lighting exhibited a 12 volt back-package light, a 2Kw light, a 4 Kw light and an adaptation for the light that permits infra-red illumination for use of night vision devices. Mr Ossolinski demonstrated one of his lighting towers and every one present at the pavilion was very impressed with the brilliant illumination.

The United States Army Annual Meeting and Exposition is obviously a very major event and it is encouraging that Australia is so well represented with a diverse range of products and technologies.

(pictured with a member of Team Australia at the Australian Pavilion)
Meeting with Senior Trade Commissioner, Ms Alison McGuigan-Lewis and Ms Jan Hutton, Counsellor (Congressional), Department of Foreign Affairs and Trade

Ms McGuigan-Lewis provided an overview of Australia’s strategy for dealing with the areas that are expected to drive the economic recovery of the United States, namely, consumer demand, government services and regulated industry, energy, the environment, finance and professional services.

Ms Hutton spends considerable time at Capitol Hill representing the interests of Australia in a broad range of areas.

(pictured with Ms McGuigan-Lewis and Ms Hutton)

Meeting with Tim Steinhilber, General Manager, Transurban, Capital Beltway Express LLC

In an effort to ease traffic congestion around Washington, Transurban, along with the Virginia Department of Transportation, Virginia Department of Rail and Public Transportation and Fluor, are engaged in a project to build four new traffic “hot” lanes (two in each direction) on the Capital Beltway around Washington from the Springfield Interchange to the Dulles Toll road, a distance of fourteen miles. This is a
US$2B project that is supported by public funding, private equity and privately-based debt.

The new "hot" lanes to be built will operate alongside the existing roads (Beltway Lanes) and will provide motorists options for a smoother and quicker journey around Washington. The cost of the toll to use these lanes will vary depending on what time of the day a motorist chooses to use a "hot" lane. When there is light traffic on the Capital Beltway a toll could be as little as US$0.10 per mile. In peak hour however, a toll could rise to US$1 per mile.

It is believed that the option of the "hot lanes" for the motorist will provide an option (at a price) for a more efficient transport solution to Washington's traffic problems. When the "hot lanes" are operational it is anticipated there will be a significant reduction in traffic congestion and "stop-start" traffic which will reduce pollution (greenhouse gas emissions) in the local environment.

I am thankful to Mr Steinhilber who organised for me to be driven around the Capital Beltway in order to provide me with a better appreciation of this project.

(pictured with Mr Steinhilber)
Meeting with Mr Mickey Berra, Vice President of Production, The John F Kennedy Centre for Performing Arts, Washington

The John F Kennedy Centre for the Performing Arts is one of America’s leading centres for the performing arts. The centre comprises a large number of halls and theatres.

Approximately two million people attend more than two thousand performances at the centre each year including, theatre, musicals, dance, ballet, orchestras concerts, chamber music, jazz, popular and folk music.

Mr Berra was very generous with his time and provided a complete walk-through tour of the centre.

Australian artists are very much appreciated by the American audiences and Mr Berra was very much looking forward to the United States premier of the Sydney Dance Theatre Company’s production of Tennessee Williams Pulitzer Prize-winning drama “A Streetcar Named Desire” directed by Liv Ullman and starring Cate Blanchett. The production was scheduled to commence on 29 October 2009 and to go for a few weeks.

(pictured with Mr Berra)
Briefing with Head of Mission Her Excellency, Ms Elizabeth Schick, Consul General, Chicago

Ms Schick provided an excellent overview of the operation of the Consulate. The Chicago/Midwest post has a broad range of responsibilities for the states of North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Ohio, Minnesota, Iowa, Missouri, Wisconsin, Illinois, Indiana and Michigan.

These Midwest states make up some twenty-five per cent of the population of the United States of America with a gross regional product of about three times the economy of Australia.

Manufacturing and agriculture are the main industries together with the developing emergence of the green technology industry.

Importantly, there are some fifty Australian companies presently doing business in Chicago.

Ms Schick is of the strong view that Australia needs to focus more on Chicago and the Midwest of America.

(pictured with Ms Schick)
Meeting with Mr Chris Knepler, Investment Director, Australian Trade Commission (Austrade) Chicago and Mr Philip Jankura, Senior Business Development Manager, Australian Trade Commission (Austrade)

Mr Knepler and Mr Jankura provided me with a briefing of the activities of Austrade in the Midwest.

Chicago has some of the largest business and financial sectors in the United States of America.

One hundred and thirty seven of the Fortune 500 companies have a significant presence in Chicago and the Midwest, with twenty one companies having their headquarters in Chicago. Chicago is a major transport hub with O'Hare and Midway airports in the region. Importantly, Chicago is considered the greenest city of America’s cities.

Australia is a large investor in the region and some of the largest companies include the National Australia Bank, Amcor, Pratt Industries, Westfield, Flight Centre, Computershare, Bovis Lend Lease, Village Roadshow, Manildra, Bluescope Steel, QBE, Macquarie, BHP Billiton, Ridley Corporation, Orica, Smorgon Steel, CSL and Fairfax Media.

In the area of renewable energy the Midwest is emerging a leader in bio-fuel production because of a very strong agricultural sector which provides easy access to biomass resources. Corn and soybean are very important crops and the United States is producing the largest amount of ethanol in the Midwest.

Wind energy has been developed in the state of Minnesota and the state government is providing tax incentives to encourage investment in this technology.

In Detroit the car industry has been severely affected by the global financial crisis with employment running as high as thirty per cent.

The Midwest is investing heavily in research for carbon capture and storage technology with the government keen to be a leader in clean coal development.

Chicago is also one of America’s largest financial centres with twelve of the world’s largest one hundred and fifty investment managers in the Unites States having their headquarters in Chicago.
Meeting with Professor Howard A Learner, Executive Director, Environmental Law and Policy Centre, Chicago.

The Environmental Law and Policy Centre is a public interest body with Professor Learner responsible for setting its policy direction and development.

Professor Learner is of the view that that the United States Government’s federal policy on climate change will not be decided before the Copenhagen Climate Change Conference.

Congress is addressing the Kerry/Boxer legislation on climate change and it is currently before the Senate. This is a “put up or shut up moment” for industry. Importantly, “if Congress does not act on carbon dioxide emissions by March 2011 the United States Environmental Protection Agency (EPA) will” said Professor Learner.

Professor Learner went into detail of the complexities of the legislation and provided his analysis of the support or otherwise of the legislation by individual senators.

Professor Learner is of the view that Congress will eventually “approve a piece of legislation to deal with carbon dioxide emissions rather than have the EPA interpret the rules”.

(pictured with Mr Jankura and Mr Knepler)
In the meantime Professor Learner expects that the President of the United States will “bring our international focus to the table” when the Copenhagen conference begins in December.

(pictured with Professor Learner)

Meeting with Ms Rita R Athas, President, World Business Chicago, Chicago and Mr Dennis Vicchiarelli, Managing Director World Business Chicago

World Business Chicago (WBC) was established in 1998 to promote serious investment in Chicago by many of the world’s biggest companies. The emphasis by WBC is “international outreach” in building a major northern hemisphere commercial hub in America’s Midwest. Importantly, twenty one of the Fortune 500 companies have established their headquarters in Chicago and include big companies like Boeing, Sears, Walgreens, Motorola, Sara Lee, Kraft and Allied Laboratories.

WBC has worked closely with the public and private sectors to minimise the impact of the global financial crisis.

Significantly, fifty Australian companies are doing business in Chicago and “Australia is well-represented at the universities in the State of Illinois”.

Importantly, “climate change” is a passion of the Mayor of Chicago Mr Richard Daley and the green economy has a sharp focus.
It is noteworthy that the world’s largest environmental services company Veolia Environment moved its North American headquarters to Chicago last year.

Chicago is promoting itself as an international green leader. In addition to Veolia, a number of major wind power companies are located in Chicago and include Acciona North America (Spain), Suzlon Wind Energy Corporation (Denmark), E.ON Climate and Renewables (Germany), Nordex USA Inc (Germany), Horizon Wind Energy (Portugal) and Vestas Nacelles America (Denmark).

Ms Athas said that there are many opportunities for research and development for Australian companies in the green economy, particularly with building materials, fuel cell technologies, energy storage, bio-mass, glass manufacturing water technology, filtration systems and solar energy.

(pictured with Mr Vicchiarelli and Ms Athas)

Meeting with Mr Martin B Hollander, International Portfolio Manager, Climate Change Exchange, Dr Murali Kanakasabai, Vice-President and Senior Economist, Mr Stephen McComb, Economist and Mr Jeffrey O’Hara, Economist

The Chicago Climate Change Exchange has been in existence for some six years. It is the first of its kind in the world and is “North America’s only active voluntary, legally
binding integrated trading system to reduce emissions of all six major greenhouse gases. The members of the exchange are all leaders in management and represent all sectors of the global economy as well as public sector innovators. The reductions in greenhouse gas emissions are the only reductions made in North America through a legally binding compliance regime, providing independent, third party verification by the Financial Industry Regulatory”.

The principal focus of the exchange is to help members minimise their financial, operational and reputation risks through a “rules-based” emissions reduction scheme.

The exchange also sees that it has an important educational role in the encouragement of industries to reduce their carbon dioxide emissions and this is particularly important when one considers that the United States of America contributes some twenty-five per cent of all emissions.

(pictured with Mr O’Hara, Dr Kanakasabai, Mr McComb and Mr Hollander)
Meeting with Consul General and Trade Commissioner, San Francisco, Mr Nigel Warren and staff of the Australian Consulate.

Some fifteen to sixteen Australians are living permanently in San Francisco.

Investment is a core part of the work of the office and staff are very active encouraging two way investment in the areas of energy, the environment and financial services.

The focus of the Austrade team is on the new technologies, business models and investment to develop the market in renewables, hydrocarbons, water and environmental management.

San Francisco is a "big hub" for bio-technology and much research is taking place in the city in this field.

Food and beverages are "huge markets" for Australia. However, retailers demand "exorbitant listing fees" for products. The post will be assisting the promotion of Australia's food emporium associated with the G'Day USA promotion scheduled for the new year.

(pictured with Mr Nigel Warren (far right) and Consulate staff)
Attendance at the Victorian State Government Business Centre, President’s Cup, Harding Park, San Francisco

Mr Warren accompanied me to the business centre where I met the President and Treasurer of the Royal Melbourne Golf Club who were promoting the 2011 President’s Cup to be held at Royal Melbourne Golf Course. The Victorian State Government will have a business centre to promote Australia at this event.

It was felt that every effort should be made to ensure Tiger Woods attends as this will lead to greater interest and participation by both American and Australian business people.

Conclusion

Despite the downturn of the economy in The United States of America and Mexico brought about by the global financial crisis, there are still many opportunities for Australian companies to invest in the these countries.

It was my experience that both Mexico and The United States of America regard Australia very highly and those countries are very impressed with the way our economy has been managed by the government and its leadership role in tackling the difficult issues associated with climate change.

I have no doubt that our Australian missions in both The United States of America and Mexico are doing an outstanding job to promote Australia and I am most grateful for the assistance and support I received during my travel.

I know that our posts in Los Angeles and Chicago would like to see more visits from our Members of Parliament and other government officials. Los Angeles is mostly used as a transit stop for visitors to The United States. Importantly, Chicago is becoming a very important commercial hub in America’s Midwest.

I believe that we should be doing everything possible to get President Obama to visit Australia at the earliest opportunity because of the importance of the bilateral relationship between America and Australia.

It is also clear that we have much in common with Mexico and, with the emerging importance of the Mexican economy, I believe that a visit at the earliest opportunity by Prime Minister Rudd to President Calderon in Mexico would be in the interests of both countries.
RECOMMENDATIONS

(1) We should further promote the activities of the Port of Los Angeles to Australian business people to ascertain potential investment opportunities that may exist for their companies in terms of the port’s (a) environment, (b) security and (c) infrastructure. Specifically, there are opportunities for Australian business people to provide services and technology that would improve the air and water quality associated with the port and the security of the port. In terms of infrastructure opportunities for Australian business, the port needs to: build more container terminals and crude oil facilities, engage in further dredging, wharf construction, pile driving and crane construction.

(2) In view of the size of the California economy alone and a perception that Los Angeles is mostly a transit stop for people visiting the United States of America, more attention be given in the preparation of programs for official visitors to ensure particularly that ministers do not overlook California when travelling on official business to other important parts of the United States.

(3) Australian companies working in the green technology field should be further apprised of the investment opportunities that exist in California, particularly in the fields of energy, water, solar, wind and geo-thermal.

(4) Against a background that Australians are well-regarded for their creative contribution to the arts, film, music, dance and television, further efforts be made to assist Australians in the pursuit of their careers in these fields in California, particularly our Indigenous Australians.

(5) Australian communication companies should be alerted to the potential opportunities for investment in America in digital content for multi-media, such as mobile telephones in America.

(6) The Californian racing industry should be reminded of the investment opportunities to purchase world-class thoroughbred horses at our thoroughbred sales in Australia, for example, Inglis and Magic Millions.

(7) Consideration be given to inviting a delegation of members of the Californian racing industry to visit the Victorian spring racing carnival next year in order to gain a first hand understanding of the high quality of Australian thoroughbred racing, breeding and the administration of the industry.

(8) The government should maintain regular contact with the Queensland Trade Commissioner Peter Beattie in relation to his work in promoting opportunities for Australian investment in green technologies.

(9) The government explore the possibilities of assisting companies interested in the development of algae as a bio-fuel.

(10) Ascertain whether Qantas would be interested in joining the Boeing consortium in the development of algae as an aviation bio-fuel.
(11) Explore the feasibility of opening a Consulate and Austrade office in Lima, Peru.

(12) Explore the possibility of Australian airline companies like Virgin Australia commencing direct flights from Australia to Lima.

(13) Encourage CSIRO to continue working closely with Conagua in addressing Mexico’s water problems.

(14) Apprise Australian businesses of the opportunities for investment in Mexico’s water basins and the development of aquifer systems.

(15) Encourage more Australian mining companies to participate next year in Expomin in Mexico.

(16) The smaller Australian mining companies should be encouraged to explore the opportunities that exist for those companies to undertake mining in Mexico and also to provide mining services to Mexico.

(17) Consideration be given to Australia hosting a meeting of countries concerned about the impact of climate change on coral reefs.

(18) The Department of the Arts be made aware of the annual Cervantino International Festival and for the Department to give consideration to assist artists, particularly our Indigenous Australians, participate at next year’s festival.

(19) Follow up with the Minister for Innovation in respect of the opportunities that may exist for Verdant Power to evaluate the potential of some of our waterways as a source of clean, renewable energy.

(20) Australia should continue to promote itself to America as a global financial services hub and point to our good record of economic management.

(21) Where possible, the Prime Minister be encouraged to do more face-to-face campaigning for Australia’s bid for a non-permanent seat on the United Nations Security Council.

(22) Australia should campaign to encourage more of the world’s leading CEOs to visit Australia with a view to establishing a presence in our country.

(23) Consideration be given to an analysis of Australia’s contribution to the reduction of carbon dioxide emissions through the use of our liquid natural gas as an alternative energy source.

(24) Consideration be given to the opportunities that may exist for countries like the United States of America, China and India to re-invest in technologies to be developed in Australia that will value-add to our natural resources.

(25) Inquire about the progress the United States Department of Energy is making in relation to clean coal technologies.
(26) Consideration be given to encourage more visits to the city of Chicago and the Midwest of America when programs are being draw up for visits to America by ministers and other government officials.

(27) Australian companies working in the fields of bio-fuel production and wind energy be further encouraged to explore the potential investment opportunities that exist in these areas of renewable energy.

(28) Subject to the available resources, consideration be given for Austrade to further promote the investment opportunities that exist in America's Midwest for Australian businesses working in the fields of building materials, fuel cell technologies, energy storage, bio-mass, glass manufacturing water technology, filtration systems and solar energy.

John Murphy
Member for Lowe
MRS MARGARET MAY MP

United Kingdom and the Netherlands
24 September – 9 October 2009

Due to the size of this individual study report a number of pages are not included in this Tabling document. A copy of the full report (and any supporting documentation) is available on written request to the Office of the Special Minister of State.
Dear Minister

In accordance with the requirements of Clause 9.2(b) of the Remuneration Tribunal Determination 2006/18 (the Determination), I submit the following statement reporting on my recent overseas study journey:

(i) **Confirmation of Purpose(s);**

To investigate leading policies, best practice regulation and the role of government and incentives to improve the performance, productivity and sustainability of aged care and to seek to identify opportunities for policy innovation and political leadership in the Australian context to address the needs of an ageing population.

(ii) **Itinerary:**

A copy of the actual itinerary followed (with full details of all meetings and inspections) is enclosed as attachment A. As indicated in my previous correspondence I departed Brisbane, Queensland on Thursday 24 September 2009 and returned to Brisbane, Queensland on Friday 9 October 2009.

I was accompanied on the trip by my husband David.

(iii) **Key Meetings and Outcomes/Findings:**

Enclosed are Attachments B, C and D which detail the meetings and inspections held with key government and non-government organisations in both the UK and The Netherlands. The attachments include outcomes and findings from these meetings.

(iv) **Conclusion:**

As the Shadow Minister for Ageing and the Federal Member for McPherson I believe the study journey enabled me to make some important contacts in both the UK and The Netherlands with regard to the challenges that we face in developing policy that will enable this country to meet the demands and needs of an ageing population.
The trip also enabled me to visit and discuss numerous advances in aged care, the delivery of aged care and end of life programs – the site visits also gave me the opportunity of exploring different options of the type of facilities that could be developed in this country to give Australians choice about their aged care.

The Dutch Government and indeed the Dutch people place more of an emphasis on lifestyle rather than care. They also place a lot of emphasis on end of life care and have many options with regard to dying – where that will take place and how. They also have developed a wonderful housing concept – Apartments for Life – that is directed at the lower socio economic ageing population.

The UK has some very innovative programs with regard to end of life matters and indeed consumer directed care which is delivered in the home. The UK have the same challenges as we do with regard to obesity and the increase in the number of people who have diabetes – particularly in the elderly – and they have developed some very innovative programs to handle this problem.

I believe the study journey gave me a wonderful insight into programs that could be adapted for our ageing population and indeed address some of the challenges we will face over the next few decades. I believe the contacts and discussions I had will be valuable to me in my role as the Shadow Minister for Ageing and assist me with my electorate and parliamentary responsibilities.

Yours sincerely

Margaret May MP
Federal Member for McPherson

Attachments;

A. Actual Itinerary
B. Attendees – London Department of Health
C. Attendees – Reform Lunch
D. Key meetings and Outcomes/Findings

3 November 2009
MRS MARGARET MAY MP
SHADOW MINISTER SHADOW MINISTER FOR AGEING

VISIT PROGRAM ATTACHMENT A

Friday 25\textsuperscript{th} September 2009

15.30 Arrive London Heathrow Terminal 3 ex Singapore Airlines SQ308
Private transfer to The Royal Horseguards Hotel
2 Whitehall Court, Whitehall London SW1A2EJ
Tel: 0871 376 9033

Saturday 26\textsuperscript{th} September & Sunday 27\textsuperscript{th} September 2009

Private arrangements

Monday 28\textsuperscript{th} September 2009

08.00 – 10.07 Train travel London Euston to Manchester Piccadilly
10.10 – 10.25 Taxi from train station to University of Manchester

10.30 – 12.00 Professor David Challis
Director PSSRU
Venue: University of Manchester
Dover Street Building
Oxford Road
Manchester
M13 9PL
Contact: Tel: +44 161 275 5250

TBC Taxi from University of Manchester to train station

TBC Train travel from Manchester Piccadilly to London Euston

TBC Taxi from London Euston to Portcullis House

16.30 – 17.30 Mrs Sandra Gidley MP
Liberal Democrat, Member for Romsey
Member, Health Select Committee
Venue: Portcullis House
Embankment
London
Contact: Mr Joe Moran
Tel: +44 20 7219 5986
Sally Lamb
Tel: +44 1794 511 900
Tuesday 29th September 2009

10.00 – 11.00  Dr Iain Frame
Director of Research
Ms Bridget Turner
Head of Healthcare and Policy
Diabetes UK
Venue: Macleod House
10 Parkway
London, NW1 7AA
Contact: Ms Despina Dinca
Tel: +44 20 7424 1166

14.00 – 15.45  Roundtable discussions with Department of Health Officials
Richmond House
Whitehall
London
Appointments being arranged by Dept of Health (Ms Gillian Ayling)
See Attachment B for list of Attendees

16.00 – 16.45  Mr Sam Barker
Senior Researcher
Shadow Minister for Health’s office
Venue: Portcullis House
Embankment
London
Contact: Ms Emma Wegoda
Tel: +44 20 7219 6315

Wednesday 30th September 2009

09.00  Depart accommodation for London Victoria Station
09.18  Train from London Victoria to East Croydon Station
09.40  Taxi to Boulogne Road, Croydon

10.00  Arrive Croydon Access Ability Centre
Briefing with
Ms Hannah Miller
Executive Director
Department for Adult Services & Housing
Ms Lindsay Frost
Member for Health and Adult Social Care
Ms Toni Letts
Chair of NHS Croydon
Venue: Access Ability Centre
28 Boulogne Road
Croydon CRO 2QT
Contact: Ms Yasemin Aray
Tel: +44 7960 092 905

12.00  Depart Croydon

15.30 – 16.30  Ms Hilary Fisher
Coalition Director
Mr Simon Chapman
Director of Policy, Ethics and Parliamentary Affairs
The National Council for Palliative Care
Venue: The Fitzpatrick Building
188 – 194 York Way
London, N7 9AS
Contact: Tel: +44 7712 616 864
Thursday 1st October 2009

09.00  Taxi from accommodation to Pentonville Road

9.30 – 10.30 Professor Julienne Meyer  
Executive Director  
Mr Tom Owen  
Research Manager  
My Home Life Programme  
Help the Aged  
Venue: 207 – 221 Pentonville Road  
London, N1 9UZ  
Contact: Tel: +44 7910 198 634

12.45 – 14.00 Reform lunch  
"An uncertain future? - Planning and paying for long term care"  
Chaired by Dr Patrick Nolan  
Chief Economist, Reform  
See Attachment C for List of Attendees  
Venue: Reform  
45 Great Peter Street  
London, SW1P 3LT  
Tel: +44 20 7799 6699

14.10  Taxi from Great Peter Street to Australia House

14.30 – 15.30 Ms Claire Henry  
National Programme Director  
National End of Life Care Programme (EoLC)  
Ms Tessa Ing  
Head of End of Life Care  
Department of Health  
Venue: Dining Room  
Australia House  
Strand  
London WC2B 4LA  
Contact: Ms Jackie Main  
Tel: +44 1162 225 103

15.35  Taxi from Australia House to Finsbury Tower

16.00 – 17.00 Baroness Barbara Young  
Chairman  
Care Quality Commission  
Venue: Finsbury Tower  
103 – 105 Bunhill Row  
London, EC1Y 8TG  
Contact: Ms Angela Haughton  
Tel: +44 20 7448 9367

17.05  Taxi from Finsbury Tower to Australia House

17.30 – 18.30 Professor Martin Orrell  
Reader in Psychiatry of Old Age  
Director of the London Centre for Dementia Care  
UCL, Department of Mental Health Sciences  
Mob: +44 7535 658 341  
Venue: Room 202  
2nd Floor Conference Room
Australia House  
Strand  
London WC2B 4LA  
Contact:  
Ms Emma Williams  
Tel: +44 20 7887 5844  

Friday 2 October 2009

08.00  
Depart The Royal Horseguards Hotel- Private transfer  

09.00  
Arrive London Heathrow Terminal 4  

11.45  
Depart London Heathrow KLM Royal Dutch Airlines KL1010  

14.10  
Arrive Amsterdam Schiphol Airport  
Flight KL 1010 from London  
Transfer to Carlton Beach Hotel  
Gevers Deynoortweg 201  
2586 HZ The Hague (Scheveningen)  
Tel: +31 70 354 1414  

Monday 5 October 2009

09.30  
Taxi from hotel  

10.00  
Arrive Jacobs Hospice  
Palliative Care Hospice  
Koningin Emmaakade 160  
2518 JL The Hague  
Tel: +31 70 308 1081  
Ms Ilse Brummelhuis  
Director of Hospice  
Briefings on palliative care  
Tour of Hospice  
Meet with patients  

12.30  
Taxi from hospice to The Hague  

Tuesday 6 October 2009

08.15  
Taxi from hotel to The Hague Central Station  

08.58  
Train to Leiden from Den Haag Central Station  

09.11  
Arrive Leiden Central Station  
Walk to Netherlands Consortium for Healthy Ageing  
Leiden University Medical Centre  
Albinusdreef 2  
2333 ZA Leiden  
Tel: +31 71 526 5214  

09.30  
Meet in the hall of LUMC by Ms Annette de Deugd, Program Manager  

10.00  
Opening, welcome and program overview by Chair. Tea & Coffee  

10.05  
Introduction: Ageing in the Netherlands  
Pieter Roelfsema, Ministry of Public Health, Wellbeing & Sport  

10.20  
Presentation by Colja Laane, Director of the Netherlands Genomics Initiative (NGI)  

10.30  
Presentation by the Scientific Directors of the Netherlands Consortium for Healthy Ageing (NCHA) Professor Rudi Westendorp and Professor Andre Uitterlinden  

10.50  
The UMC Groningen Institute of Healthy Ageing  
Presentation by Ronald Stolk, Scientific Director ERIBA (European Research Institute)  

11.10'  
National Program on Care of the Elderly  
Presentation by Karianne Joners (program officer ZonMw)  

11.25  
Priority Medicines for the Elderly  
Presentation by Harald Moonen (Program Coordinator, ZonMW)
11.35 Leiden Academy on Vitality and Ageing
   Professor Rudi Westendorp
11.45 T-GO, The Netherlands Institute for Healthy & Successful Ageing
   Presentation by Menno Kok
12.20 Roundtable Discussion
13.00 Presentation by Margaret May
13.30 Closure of Meeting and Lunch
14.30 Walk to Leiden Central Railway Station
   Return to Den Haag Central Station
15.00 Taxi back to hotel

Wednesday 7 October 2009

09.20 Tram from hotel to Den Haag Central Station
   Purchase to tickets The Hague – Rotterdam – return
09.58 Train departs The Hague Central Station from platform 1
10.29 Arrive Rotterdam Central Station
   Taxi to Humanitas
11.00 Met by Topsy Ros on arrival
   Head Department Research & Development
   Humanitas Akropolis
   Achillesstraat 290
   3054 RL Rotterdam
   Tel: 010 4615 350
   Meeting with Professor Hans Becker
   Director and Staff
12.30 Lunch with Director and Staff
13.30 Tour of facility – meet with residents
14.30 Drive to another facility
   View facility – briefings by staff - meet residents
16.00 Return to Rotterdam Station
16.15 Depart Rotterdam for Den Haag Central Station
14.45 Arrive Den Haag – tram to hotel

Thursday 8 October 2009

05.00 Pick up from hotel – private transfer to Schiphol Airport
08.00 Depart Schiphol Airport Flight KL 1229 to Paris
09.25 Arrive Paris – transfer to Singapore Airlines to Singapore and Brisbane
SENATOR DANA WORTLEY

United Kingdom and Ireland
25 September – 13 October 2009
Senator the Hon Joseph Ludwig  
Special Minister of State  
Suite MG 64  
Parliament House  
CANBERRA ACT 2600

Dear Minister

In accordance with the requirements of Clause 9.2(b) of the Remuneration Tribunal Determination 2006/18 (the determination), I submit the following statement reporting on my recent overseas study journey.

(i) (a) Confirmation of purpose

The main purpose of the study tour was to study and meet with officials of government and non-government organisations in relation to cyber-safety developments and research into the prevalence of cyber-bullying and the way it is being addressed through education, regulation and technology, generally and in educational institutions.

To investigate funding models, private and public, of cultural institutions, and to look at the impact and actions being taken resulting from the global economic downturn.

The impact of new media on the relationship between sports and media organisations with a specific focus on sports news reporting and industry guidelines for media access.

(i) (b) Itinerary

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<tr>
<th>Date</th>
<th>Time</th>
<th>Activity</th>
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<tr>
<td>Friday September 25</td>
<td>12:15</td>
<td>Depart Adelaide QF736</td>
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<tr>
<td></td>
<td>14:35</td>
<td>Arrive Sydney</td>
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<td></td>
<td>17:00</td>
<td>Depart Sydney QF1</td>
</tr>
<tr>
<td>Saturday September 26</td>
<td>07:00</td>
<td>Arrive Heathrow</td>
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<tr>
<td></td>
<td>08:50</td>
<td>Depart Heathrow BA 1438</td>
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<tr>
<td></td>
<td>10:10</td>
<td>Arrive Edinburgh</td>
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<td>Monday September 28</td>
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- Meetings with the National Adviser for Learning and Technology Futures, Learning Teaching Scotland, Mr Ollie Bray; Glow
Development Manager, Learning Teaching Scotland, Mr Andrew Brown, and Policy Adviser, Curriculum Division Sanjin Kaharevic.

Tuesday September 29

- Meeting with Head, of Cultural Strategy and Diplomacy, Scottish Government, Cultural Policy Division, Ms Sarah Morrell.

- Meeting with Director of Respectme, Scotland’s Antibullying Service, Mr Brian Donnelly; Team Leader, Behaviour and Attendance in Schools Team, Ms Susan Bolt; Policy Advisor, Child Protection Team, Scottish Government, Mr Scott Wood.

- Meeting with Managing Director, Edinburgh International Festival, Ms Joanna Baker.

- Meeting with Co-Director of Arts and Head of Drama, Scottish Arts Council, Mr David Taylor.

- Visit Scottish Parliament House and attended a reception hosted by the Scottish Parliament Presiding Officer.

Wednesday September 30

- Meeting in Glasgow with General Director Scottish Opera, Alex Reedijk.

Thursday October 1

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<th>Time</th>
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<tbody>
<tr>
<td>08:20</td>
<td>Depart Edinburgh EL253</td>
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<tr>
<td>09:20</td>
<td>Arrive Dublin</td>
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</table>

- Meeting with the Australian Ambassador to Ireland, Ambassador Plunkett.

- Meeting with the Assistant Director, (Public Affairs) Arts Council, Ireland, Mr Sean MacCarthaigh.

Friday October 2

- Meeting with Executive Director, Office for Internet Safety, Mr John Laffan.

- Meeting with the Director of Opera Ireland, Mr Niall Doyle and Chief Executive, Opera Theatre Ireland, Ms Kirsty Harris.

- Meeting with Director, National Centre for Technology in Education, Dublin City University, Mr Jerome Morrissey.

- Meeting with Mr Glen Killane, Head of Sport, RTE.

Sunday October 4

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<tr>
<th>Time</th>
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Monday October 5

- Meeting with Musicians Union General Secretary and President of the International Federation of Musicians, Mr John Smith.

- Meeting with Childnet International, Chief Executive Officer, Mr Will Gardner.

- Meeting with Arts and Business, Arts Director, Ms Verity Haines.

Tuesday October 6


- Meeting with Founder and Director, Act Against Bullying, Ms Louise Burfitt-Dons.

- Meeting with Journalist, Australian Associated Press, Ms Valerie Baynes.

Wednesday October 7

- Meeting with Executive Director, Arts Strategy, Arts Council England, Mr Andrew Nairne.

- Meeting with Director of Policy Development, Royal Opera House, Ms Ruth Jarratt.

- Lunch meeting with the Director of Editorial Policy and Standards BBC, Mr David Jordan.

- Meeting with Mr Paul Farrelly MP, Member for Newcastle-under-Lyme, member of Culture Media and Sport Committee.

- Meeting with Chief Executive, Ms Emma-Jane Cross and Director of New Media, Sarah Dyer, Beatbullying.

Thursday October 8
• Lunch meeting with Equity Assistant General Secretary, Mr Stephen Spence.
• Travel by train to Bristol.

Friday October 9

• Met with Head of Cultural Services, Lancashire County Council, Ian Watson at the UK Public Libraries Authorities conference in Bristol.

Saturday October 10

• Met with the Executive Director of the International News Media Coalition, Mr Andrew Moger.

Sunday October 11

22:15 Depart London QF2

Tuesday October 13

07:05 Arrives Sydney

09:45 Departs Sydney

11:25 Arrives Adelaide

Key meetings and outcomes/findings
Cybersafety-Cyberbullying

In the UK, a reported 22% of children and young people have been the target of cyber bullying.

My meeting with Will Gardiner, CEO of Childnet International took place at the organisation’s head office in London.

Childnet International is a registered non-profit organisation (charity), established in 1995 with the aim of working in partnership with services and organisations around the world to help make the internet a safe place for children.

Childnet International produces a range of support materials for teachers, parents, carers and children on its website: www.childnet.com.

It works closely with the Department for Education and Skills and has distributed more than 2 million of its Kidsmart advice leaflets to schools.

Through membership of the British Education Communications and Technology Agency, Childnet also has helped in the development of effective E-safety policy for schools.

Childnet works in three main areas of Access, Awareness, Protection & Policy.
• **Access and promoting quality content**
  Helping children and young people to use the net constructively, showcasing quality content and enabling others to use its resources and develop new projects.

• **Awareness and advice**
  Helping children and young people acquire new “net literacy” skills and giving advice to industry, organisations, parents, teachers and carers about Internet and mobile safety.

• **Protection and policy**
  Working with others to help protect children from being exploited in the online environments provided by new technologies, as well as seeking to initiate and respond to policy changes.

Mr Gardiner recently returned from Australia, where he attended the Australian launch by the Minister for Broadband, Communications and the Digital Economy, Senator the Hon. Stephen Conroy, of *Let’s Fight it Together*, a resource originally developed by Childnet International and the UK Department for Children Schools and Families, customised to Australian schools and the Australian National Statements of Learning ICT.

The Australian Communications Media Authority (ACMA) hosted the launch of the Australian version of Childnet International’s *Let’s Fight It Together*, a comprehensive teaching resource to help young people, teachers and parents understand cyber bullying, its impact on other people and ways to address it. It is available free to all schools in Australia. ACMA also has adapted Childnet’s parents’ checklist *Buying a Mobile Phone for Children* document.

The **Office for Internet Safety (OIS)** was established in 2008 by the Irish Government as an Executive Office of the Department of Justice, Equality and Law Reform to take a lead responsibility for internet safety in Ireland, particularly as it relates to children.

My meeting was with the **Executive Director of the Office for Internet Safety, Mr John Laffan.**

The OIS is responsible for the development and promotion of strategic actions to promote the highest possible levels of internet safety, particularly in relation to combating child pornography.

It aims to further strengthen cohesion across Government Departments and bodies and to provide a more effective and transparent enforcement structure in relation to the Industry Code of Practice and Ethics.

In 2008, Mr Laffan launched the Internet Service Provider’s Association of Ireland Hotline’s redeveloped website as part of the self regulatory regime supervised by the OIS. The Hotline processes reports it receives from the public in relation to illegal and harmful material on the internet, particularly, but not limited to that relating to child pornography.

In addition it supports and promotes events and activities, including Safer Internet Day, organised by INSafe each year in February to promote safer and more responsible use of online technology and mobile phones, particularly among children and young people.
This year the OIS produced an information leaflet and bookmark and distributed multiple copies to public libraries. It also participated in the television launch of an online awareness campaign on the issue of cyber-bullying.

Australia is one of more than 50 countries that recognised Safer Internet Day on Tuesday 10 February, 2009, with the theme being Safe Social Networking and the Prevention of Cyberbullying.

Given the popularity among young people of services such as MySpace, Facebook, Bebo and Habbo Hotel, the theme was particularly relevant.

Activities organised by the Australian Communication and Media Authority (ACMA) for the day included social networking and consumer safety forums for secondary school students; the launch of the new cyber-bullying initiatives for primary school children on the SuperClubsPLUS Australia website, and the launch of the Cybersmart Detectives Game in schools in New South Wales.

The theme for Safer Internet Day 2010 is Think B4 U Post!

Research by the OIS has revealed that the increase in the use of many of the aspects of the Internet since 2006, and the significant increase in use by younger children, has been “mirrored by an increase in (children’s and parents’) knowledge and more sophisticated (and safer) internet use”.

Australian children, too, have developed a high level of awareness regarding Internet risks and online safety, according to a recent ACMA report. The report, Click and Connect: Young Australians’ Use of Online Social Media, finds that 75 per cent of children surveyed claim they know not to give out their address or phone number online. And up to 78 per cent of parents also report having a high-level knowledge of online risks. The report found an ongoing need for cyber-safety material that resonates with children.

In the UK there are a number of organisations which address specifically the issue of bullying. I met with the Chief Executive of Beatbullying, Ms Emma-Jane Cross and the Director of New Media, Sarah Dyer. In March 2009, Beatbullying launched a peer mentoring social networking site that already has had more than 214,000 young people accessing help from one of 1,900 trained CyberMentors.

CyberMentors.org.uk describes itself as a safe, social networking site providing information and support for young people being bullied or cyber-bullied. Young people, aged 11-25, are trained as CyberMentors, in schools and online, so they can offer support to their peers. CyberMentors also are supported by trained counsellors, available online when needed.

Recent research by Beatbullying revealed that in the age bracket 11-18 year-olds:

- 61 per cent have witnessed some form of cyber-bullying
- Seven out of ten victims knew the person who was cyber-bullying them
- One in five have seen hate sites or groups set up to bully someone online
(Beatbullying delivered a 32 question survey into secondary schools in several areas across England. The organisation worked directly with 2,094 young people aged 11-18, who all responded to a questionnaire).

CEO of Beatbullying Emma-Jane Cross said the consequences of cyber-bullying were just as traumatic as those of face-to-face bullying and that there had been suicides resulting from relentless online hate campaigns. Research already underway shows us that increased isolation, poor educational attainment and self-destructive behaviour all follow cyber-bullying.

Founded in 1999, Beatbullying, now a charity, operates in most of southern and central England, with 50 staff and support from the Department for Children, Schools and Families, local authorities and private donors.

Another organisation that deals specifically with bullying, Scotland’s Anti-Bullying Service Respectme, was launched in 2007 and is funded by the Scottish Government. It is managed by the Scottish Association for Mental Health in partnership with LGBT Youth Scotland.

My meeting was with the Director of Respectme, Mr Brian Donnelly, Team Leader, Behaviour and Attendance in Schools Team, Ms Susan Bolt and Policy Advisor, Child Protection Team, Scottish Government, Mr Scott Wood.

Respectme works with adults who have a role to play in the lives of children and young people to give them practical skills and confidence to deal with bullying behaviour, wherever it occurs. It offers free training and works with organisations to develop and review anti-bullying policies and practices in addition to campaigning to raise awareness of bullying behaviour and its impact.

Respectme produces resource support material for adults dealing with children including teachers, youth workers, and parents.

In addition to cyber-bullying and the need for adequate training, topics discussed at my meeting included the impact on school attendance and long and short-term mental health issues of victims of bullying.

*The National Centre for Technology in Education* (NCTE) is hosted by Dublin City University at its campus in Glasnevin, Dublin, where my meeting with the Director, Mr Jerome Morrissey took place.

Established in 1998, the National Centre for Technology in Education is the Irish Government agency on the use of information and communication technology in Education. It plays a central role in maximising the benefits for students and teachers in using ICT.

The NCTE has published an Internet Safety and Resource Pack for Teachers which covers topics including students personal safety issues when using the Internet, the opportunities and benefits of being on-line; the responsible use of social networking sites; procedures for protecting personal safety and security when online and students' awareness of the potential risks in disclosing personal information online and posting inappropriate photos.
Issues addressed in the lessons include cyber-bullying, rights and responsibilities, personal information and the internet, internet literacy and finding help and support.

The UK based charity Act Against Bullying was founded in 2003. I met with its founding Director, Ms Louise Burtitt-Dons and we discussed the Cyberkind campaign aimed at reversing the growing trend of cyber-bullying by making a conscious effort to reward ‘niceness on the net’. The campaign is anchored on the charity’s belief that actively promoting good Internet manners may reduce what is often meaningless comments and thoughtless behaviour that can cause misery for the recipient. The charity actively seeks major sponsorship for its campaigns.

Research carried out by Act Against Bullying indicates that often online bullying begins with “little things like rumours spread through private e-mail, IM or text messaging forwarded or posted to where others can view it. Vulgar, unpleasant comments on forums and video sites like You Tube, embarrassing photographs put up – maybe taken when out with friends…”.

Act Against Bullying says that because teenagers don’t want a fuss, or to have their computer time curtailed or be forced to remove their online accounts, they suffer in silence.

The Cyberkind Campaign aims to address these problems before they escalate to more serious acts of cyber-bullying, grooming and stalking.

The charity also holds an annual Cool to be Kind Day at major shopping centres.

My meeting with the National Adviser for Learning and Technology Futures, Learning Teaching Scotland, Mr Ollie Bray; Glow Development Manager, Learning Teaching Scotland, Mr Andrew Brown, and Policy Adviser, Curriculum Division Sanjin Kaharevic addressed the issue of internet safety in schools and also introduced me to some of the initiatives of the Scottish Education system relating to ICT.

Learning and Teaching Scotland in partnership with University of Dundee have undertaken studies into the effects of the use of brain-training games on the Nintendo DS, to motivate young people to learn in a way that is relevant and enjoyable for them.

Their research reveals that computer games alongside traditional learning aids can help make learning more engaging. Benefits can include faster processing of information, enhanced selection of relevant material and higher levels of engagement. They are being used in some Scottish schools for this purpose with positive benefits.

The national ICT initiative GLOW, funded by the Scottish Government, managed by Learning and Teaching Scotland and delivered by Research Machines (RM), is the world’s first national intranet for education.

The Scottish schools’ national intranet is a major national telecommunications program designed to offer a broadband network connecting education in Scotland; a national intelligent content delivery network to facilitate the flow of media-rich learning resources and a national intranet of tools for teaching and learning, sharing and collaborating within a safe, secure online environment.
GLOW aims to enable innovation in teaching approaches by offering unique learning opportunities, motivate young people to work independently and collaboratively and support individualized learning, allowing for personalization and choice all in a trusted and safe environment for pupils, teachers and parents.

**Cybersafety – cyberbullying conclusion**

The internet and new technologies open up a world of exciting possibilities and benefits to children and young people, while at the same time exposing them to continually emerging and evolving dangers that did not previously exist.

The issue of cyber safety covers many areas including cyber-grooming, sexual solicitation, child pornography, cyberstalking, stolen identity and online breaches of privacy however the main area of study undertaken on this occasion was the issue of cyber-bullying.

Agreement amongst researchers, teachers and community members on exactly what constitutes cyber-bullying is yet to be reached however generally speaking cyber-bullying is speech that is defamatory, constitutes bullying, harassment, or discrimination, discloses personal information, or contains offensive, vulgar or derogatory comments, and causes embarrassment or humiliation nearly always deliberately to upset someone else conveyed through the use of information and Communications Technology.

In particular mobile phones and the internet - web-logs and web-sites, on-line chat rooms, social networking sites, digital cameras, e-mails, virtual learning environments, games and virtual world sites, ‘MUD’ rooms (multi-user domains where individuals take on different characters), and Xangas (on-line personal profiles where some adolescents create lists of people they do not like).

Because cyber-bullying is not carried out face to face, often people don’t know the identity of the person targeting them. Children and young people can be targeted in their own homes; in their bedrooms and personal spaces where they should feel safe and protected.

However, organisations I met with generally agreed disconnecting the technology would not make bullying behaviour stop.

It is crucial that children and young people using these technologies have the necessary information and skills to make smart decisions online and to become good digital citizens. It is clear that understanding how to navigate the online world safely is an important element in the development of digital literacy.

It is important, too, that teachers and parents are empowered to provide the right advice to their students and children.

And it is important for Education Departments and their schools to have the appropriate methods of addressing cyber-bullying within their communities.

Government consulting and working with leaders in the industry including service providers has proved beneficial.
There may be some merit in advertising legislation regarding possible consequences for bullying/cyber-bullying behaviour including that:

- States and Territories have in place legislation under their respective Crimes Acts, however, serious forms of harassment which occur online are covered by Commonwealth legislation.
- Under the Commonwealth Criminal Code Act 1995, it is an offence to use a carriage service, which includes mobile phones and the internet, in a way that reasonable persons would consider menacing, harassing or offensive.
- It is also an offence to threaten to kill or cause serious harm to another person.
- Under the Commonwealth Proceeds of Crime Act 2002, where a person is convicted of an indictable offence, there is scope for the equipment used in commission of the offence to be confiscated.
- A conviction for an offence for using a carriage service to menace, harass or cause offence carries a maximum penalty of three years imprisonment, and is an indictable offence for the purposes of the Proceeds of Crime Act.

Government/Industry Advertising of this legislation, highlighting the consequences of such behaviour and including information on how to make a report and where to go to for help may assist in addressing the issue.

Cyber-bullying, unlike pre-internet school bullying, does not stop at the front door of the victim’s home, but can be with them 24/7. It does not stop at the flick of a switch or the push of the button, but continues even without the victim’s presence.

There is evidence that cyber-bullying particularly among the young is emerging as a significant risk to cyber-safety for young people and that the consequences can be devastating, from acute anxiety, depression, anger, truancy, self-harm, eating disorders and to extreme cases resulting in suicide.

According to the Australian Communications and Media Authority (ACMA), research indicates that cyber-bullying becomes more prevalent among school students in the mid-secondary years with an average of 7 to 10 per cent of students in years 4 to 9 reporting that they have been cyber-bullied (Australian Covert Bullying Prevalence Study, Edith Cowan University for the Department of Education, Employment and Workplace Relations.

An ACMA quantitative survey (Click and Connect: Young Australians’ use of online social media, July 2009) with more than 800 students aged 8-17 years indicated that the incidence of cyber-bullying increases with age. By the age of 16-17 years nearly one in five report having experienced some form of cyber-bullying.

Figures available reveal that in 2007-2008 the majority of Australian Households more than 67% had access to the internet, and over 11 million Australians used the internet as part of their personal, social and occupational activities.

By mid 2008 there were more than 22 million active mobile phones being used in Australia (more than one for each citizen).
While these figures are not difficult to come by, it is however difficult to provide accurate figures on the number of children and young people in Australia who are victims of cyber-bullying, among other reasons because it often goes unreported for fear by children and young people of being denied internet or mobile phone access.

Teacher training specifically in the area of cyber-safety, and including cyber-bullying is beneficial. While key teachers in schools are worthwhile, emerging research demonstrates an increase in cyber-bullying of children and young people. Therefore at the very least, basic training of all classroom teachers with a role in educating students in these age groups would be beneficial. ACAMA has gone a considerable way toward this with its accredited professional development programme for educators, Cybersafety Outreach.

The establishment of a Joint Parliamentary Standing Committee to investigate and report on cyber safety in Australia would also be of value.

Many of the people I met with were complimentary of some of the initiatives regarding cybersafety being taken by the Australian Government.

**Meeting with Ambassador Plunkett**

The meeting with the Ambassador included discussion on the impact of the global economic crisis in Ireland and Australia and the response by governments, as well as the widely advertised Lisbon Treaty referendum being held the following day (October 2) in Ireland.

The treaty had previously been voted on in June 2008 with the No vote being successful on that occasion. The referendum asked citizens whether they wanted Ireland to ratify the Lisbon Treaty. The YES vote was successful.

Education and public housing were among topics discussed.

**Key meetings and outcomes/findings**

**Cultural Institutions**

At my meeting in London with the *General Secretary of the British Musicians Union and the President of the International Federation of Musicians, John Smith* we discussed the issues facing musicians and in particular orchestras, size, pay, conditions and their funding models.

This included orchestras at the BBC, a publicly owned corporation funded principally by the annual television licence fee charged to households, organisations and companies. The fee is set by the government and in 2009 was set at 142 pounds per household.

Within the industry, the Musicians Union which represents more than 30,000 musicians plays a significant role, and has developed a good working relationship with other Music Industry bodies.

Generally the cultural institution representatives I met with raised concerns about the current economic downturn and its likely impact on government arts funding as well as philanthropy generally, once current commitments expire.
In Scotland the cultural organisations spoke very highly about Homecoming Scotland 2009 and their involvement at all levels.

Inspired by the 250th anniversary of the birth of Robert Burns, Homecoming Scotland 2009 extended an invitation to Scotland’s people at home and abroad to reconnect with their country. Throughout the year and across the country, there were more than 400 events that provided a special homecoming welcome.

The Managing Director, Edinburgh International Festival, Ms Joanna Baker spoke of the success of the recent Edinburgh Festival and the impact of Homecoming Scotland 2009 with the many sell-out ticket sales.

The 2009 Edinburgh International Festival program highlighted Scotland’s influence on some of the world’s ‘great artists and artistic endeavours, and reflected on that extraordinary moment in Scottish history that was the Enlightenment’.

The interim report on the event highlights that most of the events, as a result of participating in the Homecoming Scotland 2009 program, have been able to extend their programme, work with national partners, introduce new marketing activity, develop their marketing databases and importantly target and attract new audiences.

The marketing campaign highlighted the event in more than 40 countries and it is said to have delivered real benefit to Scotland’s economy and tourism industry and is on track to exceed the target of 44 million pounds worth of extra tourism revenue.

The themed year was a great success and those involved have said they would again be involved in such an event. Its success exceeded expectations and cultural institutions generally had a large role to play in its success.

At my meeting with the Scottish Arts Council, the lead body for funding, development and advocacy of the Arts in Scotland, I was provided with information regarding current legislation, intending to establish Creative Scotland as a Statutory Non Departmental Public Body through the Public Service Reform Bill. This would see Creative Scotland become the new lead body for the Arts and Screen industries replacing both the Scottish Arts Council and Scottish Screen. The change has been controversial and there have been opportunities for people to voice their concerns regarding the move with quarterly events taking place to inform interested parties on the progress to establish Creative Scotland.

I had a very informative meeting in Glasgow with the General Director of Scottish Opera, Alex Reedijk. We discussed the economic climate, funding of arts organisations generally, expectations and the short and long term impacts of decisions made in particular relating to programming, cast size, numbers employed and type of employment offered (full-time, part-time, casual, seasonal etc) which can affect the future viability of arts organisations.

Key meetings and outcomes/findings

Media and Sport

I met with Mr Glen Killane, Head of Sport, at the Irish public broadcaster RTE at the RTE site in Donnybrook, Dublin and in London, I met with the Director of Editorial Policy and
Standards BBC, Mr David Jordan. These media organisation had not been confronted with the accreditation issues currently facing media organizations in Australia.

Portcullis house was the venue for my meeting with Mr Paul Farrelly MP, member of the Culture Media and Sport Committee. A former journalist, Mr Farrelly was well informed on the issue of what appears to be a more slowly emerging requirement (than in Australia), by some sporting bodies to get in writing from some media organisations certain undertakings regarding broadcasting of major sporting events.

My meeting with AAP Journalist, Valerrie Baynes took place at the Daily Telegraph building in London. Ms Baynes is a London based Australian journalist familiar with the issues facing media organizations in Australia relating to the coverage of sporting events.

The general view is that while UK based sporting organisations have not imposed the same terms and conditions as the AFL and Cricket Australia, there are signs they could be headed that way.

Premier League Football have introduced a centralised online accreditation system that appears to be aimed at ensuring reporters and photographers are who they say they are when they apply, but it is thought by some in the industry that the move towards the centralised system suggest they might be looking at more stringent conditions in the future.

The main issue appears to be photographs as accredited agency photographers are only permitted to send 45 images to websites during the game itself. After full-time there is no limit on the number of photographs that can be published.

Coverage of the cricket does not appear to be an issue as when the Cricket Australia issue happened in 2008, the ECB gave the Cricket Writers’ Club and assurance they would not try to impose similar terms and conditions.

My meeting with the Executive Director of the News Media Coalition, Mr Andrew Moger was particularly informative on issues regarding media rights and press freedom. Mr Moger made representation to the Senate Inquiry in Canberra in April. The News Media Coalition which represents international agencies including Reuters, AFP, AP and Getty Images, seeks to protect the editorial freedom of media organisations.

Mr Moger was concerned about the AFL’s recent decision to lock photographers from national news agency AAP from the AFL finals, particularly given the findings of the Senate Inquiry.

We discussed issues facing the media and some of the negotiations Mr Moger has been involved with including those with the Indian Premier League cricket. Mr Moger is of the view that sporting organizations such as football clubs (soccer) are becoming increasingly reluctant to allow freedom of the media for fear of upsetting their sponsors and reducing their own revenue streams.

This study tour was particularly relevant to my work on the Senate Environment, Communication and Arts Committee.

I note that in accordance with Clause 9.5 of the Remuneration Tribunal Determination 2005/09 a copy of this statement may be obtained from you upon request by any Member or Senator.
I also note that this statement may be tabled in Parliament at your discretion.

Yours sincerely

[Signature]

Senator Dana Wortley
THE HON DICK ADAMS MP

Cyprus and Malta
3 – 15 October 2009
27 October, 2009

Senator the Hon Joe Ludwig
Special Minister of State
Suite MG 64
Parliament House
Canberra
ACT 2600

Dear Minister,

In accordance with the requirements of Clause 1.2 (b) of Remuneration Tribunal Determination 2006/18 (the Determination), I submit the following statement reporting on my recent overseas study journey that took place between October 4-15 2009 to Cyprus and then Malta.

(i) a) Confirmation of purpose:

Cyprus

Visit to study the processes of resolving conflict and divisions that have divided Cyprus into Greek and Turkish divisions.

Follow up island economies and the different means of transporting imports and exports as well as tourists.

Using culture and history for tourism, such as traditional dancing, music and the arts generally, Tasmania presently has several convict sites and historical buildings that are being proposed for world heritage listing. These are building on the assets that have been in the island since settlement. Comparisons with much older cultures would be usefully made and give us some more ideas about developing tourism.

There is also a multi million dollar private museum and art gallery being built which is expected to increase tourism levels in Tasmania – I would like to see what private developments are successful in much older civilisations.

Food is another area to explore and I would like to see dry land production of local horticulture and agriculture and also look at local delicacies. Does this fit into their tourism strategies, is there the same interest in food tourism?
Australia is also playing an increasing role in peace keeping in the Pacific and East Timor. Currently we have a police presence and training role in Papua New Guinea. We have had Commonwealth Police in Cyprus since the 1950s. I am keen to look at their role and we have gained as a nation through the training and culture and the differences that our police have seen.

MALTA

Again the Island economy and how they attract tourists and how they transport them in and out. Where are the tourists drawn from, the types of markets they are seeking to attract and their marketing of icons, heritage, events, food etc.

They have several Australian made ferries which I am keen to see the success of them. Their culture goes back to prehistory, and includes a heritage that moves forward to the present with rich and diverse groupings of settlement, including the very ornate religious buildings, churches, monoliths etc.

Australia has many Maltese migrants and the links between Australia and Malta are very strong. I have been trying to get representatives to come to the Tasmanian festival “Ten Days on the Island” held every two years.

One of the early links that I would like to pursue is the fact that Tasmania had a Governor in the early 1800s whose family also produced a Governor of Malta more recently.

Also was looking for anything on agriculture.

(b) Itinerary as follows:

3rd October, 2009

Left from Perth WA fly via Dubai to Larnaca, Cyprus

4th October, 2009

Arrived Cyprus and met by the High Commissioner Evan Williams

The Cyprus program was set up by the House of Representatives through H E Yannis Iacovou, the Cyprus High Commissioner for Australia. Accommodation and transport were organised by the Cyprus Government and paid for by them.

Mrs Jenny Mikakos from the Victorian State Legislative Assembly was also visiting and the program was arranged around both Members interests.

5th October, 2009
10.00 Meeting with HE the President of the House of Representatives, Mr Marios Garoyian, at the House of Representatives

11.00 Meeting with Deputy Chairman of the House Standing Committees on Agriculture and Natural Resources and on the Environment, Mr Dinos Hadjinicolas

12.00 Meeting with Ambassador Mrs Rea Yiodamlis, Political Director of the Ministry of Foreign Affairs

13.00 Working lunch with Mrs Maria Kyriacou MP at Stoa Restaurant to talk about tourism, training and jobs

15.00 Guided visit to the Byzantine Museum

16.00 Meeting with Mr Christopher Girod on behalf of the Committee on Missing Persons at the Anthropological Laboratory at Nicosia Airport in the buffer zone.

17.00 Visit to the buffer zone, along the ceasefire line, accompanied by Deputy Sector Commander UN, Steve Bonnici and Sergeant Vic Dupont UNFICYP from Nicosia airport.

1900 Returned to hotel

20.00 Dinner by HE The High Commissioner of Australia to Cyprus and business representatives, at Paragadi Restaurant

Tuesday 6 October, 2009

08.45 Meeting with Mrs Olga Komiti, Protection Officer, UN High Commissioner for Refugees (UNHCR) Nicosia Airport

09.30 Commander Phil Spence, Deputy Senior Police Advisor, UNPOL at his headquarters

10.30 Meeting with Mr Antonis Antoniou, Director of Environment Services, Minister of Agriculture, Natural Resources and the Environment, and Mrs Elena Papasolomontos, Agriculture Officer A at the Ministry of Agriculture Officer at the Ministry.

11.30 The Director of the Division of Overseas and Repatriated Cypriots Ambassador, Mr Antonis Toumazis at the Ministry of Foreign Affairs

13.30 The Deputy Mayor of Nicosia, Mrs Soula Kollakidou at the Town Hall followed by a visit to the ceasefire line at Ledra Street
14.30 Lunch with the Deputy Mayor of Nicosia at the Old Powerhouse restaurant and joined by members of the President of the House of Representatives staff.

16.00 Mr Nicos Theodosiou President Pancyprian Organisation of the Relatives of Undeclared Prisoners and Missing Person at Hilton Hotel.

18.00 Returned to hotel.

20.00 Invitation from the President’s staff to dine at a local ethnic restaurant.

22.30 Returned to Hotel.

Wednesday 7 October, 2009

09.00 Meeting with the Director of Tourism, Cyprus Tourism Organisation, Mr Lefkos Phylaktides at the CTO office in Nicosia.

10.00 Returned to hotel to pick up Flight EK 107 to Malta at 12.15 pm.

13.30 Arrive Malta – met by the High Commissioner for Australia in Malta Mr Jurek Juszczyn, quick briefing at the airport and then transported to the Raphael Spinola in St Julians for the accommodation.

Organised the transport for the rest of the visit.

Private dinner.

Thursday 8 October, 2009

10.00 Meeting with the High Commissioner at the Commission to go through program arrangements and to brief on bilateral relationship. It was important to note that I was advised not to be briefed directly on illegal immigrants, but through other meetings to guage the difficulties with boat people arriving on shore in Malta.

12.00 Visit to Ta’ Qali Craft Village to see local crafts, glassblowing and filigree work which are Maltese specialities.
6.00 pm  Meeting with Adrian Strickland, Grandson of a past Governor of both Malta and Tasmania to discuss cultural links.

Friday 9 October, 2009

09.30  Meeting with Francis A Portelli, Managing Director of Virtu Holdings, the major Ferry owner in Malta at Ta’Xbiex.

10.30  Tour of the ferry area

12.00  Appointment with Dr Francis Zammit Dimech MP next to the Parliament at Café Cordina, Republic Street, Valletta

1.30  Quick tour of the Three Cities area of Valletta to see the changes in infrastructure that caters for the big tourist liners and visitor trade to Malta

3.00  Returned to Hotel – rest of the day was free

20.00  Dinner with Anthony Gatt and his wife Sally, hotel owners and managers. Also invited HE Jurek Juszczyk and his wife, to meet with the local contact.

Saturday 10 October, 2009

10.00  Meeting with Mr Charles Gatt, President of the Ta’Braxia Historic Cemetery at Pieta for a tour of the graveyard and also visit the Mausoleum.

12.00  Return to Hotel

Sunday 11 October, 2009

Free day

Monday 12 October, 2009

12.30  Tour of Harbours – through yacht marinas to the drydocks to see the extent of the water industry that has built up – privately arranged visit.

Tuesday 13 October, 2009

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Tuesday 13 October, 2009

10.00 Meeting with the local supervisor at Pieta Military Cemetery to pay respects to the fallen and to lay a wreath on behalf of the Parliament of Australia and then inspected the Australian graves.

1.00 Meeting with Mr Evarist Bartolo MP (Labour Party)
National Labor Centre, Milend St Hamrun

2.00 Meeting with the Dr Marlene Pullicino Orlando (Labor Party)

3.00 Meeting at the Ministry of Resources and Labour Affairs, Block B, Bett is Sebh, Floriana

Attendees: Mr Joe Degiorgio, Director EU Affairs MRRA
Dr Melanie Vella, Policy Coordinator, MRRA
Mr Noel Azzopardi A/Director for Agriculture MRRA
Mr Karmenu Arabela, Advisor MRRA
Mr Karl Grima Bezzina
Mr Antoine Vella, Ag. Faculty, Uni of Malta

5.00 Joan Galea Naudi
SunCreek Apartment Hotel, Ix Xatt, Sliema This is an aged care unit that has been developed in an old hotel. Malta like other developed countries has an aging population that because of changes in community lifestyles is leaving our older generations seeking appropriate housing other than family. This development is one such solution.

Wednesday 14 October, 2009

14.20 Leave Malta to return to Australia via Larnaca and Dubai

Thursday 15 October, 2009

23.30 Arrive Melbourne – overnight and leave on domestic flight to Launceston in morning

(ii) The key meetings

The key meetings during this visit relate to my inquiry into climate change and agriculture, those that dealt with tourism and the possible further development of ferry traffic between islands in the Mediterranean.
The second part relates to asylum seekers, the difficulties all countries are having with illegal immigrants and the particular difficulties Cyprus experiences with a division in the middle of their capital city. In Cyprus this pervaded all the meetings and they have yet to work out a solution to bring the two halves of the country together.

Australia is playing a very important part in this through their ongoing assistance of the police contingent in the Peacekeeping forces there. These peacekeepers have been in place for some 45 years and are seen as quite critical to the negotiations that have been under way.

(iii) Conclusions

Australia has had many Mediterranean migrants to our shores over the years, particularly post war. Many of them have been the backbone of infrastructure developments such as Hydro Tasmania and the Snowy Mountain Scheme. With Jenny Mikakos with me in Cyprus and the many past contacts I have made in Malta, I was keen to see what links can be made for tourist and business exchange between there and Australia. I come from an island State and I am very aware of the difficulties that islands have in transport, services and tourism.

So I do see some useful connections that would help the three countries develop a viable tourist exchange. I see potential for the development of ferry transport (using Tasmanian or Western Australian built ferries) to link the islands and also the fact that there is now a direct air route from Australia to both these countries that would allow islands to exchange a number of ideas, both cultural and economic. I can see some positive signs of skills transfers and I will be following up some of these for my State.

The matter of climate change was perhaps the most interesting as both islands had their own special problems. Cyprus in fact ran out of water in 2008 and is now desperately trying to install desalination plants and recycling facilities. Both islands were interested in my committee of Primary Industries report on Climate Change and Agriculture when it is tabled next year.

I note that, in accordance with Clause 9.5 of the Determination, a copy of this statement may be obtained from you on request by any Senator of Member. I also note that this statement will be tabled in Parliament at your discretion, including as part of the six-monthly tabling of travel costs for Senators and Members.

Yours sincerely,

Dick Adams
Federal Member for Lyons
Οι Αυστραλοί υποστηρίζουν την Κύπρο

Οι Αυστραλοί υποστηρίζουν τη λύση του Κυπριακού μέσα στα πλαίσια των ανθρωπίνων δικαιωμάτων. Επικεφαλής η Κύπρος η Βουλευτής Αυστραλίας Dick Adams και Jenny Mikakos. Η φωτογραφία από αριστερά ο κ. Dick Adams (ομοσπονδιακός βουλευτής), ο κ. Jenny Mikakos (πολιτικός βουλευτής), ο κ. Κυριάκος Τσαλάκης (πρόεδρος επαναπατρισθέντων Αυστραλίας) και ο κ. Evans Williams (Ηπατος αρμοστής της Αυστραλίας στην Κύπρο).
Nicosia, 19 October 2009

Mr Dick Adams MP  
Federal Member of Lyons  
Chairman  
House of Representatives Standing Committee on Primary Industry & Resources

Dear Mr Adams,

I hope that your recent visit in Cyprus was useful and productive and that your stay was interesting and pleasant. I am certain that from the contacts and the discussions that you had you have formed a more complete picture of Cyprus and our efforts for a functional and viable solution of the Cyprus problem but also for the progress and prosperity of the Cyprus people.

I am deeply sorry that my program did not allow me to meet with you but I am looking forward to seeing you during your next visit to Cyprus.

I wish to thank you for the calendar with landscapes of Tasmania, that you have left for me with Ambassador Rea Yiordamis.

Yours sincerely,

Markos Kyprianou

[Signature]
AUSTRALIA SUPPORTS CYPRUS

The Australians support the solution of the Cyprus Problem within the frame of human rights. Members of Australian Parliament Dick Adams and Jenny Mikakos visited Cyprus. In the photo from left, Mr Dick Adams (Member of the House of Representatives of the Parliament of Australia), Mrs Jenny Mikakos (Member of the Parliament of Victoria, Australia), Mr Kyriakos Tsolakis (President of the Association of Repatriated Australians) and Mr Evan Williams (Australian High Commissioner in Cyprus).
MR KELVIN THOMSON MP

Taiwan
7 – 12 October 2009
The Hon Joseph Ludwig  
Special Minister of State  
Suite MG64  
Parliament House  
CANBERRA ACT 2066

Dear Minister

In accordance with the requirement of Clause 9.2(b) of Remuneration Tribunal Determination 2005/09, I submit the following statement reporting on my recent overseas study tour to Taiwan.

(i)  (a) Confirmation of Purposes  
The purposes of this study tour were to examine how Taiwan is dealing with the issues of climate change and carbon emissions, renewable energy, and overpopulation and demographic change.

(b)  Itinerary  
I arrived in Taipei on Wednesday afternoon October 7 and departed on Monday afternoon October 12. On Wednesday afternoon I met with Australian Commerce and Industry Office Representative Alice Cawte.

On Thursday morning I attended a Presentation by Taiwan’s Youth Ambassadors in the Pacific Islands on their work there, and met Taiwan’s President Ma, Foreign Affairs Minister Timothy Chin-tien Yang, and a number of Taiwanese officials. I was accompanied on this and subsequent meetings by Mr Andy Yin, an officer with Taiwan’s Department of East Asia and Pacific Affairs, Ministry of Foreign Affairs.

On Thursday October 8 I also met with Gee San, Deputy Minister, Margaret Ling Wang, Senior Specialist, Department of Manpower Planning, Yu-Mei Lo,
Specialist, Department of Manpower Planning, and Jennifer Huang, Specialist of Overall Planning Department, all from the Council for Economic Planning and Development.

I met with Gwo Dong Roam, Executive Director, Office of Sustainable Development, and Yi-Lin Wu, Senior Environmental Specialist, Greenhouse Gas Office, of the Environmental Protection Administration.

On Friday October 9 I addressed the Australia New Zealand Taiwan Chamber of Commerce on the topic of the forthcoming climate change negotiations in Copenhagen. A copy of my speech is attached. I met with, amongst others, Wen-chi Kung, Legislator, Peter Halliday, Vice-President, Siemens Industry, Taiwan, Sidney Chen and Steve Chiu, Senior Business Development Managers with the Australian Commerce and Industry Office, Hsienhu Ho, of the Business Weekly Media Group, then met with the Bureau of Energy.

(ii) Key Meetings, findings, outcomes and conclusions

TAIWAN'S COUNCIL FOR ECONOMIC PLANNING AND DEVELOPMENT

The Council for Economic Planning and Development (CEPD) is an advisory body to the Executive Yuan (Cabinet). It performs four main functions:

**Design**: preparing plans for national development and major policy projects.

**Review**: evaluating proposals, programs and projects which have been submitted to the Cabinet.

**Co-ordination**: co-ordinating the policymaking activities of relevant Ministries and agencies.

**Evaluation**: supervising the implementation of development projects and programs.
The Council consists of 11 members, mostly Ministers but also the Governor of the Central Bank and the Chair of the Financial Supervisory Commission. It has around 300 support staff. It seeks to integrate the views of different Government agencies in order to assist Cabinet's decision-making.

**POPULATION**

The primary issue I discussed with the Council for Economic Planning and Development was planning for declining birth rate and ageing population, with its Manpower Planning Department.

The CEPD is concerned that if Taiwan’s birth rate continues to fall that it will have a detrimental effect on the population structure. It will result in a gradually diminishing working-age population (ie aged between 15 and 64) and an ageing trend in the workforce.

To respond to labour force ageing resulting from the low birthrate, manpower planning strategy is being focused on supplementing the labour supply, enhancing the quality of the labour force, and promoting the utilization of middle-aged and older workers.

The current median population projection from the CEPD is that population will grow from 23.0 million, before gradually declining to 20.3 million in 2056.

Taiwan’s present population is 23 million, similar to that of Australia, but crammed into an island about one third the size of Tasmania.

The CEPD projects that the ratio of working age population (15-64) to 65 years and over will decrease from 7 to 1 in 2008 to 2.9 to 1 by 2026 and to 1.4 to 1 in 2058, creating what it describes as an “extremely heavy dependency burden for society”. The change is not quite as dramatic as it sounds. The actual
percentage of 15-64 year olds was 72.6% in 2008, and is projected to fall to 52.3% by 2056. The number of 0-14 year olds (who also have to be supported) is projected to fall from 17% to 10% during the 2008-2056 period.

The CEPD is conscious of the need for social security planning to address the demands of an ageing population, and representatives were aware of and very interested in Australia’s superannuation guarantee. It plans to deal with the demographic challenge on multiple fronts – formulating policies to encourage childbearing, injecting resources into enhancing the quality of manpower through education and skills training, and strengthening the co-operation between industry and academia to improve labour quality.

GLOBAL FINANCIAL CRISIS
Its immediate policy priorities have been to deal with what it refered to as the Global Financial Tsunami (GFT!). The GFT hit Taiwan hard, and recovery has been slow. Unemployment in July was 6.07%, up from 5.94% in June. The CPI in July continued to fall, the sixth consecutive month of price contraction. The July figure showed a year-on-year price fall of 2.33%.

Taiwan is an export-orientated economy, and has experienced a significant decline in exports in its major export industries, such as semiconductors, memory chips and electronic machinery. There has been a decline in exports to its major export markets, China and the United States. Industrial production and consumer confidence have fallen.

In October 2008, in response to the GFT, the Taiwanese Government announced it would guarantee the whole amount of savers’ bank deposits. From September 2008 to February 2009 the central bank cut interest rates six times, by a total of over 2%, to inject liquidity into the market. Funds have also been provided for banks to provide loans at preferential interest rates to domestic large enterprises and small medium enterprises that are operating and
meeting credit commitments normally, and that pledge not to reduce their current workforce by more than 1%. $200 billion New Taiwan Dollars has been allocated for preferential home purchase loans. In December 2008 President Ma introduced consumption vouchers for each member of the population, with a budget of over 85 billion New Taiwan Dollars. The Government also introduced subsidies to cover the purchase of solar water heating systems, solar photovoltaic systems, energy-saving light bulbs, electric motorcycles and other low-polluting vehicles, and other home appliances that meet energy-saving certification requirements.

The Taiwanese Government has also been keen to promote the normalization of cross-strait relations with China. The two countries have reached agreement to jointly promote mainland investment in Taiwan based on the principles of “complementary strengths, mutual benefit and a win-win situation”. There has also been agreement for new direct flights between China and Taiwan, and further talks are being conducted on the issues of fisheries, quarantine, inspection of agricultural products, standards measurement and certification, and avoidance of double taxation.

The CEPD believes Taiwan is now moving into a gradual recovery, though GDP has been projected to be negative for 2009. Typhoon Morakot caused severe damage to Taiwan’s agricultural and tourism sectors. Overall, however, the combination of fiscal stimulus, public construction programs, short-term employment promotion measures, and closer cross-strait economic ties, including an influx of tourists from mainland China, is expected to give Taiwan a healthy level of economic growth.

The Council of Economic Planning and Development is also behind iTaiwan, 12 infrastructure projects which will cost $4 trillion New Taiwan Dollars. The 12 projects are
• A fast and convenient Islandwide Transportation Network
• Kaohsiung Port-City Regeneration
• Central Region New High-tech Industrial Cluster Program
• Taoyuan International Air City
• Intelligent Taiwan
• Industrial Innovation Corridors
• Urban and Industrial Park Regeneration
• Farm Village Regeneration
• Coastal Regeneration
• Green Afforestation
• Flood Prevention and Water Management
• Sewer Construction.

These projects may offer new commercial opportunities for Australian business, in sectors such as infrastructure, finance, aerospace, telecoms and services. Australia already has a significant trade relationship with Taiwan, include successes in biotechnology and medical research such as CSL Bioplasma delivering plasma to the Taiwan Blood Service since 2007.

In July 2009 the Cabinet also approved the CEPD’s Service Industry Development Plan, which seeks to build Taiwan’s service industry into an engine for upgrading quality of life, and stimulating economic growth. As part of this Plan expenditure on research and development, and on innovation, will be increased.

**TAIWAN’S ENVIRONMENTAL PROTECTION ADMINISTRATION WASTE**

In a highly industrialized country with the population of Australia in a landmass one third of Tasmania waste is a major issue.
Taiwan’s Environmental Protection Administration is charged with achieving the ambitious goal of zero waste. Unlike the past focus on ‘end-of-pipe’ management, Taiwan has adopted a resource recycling and reuse system which seeks to curb the generation of waste by adopting methods based on source reductions, recycling and reuse of all materials.

The governing legislation is the Resource Recycling and Re-Use Act of 2002. This Act is built around the concept of product life cycles and comprehensive planning from initial design, manufacture, and use, extending through to recovery and reuse.

A series of plans to deliver the outcome is now in place: the “Mandatory Garbage Sorting Promotion Plan”, the “Garbage Treatment Follow-up Plan”, the “New Image for Incineration Plants” project, the “Environmental Science and Technology Park Promotion Plan”, the “Implementation Plan to Evaluate Newly Announced Recyclables”, and the “Plan to Raise Recycling Rates of Announced Recyclables”. From a baseline of 8.33 million tones of garbage generated in 2001, goals of a 25%, 40% and 75% reduction have been set for the years 2007, 2011 and 2020 respectively. The 25% goal has been achieved.

**CLIMATE CHANGE**

Taiwan is susceptible to a range of natural hazards such as typhoons, landslides, storm surges, droughts and floods. Earlier this year Taiwan was struck by Typhoon Morakot, the deadliest typhoon in Taiwan’s recorded history. Rainfall reached 2,900mm within 3 days. There were 133 deaths and 577 people are missing. There was also direct economic loss of $4.2 billion New Taiwan Dollars (US $292 million). Authorities note that there had been severe drought for months before Typhoon Morakot, and believe Taiwan’s normal climate pattern has changed.
The Environmental Protection Administration says that Taiwan is adversely
effected by the impacts of climate change such as temperature rise, severe
rainfall, droughts, sea level rise, and adverse impacts on human health and
biodiversity.

Taiwan is awkwardly placed in terms of response to global heating, which is of
course a global, i.e. international problem. Taiwan is not recognized by the
United Nations, and is not part of the United Nations Framework Convention
on Climate Change (UNFCCC) or its Kyoto Protocol. But it is clear enough
that Taiwan understands both that it is at risk from climate change, and that
there is economic potential for its high tech industries in being part of the
solution to the problem. Although it does not have specific obligations to
reduce emissions under the UNFCCC, Taiwan has said it is willing to take a
fair share of its “common but differentiated responsibilities”. It has
implemented carbon reduction efforts domestically and initiated the
Greenhouse Gas Reduction Act to provide a legislative framework for action.
Taiwan intends to comply with the mechanisms of the Kyoto Protocol, and
assist developing countries by providing finance or technology to execute
Clean Development Mechanism offset programs. Taiwan is seeking to
participate in the market operations of the Kyoto mechanisms and says it could
assist with the common application of the global carbon trading market.

The Environmental Protection Administration accepts the Intergovernmental
Panel on Climate Change (IPCC) conclusion that warming of the climate
system is unequivocal, and that most of the observed increase in global
temperatures is very likely due to the unprecedented increases in atmospheric
concentrations of global greenhouse gases caused by human activities. It notes
that climate change could cause particular turmoil in Asia – rise in the sea level
would threaten the security of coastal cities in Asia, and the frequent
occurrence of extreme conditions and the melting of alpine glaciers would also
impact on Asia, which accounts for one third of the world’s population.
Following the Bali Conference at the end of 2007, and the climate change talks in Bangkok and the G8 Hokkaido meeting in 2008, President Ma set out targets for Taiwan to keep curb on emissions to the 2008 level by 2020, reduce them to 2000 levels by 2025, and then halve the 2000 level by 2050.

**SUSTAINABLE ENERGY POLICY**

Taiwan has very little indigenous energy, and has to import the vast majority of it, so moving to renewable energy is attractive in terms of energy security and containing future energy prices as well as reducing carbon. The key initiatives in this area are the Renewable Energy Development Bill and the Green Energy Industry Promotion Program. Renewable energy is coming and is expected to come from wind, solar, biofuels, ethanol, fuel cells and electric vehicles. Taiwan’s goals are to have over 8% renewable energy by 2025, over 25% LNG generation by 2025, replace old power plants, and introduce clean coal and carbon capture and storage technologies, as well as nuclear power to diversify its energy sources. Industry is expected to reduce per unit carbon emission intensity by over 30% by 2025. Private vehicles have an efficiency target of 25% by 2015, and the public transport system is being promoted to reduce vehicle growth. 20 billion New Taiwan dollars is being invested in green energy technology, and 25 billion New Taiwan dollars on promoting renewable energy, over the next 5 years. Taiwan is interested in participating in global carbon trading.

In 2007 CO2 emissions in Taiwan were 276 million tons, about 1% of global emissions and Taiwan has about 0.35% of global population.

The cabinet has adopted national emission reduction goals within the Sustainable Energy Policy Framework. The short term goal is to return greenhouse gases to 2008 levels by 2016-2020, and the mid-term goal is to
return greenhouse gases to 2000 levels by 2025. The Greenhouse Gas Reduction Bill 2008 sets out stages for the reduction of greenhouse gases. Prior to the Bill the emphasis was on voluntary reporting and capacity building. Stage One involves the EPA designating sources, and the establishment of mandatory reporting of emissions and an inventory of them. Stage 2 involves the setting of performance standards, permit requirements, and rules for new entrants and offsets. Stage 3, which is subject to international developments concerning carbon trading is based around a designated national target. It is likely that the cap and trade scheme will cover the energy supply sector and the industrial sector first, and that the initial scheme will cover about 80% of each of these sectors.

Taiwan wishes to be part of the international dialogue and part of the global fight against climate change. It notes correctly that reducing carbon requires concerted global efforts in order to avoid carbon leakage.

Taiwan has expressed the wish that countries throughout the world support Taiwan’s participation in the conferences and activities of the United Nations and international environmental conventions under an appropriate designation and name, providing what it describes as more chances for Taiwan to make practical contributions to international environmental protection.

Taiwan convened National Energy Conferences after both the adoption of the Kyoto Protocol in 1997 and its entry into force in 2005. These conferences drafted voluntary reduction targets and improvements standards, providing industries with energy conservation information, services and reduction technology assistance, and proactively promoting domestic greenhouse gas reductions. In 2005 seven major Taiwanese industry associations (electrical and electronics, petrochemicals, cement, iron and steel, pulp and paper, synthetic fibers, textile dyeing and preparation) jointly signed a Voluntary Agreement on Energy conservation and Carbon Dioxide Emission Reductions
with the Ministry of Economic Affairs. A National Greenhouse Gas Registry Platform was developed in 2007 to assist industries to report emission inventories.

117 enterprises have submitted voluntarily reports of their inventories, and it is expected that a total of 300 enterprises will report within 3 years, collectively accounting for over 80% of CO2 emissions from the energy and industrial sectors.

**AIR QUALITY**
Over the last 20 years the Taiwan EPS has pushed hard to improve air quality, focusing on vehicles through periodic vehicle inspection, fuel quality improvements etc. These efforts have been rewarded with a drop in the percentage of days with poor air quality from 17.33% in 1987 to 2.87% in 2008.

**2009 YOUTH AMBASSADORS PROGRAM**
It was informative to receive reports from Taiwan’s 2009 Youth Ambassadors Program, known as the MERIT Project. It is clear that Taiwan, like China, is taking a significant interest in the Pacific Islands, and that part of this involves sending significant numbers of young people to the Pacific each year for exchanges with local students. For example, a group of six students from Taiwan who flew to the Marshall Islands taught students how to use genealogical software and Google Earth so they could digitally plot their kinship trees and living environments, and compare the spatial arrangement of homes and communities in both countries.
CONCLUSION

As Chair of the Parliament’s Treaties Committee, I found it intriguing to see how a country which is outside the United Nations, and therefore not part of the formal global effort to tackle with climate change, is dealing with climate change and renewable energy issues. I also appreciated the opportunity to discuss how a country with an identical population, but much smaller landmass, is dealing with population pressures.

I note that, in accordance with Clause 9.5 of the Determination, a copy of this statement may be obtained from you upon request by any Senator or Member. I also note that this statement will be tabled in Parliament at your discretion, including as part of the six-monthly tabling of travel costs for Senators and Members.

Yours sincerely,

[Signature]

KELVIN THOMSON MP
Member for Wills

10 November 2009
Due to the size of this individual study report a number of pages are not included in this Tabling document. A copy of the full report (and any supporting documentation) is available on written request to the Office of the Special Minister of State.
Dear Minister

In accordance with the requirements of Clause 9.2(a) of the Remuneration Tribunal 2006/18 (the Determination), I submit the following statement reporting on my recent overseas study journey:

**STATEMENT: South Korea October 2009**

The International Astronautical Federation holds a congress every year at which the international space community meet to exchange information. This congress is the principal venue for a comprehensive overview of initiatives and policy in space science. (Attachment 1: 60th International Astronautical Congress 2009.) In 2009 the congress was held in Daejeon, South Korea.

In 2009 the decision was made to arrange a session for Members of Parliament. Mr Shaun Wilson, Chair National Committee on Space Engineering, Engineers Australia wrote to invite me to attend this session (Att 2) because of my involvement in the report of the Senate Economics Committee, Lost in Space: Setting an New Direction for Australia's Space Science and Industry Sector.

The theme of the congress was 'Potential of Space for Global Challenges' and the theme for the international meeting for Members of Parliament was 'Potential of Space for the Challenge of Climate Change'. This was particularly relevant given the legislation in Australia to introduce a Carbon Pollution Reduction System, and the debate in Australia about climate change.
Itinerary

Thursday 8 October 2009
4:50pm    Depart Adelaide QF764 to Sydney

Friday 9 October 2009
10:10am   Depart Sydney QF367
6:45pm    Arrive in Seoul

Incheon Airport Complementary Shuttle Bus (go to 1F Gate A & 13B) to Hyatt Regency Incheon

Saturday 10 October 2009
Approximately 9:00am Free Shuttle from Hyatt Incheon to Airport (leaves every 20 minutes)

9:30am pre arranged airport shuttle to DAejeon (they leave every half an hour starting from 8:00am (approximately 3 hours driving) (see shuttle timetable)

Check in to Hotel Spapia in Daejeon

Sunday October 11 2009
9.30am    Parliamentary Seminar – International Astronautical Conference
5.00pm    End seminar
7.30pm    Dinner on the occasion of the International Meeting for Members of Parliaments, Spapia Hotel

Monday 12 October 2009
9:30am    A special Welcome will be organised at 9:30am in VIP’s Lounge, Upper Floor of the Daejeon Convention Centre
10:00am   IAC Opening Ceremony
12:45pm   Luncheon on the occasion of the ‘Heads of Agencies Day”, Soyuz Hall, DCC
3.30pm    Technical tour: IAC Daedeok Innopolis – R&D Science Hub
9.00pm    Shuttle service back to Spapia Hotel

Tuesday 13 October 2009
KTX Train: Daejeon - Seoul
12.00     Mr Sam Gerovich, Australian Ambassador to South Korea
2.00pmOn site tour QOOK TV (accompanied by AusTrade rep)

Wednesday 13 October 2009
4:00pm    Private car transfer from Grand Hyatt to Incheon Airport
8:30pm    Depart Seoul QF368

Thursday 14 October 2009
8:30am    Arrive at Sydney Airport
10:30am   Depart to Adelaide QF81
Key Meetings

11 October 2009

The major session for Members of Parliament was on 11 October 2009 (Att 3). After the welcome by Prof Berndt Feuerbacher, President of the International Aeronautical Federation and 2 Members of the National Assembly of the Republic of Korea, there were 3 comprehensive presentations:

Space and Climate Change
Dr Karlheinz Kreuzberg of the European Space Agency explained the space technology that enabled observations of climate change, and outlined the cooperation between countries around the world in developing a better understanding of the science of climate change.

The Economics of Climate Change
Prof Hoe-Sung Lee, Vice Chair of the IPCC, gave details of the science of climate change from the perspective of scientists involved in providing advice to the IPCC.

Space and Climate Change (understanding and monitoring)
A representative of the Japan Aerospace Exploration Agency (JAXA) presented the approach of Japan to monitoring climate change and the response to climate change. JAXA plan to greatly increase the satellite numbers and sophistication in order to better monitor climate.

Questions and discussion followed these sessions from Members of Parliament present.

Outcomes

It was clear that the participating Members of Parliament, mostly from countries that did not have a large space program, were keen to get access to the data and results from satellite monitoring programs.

In response to a direct question, Prof Hoe-Sung Lee stated that he believed that nuclear energy would have to form part of the alternative energies to be employed to combat carbon pollution.
12 October 2009

Members of the Parliamentary Group attended the opening ceremony with a keynote speech by the President of the Republic of Korea, President Lee Myung-bak, and the exhibition attached to the Congress.

This was followed by a tour of the Korea Aerospace Research Institute (KARI) in Daejeon. This facility was located in a science park with both government supported and private organisations.

Outcome
There is a proposal by Korea for an Asian/Pacific grouping within the International Astronautical Federation. This would provide a useful group to encourage space science and examine climate change from a regional perspective.

South Korea and the South Korean President attach a great deal of importance to science and innovation, and have a commitment to increased effort in space science.

The facilities at KARI were impressive and the Korean space program is well supported by government and private enterprise for defence, research, and technological development.

The government promotes spinoff companies to commercialise research.

13 October 2009

Fast train from Daejeon to Seoul. The KTX achieves speeds of up to 350km/hr.

Meeting with Mr Sam Gerovich, Australian Ambassador to South Korea.

Visit to QOOK TV, a fast growing private internet television provider.

Outcome
South Korea has modern, efficient, technologically advanced infrastructure. It is a sophisticated economy, and has determination to maintain its forward momentum. Australia has developed a good relationship with the Republic of Korea and this seems likely to expand.
Conclusion

The IAF congress reinforced my view that Australia needs to engage more in the international space effort. Firstly, Australia does not take sufficient advantage of our expertise to further our scientific and technological opportunities; and secondly it is clear that there are commercial prospects that Australia can access.

South Korea is known for its high population density. In the 3 hour drive along the highway from Seoul to Daejeon there was row after row of high rise apartment, all requiring energy for maintenance. Although I did not get time to look at the industrial economy of South Korea it is clear there is much activity in this sector and it supports employment and the standard of living of which South Korea is justly proud.

South Korea is addressing pollution and the threat of climate change. The demand on energy will not be easily wound back, however, and it was clear why Mr Hoe-Sung Lee, Vice Chair of the IPCC, supported the use of nuclear energy. With so many other countries in the world likely to be dependent on nuclear power for some time for low carbon emission power, it seems increasingly anomalous that Australia is not developing policy on the use of nuclear power.

I note that in accordance with clause 9.5 of the Determination a copy of this statement may be obtained from you upon request by any Member or Senator. I also note that this statement may be tabled in Parliament at your discretion.

Yours sincerely

Annette Hurley
Senator for South Australia
27 November 2009
Senator Annette Hurley  
Senator for South Australia; Australian Labor Party  
PO Box 2068  
Kent Town DC SA 5071

senator.hurley@aph.gov.au

9th September 2009

Dear Senator Hurley

Participation in International Astronautical Federation Parliamentarian Seminar

The International Astronautical Federation (IAF) will hold the 60th annual International Astronautical Congress (IAC) in Daejeon, South Korea in October of this year.

Engineers Australia is a member of the IAF and, as such, has been approached by the IAF leadership to assist in inviting Australian participation in a Parliamentarian Seminar to be held co-incident with the start of the IAC on Sunday 11 and Monday 12 October in Daejeon. Please find attached a draft programme for this event.

The theme of this Parliamentarian Seminar is the potential of space for global challenges with a focus on how space can help in dealing with climate change. Given the Government's strong stance on climate change and renewed focus on space (via the Australian Space Science Program), this event might provide an opportunity to advance both agendas.

I offer the assistance of Engineers Australia in facilitating Australian representation at the Parliamentarian Seminar should you so wish.

I will be attending the IAC in my capacity as chair of the Engineers Australia National Committee on Space Engineering (and also in a private commercial capacity). As such, I am willing to provide assistance at the event, by way of briefings and introductions as necessary.

If you are attending and would like further assistance, please feel free to contact me.

Yours sincerely,

Shaun Wilson  
Chair, National Committee on Space Engineering  
Engineers Australia

Tel: (02) 6270 6569  
E-mail: ncspace@engineersaustralia.org.au

Enclosures:  
Proposed seminar timetable  
Draft seminar day programme

Engineering House, 11 National Circuit, Burton, ACT 2600  
Phone: +61 2 6270 6555  Facsimile: +61 6273 1488  
www.engineersaustralia.org.au
Due to the size of this individual study report a number of pages are not included in this Tabling document. A copy of the full report (and any supporting documentation) is available on written request to the Office of the Special Minister of State.
Senator the Hon Joe Ludwig
Special Minister of State
PO Box 6022
Parliament House
CANBERRA ACT 2600

Dear Minister

Please find enclosed a copy of my Study Leave Report. My study leave was taken from 9 October 2009 to 15 October 2009.

Based on my observations of the Community Oriented Policing Services Program operating in the United States, I have made the finding that the federal government consider funding a Crime Prevention Program that will:

- Assist local law enforcement to work with the community and key business, government and non-government services;
- Enhance a felling of community safety: and
- Reduce and prevent crime.

Such funding would be available on a competitive basis and apply to projects which engage both the community and state and territory police with a view of establishing best practice.

Yours sincerely

CHRIS HAYES MP
COMMUNITY ORIENTATED POLICING SERVICES – (COPS)

Introduction

The public do not differentiate between local, state and federal governments when it comes to taking responsibility for law and order and community safety issues.

There is an argument that for too long the federal government has considered local policing and community safety as a state government issue alone.

In the Prime Ministers’ National Security Statement made in November 2008, he indicated that “community safety and low level criminality” are the responsibility of the states and territories and it appears that the federal government believes that there is no specific role for Commonwealth agencies in crime prevention.

However following recent publicity about alleged assaults on Indian students in Melbourne and Sydney, Federal Ministers and the Prime Minister found it necessary to make public comment on the issue and directly involve themselves in achieving publicly recognised outcomes.

This was just one example of where what might normally be considered a local level law enforcement issue, had potential national and even international repercussions.

I believe that there needs to be a greater degree of acceptance that all levels of government have a responsibility for local law enforcement, community safety and crime prevention strategies.

In this report I propose that a federal government funded Crime Prevention Program be established that will:

- Assist local law enforcement to work with the community and key business, government and non-government services;
- Enhance a feeling of community safety; and
- Reduce and prevent crime

It should be noted at the same time this strategy will not allow state and territory governments from abrogating their general responsibility for local law enforcement and crime prevention issues.
Finally, law and order is an issue that I have personally continued to elevate in the Federal Parliament and indeed in my first speech I said:

"For too long, policing has been seen simply as an issue for state governments. There is no doubt that local, state and federal government policies all have an impact on crime and, therefore, there is a need for greater integration of policy responsibility in respect of policing, law and order, and crime prevention.

Crime undermines the security of Australia and of Australians. It is time Canberra took more of an interest in, and provided more funding for, local initiatives aimed at helping local communities, in partnership with police, to combat local crime."

I believe that there are considerable benefits for the federal government to consider making direct assistance available to state and territory policing when the ultimate benefits are to be found in better outcomes for local communities, as well as developing best practice strategies in this space.

**Purpose of Study Trip**

The purpose of this overseas study was to engage with various United States police jurisdictions who are currently responsible for advancing the practice of community policing as introduced above.

In order to further my understandings of Crime Prevention Programs and to examine the opportunity of establishing such a program here nationally, I undertook study leave between 9th October and 15th October 2009 in the United States and visited with law enforcement officers in the following jurisdictions:

- Washington
- Boston
- Santa Monica
- Los Angeles

**Itinerary**

**Friday 9th October**  
**Washington, DC**

Meeting with:

**Sandra R Webb**  
Deputy Director  
US Department of Justice  
Office of Community Oriented Policing Services
Rob Chapman  
Supervisory Social Science Analyst  
Program/Policy Support and Evaluation

Location:

1100 Vermont Ave. NW  
Washington, DC 20530  
(202) 307-6204

Saturday 10th October  
Boston

Meeting with:

Jack McDevitt  
Northeastern University, Boston  
Associate Dean of Research and Graduate Studies  
Center for Criminal Justice, Policy Research, College of Criminal Justice

Monday 12th October  
Boston

Meeting with:

Hemali Gunaratne  
Director  
Office of Research and Development  
Boston Police Department

Nora L Baston  
Deputy Superintendent  
Bureau of Field Services  
Office of the Police Commissioner  
Boston Police Department

Robert M Merner  
Deputy Superintendent  
Commander, Criminal Investigation Division  
Boston Police Headquarters  
Boston Police Department

Kelly Nee  
Sergeant Detective  
School Safety Coordinator  
School Police Unit
Location:

Boston Police Headquarters
One Schroeder Plaza
BOSTON

**Wednesday October 14**
Santa Monica Police Department

Meeting with:

**Timothy J Jackman**  
Chief of Police  
Santa Monica Police Department

**Phillip L Sanchez**  
Deputy Chief of Police  
Santa Monica Police Department

**Al Venegas**  
Captain of Police  
Santa Monica Police Department

**Wendell J Shirley**  
Captain of Police  
Santa Monica Police Department

**Thursday October 15**
Los Angeles

**Kathy Bell**  
Police Captain  
Office of the Chief of Police  
Community Relations Section  
Los Angeles Police Department

**Andre Dawson**  
Lieutenant  
Office of the Chief of Police  
Community Relations Section  
Los Angeles Police Department
Ralph Morales  
Sergeant  
Office of the Chief of Police  
Community Relations Section  
Los Angeles Police Department  

Los Angeles Police Academy  
Parker Center,  
150 N. Los Angeles Street,  
Los Angeles, CA 90012.  

**Background**  
Community policing is a philosophy that promotes organisational strategies which support the systematic use of partnerships and problem-solving techniques, to proactively address the immediate conditions that give rise to public safety issues such as crime, social disorder, and fear of crime.  

Rather than simply responding to crimes once they have been committed, community policing concentrates on preventing crime and eliminating the atmosphere of fear it creates. Earning the trust of the community and making those individuals stakeholders in their own safety enables law enforcement to better understand and address both the needs of the community and the factors that contribute to crime.  

**Findings**  
During the course of these meetings it was found that all jurisdictions visited, excluding Santa Monica, currently have a Community Orientated Policing Services Program (COPS) in place and hailed it as one of the most successful anticrime programs in history. The Federally funded program was initially implemented in the United States in 1994 by President Clinton.  

Significantly, all jurisdictions emphasised that in practice they have seen local government and law enforcement identified as key partners in crime prevention.  

The COPS office through the US Department of Justice, distributes funding through a wide range of programs, both as grants and cooperative agreements. COPS funding helps law enforcement agencies across America meet an ever-increasing range of challenges with community policing.  

The COPS Office awards grants to state, local, territory, and tribal law enforcement agencies to hire and train community policing professionals, acquire and deploy cutting-edge crime-fighting technologies, and develop and test innovative policing strategies.
Importantly it was found that COPS Office funding also provides training and technical assistance to community members and local government leaders and all levels of law enforcement.

Additionally, the COPS Office has produced and compiled a broad range of information resources that can help law enforcement better address specific crime and operational issues, and help community leaders better understand how to work cooperatively with their law enforcement agency to reduce crime.

In fact it was identified that:

- Since 1994, the COPS Office has invested more than $12 billion to add community policing officers to the nation's streets, enhance crime fighting technology, support crime prevention initiatives, and provide training and technical assistance to help advance community policing.

- By the end of FY 2008, the COPS Office had funded approximately 117,000 additional officers to more than 13,000 of the nation's 18,000 law enforcement agencies across the country in small and large jurisdictions alike.

- Nearly 500,000 law enforcement personnel, community members, and government leaders have been trained through COPS Office-funded training organizations.

- As of 2009, the COPS Office has distributed more than 2 million topic-specific publications, training curricula, white papers, and resource CDs.

All jurisdictions I visited pointed out that the federal funding received is essential for implementing successful programs in community policing and more importantly crime prevention and reduction strategies.

They reported that projects were most effective when targeted at trouble spots identified by the community, but not in isolation, as they should also be placed in the context of a multi-agency approach.

Whilst in Washington I visited the US Department of Justice, Office of Community Oriented Policing Services were I was accompanied by FederalAgent, Jerry Morris of the AFP. Whilst there I was advised that the program had been wound down by the former Bush Administration in 2001, corresponding with the war in Iraq.
However on the election of the Obama Administration in 2008 and particularly with the close support of Vice President Biden the federal financial support of the program was reestablished, and was increased by an additional $2 billion.

It was explained by Deputy Director Webb that the basis of the COPS program initially was to support local law enforcement agencies in their ability to secure police in respect to designated projects, provided that such projects were pursued in partnership with the local community.

Deputy Director Webb went on further to say that whilst law and order was a direct responsibility of both state and local jurisdictions, it was imperative for the federal government to become involved, primarily through funding to assist in the development of community based policing models.

In addition to providing financial assistance for community based policing projects, the office of COPS has developed into a widely recognised research establishment in respect to best practice policing.

Whilst in Boston, apart from meeting with the region commanders of Police and being extensively briefed on the crime statistics and nature of offences, I was given a detailed brief of crime prevention strategies which were developed in relation to gang related violence.

It was indicated that in respect to the Boston City Police precinct the vast majority of major crime, including shootings was now contained within a small radius of 6 blocks. They indicated that the areas was characterised as a low socio-economic area, with a high proportion of welfare based single parents, and a high transient male population.

Drug distribution was common and gun related violence was prevalent, particularly with young street offenders.

Through the financial assistance provided from the federal government through the COPS program the Boston City Police developed a ‘Safe Street’ program in partnership with the local community.

The goals of the program were:

- Reduce and prevent violent crime in high crime neighbourhoods;
- Develop community trust and alleviate fear of crime, improving police-community and police-youth relationships; and
- Respond to community concerns through better and more immediate services.
Deputy Superintendent Nora Baston said the guiding principles of their program were:

- The 'Safe Street Team' concept empowers officers to develop a sense of ownership, engage in strategic problem solving, and sustain a visible presence.

- In addition, officers work with local business owners and community members in problem solving efforts and partnerships – building a sense of ownership and accountability for their own neighbourhoods.

- Each team is comprised of a sergeant and six officers, all assigned permanently to a small geographic hotspot area.

Significantly, the Boston Police Department as a direct result of the federal government funding saw an overall decrease in crime across the Safe Street Team sites, from Oct 2007 to March 2008 compared to the same period the year before.

Specifically, they saw an overall 12% decrease in violent crime, with some areas with decreases as large as 54%. The police also through their project, established better relationships with the community and with the youth.

Similar to the experience in Boston, the LAPD together with local police placed significant emphasis of the development of community policing models in order to prevent and reduce low level crime and as a consequence prevent the maturity of juvenile offenders into more serious criminal activity.

It was explained to me that through federal funding policing initiatives the LAPD was able to directly engage the local community in developing collaborative strategies for addressing and targeting local crime hot spots, and in particular anti social behaviour.

The LAPD described this as the ‘broken window strategy’, in so far as to tolerate the existence of low level crime, not only gives crime the opportunity to flourish, but serves as a constant reminder that the local community has failed.

The police were cleary of the view that engaging the local community in preventative strategies provided a significant measure of empowerment to the community in helping to shape its future.

Once again, the LAPD praised the COPS program as a federally funded mechanism to assist in local crime prevention strategies.
Recommendation

Based on the findings in this report as a result of the many discussions in the United States, I propose that by adopting a similar approach to the United States and making federal grants available in respect to community supported crime programs the Australian Government would go a long way towards achieving a holistic approach to policing in Australia.

As I noted at the onset of this report, there needs to be a greater degree of acceptance that all levels of government have a responsibility for local law enforcement, community safety and crime prevention strategies.

I propose the federal government consider funding a Crime Prevention Program that will:

- Assist local law enforcement to work with the community and key business, government and non-government services;
- Enhance a feeling of community safety; and
- Reduce and prevent crime

Such funding would be available on a competitive basis and to projects which engage both the community and state and territory police, also with a view to establishing best practice.

Furthermore, I have taken the opportunity both before and after this trip, to discuss with the Police Federation of Australia (PFA), who represents the interests of Australia’s 53,000 police, regarding the need for federal involvement in law and order in Australia.

The PFA accepts that there needs to be a more visible and deeper commitment to community policing if we are to improve community trust and alleviate the fear of crime.

Therefore, the commitment to community policing as proposed in this report, receives their full support.

I would also propose that the approach be referred to the Council of Police Ministers for their consideration.

Attachments:

Attachment A - Community Policing Defined

US Department of Justice
Office of Community Orientated Policing Services

Attachment B - Boston Police Department
Safe Street Team Partnership & Community Paper
Attachment C - Operation Partnership
Trends and Practices in Law Enforcement and Private Security Collaborations
US Department of Justice
Office of Community Orientated Policing Services

Attachment D - Innovations in Police Recruitment and Hiring
US Department of Justice
Office of Community Orientated Policing Services

Attachment E - Selected COPS Office Resources
Senator the Hon Joseph Ludwig  
Special Minister of State  
Suite MG 64  
Parliament House  
CANBERRA ACT 2600

Dear Minister

In accordance with the requirements of Clause 9.2 (a) of Remuneration Tribunal Determination 2006/18 (the Determination), I submit the following statement reporting on my recent overseas study journey:

(i) (a) Confirmation of Purpose
Attendance at the 2009 International Forum on Environment Resources Legislation Sustainable Development held in Beijing at the Conference Centre of the National Peoples Congress of China.

(ii) (b) Itinerary
12.10.2009                      Perth to Singapore
14.10.09                      Singapore to Beijing
15 and 16 October 2009     Attendance at Forum in Beijing
17.10.2009                      Beijing to Singapore

(ii) Key Meetings and outcomes/findings
China has a very strong commitment to renewable energy and is working hard to reduce the pollution which besets its cities. In fact there were clear blue skies in Beijing which is a great contrast to the blanket of smog which covered the city when I was last there in April 2008 with a Chamber of Commerce and Industry Western Australia Trade Mission.
The forum was attended by delegates from Japan, South Korea and China as well as some European nations such as Italy, Germany, Denmark and the United Kingdom and was seen as a precursor to the forthcoming Copenhagen Conference on Climate Change.
I managed to have the Forum's final statement amended to include a recognition that developing nations also had a responsibility to reduce atmospheric pollution and that whole burden should not fall on the developed world.
I asked the Japanese, South Korean and Chinese delegates to outline their Government's views about ETS and all said that they would be unlikely to introduce ETS.

This is really important for Australia as China, Japan, South Korea (and India, which was not represented at the Conference) are our four major trading partners. If Australia introduces an ETS/CPRS and we are unable to trade Carbon Credits with our four major trading partners, the burden of the additional taxes that the CPRS will bring will fall on the people of Australia.

As part of the forum, on day two the group visited the futuristic Beijing South Railway Station which was quite stunning architecturally and also from the use of natural light and renewable energy in the use of solar panels in the roof.

The Beijing South Railway Station was a kind of metaphor for the future of China as it was designed to be the hub for 8 very fast bullet trains which will link the capital with the rest of China. The station was the capacity to handle 80,000 passengers a day.

The Day 2 itinerary also included a visit to the Huaneng Beijing Co-generation Power plant, where carbon dioxide is captured from the coal used to generate power. The technology for the capture of carbon dioxide has been jointly developed with the CSIRO for which due recognition was given by the Chinese Government.

The project was started on 26 December 2007 and was put into operation on 16 July 2008.

It is China's first CO$_2$ capture project in coal fired power plants. The capturing efficiency is over 85% and the annual capturing capacity is 3000 tonnes. The captured CO$_2$ can be refined to a purity of 99.99%.

It was stated

...So far, Huaneng Beijing Co-generationPlant has become a clean, high-efficiency, environmentally-friendly power plant supplying electricity, heat and cold, and equipped with desulphurization facilities, denitrification facilities and CO$_2$ capture facilities. All environmental indexes have reached advanced level in China and even in the world.

(iii) Conclusion

I am the Chair of the Senate Economics References Committee and Deputy Chair of the Senate Economics Legislation Committee, which this year has dealt with the CPRS Legislation Bill, the Government amendments to that Bill and the Renewable Energy Bill, thus attending the forum on Renewable Energy in China was very relevant to my Senate Committee work.

Yours sincerely,

SENATOR ALAN EGGLESTON
Senator for Western Australia
Senator the Hon Joseph Ludwig  
Special Minister of State  
Suite MG64  
Parliament House  
CANBERRA ACT 2600

Dear Minister

In accordance with the requirements of Clause 9.2 (a) of Remuneration Tribunal Determination 2006/18 (the Determination), I submit the following statement reporting on my recent overseas study journey:

(i) (a) **Confirmation of Purpose**

Attend the International Democratic Union Young Leaders' Forum in Washington DC.

(b) **Itinerary:**

Friday 16 October 2009 (Virgin Australia)  
Depart Sydney 21.00 - Arrive Los Angeles 16.30

Saturday 17 October 2009 (Virgin America)  
Depart Los Angeles 13.35 - Arrive New York 22.10

Sunday 18 October 2009 (Amtrak)  
Depart New York 12.00 – Arrive Washington DC 14.58 pm

Wednesday 21 October 2009 (Amtrak)  
Depart Washington DC 15.00 – Arrive New York 17.50 pm

Thursday 22 October 2009 (Virgin America)  
Depart New York 20.25 – Arrive Los Angeles 23.40

Friday 23 October 2009 (Virgin Australia)  
Depart Los Angeles 22.30 – Arrive Brisbane 05.35 (Sunday 25 October)
Key Meetings and outcomes/findings:

Sunday 18 October 2009

6:30 – 8:00 PM IDU Young Leaders Forum Welcome Reception

Monday October 19 2009

8:20 – 9:00 AM "Welcome Remarks"
The Honorable Marilyn Ware
The Honorable Marco Solares MP
Mr. Eirik Moen

9:00 – 10:00 AM International Defense Issues"
The Honorable Jon Kyl

10:00 – 10:30 AM "What Political Life Means to Me"
The Honorable Haley Barbour

10:30 – 11:15 AM "The Role of Party Politics"
The Honorable Maria Cino

11:15 – 12:00 PM Political Party Updates Session #1

1:00 – 2.30 PM Participants Breakout Sessions
1. Climate Change... Is the debate over? What should the conservative response be?
2. Can the West afford to lose Afghanistan? If not, what do we do about it?
3. Campaigning Against Friends... Governing with Opponents – conducting coalition politics. Africa: Development
4. Africa: Development and Democracy... or Not?

2.45 – 3.30 PM Breakout Session Warp Up

3.30 – 4.15 PM "Fundraising and the Price of Success"
The Honorable Mel Sembler

4.15 – 5.15 PM "Personal Experience and the Importance of Building Democracies"
The Honorable Dick Chaney

7.00 – 9.30 PM Buffet Reception Hosted by His Excellency Jonas Hafstrom
Swedish Ambassador's Residence
Tuesday, 20 October 2009

8.45 – 9.30 AM  “Do Center-right parties need to reinvent themselves to become electable again – at the price of core values?”
Mr Barry Jackson
The Honorable Marco Solares MP

9.30 – 10.00 AM  “All politics is local, and what political life has meant to me”
Mr Frank Fahrenkopf, Jr

10.30 – 11.15 AM  “How to craft an effective public policy message in campaigns and governance”
Mr Richard Thau

11.15 – 12.00 PM  “The Importance of Women in the Republican Party”
Mrs Jan Larimer

2.45 – 3.30 PM  Political Party Updates Session #2

3.30 – 4.15 PM  “The Financial Crisis – the Doom of Capitalism? What are the causes and how do we respond?”
His Excellency Olaf Ehrenkrona

5.30 – 7.30 PM  Reception Hosted by the Honorable John Boehner
Capital Visitor’s Center

Wednesday, 21 October 2009

8.45 – 9.30 AM  “How to manage a successful campaign”
Mr Andy Bookless

9.30 – 9.45 AM  “Greetings from the Republican National Committee”
The Honorable Michael Steele

10.00 – 10.45 AM  “Campaigning, Communication – how to take advantage of the new social media”
Ms Mindy Finn

10.45 – 11.30 AM  “The Importance of Building an Effective Staff”
Mr Mark Strand

11.30 – 12.25 PM  “Bringing Minorities into the Party”
The Honorable Jeb Bush

12.25 – 12.30 PM  “Closing Remarks”
The Honorable Marilyn Ware
(iii) Conclusion

The Conference brought together representatives of centre right political parties from around the globe and I was pleased to represent the Liberal Party at the conference.

I note that in accordance with clause 9.5 of the Determination a copy of this statement may be obtained from you upon request by any Member or Senator. I also note that this statement may be tabled in Parliament at your discretion.

Yours sincerely

[Signature]

MICHAEL KEENAN MP
FEDERAL MEMBER FOR STIRLING

3 November 2009
THE HON DAVID HAWKER MP

Canada, Ireland and the United Kingdom
23 October – 15 November 2009

Due to the size of this individual study report a number of pages are not included in this Tabling document. A copy of the full report (and any supporting documentation) is available on written request to the Office of the Special Minister of State.
10 December 2009

Senator the Hon Joe Ludwig
Special Minister of State
PO Box 6022
Parliament House
CANBERRA ACT 2600

Dear Minister

In accordance with the requirements of Clause 9.2(a) of Remuneration Tribunal Determination 2006/18 (the Determination), I submit the following statement reporting on my recent overseas study journey:

(i) (a) **Confirmation of Purpose:**

- Investigate recent developments in regional areas to assist country communities;
- Research how regions, and in particular agriculture, can adapt to climate change and the impact of Emissions Trading Schemes;
- Determine how changing expectations for regional tourism can assist local communities;
- Explore overseas examples and experience with bridging the gap between rural and urban understanding.
- Methods of funding of Parliament.

Refer Attachment 1.

(b) **Itinerary:**

Departure date Friday, 23 October 2009.
Returned to Australia, Sunday, 15 November 2009.

Detailed schedule attached, including arrival and departure dates in the cities and towns visited.

(ii) **Key meetings and outcome/findings:**

Investigated the following areas in relation to the Parliaments:
- Victoria, British Columbia;
- Ottawa, Canada;
- Dublin, Ireland;
- London, United Kingdom.
See Attachment 1A for questions submitted beforehand to cover the meetings at each Parliament.

Key meetings are included on the itinerary and include:

- The Speakers of Parliament in Victoria, Ottawa and Dublin.
- Senior Parliamentary staff, Ministers and MPs in Victoria, Ottawa, Dublin and London.
- Australian High Commissioners/Ambassadors in Ottawa, Dublin and London.
- Discussions & inspections on developments in agriculture and regional issues included meetings in Vancouver, Victoria, Ottawa, Dublin and York.
- Parliamentary and Government officials in Victoria, Ottawa, Dublin and London as listed on itinerary.
- Regional issues – tourism officials in Dublin and York as listed in itinerary.
- National Farmers Union in York.

I was most appreciative of the willingness of all those with whom I met to freely give such comprehensive and frank briefings on the particular issues being discussed.

Outcomes / Findings

1. The key outcome that has developed from the meetings in the four Westminster-style Parliaments visited is the firm opinion that the funding system for the Australian Parliament and the House of Representatives in particular can be improved in the interests of stronger democracy. My interest in this was first spelt out when as Speaker I delivered a paper in Perth in 2007 at an Australian Parliamentary Presiding Officers Conference (attachment 3 is an updated version of that paper).

In each of the Parliaments visited detailed discussions were held on the various points raised in the discussion paper (attachment 1A).

From these discussions I will be able to contribute in a more constructive way as a Member of the House of Representatives Procedures Committee and the House of Representatives Broadcast Committee. As well it was most informative to learn of arrangements in other Parliaments for entitlements for parliamentarians, security in the Parliament, catering, childcare, media access, research as provided through their libraries and new innovation with IT in the chamber. All these are areas where I have an ongoing interest and have already had informal discussions with senior staff in the Australian Parliament.

On the first issue, the funding of the House of Representatives, I have already submitted for the Notice Paper a Motion to amend Standing Orders to set up a House Appropriations and Administration Committee as per Attachment 2.

This has been seconded by a senior Member of the Government and should be debated in the House of Representatives early next year.

The Canadian Board of Internal Economy Information Paper is also attached (1C).
2. **Regional Development**

Tourism in Ireland is a big part of the economy. Failte Ireland (National Tourism Development Authority) recently has gone through a reorganisation of management with 10 district regions responsible for developing their own strategic plans and priorities. The Boards for each region are appointed and include local government, members of the Irish Tourism Federation with a Government Chairman.

The emphasis is to move away from just attractions and further develop local events and festivals. Like in York, walking trails are big.

Vancouver is gearing up for the Winter Olympics in February, 2010. The upgraded 100 km “Sea to Sky” Highway from Vancouver to Whistler is just completed. Also inspected the spectator facilities at Cyprus Mountain just out of Vancouver.

York has a three year strategic plan for tourism developed by “Visit York” – a not for profit public-private company. Tourism is a major part of the local economy with more than four million visitors/year. The target is to increase visitor expenditure by 5% pa to be in excess of £400m by 2012.

Of interest in North Yorkshire is the strong contribution to the local economy of towns like Helmsley of organised game shooting. The number of jobs generated is significant with one local estate employing 100 people.

3. York also has a major regional office of the National Farmers Union. Some interesting points raised in discussions:

(a) Last 10 years have been toughest experienced by farmers in the region.
(b) Agricultural production is heavily traded directly and indirectly (through financial instruments) off farm.
(c) 15% devaluation of £ has eased some financial pressure.
(d) Push for “Food Security” contradicts push for free market and will require stockpiling.
(e) National Farmers Union covers 60% of farmers and 70% of farming and employs 600 staff including seven in Brussels.
(f) Climate change is a major issue for farmers to confront.
(g) Agriculture in developing countries such as Brazil will have increasing influence on European agricultural policies.

4. Climate change and the European Union.

European Union has agreed to a cut of 20% by 2020 of greenhouse emissions. Ireland plans to have legislation in place by 2013 to meet EU standards. Improving buildings is seen as an obvious way to make savings. UK is expected to have strategy by 2013.

With agriculture, Ireland hopes to see 4% reduction in attributed cattle emission with better modelling. Climate change is anticipated to increase agricultural production.

5. A considerable amount of information on the above issues has been brought back, particularly on the details of how other Parliaments operate. It is available if required but as this report summarises much of it I do not propose to submit unless it is of interest.
As well, given that many of the discussions were private and at times contained sensitive information, I have not included any details of those parts of the discussions.

(iii) **Conclusion:**

This was an extremely valuable study trip, offered a great opportunity to contrast the operations of other Westminster type Parliaments with Australia and to compare all the differences.

It has given me the confidence to pursue the issues covered, particularly the funding of the House of Representatives. Given the steady squeeze (through efficiency dividends and increased security costs) this is growing into a serious issue that in my opinion is adversely affecting the healthy balance between the authority of Parliament and the power of the Executive.

For the continuation of a strong democratic system this needs to be addressed and my proposal will accelerate proper debate.

I note that in accordance with clause 9.5 of the Determination a copy of this statement may be obtained from you upon request by any Member or Senator. I also note that this statement may be tabled in Parliament at your discretion.

Yours sincerely

[Signature]

**THE HON DAVID HAWKER, MP**
Member for Wannon

Enc

Ref: cdh/dh:me
VISIT BY

HON DAVID HAWKER MP
MEMBER FOR WANNON

TO

CANADA, IRELAND AND UNITED KINGDOM

OCTOBER & NOVEMBER 2009

Program current as at 24/11/2009 8:56 PM
Program

Friday 23 October
08:20   Car to airport. BN 330683.
09:00   Check in at Qantas
11:15   Depart Melbourne
        Qantas Airways flight QF93
07:30   Arrive Los Angeles
13:15   Depart Los Angeles
        Alaska Airlines AS703
16:19   Arrive Vancouver
        Transfer to **Vancouver Club**
        915 West Hastings Street, Vancouver

Saturday 24 October

Private arrangements

Sunday 25 October

Travel to Granville Island for meeting including private briefing on
construction activity in Vancouver with representatives of Mainland
Civil Construction and Conshot Systems

Transfer to **Magnolia Hotel and Spa** by Harbour Air
423 Courtney Street, Victoria

Monday 26 October

10:00   Arrive at Legislative Assembly of British Columbia

    Discussions with senior staff including Mr Ian Izard QC, Law Clerk with
    Legislative Assembly, British Columbian Parliament

    Meeting and Lunch with Hon Bill Barisoff, Speaker of the Legislature of
    British Columbia, Deputy Speaker Claire Trevena MP, Hon John Yap
Minister of State for Climate Action, and Ms Jenny Kwan MP.

Attendance of the session of the House

Visit Royal British Columbian Museum

**Tuesday 27 October**

Investigating recent developments in regional areas of British Columbia to assist country communities

Transfer by Harbour Air to **Vancouver Club**
*915 West Hastings Street, Vancouver*

**Wednesday 28 October**

Investigating recent developments in regional areas of British Columbia including driving on new “Sea to the Sky Highway” to Whistler, and inspecting construction by VANOC at Cyprus Mountain, in preparation for February 2010 Winter Olympics.

**Thursday, 29 October**

14:40     Depart Vancouver  
*Air Canada flight AC138*

22:10     Arrive Ottawa

Transfer to **Fairmont Chateau Laurier**
*1 Rideau Street, Ottawa*

**Friday 30 October**

10:20     Arrive Parliament of Canada  
Present at Visitor’s Welcome Centre (Parliamentary Business door). Security will be advised of your arrival. You will be met and escorted to Ms O’Brien’s office.

10:30     Discussions with Clerk of the House, Ms Audrey O’Brien

11:15     Meet at Main Rotunda – escorted to the gallery for Question Period.
11:15  Attendance at Question Period

12:15  High level discussions with Speaker, the Hon Peter Milliken

15:00  Discussions with Australia’s High Commissioner, Ottawa HE Justin Brown
       Address: Suite 710 - 50 O'Connor St, Ottawa

Saturday 31 October

12.00  Meeting with Hon Jay Hill PC, MP Leader of Government, Ottawa

14.00  Visit Canadian Museum of Civilization

Sunday 1 November

12:00  Depart Ottawa
       *American Airlines flight AA4300 (Operated by American Eagle)*

13:10  Arrive Chicago

19:30  Depart Chicago
       *American Airlines flight AA92*

Monday 2 November

08:40  Arrive Dublin and transfer by taxi to accommodation.

       Transfer to The Merrion
       21-24 Upper Merrion Street,
       Dublin 2

10.30 a.m. Arrive Leinster House (Parliament) Kildare Street, Dublin 2
          (Contact – Mr Ben Dunne phone 01 6183285)

**10.45 a.m. Mr Conan McKenna – Budget and resourcing arrangements for Parliament – method of determining requirements, degree of autonomy of the Parliament in determining requirements and administering the funding, audit arrangements.**

11.30 a.m. Coffee

**12.00 p.m. Mr Derek Dignam – Entitlements for parliamentarians,**
arrangements for determining salaries and other entitlements, arrangements for administering entitlements, pension arrangements, childcare availability and funding.
12.30pm Ms Madelaine Dennison – Research support through the Parliamentary library (extent of support and resourcing)
1.00 p.m. Lunch - hosted by Mr Ben Dunne, Interparliamentary Unit
2.15 p.m. Mr Paul Conway – Security arrangements – administration and funding, access arrangements to the parliamentary building, use of passes and related access arrangements, integration with broader security framework, media access to the building and chamber for (filming and photography guidelines)
2.45 p.m. Mr Charles Hearne – Information Technology in the Chamber

Tuesday 3 November

10.00 a.m. Mr. John Concannon – Director of Regional Development

11.00 a.m. Mr. Pat Macken – Principal of National Climate Change Policy

12.00 p.m. Tony Burke – Assistant Secretary, Department of Agriculture, Fisheries and Food (Agricultural Environment and Structures)

1.00 p.m. Lunch – hosted by Mr Kieran Coughlan, Clerk of Dáil Éireann, Members’s Private Dining Room
2.30 p.m. Tour of Leinster House

3.30 p.m. Courtesy Call on Ceann Comhairle, Mr Seamus Kirk TD (Speaker)
Leinster House, Kildare Street, Dublin 2

4.15 p.m. Courtesy Call on HE Ms Anne Plunkett, Australian Ambassador to Ireland

Wednesday 4 November

Investigating recent developments in regional areas of Ireland to assist country communities

Thursday 5 November
12:10    Depart Dublin
         Aer Lingus flight EI162

13:30    Arrive London

Transfer to The Caledonian Club
9 Halkin Street, London

Friday 6 November

9:50     Arrive Portcullis House (new parliamentary building marked “C” on the
         attached map)
         Sue Pamphlett to meet and provide further details of the meetings
         arranged.

         Meetings with senior officials from the Department of Chamber and
         Committee Services – running of Parliament and method of funding.
         Liam Laurence-Smyth, Clerk of Journals
         Dorian Gerhold, Secretary House of Commons Domestic Committee

11.45    Depart House of Commons,

12 noon –
12.30    Appointment with the Australian High Commissioner HE Mr John Dauth

Saturday 7 November

Private arrangements

Sunday 8 November

Travel by car to York

Monday 9 November to Wednesday 11th November: private arrangements

Thursday 12 November
09.30 –
10.30  Mr Paul Temple  
Former National Farmers Union Vice President  
NFU North East Regional Office  
207 Tadcaster Road  
York, YO24 1UD  
Contact: Mr Richard Ellison,  
Regional Director, NFU  
North East Regional Office  
Tel: 01904 451 550

12.45 –
14.00  Lunch and discussions with Ms Gillian Cruddas, Chief Executive & Mr John Yeomans, Chairman, Visit York  
20 George Hudson Street  
York, YO1 6WR  
Contact tel: 01904 554 472

Return to London  
*train York to London*

Transfer to **The Caledonian Club**  
9 Halkin Street, London

**Friday 13 November**

12:30  Arrive Hampden Agencies  
85 Gracechurch St, London

Top level briefings on current financial situation in the City of London, followed by lunch  
Contact: Alexander Raven of Hampden Agencies  (020 78636559)

22:00  Depart London  
*Qantas Airways flight QF10*

06:30  Arrive Melbourne³

³ Arrives Melbourne on 15/11/09
Thursday, 13 August 2009

Senator The Hon Joe Ludwig  
Special Minister of State  
Parliament House  
CANBERRA ACT 2600

Dear Minister

I am writing to seek access to my Study Leave Entitlement to undertake study overseas.

The purpose of the trip is to:

- Investigate recent developments in regional areas to assist country communities;
- Research how regions, and in particular agriculture, can adapt to Climate Change and the impact of Emissions Trading Schemes;
- Determine how changing expectations for regional tourism can assist local communities;
- Explore overseas examples and experience with bridging the gap between rural and urban understanding;
- In my role as a member of the Procedures Committee and formerly as Speaker, to look at recent developments in parliamentary procedure, particularly the role of Question Time; and
- Research how Members of Parliament can continue public service post parliament.

The countries I propose to visit are the UK, Canada and Ireland.

I look forward to your response.

Yours sincerely,

Hon. David Hawker MP  
Federal Member for Wannon
MS ANNETTE ELLIS MP

United States of America
10 – 14 November 2009
Senator the Hon Joe Ludwig  
Special Minister of State  
Suite MG 64  
Parliament House  
CANBERRA ACT 2600


Dear Minister

In accordance with the requirements of Clause 9.2(b) of Remuneration Tribunal Determination 2006/18 (the Determination), I submit the following statement reporting on my recent overseas study journey:

(i)

(a) Confirmation of Purpose(s):

In relation to my role as Member for Canberra, Chair of the Standing Committee on Family, Community, Housing and Youth and member of the Joint Standing Committee on the National Capital and External Territories, I investigated:
- funding of national monuments including construction and maintenance;
- comparisons between Canberra and Washington as national capitals;
- development of a national capital including placement of federal buildings;
- US climate change legislation;
- the US national health care debate;
- management of US territories including Guam, American Samoa, Us Virgin Islands;
- US involvement in the Special Olympics;
- Carers.

(b) Itinerary:

Detailed itinerary attached.
(ii) Key meetings and outcomes/findings:

Congresswoman Eleanor Holmes Norton
- DC obtains some funds from the federal government for state functions, however the Mall and other monuments are a federal responsibility;
- DC situation is 'undemocratic' – as a DC representative, Congresswoman Norton does not get a vote on Washington issues in the Congress;
- Seeking legislative and budgetary autonomy;
- DC is 2nd in the US per capita for income taxes;
- DC has the highest AIDS rate in the US – needle exchange centres closed down.

Mr Bruce Wolpe, Senior Advisor, House Subcommittee on Energy and Environment
- President Obama and congressional leadership committed to passing climate change legislation;
- Business and environmental coalitions joined forces and developed blue print for cap and trade which has been adopted by Congress;
- Time taken to pass health care legislation delayed timing of any climate change legislation;
- Economic recovery, health care and energy all linked;
- Health: 16% of GDP - doesn't work;
- Energy: 15% of GDP – need to reduce the reliance on foreign means;
- Has to be either a reduction in the amount of coal being used or coal needs to be made cleaner;
- Environmental Protection Agency (EPA) has been ordered by the Supreme Court to regulate carbon emissions;
- Architecture for climate change will be created in Copenhagen – details will be filled in next year.

Ms Heather Boushey, Centre for American Progress
- Shriver report – A Woman’s Nation Changes Everything – is not a policy document, but seeks to change the story;
- Primary focus was women in the workforce;
- Provided a prompt to Vice Presidential taskforce re middle class families;
- Has a relevance to health care debate also with a large number of women getting their health insurance through their husband’s employment
  - What happens if women are not married?
  - Husbands loose their jobs?

Mr Marcel Acosta, Executive Director & Ms Lisa MacSpadden, Office of Public Affairs, National Capital Planning Commission (NCPC)
- NCPC is an independent authority which reports to the Executive Branch of Government;
- Has a 12 member commission which includes the DC Mayor, Chair of DC city council, 3 Presidential appointees, 2 Mayoral appointees, Heads of
executive branch agencies with relevant land holdings in the area (General Services Administration, Department of the Interior and the Department of Defense) and Leaders of the House and Senate Committees with DC oversight responsibilities;

- Responsible for developments on Federal land only – about 50% of DC;
- Encourages the placement of Federal buildings as an ‘anchor’ for further community ie Department of Transport in Anacostia;
- Responsible only for planning, not the maintenance of federal lands etc.

Mr Eric Washburn, Legislative Counsel, Bipartisan Policy Centre/Bluewater Strategies

- US wants to enact climate change but political/cultural issues at play;
- President Obama needs to be seen as setting the course, rather than having the US follow Europe’s lead – wouldn’t play well politically;
- Competing industrial interests make it difficult;
- Doesn’t believe that President Obama will go to Copenhagen – won’t want to associate himself with something that fails
  o Energy Secretary may go
  o Will engage in backroom diplomacy – development assistance, what will it take to bring China, India, Brazil etc to the table?
- EPA processes still not clear – industry hoping that legislative solution will be less onerous than EPA proposal;
- Introducing legislation that will affect farmers will mean trouble for the Bill in the Senate – farmers need to look at opportunities for financial gains ie sell their carbon credits;
- 17 applications for new nuclear plants pending – no skills in the US, last plant built in 1978.

Mr Joseph McDermott, Director, Office of Insular Affairs, Department of the Interior

- US territories – Guam, American Samoa, Northern Mariana Islands, US Virgin Islands (identified under Article 4, Section 3, Clause 2 of US Constitution) represented by Delegates in Congress who can vote in committee but have no floor vote;
- Puerto Rico is ‘managed’ by Inter-governmental Affairs at the White House and is represented in Congress by a Resident Commissioner who is without a floor vote;
- Freely Associated States: Marshall Islands, Federated States of Micronesia, Palau;
- Persons in US territories treated as US citizens;
- Persons in Freely Associated States can live and work in US without a visa but are not US citizens;
- Office of Insular Affairs (OIA) has offices in Guam, Saipan (X2) and American Samoa;
- No harder for these territories to get funding than for other states;
- OMB expects to see funding requests for these territories;
• Not overly self-sufficient – very reliant on Federal Government funds, generally poor and not economically viable;
• Pay US taxes however Congress has deemed that taxes collected by the territories can go back towards funding the territories;
• Position of Assistant Secretary (sub-Cabinet level) has been restored to the IOA which will help with ‘visibility’.

Mr Lee Todd, Chief of World Games & Mr Peter Wheeler, Chief Communications Officer, Special Olympics
• 7 regions in total – Australia is part of the Asia region;
• No parent body in the US – all states are accredited which means that the US state of Maryland for example has the same standing as Australia;
• People often get confused between para-Olympics and special Olympics
  o Para-Olympics are for elite athletes with a disability
  o Special Olympics are for anyone with an intellectual disability;
• There are currently 3 million athletes in 170 countries and over 30,000 annual competitions;
• Growth is primarily outside US – China will have close to 1 Million athletes in next year or two;
• Not simply sport – free health screening programs for athletes – often the only time athletes have seen a doctor or dentist;
• Also prepare lesson plans for schools to encourage children to get involved;
• Trying to establish a Eunice Kennedy Shriver Day – possibly date first Special Olympics opened – July 20.

Washington Tour
I took the opportunity to tour Washington, utilising the services of an experienced guide and driver who is regularly used by the Washington mission.

I visited the Mall, national monuments, Congress and the urban building program on the edge of Washington: the Rosslyn-Ballston corridor.

(iii) Conclusion:
Being located in New York provided an opportunity for this side trip to Washington. The meetings and discussions outlined above were extremely valuable to me, providing a wide range of opinion and views on issues of policy interest and importance.

I am very grateful to our 2 Ambassadors, Quinlan (New York) and Richardson (Washington) for their support and encouragement. Their assistance with the program was invaluable.
I note that, in accordance with Clause 9.5 of the Determination, a copy of this statement may be obtained from you upon request by any Senator or Member. I also note that this statement will be tabled in Parliament at your discretion, including as part of the six-monthly tabling of travel costs for Senators and members.

Yours sincerely,

[Signature]

Annette Ellis MP  
Federal Member for Canberra

22 December 2009: ry
**Wednesday 11 November**

5.00pm   Depart New York for Union Station, Washington DC

7.53pm   Arrive at Union Station on Acela Express 2167

*Met on arrival by:*
**Ms Kylie Jenkins**
Congressional Liaison Officer

and

**Mr Tom Corcoran**
Manager, Travel and Visits Liaison

8.15pm   Depart Union Station for The Fairfax Hotel at Embassy Row

8.30pm   Arrive at The Fairfax Hotel at Embassy Row
2100 Massachusetts Ave NW

Evening   Own arrangements
Thursday 12 November

9.25am Meet Ms Kylie Jenkins in lobby

9.30am Depart Fairfax Hotel for Embassy

9.45 – Embassy briefing chaired by Ms Jan Hutton,
10.15am Counsellor, Congressional Liaison
Ground Floor Conference Room

Participants:
Ms Elizabeth Ward – acting Deputy Chief of Mission
Mr Simon Smalley – Minister/Counsellor (Agriculture)
Mr Peter Roggero – Counsellor (Political)
Mr Brendhan Egan – Trade Commissioner

10.30am Depart Embassy for Rayburn House Office Building

11.00 – Meeting with Congresswoman Eleanor Holmes Norton (Democrat – District of Columbia)
11.30am Location: 2136 Rayburn House Office Building
Enter on Independence Avenue

Contact: Ms Raven Reeder (Scheduler)
Tel: 202 225 8050

12.15pm Depart Rayburn House Office Building for Kinkead’s

12.30 – Lunch with Ms Alcy Frelick
1.45pm Director, Office of Australia, New Zealand and Pacific Affairs, Department of State

Location: Kinkead’s
2000 Pennsylvania Ave NW
Tel: 202 296 7700
Thursday 12 November (continued)

2.00pm  Depart Kinkead's for Rayburn House Office Building

2.15 –  Meeting with Mr Bruce Wolpe
2.45pm  Senior Adviser, House Subcommittee on Energy and Environment

Location:  2125 Rayburn House Office Building
Enter on Independence Avenue
Tel: 202 253 2250

3.00 –  Depart Rayburn House Office Building for Center for American Progress

3.15 –  Meeting with Ms Heather Boushey
3.45pm  Center for American Progress

Location:  10th Floor
1333 H Street NW

Contact:  Ms Lauren Smith (Executive Assistant)
Tel: 202 478 5319

4.00pm  Depart Center for American Progress for National Capital Planning Commission
Thursday 12 November (continued)

4.15 – Meeting with Mr Marcel Acosta, Executive Director, Mr Barry Socks, Chief Operating Officer,

Ms Lisa MacSpadden, Director, Office of Public Affairs, Ms Deborah Young, Secretariat to the Commission, and Ms Lois Schiffer, General Counsel National Capital Planning Commission

Location: Suite 500, North Lobby
          401 9th Street NW

Contact: Ms Lisa MacSpadden
Tel:      202 482 7263

5.00pm Depart National Capital Planning Commission for Fairfax Hotel

Evening Own arrangements
Friday 13 November

10.40am  Meet Ms Kylie Jenkins in lobby

10.45am  Depart Fairfax Hotel for BlueWater Strategies

  Embassy Van 1 – Ms Ellis and Ms Jenkins

11.00am  Meet Mr Neville at BlueWater Strategies

11.15 –  Meeting with Mr Eric Washburn (with Mr Neville)
11.45am  Legislative Counsel, Bipartisan Policy Center
         BlueWater Strategies

         Location:  Suite 475
                   400 Capitol Street N
         Tel:      202 589 0015

12.00pm  Depart BlueWater Strategies for Office of Insular Affairs

  Embassy Van 1 – Ms Ellis
                 Mr Neville
                 Ms Jenkins

12.15 –  Meeting with Mr Joseph McDermott (with Mr Neville)
12.45pm  Director, Policy Division

         Location:  Office of Insular Affairs
                   Department of the Interior
                   1849 C Street NW

         Contact:  Krystina Borja (Program Analyst)
                   Tel:  202 219 8536

1.00pm  Depart Office of Insular Affairs for Fairfax Hotel
Friday 13 November (continued)

1.45pm  Depart Fairfax Hotel for Mayflower Hotel

Embassy Van 1 then returns to Fairfax Hotel by 2.50pm to pick up Mr Neville

2.00 – 2.45pm  Meeting with Ms Gail Hunt
               President and CEO
               National Alliance of Caregiving

Location:  Mayflower Hotel
           1127 Connecticut Ave NW

* Ms Hunt will meet you in the lobby

Contact:  Ms Jordan Green (Executive Assistant)
           Tel: 301 718 8444

2.50pm  Embassy Van 1 returns to Fairfax Hotel to pick up Mr Neville and returns to Mayflower Hotel to pick up Ms Ellis and Ms Jenkins

3.15pm  Depart Mayflower Hotel for Office of Special Olympics

3.30 – 4.00pm  Meeting with Mr Lee Todd, Chief of World Games
               Mr Peter Wheeler, Chief Communications Officer, and Ms Kirsten Suko Seckler, Director, Global Brand Marketing and Awareness (with Mr Neville)
               Special Olympics

Location:  1133 19th Street NW

Contact:  Ms Kirsten Suko Seckler
           Tel: 202 492 6671

4.15pm  Depart Office of Special Olympics for Fairfax Hotel
Evening  Own arrangements
8th December 2009

Senator the Hon. Joe Ludwig
Special Minister of State
MG64
Parliament House
CANBERRA ACT 2600

Dear Senator Ludwig,

I refer to my earlier correspondence in respect of overseas study travel and your approval for me to access my overseas study leave entitlements at the conclusion of the NATO delegation to the United Kingdom.

I wish to confirm my participation in a number of meetings as planned and provide the following report as required.

On Friday, 20th November I had an extended meeting with officials of the Department for UK Children, Schools and Family. In particular I met with Ms Fiona Nzegwu, Head of Secondary Standards; Ms Marie Costigan, Narrowing the Gaps Division and Ms Cathy Christeison from the School of performance Data Unit.

These extended discussions were very useful and relevant to a number of current issues in Australian education.

On Monday, 23rd November I visited the Park Walk Primary School London. I met and discussed a range of issues with the Headteacher, Ms Jayne Halliwell, toured the school and had the opportunity to meet a number of staff. This was a very useful opportunity to look at the implications of some of the policy issues which I had discussed on Friday, the 20th with Department officials.

On Monday, the 23rd, I also met with the Rt Hon John Spellar MP for discussions on a range of policy and parliamentary issues and with Mr John Bangs, Head of Education, Equality and Professional Development, National Union of Teachers.
These meetings, together with the discussions I had with departmental officials provided a valuable opportunity in obtaining different perspectives on current educational issues.

On Tuesday, 24th November I met with the Rt Hon Don Touhig MP for discussions on a range of parliamentary matters. Also on the 24th I met with the Chairperson, Dr Kim Howells MP and Members of the Intelligence and Security Committee to discuss a number of matters of mutual interest with particular relevance to my role as Chairperson of the Australian Parliament’s Intelligence and Security Committee.

Should you require any further information about my overseas study travel, please contact me.

I will write separately concerning my reimbursement of the costs associated with my study travel.

Yours sincerely,

[Signature]

Arch Bevis
Senator The Hon Joe Ludwig  
Special Minister of State  
Parliament House  
CANBERRA  ACT 2600

Dear Minister

In accordance with the requirements of clause 9.2(b) of Remuneration Tribunal Determination 2005/09, I submit the following statement of my recent overseas journey.

(a) Confirmation of Purpose

I confirm that the purpose of my trip was as follows:

(i) to look into programs that assist in the management of Foetal Alcohol Spectrum Disorder, both in Canada and South Africa;
(ii) to visit National Parks in both South Africa and Canada, with the intention of studying recruitment, retention and training of local indigenous employees within the park structure; and
(iii) to meet with indigenous groups and individuals who run commercial enterprises adjacent to, or within the National Parks visited to ascertain the critical factors of the success or otherwise of those enterprises. In the case of the South African indigenous enterprises, my particular focus was on the “biltong” (dried meat) factories and the potential importation into South Africa of Northern Territory products.

I was unable to visit the Kakuma refugee camp in Kenya due to difficulties with accessing the camp, having regard to the limited time available and perceived security issues.

(b) Actual Itinerary

My actual itinerary was as follows:

Monday 30 November 2009 (Darwin to Perth; Perth to Johannesburg)

2.20pm    Departed Darwin QF973
4.40pm    Arrived Perth
11.45pm    Departed Perth QF303
Tuesday 1 December 2009 (Johannesburg to Hoedspruit)

5.00am    Arrived Johannesburg
10.30am   Departed Johannesburg South African Airways SA1225
11.45am   Arrived Hoedspruit
12 noon   Collected AVIS hire car at airport and drove to accommodation (Drifters Game Lodge, via Hoedspruit)

Wednesday 2 December 2009 (Hoedspruit)

6.00am    Game drive and discussion with guide, ranger and workers
10.30am   Departed in hire car for South African Wildlife College near Hoedspruit
12.30pm   Lunch with and tour of the Wildlife College with Craig Hay and Richard Sowry, local Kruger ranger
6.00pm    Departed Wildlife College and drove back to accommodation (Drifters Game Lodge)

Thursday 3 December 2009 (Hoedspruit to Port Elizabeth)

6.00am    Guided walk and further discussions with guide, local rangers and workers
10.30am   Departed in hire car to drive to Hoedspruit Airport
12.15pm   Departed Hoedspruit South African Airways SA1226
1.30pm    Arrived Johannesburg
4.40pm    Departed Johannesburg South African Airways SA419
6.20pm    Arrived Port Elizabeth
6.30pm    Collected AVIS hire car at airport and drove to accommodation (Garden Court King’s Beach)

Friday 4 December 2009 (Port Elizabeth to Shamwari Game Reserve, Eastern Cape)

11.00am   Departed Port Elizabeth in hire car to drive to Shamwari Game Reserve
2.30pm    Arrived Shamwari Game Reserve
4.00pm    Game drive and discussions with guide

Saturday 5 December 2009 (Shamwari Game Reserve)

6.00am-10.00am    Game drive and discussions with guide
3.00pm-7.00pm    Game drive and discussions with guide

Sunday 6 December 2009 (Shamwari Game Reserve to Port Elizabeth)

6.00am-11.00am    Game Drive and discussions with guide
1.00pm    Departed Shamwari Game Reserve in hire car to drive to Port Elizabeth
4.00pm    Arrived in Port Elizabeth at accommodation (Garden Court King’s Beach)
Monday 7 December 2009 (Port Elizabeth; Port Elizabeth to Cape Town)

10am-12.30pm Meeting with Mr Andrew Muir (Chairperson Eastern Cape Parks Board) and Professor Graham Kerley at the Wilderness Foundation office in Port Elizabeth

3.00pm Departed accommodation in hire car and drove to Port Elizabeth Airport – informed that flight delayed for a minimum of four hours with probability of cancellation resulting in decision to keep hire car and drive to Cape Town in order to guarantee ability to keep the next morning’s appointment.

4.00pm Departed Port Elizabeth in hire car to drive to Cape Town

Tuesday 8 December 2009 (Cape Town, Stellenbosch and Langebaan)

2.00am Arrived at accommodation in Cape Town (Protea Breakwater Lodge)

8.00am Departed Cape Town in hire car for Stellenbosch

10.30am-12.30pm Meeting with Professor Willem van Riet, Vice Chairman International Relations, Peace Parks Foundation in Stellenbosch

1.30pm Departed Stellenbosch in hire car to drive to Langebaan (on recommendation of Professor van Riet, as intended accommodation and arrangements at Abrahamskraal Cottage, West Coast National Park had been cancelled at short notice by tour operator.

(Wednesday 9 December 2009 (Langebaan)

Own arrangements

Thursday 10 December 2009 (Langebaan to Cape Town; Cape Town to Johannesburg; Johannesburg to Pretoria)

6.30am Departed Langebaan in hire car for Cape Town Airport

10.50am Departed Cape Town South African Airways SA326

12.50pm Arrived Johannesburg

1.15pm Collected AVIS hire car and departed for Pretoria

3.00pm-4.00pm Meeting with Mr Fundisile Mketeni, Deputy Director-General of Department of Environmental Affairs and Tourism

4.15pm-5.15pm Meeting with Australian High Commissioner, Ann Harrap at Australian High Commission in Pretoria

6.00pm Arrived in hire car at accommodation (Villa Sterne Hotel, Pretoria)
Friday 11 December 2009 (Pretoria)

8.00am-10.00am  Meeting with Bennie van Zyl, General Manager and Chris van Zyl, Deputy General Manager of Transvaal Agriculture Union

10.30am-1.00pm  Visit with Bennie van Zyl to biltong manufacturer in Pretoria

Saturday 12 December 2009 (Pretoria)

Own arrangements

Sunday 13 December 2009 (Pretoria; Pretoria to Johannesburg; Johannesburg to London)

Own arrangements during the day

7.00pm  Delivered hire car back to Johannesburg Airport

9.30pm  Departed Johannesburg British Airways BS54

Monday 14 December 2009 (London; London to Vancouver)

6.35am  Arrived Heathrow Airport, London

1.00pm  Departed Heathrow Air Canada AC855

3.00pm  Arrived Vancouver

3.30pm  Collected AVIS hire care and drove to accommodation (Ramada Ltd Downtown)

Tuesday 15 December 2009 (Vancouver)

Own arrangements

Wednesday 16 December 2009 (Vancouver)

2.00pm-3.00pm  Meeting with The Hon Mary Polak, BC Minister of Children and Family Development

4.00pm-5.30pm  Meeting with Dr Sterling Clarron, CEO and Scientific Director, Canada Northwest FASD Research Network

Thursday 17 December 2009 (Vancouver/Maple Ridge)

9.30am-5.00pm  Meetings with with Audrey Salahub, Executive Director of Asante Centre and other staff members of the Centre

5.30pm-8.30pm  Dinner with Ms Salahub and staff of the Asante Centre

Friday 18 December 2009 (Vancouver to Vancouver Island)
6.30am Departed accommodation in hire car for Tsawwassen Ferry Terminal
8.00am Departed Terminal for Swartz Bay Terminal, Vancouver Island
9.30am Arrived Swartz Bay Terminal
10.00am-1.00pm Meeting with John Marczyk and others at office of Parks Canada in Sidney
1.30pm-3.00pm Meeting with Chief Vern Jacks
3.00pm-4.45pm Continuation of meeting with John John Marczyk
5.00pm Departed Sidney in hire car to drive to Victoria
6.00pm Arrived in Victoria at accommodation (Fairmont Empress Hotel)

Saturday 19 December 2009 (Victoria to Parksville)

Own arrangements (accommodation Tigh-Na-Mara)

Sunday 20 December 2009 (Parksville to Tofino)

Own arrangements (accommodation Ocean Beach Resort)

Monday 21 December 2009 (Tofino)

Own arrangements (accommodation Ocean Beach Resort)

Tuesday 22 December 2009 (Tofino to Vancouver; Vancouver to Sydney)

Own arrangements during the day

5.00pm Departed Dukes Bay Ferry Terminal for Vancouver
8.00pm Delivered hire car back to Vancouver Airport
11.45pm Departed Vancouver Air Canada AC33

Thursday 24 December 2009 (Vancouver to Sydney; Sydney to Darwin)

10.15am Arrived Sydney
7.40pm Departed Sydney QF846
11.40pm Arrived Darwin

Friday 25 December 2009 (Darwin)

00.30am Arrived home at my residence
(c) Key Meetings and Outcomes

WEDNESDAY and THURSDAY 2\textsuperscript{ND} and 3\textsuperscript{RD} DECEMBER 2009

Informal discussions with guides, rangers and other workers at Drifters Game Lodge

“Drifters Game Lodge”, perched on a rocky outcrop overlooking a river bed, is located within easy driving distance of the South African Wildlife College and was chosen as my accommodation so that I could see at first hand a “typical” game viewing experience in South Africa. The brief time spent at the Lodge was both enjoyable and informative. My experience was characterised by continuous safety briefings by professional and engaging guides with a strict adherence to conservation protocol and a huge knowledge of the bush, the culture and the flora and fauna and the interaction between them. I also learnt a great deal about the structure of the game lodge industry and the potential mutual benefits that flowed between the major parks (in this case, Kruger) and private lodge operators and concessionaires.

Drifters Game Lodge is made up of five properties the leases of which were negotiated and added over time. Historically these properties were grazing leases. Kruger Park emerged as a biodiversity icon and a “must see” destination and in the last two decades, properties adjoining the park have capitalised on the influx of tourists to offer “niche market” game viewing experiences. The options for these experiences range from budget “back packer” establishments to exclusive “high end luxury” lodges. Drifters Game Lodge would be in the centre of that spectrum.

Drifters employed and trained black South Africans in a range of hospitality positions including gardening, domestic duties and “hands on” guiding, although it is not in itself an accredited training provider. I met with “Charlie”, a trainee guide who was working towards certification with the Field Guides Association of South Africa by June 2010. Charlie had a clear and confident career path – a stark contrast to being unemployed in a rural and remote environment, and despite Charlie’s formal education being very limited. Charlie also knew that his certification would provide him with permanent employment wherever he chose to live in South Africa.

My discussions with the managers and staff at Drifters proved to be a worthwhile initiation to the burgeoning ecotourism industry in South Africa and assisted me in my subsequent and more formal discussions with various people (for example, at the Wildlife College and the Eastern Cape Parks Board – see below).

WEDNESDAY 2 DECEMBER 2009 (Hoedspruit)

South African Wildlife College

The purpose of my visit to the South African Wildlife College was to learn from an accredited training provider the nature of the courses offered to students in various aspects of parks management, particularly in circumstances where formal education standards may be low.

SAWC was established in 1997 after close consultation with various interested parties including national and provincial government departments and conservation agencies. The college is supported by both the Peace Parks Foundation and the World Wildlife Foundation (South Africa). Its mission (as stated in its company profile) is “to provide people from Africa with the required motivation and relevant skills to manage and conserve their protected
areas and associated fauna and flora on a sustainable basis in cooperation with local communities”. SAWC recognises the role that nature-based tourism is now and will continue to play in the socio-economic development of South Africa, and the importance of having people effectively trained so they are equipped to deal with all aspects of protected area management. SAWC also acknowledges the importance of involving local communities in the process of sustainable management.

As course participants come from throughout Africa, SAWC offers on-site accommodation including meals. There are recreational facilities available.

During the time that I spent at the college with Craig Hay, one of its directors and Richard Sowry, a Kruger Park ranger I learnt a great deal about the “design” of the courses made available to students. A primary focus of SAWC is to provide courses which will open career opportunities for personnel who do not have formal qualifications. The college recognises that there are “different ways of learning” and that the literacy and numeracy skills of many of the students will not be high. The courses are typically “hands on” and practical and take into account the diverse practical field experiences of the students as well as the trainers. I will make available printed material and a DVD presentation which gives a more comprehensive overview of SAWC and the courses it provides.

One of the course activities that I witnessed during my visit was the training of park rangers to deal with poachers. The students camped out in area of the reserve and were training in weapon handling, patrol and engagement protocols and ambush techniques. Poaching of game is a challenge for park and reserve managers. Poaching may be undertaken by locals motivated by the need for food (poverty is rife throughout South Africa and there is little social welfare available) or may be carried out in a more sophisticated fashion (such as helicopter raids) by highly organised gangs. In the latter case, the target is usually something of great value such as black rhinoceros horn (much sought after in China). Ironically, some of the students from poor backgrounds have either been involved with poachers, or have poached themselves so it can provide an interesting insight to the trainers as to the methods used!

When asked the question “what do you think about a ranger’s job knowing that you could be shot at and killed as part of your job?” the general response was “if that’s the price of protecting and conserving our country and its animals, then that’s the price we’ll pay”.

I also visited the mechanical workshop where students are taught how to maintain and repair vehicles – essential knowledge in the South African bush. That workshop, including all machinery has previously been funded by Daimler-Mercedes but it is of great concern to SAWC that the sponsorship has been withdrawn (due to the budgetary constraints caused by the global financial crisis). Alternative sponsorship is being sought.

My tour of the college and its facilities was extensive. My subsequent discussion in South Africa were much better informed as a consequence of my visit. The college proved to be held in high regard throughout South Africa.

I take this opportunity to thank Craig Hay, Richard Sowry and all other members of the SAWC team who assisted me during my time at the college.
FRIDAY, SATURDAY and SUNDAY 4, 5 and 6th DECEMBER 2009 (Eastern Cape)

Discussions with guide/ranger at Shamwari Game Reserve

Shamwari Game Reserve is acknowledged to be one of the best examples of “high end” tourism experiences. The Reserve is set on over 25,000 hectares of diverse country with an abundance and variety of wildlife.

Renowned for its conservation research, Shamwari from time to time hosts groups from many international research institutes. There is a wildlife rehabilitation unit on site and the “Born Free Animal Rescue and Education Centre” which provides a safe haven for rescued lions and leopards is based within the Reserve.

This organisation is also at the forefront of employment opportunities for local South Africans at every level of management. Shamwari boasts an extensive in-house training framework and is an accredited training provider. There is a particular focus on recruiting and training local black South Africans whose unique experiences add to the cultural and biodiversity experience during one’s time at Shamwari.

Again, I learnt a great deal about the opportunities and threats to the game viewing industry and steps taken by private operators to take advantage of the opportunities, and deal with the threats. My discussions with a variety of personnel employed at Shamwari proved to be time well spent. I also spoke with several guests at the Reserve as to their expectations of their time at Shamwari and whether they saw the possibility of an equally fulfilling experience at any parks in Australia. It was interesting to note that the only national park that was widely recognised was Kakadu (although not by name).

I would like to particularly acknowledge and thank our assigned guide, Konrad who afforded me much of his time and provided me with an insight into his life as a professional guide, and the training he has undertaken and continues to undertake to maintain and improve his career. Thanks to him, much of what I observed after leaving Shamwari made more sense. I was very impressed by his deep sense of commitment not only to conservation and his chosen profession but to ensuring that local black Africans were involved in the business at every opportunity.

MONDAY 7TH DECEMBER 2009 (Port Elizabeth)

Mr Andrew Muir (Chairperson Eastern Cape Parks Board) and Professor Graham Kerley (Director, Centre for African Conservation Technology, Nelson Mandela Metropolitan University)

This meeting was held to provide me with a briefing in respect of the following matters:-

- the types of parks that operate in South Africa
- the different outcomes and products that the various parks offer to both the public and conservation
- the respective roles and responsibilities of the provincial and national governments in park management
- the challenges faced in the recruitment and retention of local employees in the various parks across South Africa and the success or otherwise of any policies adopted in that regard. After visiting two of the South African parks I was impressed with the number of black Africans working at all levels in the tourism industry and was interested how
they had achieved this apparent high level of participation after starting with historically low levels.

I learnt that there are some parks that are “national” parks subject to the jurisdiction of the South African government, and others that are subject to the jurisdiction of the respective provinces. From time to time Parks South Africa have simply leased properties and managed them as part of the parks portfolio (such as Addo Elephant Reserve). The Wilderness Foundation and other non government organisations have also acquired land and come to an arrangement with Parks South Africa who become responsible for the protection and management of the land. Biodiversity and conservation are central to all park management plans.

Concessions are granted to individuals and corporations for a variety of purposes within the parks – for example, to provide accommodation or restaurant facilities and to provide guided game drives or walking tours. Each concession is negotiated separately. In determining the nature and number of concessions to be granted, the government takes into account how public resources can be made available for private use (there must be some demonstrated long term public benefit). A quarterly report is provided to show how each concessionaire is performing in terms of observing regulations etc.

The government authorities raise funds for park maintenance partly through the grant of the concessions but also through the fees charged to enter the park itself. The fees may include a contribution to the cost of park management as well as a tourism levy and a conservation levy.

In addition to the government parks, there are many privately owned reserves, which have a variety of uses:-

- game production only
- game production and hunting of game (sometimes incorporating tourism with or without onsite accommodation)
- conservation (usually incorporating tourism, by way of guided tours with or without onsite accommodation).

Some of the privately owned reserves lie adjacent to the boundaries of the “greater” government parks, such as Kruger. In such cases, an agreement is often struck between the reserve owner and the relevant government body as to the relationship between the reserve owner and the park proper. To be recognised as “part” of a park, a reserve owner must comply with some principles of tourism conservation such as no hunting within their lands; specific protection from game vehicles on sensitive areas (no driving off designated tracks); employment of guides to an approved industry standard and a requirement for an “Adequate Certificate of Enclosure”.

There is a strong view amongst the private reserve owners that their lands should come under the jurisdiction of the Department of Agriculture rather than the Department of Environment (which is the case at present) because the Department of Agriculture has had a long history of dealing with the fine balance between economic outcomes and environmental sustainability.

Private game reserves based on conservation and ecotourism have received a recent suite of incentives through tax rebates. Linked to conservation and indirect employment outcomes, these incentives commenced with the passing of legislation in March 2009 and are expected to result in an increase in local training capacity and employment outcomes. To access the tax rebates, the owner of the reserve must enter into an agreement with the national government agreeing to meet specific conservation standards and to adhere to a management plan template. For example, “exotics” (animals living out of areas considered to be their historic
range) will not be accepted onto reserves and the reserve owner will have to demonstrate that the property is being used in a way that is for the public good. Whilst there are some escape clauses, generally speaking a breach of the agreement by the reserve owner will mean that any rebates obtained will have to be repaid.

The costs to a reserve owner of moving from game farming to a private conservation reserve are huge and are largely not funded by government. In the past, this has made it difficult for a landowner to make the transition from use of the land for game production to a conservation use. Many in South Africa believe that whilst the tax rebate incentive is in its infancy, it will ultimately provide good social, economic and conservation outcomes by assisting that transition and that once the change has been made, it will be difficult to revert to the former land use.

In general, South Africa’s biodiversity is central to its economic survival. Particularly in more recent times there has been substantial growth in ecotourism with a flow on effect through all related industries. A large proportion of the country’s employment is reliant directly or indirectly on its biodiversity. Surveys have shown that tourists are becoming more sophisticated in their requirements and expect to interact with black African guides and rangers who can provide them with a well rounded “cultural experience”.

Traditionally, literacy and numeracy levels for black Africans are very low. Until the early 1990s, opportunities for those Africans to train as guides and rangers were limited – a few concessions had their own individual training and recruitment processes and anecdotally, these were successful thanks to good systems management and good people on the ground who recognised the increasing demand of tourists for a more “hands on” interpretive experience. However, to undertake formal studies as a guide even at “entry level”, a person needed some scientific background such as qualifications in botany or zoology and preferably some management units. “Hands on” or bush skills experience alone would not be recognised as sufficient to gain admission.

In 1994 the Nelson Mandela University was tasked to develop new courses with a curriculum that would enable participation by people with low levels of literacy and numeracy (Australian equivalent roughly grades 8 to 10) who could take up the opportunities for employment in the tourism and conservation industries. The scope of the changes required of the University was huge and the changes were to be implemented as quickly as possible. The key resources used in achieving the outcome in a demanding environment were mentorship and coaching (the two “buzz words” that I found consistently associated with successful programs).

It is now widely acknowledged that you don’t need scientists to manage reserves. This has been the single most important development in the philosophical approach to resource management, conservation and local employment. The practical application of this philosophy is evidenced by people having access to not only a university level bachelor degree but also to a range of more practical courses that don’t have the high entry level requirements. By way of example, the diploma in conservation involves significantly more applied knowledge – there are only two years of theory and one year of “hands on” experience with further opportunities for qualifications in more specific areas.

One of the current big challenges for government in South Africa is to have one standard for conservation management training across the country and to ensure access for black Africans to courses with curricula that reflect that standard (each province currently has its own standard because regulations differ across the country).
A principal motivation behind the push for national standardisation is the desire to have more stability of employment amongst guides and rangers, especially at a senior level. Historically, good employees are poached by employers in those provinces where the high entry level requirements for trainees have meant that qualified personnel are otherwise scarce. If training is more standardised, all provinces should share the same opportunities to recruit, train and retain local guides and rangers.

I was informed that the keys to the success of mass training programs are:

- effective recruitment of trainees. Since the end of the apartheid, legislation has been passed which is commonly referred to as “the black economic empowerment charter”. Amongst other things, this requires that a certain minimum number of black Africans are employed in any workplace. The large black population and high levels of unemployment mean that there is no shortage of people available for training, but the training organisations work with government agencies to “screen” potential recruits. Those chosen for the intervention are considered as having the greatest prospect of successfully completing the training, securing a job and maintaining that job.

- effective training organisations. It appears that the most successful training organisations provide all of the basic needs of the students, including food, residential accommodation and mentoring support for young or vulnerable students. The high success rate of these organisations has been attributed to the fact that as much effort is put into training as into ensuring the physical and psychological wellbeing of the trainees. Emphasis is put on life skills training, including personal hygiene and grooming and how to open a bank account and manage money. Access is provided counselling and other similar government services. The support of the recruit’s family and peers is essential to his or her success and therefore, extensive peer mentorship programs are provided.

- employers in industries that can rapidly absorb and cope with individuals of low levels of literacy and numeracy (as a guide, the equivalent of our grades 8 to 10) who have perhaps no more than one year of training. Fortunately, as illustrated below many employment opportunities do exist. By way of example, from the last intake into the South African Wildlife College, 102 of the 110 trainees have fulltime employment.

The principal types of employment open to trainees are:

- a government ranger/guide in either a provincial or national park or facility

- a wide range of positions within the private conservation reserves, such as tourist guides, hunting guides, conservation work activities including native animal production and husbandry and general positions in hospitality

- a wide range of positions within the tourism industry, including the usual “hospitality” jobs of cleaning, kitchen and bar staff but extending to positions for local guides with ethnobotanical interpretive skills - a practical knowledge of the role played by the indigenous animals and plants of the region in the culture and the history of the local tribes as tourists demand a more “hands on” interpretive experience

- a position in the hunting industry. The hunting industry can be divided into two sectors:

  a. hunting for big game at the “high end” of the tourist market
b. a local “bush meat” industry for clients who are usually South Africans who choose to hunt small game such as antelope for their own consumption. These trips are sometimes self guided and fees are paid by the clients for access to properties and the meat taken, and for camping or accommodation if required

- a position in the game farming industry. This sector has significant interaction with all other sectors as it is the source of wild stock animals and breeding stock for private conservation reserves

- a position in service industries associated with all of the abovementioned, providing a range of specialised infrastructure and services such as fencing, feed, veterinary and pharmaceutical and transportation requirements.

At present, about 16% of the country is specifically used in the production of game animals for stocking game reserves particularly animals at the low end of the animal food chain (impala, springbok etc). Much of this area is characterised by small properties which are usually privately owned and managed. Anecdotally, this sector offers fewer employment opportunities and growth than the tourist sector. The tourist related industries are generally recognised as having a different approach with more emphasis on local recruitment and training (due to the growing demand from tourists to have interpretive services provided by black Africans as abovementioned). The operators are moving towards providing a career path through clearly identified training opportunities. Shamwari Game Reserve was cited as a good example of a high end tourism operator with relatively good levels of black African employment, providing a defined career structure and encouragement of self promotion of workers through a myriad of training opportunities in management and associated service industries. This industry sector is still characterised by high mobility of senior staff particularly black Africans although the trend seems to be declining in recent years

Furthermore, many position are available as a consequence of the various poverty relief intervention programs which were implemented by the South African government from the mid 1990s such as the “working for water”, “working for fire” and “working for wetlands” programs and the soon to commence “working for energy” program. Over 46,000 jobs have been created by these programs, the central aim of which is to help build skills which may lead to further employment.

**TUESDAY 8TH DECEMBER 2009 (Stellenbosch)**

**Professor Willem van Riet, Vice Chairman International Relations, Peace Parks Foundation**

The purpose of my meeting with Professor van Riet was to gain further knowledge of parks management and to ascertain whether there were any aspects of the “peace parks” philosophy that could be applied towards parks management in Australia.

The Peace Parks Foundation was formed in 2004, with much of the credit going to the energy and commitment of Nelson Mandela. The idea behind the peace parks was to give neighbouring countries an opportunity to work on a “joint project” in partnership. This would bring about practical opportunities for those countries to work closer together and form strategic partnerships with a view to improving relationships between them generally. It was thought that this may prevent incidents of violence and border disputes. The declared “peace
parks" would cross borders of participating countries and be jointly managed by both nations. The "peace parks" would allow for a more "natural" migratory flow of game and thus enhance conservation efforts.

The Peace Parks Foundation maps and undertakes studies on eco-system services to identify potential areas for peace parks. The Foundation then approaches the relevant government to discuss the proposal but ultimately, the government must invite the participation of the Foundation. If this occurs, part of the Foundation’s role is to seek out funding through large organisations for the establishment and ongoing management of the "peace park" philosophy. Once the funding is secured, the Foundation is responsible for managing the funds.

Funding is sourced from:

- The "postcode" lottery in Sweden and Holland. The prize is one million euro per annum. People participate in the lottery based on their area’s postcode. All people living within the area with the postcode that wins the lottery share in the proceeds. It is a low cost lottery popular with the people and a good source of revenue for the Foundation.

- The trust fund established with donations obtained from wealthy benefactors. The interest earned pays for the offices occupied by the Foundation and for some administration costs.

When embarking on a new project, a facilitator is appointed "to work across borders". The Foundation will provide ongoing assistance to the participating parks if they require it.

I thank Professor van Riet for the time spent in explaining the virtues of this great vision for African parks. Due to the fact that Australia is an island nation, without the cross border conflicts experienced in Africa there would be little scope for the application of the "peace parks" philosophy here.

THURSDAY 10TH DECEMBER 2009 (Pretoria)

Meeting with Mr Fundisile Mketeni, Deputy Director-General of Department of Environmental Affairs and Tourism

The purpose of my meeting with Mr Mketeni was to discuss land tenure and native title issues across parks in South Africa, and the implications for management.

Mr Mketeni has a background in conservation.

He stressed that the major disadvantage facing South Africa was the massive poverty of the nation’s black Africans. Land claims were another disadvantage to park’s management – about 80% of the total land area covered by parks is under current "native title" land claims.

If a land claim is successful, this doesn’t mean that the land use is changed – if it is a park, it stays a park. The title to the land only is transferred. The successful claimant does not have the right to change the use from a park to farming or other use.

A problem is that as a new landowner, successful claimants often have no experience in management issues or in leadership. The government's "People in Parks" program is designed to educate those new landowners on a range of matters including training needs, land management issues and best business practices.
There is also a “private/public partnership toolkit” which is specifically aimed at ensuring the involvement of local people in parks management.

There is a successful “kids in parks” program which is aimed at getting children interested in parks from an early age. The government looks to sponsorship from big organisations such as “Pick’n Pay” (a large supermarket chain) – for example, to provide vehicles to transport the children to and from the parks.

Mr Mketeni spoke about the “black economic empowerment charter” and how “previously disadvantaged individuals” are now given greater opportunities to participate in parks management (for example, as “hop on guides”) and of the training provided to assist them do so. I believe that this could be an opportunity for indigenous employment in parks in Australia.

Print material was provided to me explaining in more detail the various programs being undertaken by the Department of Environmental Affairs and Tourism, which I will make available.

**Meeting with Australian High Commissioner, Ann Harrap**

My meeting with the High Commissioner, Ann Harrap was pleasant and informal. I wish to thank Ann for her comprehensive brief on the political climate of South Africa, particularly the security issues in and around Pretoria and across the country generally during the lead up to the F.A. Cup in 2010. I acknowledge the importance of the role of the High Commissioner in informing, protecting and supporting a large contingent of Australians visiting her jurisdiction in the lead up to and for the duration of the F.A. Cup series, and afterwards. I also thank Ann for spending a great deal of her time with me and sharing a few of her personal observations and experiences about life as a High Commissioner in Pretoria and generally for her warm hospitality and advice on how and where to travel in the Pretoria region.

**FRIDAY 11TH DECEMBER 2009 (Pretoria)**

**Meeting with Bennie van Zyl and Chris van Zyl, Transvaal Agriculture Union**

The Transvaal Agriculture Union is a co-operative body representing the interests of its farming members. We spoke of the opportunities available to and threats faced by farmers in the country. One for the significant challenges facing farmers in South Africa is that of survival – not only in an economic sense, but personally. There continues to be a high level of resentment held by some black Africans towards land ownership by white South Africans. As a consequence, there are regular attacks on white farmers, as a consequence of which property is sometimes damaged or stolen and physical harm may be caused to the farmers and their families. Indeed, there have been 110 killings of farmers since the time that British troops were first sent to Afghanistan (Bennie cited that 92 British troops had been killed during the same period). This has a major impact on the sustained viability of the farms (due to the interruption of farming practices caused by the death of the principal farmer) and the morale of the farming families.

A focus of our discussions was the farming of game for biltong production.
Biltong is a traditional food for all South Africans. In its most basic form, it is sun dried meat. Dried meat has been a part of the diet of Africans since well before the arrival of the first white settlers and is still made by black and white Africans across the continent. Called “bush meat” the meat is cut into basic strips and pieces and hung on trees or a line to dry. Historically, the reason this method was used was due to a number of factors:

- The size of the game killed was often in excess of the capacity of the individual or community group to consume immediately

- There was no other method of preserving or storing the meat for long periods of time

- This food produces a high quality protein meal that is very high in calorie/weight ratio making it the perfect supplement to food acquired by nomadic hunting people.

In the context of more recent history, the “voortrekers” quickly made this meat a part of their diet and it has remained a strong cultural “South African” food to this day. A regular South African tradition of watching the footy and having a beer on the weekend would not be complete without a bowl of biltong or similar dried meat products.

It is generally considered that “game biltong” is superior to “beef biltong” and that is reflected in a considerable price differential (20%-35%) between game biltong and beef biltong. The common game animals used for biltong production include impala and cape buffalo although biltong can be made from almost all game animals.

I wish to thank Chris and Bennie for the huge amount of time they took out of their busy day to explain to me the intricacies of biltong production. During our visit we talked about the cultural attachment to this food and about their concerns with availability of game for biltong production and its price following a steep increase in demand for the product. Chris, Bennie and I shared the view that there may be some scope for mutually beneficial dealings between South Africa and Australia having regard to the fact that there is an abundance of suitable game animals here (such as water buffalo) for use in biltong manufacture.

**Visit to Biltong Manufacturer with Bennie van Zyl**

We visited a biltong factory in Pretoria and take this opportunity to thank the owner and manager of the factory for the tour and their detailed explanation of the process. The different biltong products are in two basic categories, namely:

- “straight” biltong, retailed on the basis of taste and species eg chilli buffalo biltong and coriander kudu biltong
- other products, retailed on the basis taste and form eg coriander biltong sausage, smoked biltong sausage, biltong chips, “moist cryovac” or “dry cryovac”.

The process for biltong making is straight forward. Raw meat is cut into strips measuring approximately 2cm in width by 60cm in length and placed in layers of meat, salt and spices in a plastic bin until the bin is full. The bin is placed in a chiller (under 12 degrees celsius). The next morning, each strip is washed in white vinegar and hung to dry in a warm dry area with plenty of air movement. The factory utilised the area where hot air was being expelled from the force blast circulation units used to operate the freezers and chillers.

To give an indication of the popularity of the product, in the adjacent supermarket (about the size of a large Woolworths or Coles store), an area about the size of an average delicatessen and small goods section was dedicated exclusively to biltong and associated products with
three staff serving in this area. With an average price of AU$21.00 per kilogram it was clearly an important part of their retail offering.

The biggest challenge is the access to industrial quantities of large game meat animals like kudu, eland or cape buffalo. As demand grows, so does the price. Manufacturers are concerned that consumers will be forced to change to other snack food varieties more within their budgetary constraints.

Biltong cannot be exported from South Africa. Although sold in beautifully marketed packaging in all airports in South Africa, import of biltong into Australia and most other countries is prohibited because of the foot and mouth disease declaration in the Eastern Cape Province. This product is keenly sought after outside South Africa particularly in South African “expat” communities.

I reiterate that I see opportunities for Australia. There are large populations of game suitable for biltong manufacture including water buffalo, camels, donkeys and horses.

The low level of technical processing means that all equipment and ingredients are available in Australia.

There are no impediments to exporting the product.

Biltong could prove to be an excellent “home grown” Australian product.

All of these things add up to employment and entrepreneurial opportunities particularly in regional and remote Australia, and particularly for aboriginals.

WEDNESDAY 16TH DECEMBER 2009 (Vancouver)

Meeting with The Hon Mary Polak, BC Minister of Children and Family Development

The purpose of my meeting with The Honourable Mary Polak was to discuss in particular the attitude of the government in relation to the Foetal Alcohol Spectrum Disorder (“FASD”). In brief, FASD is an umbrella term used to describe the range of disabilities caused by prenatal exposure to alcohol. Compared to other areas of study, FASD is relatively new, being first identified in 1973 when a similar pattern of malformations among infants born to women who abused alcohol was noted. Current figures suggest that FASD occurs in 9 cases per 1,000 infants born in Canada although the actual figures may be much higher than that as diagnosis and reporting of FASD is not as yet totally effective.

Ms Polak told me that about three to four years ago, a report was commissioned by the government from an independent officer who would assist in overseeing child welfare aspects of the portfolio (children and family development). That officer reported to a standing committee. The report made 92 recommendations in all, and played a major role in shaping the government’s current policies in relation to FASD – indeed, the report gave FASD a different public profile throughout Canada. It drew people’s attention to the disorder but Ms Polak believes that initially at least, it failed to highlight the dangers of drinking whilst pregnant or when wanting to fall pregnant and the preventative actions that should be taken. The government now stresses the message that there is no safe level of alcohol during pregnancy. The message is sent out in a number of ways such as posters in women’s restrooms.
Ms Polak said that there are approximately 4 million people in British Columbia. There are 9,000 children in the care of the State. Of those children, 53% are indigenous. When one considers that the indigenous population is less than 4% of the whole population, that figure of indigenous children in care is disproportionate.

FASD is a problem particularly in indigenous communities. The government has had great success by focusing on individual communities with targeted workers. There is an intense education program, particularly aimed at pregnant women and those planning to become pregnant and indeed those who are sexually active and may therefore fall pregnant.

The department will intervene in families known to be at high risk. The intervention will involve extended family, close friends and health professionals and the government agency becomes the facilitator. It aims to “draw in” the indigenous community itself.

We discussed the work being undertaken by the Canadian federal government and the provincial government of British Columbia in the area of indigenous affairs. There are 203 aboriginal “first nations” in British Columbia. Ms Polak is of the view that traditionally, government decision making has been based on the antiquated notion that the government should form general policy first and then the indigenous policy comes as an “add on”.

Ms Polak gave me a brief overview of the staged process of delegating authority to the various first nations for management of their own affairs. The transfer of responsibility is gradual, based upon the capacity of the individual groups. At the time we spoke, there were 24 delegated agencies, and 5 fully delegated agencies. Just in the past week, Ms Polak had signed one of the more complex treaties with a first nation group.

We discussed the similarities between our two countries’ history in terms of the “stolen generations”.

Ms Polak expressed interest in the Australian government’s Northern Territory Emergency Response legislation and intervention policy, the philosophy behind it and any reports on its success or failure.

I thank the Minister for the time spent meeting with me and her insight into policy formation in the area of FASD.

**Meeting with Dr Sterling Claren, CEO and Scientific Director, Canada Northwest FASD Research Network**

I was privileged to meet Dr Sterling Claren, who has been working in the area of Foetal Alcohol Spectrum Disorder (“FASD”) since 1975 and is based at the Women’s/Children’s hospital in Maple Ridge.

Dr Claren is a true “champion” of the disorder. When providing me with a general overview of the disorder, Dr Claren said that FASD is unique in many ways and more than other disorder, needs “champions” to further research, development, diagnosis and treatment largely as a consequence of the fact that the disorder is not well understood and is therefore open to scepticism. There is still considerable disagreement as to where the condition “falls” in a diagnostic sense.

Upon its “discovery” in the early 1970s, the disorder was named Foetal *Alcohol* Spectrum Disorder to highlight the direct link between alcohol consumption during pregnancy so that the focus of later treatment could be on “getting alcohol out of the equation”.
FASD is a lifelong disability. It has been found that those with the disorder are “seriously maladapted” and have difficulty coping in the modern world. Dr Clarren says that diagnosis of the disorder is important. This means that professionals must be trained to recognise possible “warning signs” of the disorder as otherwise, if the system is not able to find the kids or the mothers at risk, the sufferers may “slip through” the system undiagnosed. Although not curable, FASD is treatable and therefore, correct diagnosis is critical to the ongoing well being of the affected person, the family unit and the overall community.

The research conducted by Dr Clarren and others has shown that alcohol damages the whole of the brain. Research conducted by Dr Clarren and a team of highly skilled health professionals over the past three decades means that there are more definitive guidelines to assist in the diagnosis of FASD and its treatment. I have material available which gives a more comprehensive analysis of FASD, but a general summary of Dr Clarren’s explanation is as follows:

- there are considered to be three reliable “warning signs” of FASD:
  
  1. The appearance of the sufferer is as being “wide eyed”, but clinically the eyes are spaced correctly and it is the fact that the eye sockets are shorter and the eye balls smaller that cause this appearance
  2. The column between the bottom of the nose and the top lip is not well developed – instead of being a “depression” it has a flatter appearance
  3. The red part of the top lip thins out – the top lip may be very thin.

Although the facial appearance is the most specific characteristic, not all FASD sufferers share the features to the same extent.

- Further comprehensive testing of all aspects of brain function is required. This involves testing nine separate domains, including IQ, memory and planning functions, social communication skills and sensory deficits. If a child is outside the minimum range for any three of the nine domains, he or she is regarded as brain damaged.

- Students affected by FASD show low rates of school completion, high rates of suspension from school, poor academic achievement and limited positive social involvement. There are many FASD sufferers in the correctional and criminal justice system, both as juveniles and adults.

- Proper diagnosis is essential. Once diagnosed, a treatment plan for the individual can be developed in consultation with other professionals.

- Research has shown that there is no absolutely safe level of alcohol when pregnant – if a woman drinks at all when pregnant, she is taking a risk that the baby will be brain damaged in some respect. This may not result in “full” FASD but the child may be prevented from reaching his or her full potential in life nonetheless.

- The really critical time is the first trimester. Before the embryo is implanted in the uterus (the first 10 days after conception) the risk may be lower because if the embryo at that early stage is impaired the embryo may not implant anyway. From then until the end of the first trimester is considered to be the real danger period when the most damage to development of the brain can occur. Therefore a woman is at great risk because she may be pregnant even before she misses her
first period and knows that she is pregnant. Once the woman knows she is pregnant, if she has consumed alcohol and is anxious that she may have damaged the foetus, there are no tests available to detect that type of damage.

Dr Clarren said that it is estimated that between 1 in 5 to 1 in 10 people in aboriginal communities in Canada have FASD.

Dr Clarren mentioned that Dr Frank Oberklaid, a director with the Centre for Community Child health at the Royal Children’s hospital in Melbourne has done work and research in the area of FASD. It is my intention to make contact with Dr Oberklaid in order to gain a better understanding of work being undertaken and views held in the Australian health community in relation to this matter.

Dr Clarren gave me a wonderful insight into FASD generally, which proved to be of great assistance to me having regard to my attendance at the Asante Centre the following day.

THURSDAY 17TH DECEMBER 2009 (Vancouver/Maple Ridge)

Meetings with with Audrey Salahub, Executive Director of Asante Centre and other staff members of the Centre

The Asante Centre for Foetal Alcohol Syndrome “specialises” in the diagnosis and development of treatment plans for FASD sufferers. Their work involves a number of different health and other professionals. The Centre is very well respected for its work and as a consequence, the workload is considerable. They field calls for assessment from the criminal justice system, people looking to adopt a child that may have FASD, private doctor’s referrals, aboriginal communities and private families having concerns.

I was privileged to spend a whole day at the Centre, during which I observed the work of a diagnostic team considering likely diagnosis of a child based on paternal history (including the mother’s exposure to alcohol during pregnancy), various clinical presentation and a forensic study of the child’s records. The team included in this case a child psychologist, social workers involved with the child and the parents, the parents’ representative and a representative of the intended adoptive parents.

I was impressed with the respect in which the Centre was held by the wider community and indeed, during the course of the day I met with a number of parliamentarians, public figures and other supporters. People travel from throughout Canada to attend this Centre of diagnostic excellence.

The attention given to FASD I am convinced that support for the Asante Centre and other diagnostic centres across Canada is amongst the fundamental planks on which Canada has built its international reputation as the leader in the diagnosis and treatment of FASD.

Informal Dinner with Ms Salahub and staff of the Asante Centre

This informal occasion allowed me to meet the Asante Centre team at a more personal level. I was impressed with their respective levels of commitment to their jobs and the depth of their experiences. No doubt, the relationships forged during my time with these people will be of mutual benefit in the years ahead.

FRIDAY 18TH DECEMBER 2009 (Vancouver Island)
Meeting with John Marczyk and his team at the office of Parks Canada in Sidney.

The purpose of meeting was to gain an insight into the role Parks Canada plays in the development and support of indigenous tourist enterprises within or adjacent to the parks.

The Parks Canada stated responsibility is to “work co-operatively with Coastal Salish people to educate park reserve visitors about the First People of the area”.

There are a suite of initiatives undertaken by Parks Canada to encourage and assist the development of indigenous tourism within the park region. These initiatives are conducted under the umbrella of comprehensive cooperative management arrangements. The consultation to achieve this is provided through regional representative indigenous committees. These committees often have overlapping jurisdictions due to unresolved tribal boundaries. Some of the initiatives are:

- the support for the Tseycum canoe and boat tours
- the authentic cultural tourism initiative (“ACTI”)  
- the “yes” camps (youth eco steward camps)
- national aboriginal day
- Coast Salish games

These are all activities conducted in or adjacent to the park, intended to develop a better understanding of the Coast Salish peoples and their culture.

Aboriginal Business Canada provides a range of assistance to emerging aboriginal tourist initiatives with professional advice throughout the project’s cycle. They also have the facility to provide finance for both business planning and project capital. This is part of the Aboriginal Ecotourism Initiative.

A survey has been conducted with aboriginal groups involved in various areas of the parks to find out what activities they had the skills and enthusiasm to participate in. These results were “married” with the results of a market survey conducted on the types of activities that tourists would be prepared to pay for and the focus of training and enterprise tailored accordingly.

We discussed the impact that unresolved treaty issues had on management issues All first nations in the Yukon have finalised their treaty arrangements. The Coastal Salish people have 19 discrete nations and the treaties are still in negotiation.

I would like to take this opportunity to thank John Marczyk and his team for the time they spent with me and acknowledge the enthusiasm and passion that they have for both the conservation of the magnificent and often pristine biodiversity of their administered area, and for sharing with me their vision of a viable and prosperous tourist industry characterised by indigenous participation and ownership.

Meeting with Chief Vern Jacks

The purpose of my meeting with Chief Vern Jacks was to learn the extent to which his people played a role in guiding or other activities associated with the national parks around his homelands on Vancouver Island, and how this had been achieved.
Chief Vern Jacks is the chief of the Tseycum people, whose homelands include the lands falling within and around the township of Sidney located on the south eastern coast of Vancouver Island. His tribe is not large – around 150 people – and as is typical with indigenous peoples throughout Canada, forms only a very small percentage of the overall population (less than 4%).

There have been some land claims made by his people in respect of lands in the Sidney region.

The relationship between Chief Vern Jacks and Parks Canada appears to be one of mutual respect and co-operation, thanks in part at least to the personal efforts of both the Chief and John Marczyk, First Nations Program Manager with Parks Canada based in Sidney.

My time with Chief Vern Jacks was spent at his people’s reservation in Sidney.

The Tseycum people have commenced a tour business as the result of an agreement with Parks Canada. The Tseycum have two large canoes, one of which is of new construction and the other being a vessel made in the traditional style. These boats are used to take tourists on a guided tour of the waterways around Sidney. Training is given by Chief Jacks and other elders to those first nation people involved in the business in relation to the cultural significance of the region to the Tseycum people, so that the guides can give the tourist a “cultural experience”. The tours have proven to be popular with Parks Canada and tourists alike.

I spoke at length with Chief Vern Jacks about the problems his people face in terms of unemployment; lower levels of literacy and numeracy and abuse of drugs and alcohol. The problems faced by our first Australians are similar to those faced by the first nation people. I was interested to hear from Chief Vern Jacks that if an individual member of his tribe seems to be “going off the track, and perhaps drinking too much or behaving in an anti-social manner it is not uncommon for his family and other tribal members to conduct their own form of intervention. The person having difficulties is brought to the large communal building within the reservation, built in the traditional style to face a “council” family, elders and senior tribal identities. That person then lives within the building, day and night, for a long period (perhaps two or three months) during which he or she is given time to reflect on their attitude and/or behaviours and is provided with counselling from their family and other tribal members. They eat food cooked in the traditional way, and listen to traditional music. Other tribal members will come to the building from time to time to sleep or share time with them.

The Chief assured me that the intervention program yields very good results in the rehabilitation of the person taken into the program.

Chief Vern Jacks is coming to Australia in April to participate in a conference. It is our mutual intention to meet again at that time.

(d) *Conclusions drawn relating to the relevance of the tour to my parliamentary responsibilities*

The study tour is of relevance to my parliamentary responsibilities in a number of ways.

From an electorate perspective we have some 74 parks in the Northern Territory, many of which have recently been handed back to traditional ownership and joint management. One of the stated motives is the potential for larger scale employment for local indigenous people
living adjacent to or within the parks. I would conclude from my observations and
correlations with experts in the field in both South Africa and Canada that to achieve this
outcome, there needs to be a shift in our current approach to recruitment and training of
indigenous workers. Training courses need to be developed with curricula that take into
account the demographic of low levels of literacy and numeracy of the students and that
“hands on” experience in some fields is at least of equal importance to academic achievement.

Australia’s history reflects systemic failure in converting opportunities of enterprise and
employment adjacent to resources of biodiversity significance into real sustainable jobs for
aboriginals and Torres Strait islanders. I was interested in developing an understanding of
what role governments in other nations play in facilitating and supporting emerging
indigenous tourist enterprises and the transportability of those policies and ideas to the
Australian environment. Australia needs to look closely at the processes that we provide to
assist in development of indigenous businesses. These would include but not be restricted to
Indigenous Business Australia, land councils, the Indigenous Land Corporation and any other
aspects of government that would benefit from a more streamlined approach to practical
outcomes of an increased number of indigenous enterprises particularly capitalising on
increasing demand for tourist destinations and activities both from a domestic and
international market.

I see opportunities for Australia in the manufacture of biltong (dried meat products) that can
capitalise on an abundance (and often damaging feral) animals in Australia. I believe that
opportunities for employment and enterprise should be supported. This is an industry that
requires relatively low technology, little formalised upskilling and very low levels of capital
investment and comes with an existing market both in Australia and overseas and an
abundance of raw materials. The development of these products will undoubtedly lead to
increased employment opportunities in regional and remote areas, particularly in areas
characterised by high levels of unemployment. The skills sets required are principally basic
knife work and an understanding of field dressing procedures. Many of these skills already
exist in these areas, particularly in northern Australia.

In the area of FASD, I was particularly impressed with the high level of public awareness in
Canada of the disorder, thanks in no small part to the role of government in developing and
sponsoring advertising campaigns highlighting the dangers of alcohol on the development of
the unborn foetus. For example, there is one whole month that is promoted as “FASD
Month” (similar to Red Nose Day in Australia). The fact that the government recognises the
potential cost of the disorder to society, in dollar terms and otherwise is no doubt the result of
the extensive research and development carried out in Canada in the field. Whilst I appreciate
that there remains some scepticism amongst health professionals throughout the world as to
diagnostic and treatment issues, it seems to me that more should be done in Australia to
promote the message that there is no guaranteed safe level of alcohol consumption during
pregnancy. This needs to be done not only within indigenous communities but to the
community at large. All sexually active women need to understand the dangers.

The requirement to have this report completed within 30 days has proved to be problematic. I
returned to Australia in the early hours of Christmas day. Apart from the obvious difficulties
in finding enough time to spend with extended family over the Christmas/New Year period,
much of the material required for a comprehensive report and necessary attachments are still
en route from South Africa and Canada. I see no benefit in the shortened reporting period as
the only evident impact is the quality of how these study tours are recorded for parliament.

At every opportunity I intend to use the knowledge and contacts I have gained during the
study tour, to advance the social and economic wellbeing of Australians living in remote and
regional Australia.
I note that in accordance with clause 9.5 of the Remuneration Tribunal Determination 2005/09 a copy of this statement may be obtained from you upon request by any Member or Senator. I also note that this statement may be tabled in Parliament at your discretion.

Yours sincerely

NIGEL SCULLION
23/01/2010
Due to the size of this individual study report a number of pages are not included in this Tabling document. A copy of the full report (and any supporting documentation) is available on written request to the Office of the Special Minister of State.
25 March, 2010

Senator the Hon Joe Ludwig  
Special Minister of State  
Cabinet Secretary  
Parliament House  
CANBERRA 2600

Dear Senator,

In accordance with the requirements of the Remuneration Tribunal, I submit the following statement reporting on my recent overseas study trip.

The purpose of my study trip was to conduct research into a number of key areas:

- Community diversion and educational programs which have been successful in reducing the operation and existence of street and youth gangs;
- Legislative measures taken by governments to inhibit gang organisation and/or reduce gang violence;
- Policing operations which have been effective in reducing gang violence; and
- Security measures to reduce gang violence.

Please find outlines and outcomes of key meetings in the study report enclosed.

Yours sincerely,

Jason Wood  
Member for La Trobe
STUDY TOUR 2009
Gang Violence and Policies in Europe and America

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Executive Summary

Key Meetings and Outcomes

The following sections detail interviews with key public security and policing officials in regard to how they fight crime. Their responses and recommendations were based on my questions focused on the following areas:

- The current situation with gangs and gang violence;
- Statistics collected about the gangs and their members, such as the crimes they commit and how they recruit gang members;
- Law enforcement measures or legislation to fight gangs;
- Police activities to fight gangs and their effectiveness; and
- Prevention measures to stop youth from joining gangs or being converted into terrorists.
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SENATOR STEVE FIELDING

United Kingdom, Switzerland, the Netherlands, Denmark and Singapore
2 - 23 December 2009
Senator the Hon. Joseph Ludwig  
Special Minister of State  
Suite MG 64  
Parliament House  
CANBERRA ACT 2600

Dear Minister

In accordance with the requirements of Clause 9.2 (a) of Remuneration Tribunal Determination 2006/18, I submit the following statement reporting on my proposed overseas study journey:

1. **Confirmation of purpose:**

The purpose of my trip remained the same, except for not being able to cover the water saving issue due to extended parliamentary sitting. The purpose of the study was to look at:

   a. Binge drinking  
   b. Dyslexia support  
   c. Climate change  
   d. Problem gambling  
   e. Asylum seekers

2. **Itinerary:**

3rd December 2009 depart Melbourne and 4th December arrive in London, UK;  
7th December, day trip to Berne, Switzerland; 9th December depart London and arrive in Nijmegen, The Netherlands; 13th December depart Nijmegen and arrive in Copenhagen, Denmark; 18th December depart Copenhagen via London, and 20th December arrive in Singapore; 22nd December depart Singapore and 23rd December arrive in Melbourne.

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3. **Key Meetings, outcome/findings and conclusion** (see attached report).

I note that in accordance with Clause 9.5 of the Determination a copy of this statement may be obtained from you upon request by any Member or Senator. I also note that this statement may be tabled in Parliament at your discretion.

Yours sincerely

[Signature]

Senator Steve Fielding  
Leader of Family First

21 January 2010
This report provides specific recommendations that will help tackle 5 big issues that Australia is grappling with:

- Binge drinking
- Dyslexia support
- Climate change
- Problem gambling
- Asylum seekers

The report is structured chronologically with corresponding key issues and recommendations within each section.

**ALCOHOL POLICING**

*Briefings by UK Police (United Kingdom, 4-5 Dec 09)*

It was very insightful being briefed by the command of the London Metropolitan Police as they outlined their strategy for dealing with dysfunctional social behaviour from excessive alcohol consumption. Binge drinking is also a major concern in the UK especially amongst younger people, but does not appear to be on the increase like in Australia. Tax on alcohol did not appear to be the primary focus, with greater effort placed on effective management and supervision at night clubs, particularly at the door and bar.

A second briefing outlined how the Metropolitan Special Constabulary operates and the key role it plays in increasing the manpower on policing the streets at night. I was impressed with the concept of having volunteer police officers working side by side with a paid police force. I believe that employer-sponsored volunteer police officers could work well in Australia if implemented with the full support of the State Governments and Police Associations.

Finally, I went out on night patrol into the early hours of the morning with the Metropolitan Police Service Clubs & Vice Unit CO14, where we visited many nightclubs and had the opportunity to chat with nightclub security staff and owners. On this patrol we were accompanied by a paramedic as it was part of a more formal pilot of the emergency ambulance force and police force working in a more collaborative way.

**Recommendations:**

R1. Implement an effective national door and premise supervisor licensing regime in an effort to crackdown on excessive consumption of alcohol.
R2. The Australian government needs to stop relying on tax as the major weapon in tackling Australia's binge drinking epidemic.

R3. Develop a national volunteer police officer force with support of state police associations, state governments and employers.

PROBLEM GAMBLING
Briefing by Mr. Jean-Marie Jordan, Swiss Federal Gaming Commission (Berne, Switzerland 7 Dec 09)

It was pleasing to find a nation that had not sold out to gambling revenue at any cost.

Switzerland has taken a strong regulatory approach and places a very high priority on ensuring adequate protections are in place to protect vulnerable people from the harm caused by gambling.

Switzerland is very aware that poker machines are highly addictive and believes the best way to protect its society from pokies is to have a 'destination' restriction gambling policy – that is, poker machines are restricted to casinos only.

It is important to note, that in Australia, even the Productivity Commission acknowledge that 'destination' restrictions for poker machines is best (see Productivity Commissions draft report 2009) - rather than having poker machines available in every pub and club as they are in Australia.

In addition to poker machine 'destination' restrictions, Switzerland also restricts social damage from gambling by requiring every entrant to a casino to sign-in. This puts an even higher onus on casino operators to deal with any problem gamblers because they can't use the excuse that they did not know the person. Also casinos hold an entrance active exclusion list that prevents problem gamblers from re-entry.

Recommendations:

R4. Over time restrict poker machines to casinos and racetracks - which are both dedicated gambling venues.

DYSLEXIA
Briefing by Sir Jim Rose (United Kingdom 8 Dec 09)

It was a privilege to be briefed by Sir Jim Rose on how best to help young people that battle with dyslexia and literacy difficulties. The UK government has relied upon Sir Jim Rose's expertise to better equip their nation to help kids with dyslexia.

Sir Rose advised me that there needs to be an agreed working definition of dyslexia to avoid confusion and I think to help the broader population understand and be more engaged with helping those with dyslexia. In his words "Dyslexia is a learning difficulty that primarily affects the skills involved in accurate and fluent word reading and spelling".
Sir Rose also stressed how important it is that within the school system there was a structured process that would lead to early identification and intervention of children with dyslexia in order to ensure children and their family received the help they need.

**Recommendations:**

R5. Provide a national dyslexia short training course that each teacher completes and that equips them with a basic level of dyslexia identification and intervention.

R6. Develop a dyslexia referral system where teachers would be able to provide a referral for a child to be assessed by a dyslexia specialist at no charge to the family.

R7. The Australian government needs to stop relying on providing kids with computers as their major achievement in their education revolution and realise that teachers and parents need more direct support.

**EPOSODIC HEAVY DRINKING AMONG ADOLESCENTS**  
**Conference (The Netherlands, 9-12 Dec 09)**

It was clear as I listened to many experts from around the world provide their insights on how to understand and best deal with heavy drinking among adolescents, that there was no silver bullet solution.

However, clearly hiking up the tax on one alcoholic product was not seen as effective or as a major weapon in dealing with binge drinking.

What was also clear was that binge drinking was a cultural problem and to my surprise it also appeared that some kids with certain personality profiles were more susceptible to becoming binge drinkers.

Here are some of the key issues from the various expert presenters:

- Adolescents are socialised by peers towards adopting riskier drinking behaviours if this riskier drinking is associated with social rewards, in most cases the reward involves higher peer status.¹
- The peer group in which an adolescent relies on plays a very important role with peer socialisation towards excessive alcohol use and excessive alcohol use is likely if individuals receive social reinforcements for adopting that behaviour.²
- There is growing evidence from the USA that alcohol advertising significantly influences adolescents' drinking behaviour.³
- Friends' drinking behaviours are one of the most robust concurrent predictors of youth alcohol use (ie. youth become more similar to the drinking behaviours of their friends over time).⁴
- There is a well established association between sexual risk taking and excessive alcohol consumption among adolescents.⁵
- There is strong evidence that a significantly higher proportion of adolescents would change their excessive drinking habits if they received a brief intervention (i.e. counselling session) 7-10 days after their admission to hospital emergency department. vi

- There is strong evidence that binge drinking would reduce when adolescents receive a brief personality-targeted substance misuse prevention programme from educational professionals (such as teachers, mentors or individuals in a pastoral role who are trained in delivering the programme). vii

- How to reach adolescents and change their unhealthy drinking is a critical public health policy issue. Overtly persuasive campaign strategies aimed at preventing unhealthy drinking that target adolescents may have unfavourable or opposite 'boomerang' effects. Any campaign must lessen adolescents' psychological and cognitive resistance and to increase their responsiveness to (unconsciously) process health related information. In fact a growing body of research indicates that entertainment-education (EE) programming is perfectly equipped to effectively influence health-related attitudes and behaviours. viii

- Parents play a key role in preventing the onset of excessive alcohol use in their kids. Research shows that the quality of conversations about alcohol use is a more important parenting tool than the frequency of such conversations. Good qualitative conversations on alcohol use, particularly between the mother and the child, seem to have a preventative effect on the number of alcoholic drinks a week. Also, research has shown alcohol-specific rule enforcement is an effective parental tool to prevent adolescents' onset of excessive alcohol use. This includes restricting the availability of alcoholic drinks in the house as this seems to increase weekly alcohol consumption and alcohol-related problems among adolescents. Parents play an important part in the initiation of alcohol use in their kids and the example set by parents does affect their children's alcohol use. Research suggests that adolescents as well as their parents should be targeted in order to delay the onset of drinking. ix

- Those with a strong behavioural inhibition system (BIS) who are also emotion focused to coping and act impulsively when distressed were inclined to drink to cope, and this in turn increased risk for heavy drinking and alcohol-related problems. That's why it is important to also consider a kids personality type when intervening for alcohol misuse. x

**Recommendations:**

R8. Roll out a parental alcohol education campaign that re-enforces the importance that parents play in helping prevent the onset of excessive alcohol use in their kids. This campaign is to help parents sit down with their kids and develop alcohol use specific rules, and encourage parents to chat to other parents about alcohol and their kids.

R9. Introduce an alcohol intervention program that provides a brief intervention counselling session 7-10 days after an adolescent's admission to a hospital emergency department.

R10. Tighten alcohol advertising to lesson its attractiveness to adolescents – this can be done by de-hooking alcohol advertising from sport and having an independent alcohol advertising board that ensures all ads do not portray in
any way that alcohol will help you have success with life, relationships or sport.

R11. Re-align Australia's current anti-binge drinking campaign to be a more entertainment-education (EE) programme that will be more effective in changing adolescent attitudes and behaviours with alcohol.

**CLIMATE CHANGE - COP15**

Conference (Copenhagen, Denmark 13-18 Dec 09)

The COP15 conference ended up probably exactly where it should have – concluding with no real agreement.

In fact, until concerns surrounding the science and how best to tackle climate change are resolved, it makes perfect sense not to conclude any global agreement.

Here are some of the key issues arising from various discussions at COP15:

**Nuclear Energy Institute forum**

- It was pointed out how critically important nuclear energy is for any country that adopts an emissions trading scheme (ETS) and reference was made to the following three key statements:

  "There's no reason why technologically we can't employ nuclear energy in a safe and effective way. Japan does it and France does it and it doesn't have greenhouse gas emissions, so it would be stupid for us not to do that in a much more effective way." — President Barack Obama at a town hall meeting in New Orleans, October 15, 2009

  "Whether we like it or not, we will not meet the challenges of climate change without the far wider use of civil nuclear power, but we must invest in all sources of low-carbon energy, energy efficiency, renewables, carbon capture and storage and nuclear power." — Gordon Brown, Prime Minister, United Kingdom, March 17, 2009

  "I think a lot of people are kind of stuck in the '70s. ... I think people haven't caught up with the fact that climate change has changed the whole climate of the environmental debate on this planet. The one technology that is contributing most to reducing greenhouse gases in America today is nuclear energy, and we could do a tremendous amount to increase that." —Patrick Moore, Co-founder, Greenpeace and Co-chair, Clean and Safe Energy Coalition, Nov. 9, 2007

- In the US, nuclear energy is the largest source of clean-air and carbon-free electricity.
- Most members of US congress that support an ETS also recognise nuclear energy is an important part of the solution.

**Bjorn Lomborg**

- In 2008 Bjorn Lomborg was named “one of the 50 people who could save the planet” by the UK Guardian and clearly believes emission trading schemes (ETS) are useless.
- Strongly opposes any global ETS coming out from COP15 as it would be an ineffective and overly expensive way of doing very little to save the planet.
- A better way to go would be to invest heavily into research and development of new and existing environmental technologies - if we have a science problem then let science solve the problem rather than global ETS agreements.

Senator Inoffe and staff
- Within the US congress, there still remains concerns surrounding the IPCC science, so much so that 27 US Senators have signed a letter addressed to the UN Secretary General. The letter (attached) outlines concerns about how IPCC top scientists may have engaged in efforts to manipulate data, defame scientists with opposing viewpoints, and evade transparency laws.
- It is unlikely the US Senate will sign-off on any emission trading scheme (ETS) for some time soon.
- In the US, the public are becoming more and more concerned about the cost of any scheme and its affect on jobs.

Inter-Parliamentary Union (IPU) meeting on COP15 (Danish Parliament Building)
- There is a need for greater parliamentary oversight of climate change negotiations and action.
- Major concerns were raised about the secrecy of the negotiations at COP15 with many elected members from parliaments from around the world being shut out of negotiations and left in the dark on the text of the draft treaty.

Various discussions in Bella Centre
- I stopped and chatted with many in the Bella Centre at COP15 and was surprised at how many participants of the conference had not looked at the temperature data in detail. In fact, many were surprised by my 'inconvenient fact' chart (see below) and were more comfortable about talking about ice melting - this was even after pointing out that the data used to plot the chart is the same data used by the IPCC.
- I am not sure if Prime Minister Rudd stopped to notice that all the hundreds of hospitality staff serving at the Bella centre were wearing red polo shirts promoting re-cycling - on the back of their shirts it said 'Drink' – 'Re-cycle' – 'Wear'. It is embarasing that our Prime Minister has refused to implement a national drink container re-cycling scheme - that would save millions of tonnes of greenhouse gases.
- In regards to Australia's role being crucial at COP15, most were not fussed about what Australia did, rather they were focused on what the major economies were doing such as China, India and USA. So much for the claim that our Prime Minister could lead the world, many did not even know the name of our Prime Minister with some naming John Howard.
- Gaining entry to the conference was a shamable not only for me but even for official party delegates and media who also had found themselves waiting in ridiculous queues in freezing cold temperatures.
An inconvenient fact?

CO₂ is rising … but global temperature isn’t rising!

NOTE: CO₂ measurements [in black, rising] taken at Mauna Loa Observatory in Hawaii plotted against Global surface temperature since 1995 [in red, not rising] taken from Hadley Centre and Climatic Research Unit of the University of East Anglia. These two sets of statistics are used by the IPCC in its reports. 

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Recommendations:

R12. The Australian Prime Minister must share the truth with the Australian people that the only way Australia can meet his proposed ETS targets and not risk ruining our economy, is for Australia to move towards using nuclear energy.

R13. Hold a Royal Commission into the science and data of climate change.

R14. Launch a national drink container re-cycling scheme similar to the one operating in South Australia – this will save millions of tonnes of greenhouse gases and help kids and charities earn some extra cash.

ASYLUM SEEKERS

Briefing by Dr. Rohan Gunaratna, International Centre for Political Violence and Terrorism Research, Nanyang Technological University (Singapore 21-22 Dec 09)

It was a privilege to be briefed by Dr. Gunaratna and his team on the issue of the terrorist threat to Australia regarding asylum seekers and the importance of countering the ideas and propaganda of the jihadists.

Firstly, it was made very clear to me that if Australia does not improve its asylum seeker security screening, Australia is at great risk from allowing terrorists and terrorist activities into our country.
It still remains a real concern today that the Australian government seemed to be the last to know that some of the recent asylum seekers arriving by boat were a real security threat.

The problem has arisen because the Australian government has very poor counter-terrorism data sharing arrangements with Sri Lanka.

I understand that over a year ago, our Prime Minister, Mr. Rudd, was briefed by Dr. Rohan Gunaratna in Singapore.

In relation to countering the ideas and propaganda of the jihadists, it is critical that to overcome the current threat of terrorism from Muslim groups a multi-pronged approach be used. Counter terrorism is not just a law enforcement operation (a "battle of bullets") but countering of ideas and propaganda (a "battle of ideas"). If measures are not put in place to counter a terrorist group's ideas and propaganda, then left unchecked they will continue to harvest sympathy and eventually a whole new breed of terrorist recruits.

**Recommendations:**

R15. Engage Dr. Rohan Gunaratna and his team to conduct a formal review of Australia’s asylum seeker security screening procedures.


**CONCLUSION**

In conclusion, this report and its recommendations, recognises that Australia is facing a critical period as it grapples with tackling:

- a binge drinking epidemic;
- a massive lack of support for kids with dyslexia;
- basic concerns about how best to address climate change;
- a social blight arising from problem gambling; and
- a potential security threat from asylum seekers.

I strongly urge the Government to adopt all 16 recommendations.

Signed: Steve Fielding
Leader of Family First

Overseas Study Report - Senator Steve Fielding, December 2009
Mitcell Prinstein (University of North Carolina Chapel Hill, USA)

Mitcell Prinstein (University of North Carolina Chapel Hill, USA)

Avalon de Bruijn (Dutch Institute for Alcohol Policy, Utrecht, The Netherlands)

William Burk (Behavioural Science Institute, Nijmegen, The Netherlands)

Josie Williams (Glasgow Centre for the Study of Violence, Glasgow Scotland)

Anneke Risselada (IVO, Rotterdam, The Netherlands)

Maeve O'Leary-Barrett (Institute of Psychiatry, Kings College London, UK)

R.J. Renes (Wageningen University, Wageningen, The Netherlands)

Regina van den Eijnden (UU, Utrecht, The Netherlands)

Roisin O'Connor (Concordia University, Montreal, Canada)
Dear Minister

In accordance with the requirements of Clause 9.2(b) of Remuneration Tribunal Determination 2006/18 (the Determination), I submit the following statement reporting on my recent overseas study journey.

(i) (a) Confirmation of Purpose(s):

meeting and speaking with a variety of officials and company representatives concerned with air transport in Hong Kong and the issue of noise pollution as it may impact on residential areas.

(b) Itinerary

Friday 4/12/09

12.00pm Sydney/Hong Kong QF127

Monday 7/12/09

3.00pm Civil Aviation Department - Meeting with:
Mr Steven Kwok, Assistant Director-General (Air Services) &
Mr Jeffrey LAW, Senior Operations Officer (Technical Administration Section) & Chair Environmental Management Committee

Tuesday 8/12/09

10:30 Mr Martin Putnam
Corporate Environmental Manager, HKIA
Ms Olivia Lin, General Manager
Facilities Planning, HKIA
Mr Wee Yeang Goh
Manager, Facilities Planning, HKIA
Key meetings and outcomes/findings:

**Hong Kong Airports**

Hong Kong’s first airport, Kai Tak Airport, has been in operation since (the first recorded flight in) 1925.

In 1996, the Kai Tak Airport handled 29.5 million international passengers and 1.56 million tonnes of international cargo making it the third busiest Airport in the world for international passengers and first in the world for international cargo throughput in the world.

The new airport at Chek Lap Kok, Hong Kong International Airport (HKIA) moved the international flight operation, with its international aircraft traffic and resultant noise, from a densely populated urban area (Kai Tak) to an outlying island allowing the development of flight paths over water.

This relieved more than 300,000 people from daily exposure to aircraft noise.

Given its different position and surroundings, the HKIA has different noise standards to Kai Tak Airport.

HKIA is the fourth busiest international passenger airport and operate the busiest international cargo facilities in the world.

In 2008, more than 48.6 million passengers used the airport, and over 3.6 million tonnes of air cargo passed through Hong Kong. With some 750 aircraft movements every day
Aircraft Noise

Within Hong Kong, aircraft noise is a very serious issue as it has the potential to have a great impact on the quality of life of residents.

The potential impact of aircraft noise has necessitated initiatives designed to protect residents from the worst excesses of airports in close proximity to residential areas.

Two offices have almost all responsibility for regulating aircraft noise:

- The Civil Aviation Department, and
- The Airport Authority.

Meetings were held with each of these offices.

In Hong Kong the Civil Aviation Department (CAD) has statutory responsibility for managing and mitigating aircraft noise.

The CAD monitors the adherence of aircraft to defined flight paths and continuously monitors noise levels. The CAD also has responsibility for accepting and resolving complaints from the public relating to aircraft noise.

Of particular note is the requirement of airline companies to meet more stringent noise compliance benchmarks by flying Chapter 4 aircraft exclusively. According to the CAD, Chapter 3 aircraft were phased out of use initially between the hours of 11am and 7am from 1999, and were totally excluded from landing in Hong Kong from July 2002.

Within Australia, Chapter 3 aircraft are still in use. The phasing out of Chapter 3 aircraft and requiring airlines to use Chapter 4 aircraft exclusively will bring Australia up to international standards and improve conditions for residents in close proximity to airports.

(See Chapter 3 and Chapter 4 of Annex 16 Volume I, Part II to the Convention on International Civil Aviation.)

Hong Kong has a history of limiting the flights to and from its airports at night in the interests of neighbouring residents.

Of critical concern are the hours between 11pm and 7am – almost identical hours to those between which the Adelaide Airport Curfew operates.

The new Hong Kong International Airport has been constructed on an island more removed from the residential developments and consequently is largely surrounded by sea. Given this physical environment, several noise minimising measures have been tailored for this airport and are maintained by the CAD to reduce aircraft noise between these hours.
• Avoiding aircraft overflights in densely populated urban areas;
• Use of noise abatement departure procedures for North East departures (aircraft must reach higher altitudes in a shorter distance);
• Requiring South West approaches over water whenever possible; and
• Requiring continuous descent approaches for flights arriving from the North East.

The Airport Authority Hong Kong (AA) is a statutory body wholly owned by the Government of the Hong Kong Special Administrative Region (HKSAR), established in 1995, with a mandate to maximise the value of Hong Kong International Airport (HKIA) for the benefit of the territory.

(ii) Conclusion:

The issue of aircraft noise is obviously not limited to Australia. Nor is the use of devices designed to limit the imposition of noise on residential areas adjacent to airports or under or adjacent to aircraft flight paths.

Hong Kong International Airport, one of the busiest and most important airports in the world, has limitations on the flights that are permitted on the basis of their noise impact on Hong Kong residents.

The location of Hong Kong International Airport enables certain measures to be taken to protect residents from aircraft noise. A curfew of sorts does exist at this airport between the hours of 11pm and 7am.

The imposition of limitations on flights due to their noise impact on residents can be seen to be a legitimate measure within the business structure of the airport, and as such can be viewed as supportive of arguments within Australia for appropriate limitations on late night-early morning aircraft movements at Australian airports.

Given localised geography and the proximity of residential areas to Australian airports, particularly Adelaide Airport, the Hong Kong International Airport example serves to support the continuation of the use of curfews.

I note that, in accordance with Clause 9.5 of the Determination, a copy of this statement may be obtained from you upon request by any Senator or Member. I also note that this statement will be tabled in Parliament at your discretion, including as part of the six-monthly tabling of travel costs for Senators and Members.
Yours sincerely,

[Signature]

Steve Georganas MP
Federal Member for Hindmarsh

11 January 2009
SENATOR CHRISTINE MILNE

Denmark and the United Arab Emirates
5 – 21 December 2009
20 January 2010

Senator the Hon Joseph Ludwig,
Special Minister of State,
Suite MG64,
Parliament House,
Canberra, ACT 2600

Dear Minister,

In accordance with the requirements of Clause 9.2 (a) of Remuneration Tribunal Determination 2006/18 (the Determination), I submit the following statement reporting on my recent overseas study journey:

(i) **Confirmation of Purpose:**
The purpose of my study journey was to enhance my understanding of international climate change negotiations and Australia’s role in those negotiations by attending the 15th Conference of the Parties to the United Nations Framework Convention on Climate Change and the associated meeting of the members of the Kyoto Protocol held in Copenhagen, Denmark from December 7th to December 19th 2009. I also organised to meet with members of the European Parliament and Greens Parties from around the world to discuss climate change policy responses and to participate in several speaking events at the civil society Climate Forum held in conjunction with the United Nations meeting. I was also interested in investigating the success of the wind industry in Denmark and the policy settings that underpin that success and expansion.

(b) **Itinerary:**
I flew directly from Melbourne to Copenhagen via Dubai and returned the same route.
Departed Melbourne December 5th Emirates 407 at 21.25 to Dubai.
Departed Dubai 8.20 SK 962 Dec 6th arriving Copenhagen December 6th 13.15pm.
Departed Copenhagen December 19th SK961 at 21.05 to Dubai.

I offset the carbon emissions from the flights.

I was billeted in Copenhagen at the home of Ms Annelise Ebbe, International Co-President of the Women’s International League for Peace and Freedom.
I used public transport throughout. The city is brilliantly organised for public transport and it was provided free to Conference delegates. Cycleways form a major component of the public transport system with trains having bike friendly carriages and stations have bike cloakrooms and racks outside.

I attended meetings at the Bella Centre and the Climate Forum throughout the entire period until the final days when an alternative venue was organised for those delegates not on government delegations.

(ii) **Key Meetings and outcomes/findings:**
The meeting was a failure in terms of concluding the Bali roadmap of 2007 with a legally binding treaty in Copenhagen. It is clear that in spite of all the rhetoric about the urgency and seriousness of addressing climate change expressed by state parties to the Convention and Protocol, short term national sovereignty and perceived self interest continue to override global interest and the common good in the United Nations system. It has always been so but a new modus operandi is demanded by a global environmental crisis. The question that emerges is whether multi lateralism as it currently operates in the United Nations is capable of addressing a global and universal environmental crisis.

Australia won itself no friends by attempting to have investment in clean coal technology included in the Clean Development Mechanism. Nor did its efforts to undermine the integrity of the rules relating to Land Use, Land Use Change and Forestry go unnoticed. It is clear that Australia’s undertaking to commit to a 25% reduction in greenhouse gas emissions on 2000 levels depends on it achieving the changes it wants to the accounting rules. For example Australia is one of the countries arguing that it should be able to set a baseline for accounting for emissions from native forest logging on its projected emissions from business as usual out to 2020. If it does not exceed its projected emissions then it would not incur a carbon penalty. Actual emissions would not count.

The emergence of the new 21st century global geo political reality was evident. The world was held to ransom by the United States of America and China. No global climate agreement can be meaningful without them both. All other nations and groupings of nations aligned their positions with one or other of these countries. Whilst the USA and its allies have been focussed on terrorism for the past decade, China has extended its economic reach such that it now owns a large proportion of the mineral and oil resources of Africa, Asia and the Pacific and has considerable political influence in those spheres.

The world divided into three blocs. The developed nations, the rich developing nations of China, India, Brazil, South Africa and finally the poor developing countries including the small island states. By insisting that it will not ratify the Kyoto Protocol, the United States and its followers including Australia and the European Union handed the moral
high ground to the developing countries led by China who all insisted that the Kyoto Protocol must remain the basis for ongoing negotiations for a treaty. A split then emerged as the poor developing nations argued for an additional Protocol to Kyoto which would have required rich developing nations to accept some legally binding commitments. No Kyoto, Kyoto and Kyoto Plus formed the basis of the negotiations.

The attempt to force an agreement tied to a finance agreement was too little too late. For the first time the developing world did not succumb en masse to the idea that it should overlook the failure of the developed world to meet its legally binding obligations in exchange for funding. Survival and changed economic allegiances post the emergence of China have changed the dynamic.

I did many media interviews for Australian and international media and kept a blog commenting on the negotiations. It can be accessed from my website www.christinemilne.org.au. I also posted a number of photographs of the website which cover a range of events in the city as well as at the Bella Centre.

Meetings and Speaking Engagements:

1. Copenhagen and Beyond: Delivering a meaningful deal on Climate Change from a Global Green Perspective. 13th December, Klimaforum. Speakers Rebecca Harms, Co-President of the Greens in Germany; Marina Silva, former Environment Minister Brazil; Elizabeth May, Canadian green Party Leader; Christine Milne, Australian Greens Deputy leader.


Seminars

Forests and Climate Change :Forestry Day 3
Hosted by the Collaborative partnership on forests, the government of Denmark and CIFOR.

Oxfam Climate Witnesses
Speakers included Mary Robinson and Archbishop Desmond Tutu

False Promises of Nuclear Energy hosted by Women’s International League for Peace and Freedom. December 12th
Helen Caldicott was the keynote speaker.

I met with many Non Government Organisations including:

ANU students
Australian Youth Climate Coalition
Project Survival
Adopt a Negotiator
SPREP
Centre for Science and Environment, India
Global Legislators Organisation for a Balanced Environment (GLOBE)
International Union for the Conservation of Nature
Vestas
Women's International League for Peace and Freedom
Climate Action Network
Global Greens
NZ Greens
GetUp
Green Institute,
TWS

GLOBE would like to establish a chapter in Australia and I met with its international Director and Secretary Terry Townsend and Adam Matthews to discuss that possibility. It is essential that any such chapter be cross party and I recommend that the government facilitate such a chapter being established.

Vestas is a major player in the wind industry in Denmark. I met with Michael Zarín and Ken McAlpine to discuss the future of wind energy in Europe and beyond. It was confirmed that a feed in tariff is required to drive the industry. As to expansion in Australasia, the company will consider expansion based on policy settings and critical mass.

Walk Against Warming December 12th.

Together with Green parties and citizens from around the world, I participated in the peaceful march against warming in Copenhagen. Estimates of the crowd size put the march at 100,000 people.

(iii) Conclusion:
As I hold portfolio responsibility for Climate Change and Energy for the Australian Greens in the Federal Parliament, this journey was central to my parliamentary responsibilities. It will provide the basis for continuing dialogue and negotiation with the government and other parliamentary parties on climate policy in Australia for the remainder of the year leading into the next round of negotiations in Mexico in December 2010. It has also provided me with a strengthened network of climate scientists, non-government organisations and policy makers with whom to discuss new ideas and initiatives in the climate field.

I note that in accordance with clause 9.5 of the Determination a copy of this statement may be obtained from you upon request by any Member or Senator. I also note that this statement may be tabled in Parliament at your discretion.
Yours sincerely,

[Signature]

Senator Christine Milne
Australian Greens Senator for Tasmania
20/01/2010
February 2010

Senator the Hon. Joe Ludwig
Special Minister of State
Manager of Government Business in the Senate
CANBERRA ACT 2600

Dear Minister,

In accordance with the requirements of Clause 9.2(b) of Remuneration Tribunal Determination 2006/18 (the Determination), I submit the following statement reporting on my recent overseas study journey.

**Malaysia: 7-9 December, 2009**

1. **Confirmation of Purpose**

As the shadow Parliamentary Secretary for Education, responsible for the Opposition’s education policy in the Senate, this study trip to Malaysia was primarily concerned with examining education in initiatives in that country. In particular, I was also keen to assess Monash University’s campus in Kuala Lumpur as well as the standing of the University of Malaya. This trip builds on earlier study tours to Singapore and Thailand.

In addition, I also visited the RMAF Butterworth Base, at Penang. This is a vital defence installation for Australia and I was interested to see how the base was performing with a far stronger Malaysian contribution and less relative contribution from Australia.

2. **Itinerary, Key Meetings and Conclusions**

Monday 7 December 2009

7:30am:  Depart Kuala Lumpur for Penang.

11:00am:  Arrive at RMAF Butterworth.

I received a fascinating briefing from Squadron Leader Anderson and Wing Commander Robinson. They recounted the history of the Butterworth airbase commencing as a Royal Air Force Base in
1941 built to protect British interests on the Malay Peninsula during World War 2. The base was captured by the Japanese in late 1941 and held by them until the end of World War 2.

Importantly, from Australia’s perspective, the Butterworth base was to play a vital role in the fight against communist insurgents during the Malayan Emergency fought from the late 40s and throughout the 1950s. Units of the Royal Air Force, the Royal Australian Air Force and the Royal New Zealand Air Force were stationed at Butterworth and engaged in operations to defeat insurgents and, more broadly, to conduct intelligence operations during the early years of the Cold War. By the commencement of "confrontation" with Indonesia in the early 1960’s the Royal Air Force had largely withdrawn and Australia became the chief operator at Butterworth. Australia remained the primary military force at Butterworth until 1988 when the base was handed over to the Royal Malaysian Air Force.

While, like most Australians, I was aware of the importance of the Butterworth Air Force base during both the Malayan emergency and confrontation with Indonesia, I learnt that intelligence gathered by our air force (often in collaboration with our allies) was vital throughout the Cold War. The location of Butterworth on Penang Island gives the base a superb strategic location in monitoring the Malacca Straits. This has been perhaps a much under appreciated role of the base and it is one that continues today.

Clearly, the base continues to serve Australia’s vital strategic interests. We are extremely lucky to have a base of this size in a strategic location on the land of a foreign country. It suits both Australia’s and Malaysia’s interests that Australia remain there. Even during the sometimes difficult rhetorical stouges between Australian and Malaysian political leaders, the defence relationship between the two countries has remained firm. Underlying strategic interests tend to trump short term political game playing.

In recent years Butterworth’s role has not been confined to military intelligence. Butterworth base played a vital role in Australia’s contribution to assistance throughout South East Asia at the time of the tsunami disaster. Australia’s emergency relief operations were effectively administered from the Butterworth Air Force Base.

After lunch and a tour of the base my air force hosts took me for a tour of Penang. It is a beautiful island and the city has kept some of its magnificent British Colonial architecture. I was reminded by my air force hosts that tens of thousands of Australian’s have connections with the Butterworth Air Force Base. It is more than sixty years since Australians first served there and the connection with the people of Penang is an abiding one.

5:00pm: Depart Penang for Kuala Lumpur.
Tuesday 8 December 2009

9:00am Visit Monash University, Sunway Campus.

This was an inspirational visit.

The Pro Vice Chancellor and President of the campus, Professor Robin Pollard, has established a university campus of high standard. I have visited the campuses of several Australian universities operating overseas. Concern has been expressed many times that parent universities in Australia are not adequately funding these new premises or, in some cases, the academic staff is not sufficiently strong. These criticisms do not apply to Monash University Sunway Campus in Kuala Lumpur. The facility is excellent. It has not been done on the cheap. It has embraced the standards, facilities, architecture, and even the campus timetables of Monash University in Melbourne. This is Australia exporting its tertiary education at its very best.

The campus is only two years old. It has been purpose built and caters for about 5000 students and about 450 staff. The campus is still growing and in the end Professor Pollard is hoping there will be over 6000 students with over 600 staff to support them. While the vast majority of students are Malaysians somewhere around 25 percent are international students. Monash University is very keen that many of its students from campuses in Victoria attend the Kuala Lumpur campus. This would not only advantage Australian students but would certainly add to the cosmopolitan atmosphere of the Sunway campus.

During my visit I also noticed that student accommodation was being built. Again, this will add to the student life and atmosphere of the campus. When students live on campus (as I did) it adds considerably to the lustre of university life.

I was also impressed that Monash University was keen to apply the same standards to its staff in Kuala Lumpur as they were in Melbourne. Not only are staff encouraged to engage in research they are expected to engage in research. Indeed, during my tour of the campus the Deans of various Faculties would proudly point to books and papers that the staff had written. Professor Pollard is determined that Malaysian students studying at the Sunway Campus will receive an education every bit as good as Australian students would receive at a Monash Campus in Melbourne.

The facilities are clearly first rate: the library, computer facilities and teaching services are as good as one would find in Australia. Given that the Sunway Campus is offering degrees from Bachelor Degrees right up to Doctorates this academic infrastructure is vital. I will be interested to see how the campus progresses over the next few years.

3:00pm Arrive Taylor’s University College

Taylor’s University College in Kuala Lumpur has a national reputation for preparing students for university - particularly overseas. It is a private institution, expensive by local standards, but very successful. To ensure admission to top flight international universities, Taylor’s University College prepares students for Cambridge A Levels and the International Baccalaureate Diploma. With these programs providing international benchmarks, Taylor’s University College has been very successful in gaining access for their graduates to top flight universities abroad.
I am glad I visited Taylor’s University College. I was impressed by the Vice Chancellor Dr Hussian Said and his team. They recognised that Malaysia faces difficulties gaining international recognition for their school results and even, to some degree, their university results. By embracing international benchmarks and preparing their students to meet them they have succeeded in opening up opportunities for their students worldwide. Of course, Taylor’s University College is a private institution. Not everyone can afford to go. But it does provide an avenue for at least some Malaysian students to embark on a journey to the world’s best universities.

Wednesday 9 December 2009

9:00am Visit University of Malaya, Kuala Lumpur Campus

I enjoyed this visit. My host, Deputy Vice Chancellor and former Dean of the Law Faculty, Professor Khaw Lake Tee, was a graduate of Australian universities. She readily understood the importance to Australia of a continuing presence by Malaysian students at our universities both at undergraduate and graduate levels. The only discordant note struck in our conversation was her disappointment that Australian students were not encouraged more to attend university in Malaysia-particularly the premier institution the University of Malaya. The Deputy Vice Chancellor argued that not only would this assist young Australians in developing cultural awareness of their near Asian neighbours but it might encourage even more Malaysian students to spend some time studying in Australia-particularly undertaking post graduate qualifications. This concern was also expressed last year when I visited higher education institutions in Singapore and in Thailand. Senior officials of both Singaporean and Thai universities readily acknowledged the great quality of Australian universities. But they both looked forward to the day when more young Australians would wish to study at, for example, the National University of Singapore - a highly regarded international institution.

The University of Malaya is well known as one of the best universities in Asia. It is critical in its thinking, liberal in its outlook and, I was told, uncompromising in its devotion to truth and innovative research. While much is made in Malaysia of preference given to ethnic Malays, the academics at the University of Malaya that I spoke to thought that this issue was overplayed in the context of university admissions and quality of graduates. All were concerned that no one would graduate from the University of Malaya unless they passed the relevant examinations irrespective of ethnicity.

The University of Malaya continues to be outward looking. Its academic staff are educated at the world’s best universities and there seems little doubt that in the medium term the University of Malaya will challenge some of the better Australian universities. While some might see this as a future problem for Australian universities I am not so sure. Competition has always brought out the best in our own universities.
12:00pm  
**Lunch with Mr Nades, Senior Journalist, The Sun.**

A highlight of the trip. Mr Nades is a wonderful conversationalist, a raconteur and a very well regarded journalist in Kuala Lumpur. He is also a lawyer. But most importantly of all, Mr Nades is courageous. Corruption is a perennial issue in Malaysian politics and Mr Nades has been at the forefront in exposing much of it. He is apolitical, does not seem to bear a grudge, but like any good journalist follows a story down every rabbit hole. He has exposed some of the great corruption stories in recent Malaysian political history. And, the politicians are scared of such journalists. Well, at least Australia and Malaysia have that in common.

1:30pm  
**Briefing with HE Ms Penny Williams, High Commissioner.**

I would sincerely like to thank the High Commissioner for her time and the excellent program that her office put together. In particular, I would like to thank Commander Nick Hart the Assistant Defence Advisor, Wing Commander Ken Robinson, Squadron Leader Timothy Anderson, and Ms Louise McSorley for her wisdom and insight on matters educational in Malaysia.

I would like to return to Malaysia. It is clear that Australian and Malaysian relations are strong, indeed, much stronger than I had assumed. Perhaps, as a politician, I took too much notice of the occasional rhetorical combat between the Prime Ministers of both countries. Despite this, there is an underlying good sense and common purpose behind our relationship with Malaysia. Again, and it is becoming something of a cliché, the bonds of education (particularly higher education) are worth not only money to Australia but the long term good will of the students who study here. That is bedrock upon which our relationship will continue to be built.

**END OF STUDY TRIP.**

I note that in accordance with the Clause 9.5 of the Determination a copy of this statement may be obtained from you upon request by any Senator or Member. I also note that this statement may be tabled in Parliament at your discretion.

Yours Sincerely

![Signature]

Brett Mason