

# Shoppers confused by food labels

## Calls to clarify 'Made in Australia'



**▶ CHECKOUT CHALLENGE:** Calls to clarify ambiguous food labels

Consumers are being denied the right to make an informed choice about where their food is grown or produced due to a labelling system which is highly confusing, a parliamentary inquiry has heard.

Amid calls for legislative changes and consumer education campaigns, some food manufacturers have also complained to the inquiry that the current system is working against them.

The House of Representatives Agriculture and Industry Committee is investigating whether Australia's Country of Origin Labelling system is adequately serving consumers and whether improvements can be made.

The current system, administered by the Department of Industry, is intended to provide consumers with information about the origin of food when making purchasing decisions but at the same time not burden business with too much regulation.

A producer or manufacturer must be able to show their claims are not false or misleading if they label their products with 'Made in Australia' or 'Product of Australia' by meeting certain provisions.

In a submission to the inquiry, consumer group CHOICE said there is a strong case for reform.

CHOICE conducted a survey in 2012 which showed that 84 per cent of respondents place a high importance on knowing whether their food was grown in Australia, but only 10 per cent said labels were clear and easy to understand.

"While it's clear that the strong interest in knowing whether food is made or grown in Australia doesn't always translate into purchasing behaviour, CHOICE believes that the current state of labelling is so poor that consumers are often unable to factor origin into their purchasing behaviour," it said.

CHOICE has proposed various changes aimed at removing ambiguous claims found on some packaging such as 'Made in Australia from local and imported ingredients'.

It wants three tiers of claims to be implemented including 'premium' claims about goods produced and manufactured in Australia.

For those who can't meet the premium claims, broader claims can be made about where products are packaged.

"Our reforms would permit claims that tell consumers where ingredients are from, as well as claims that tell consumers where food products are manufactured, because consumers are interested in the origin of both the ingredients and manufacturing," it said.

The Australian Made Campaign, which administers the 'Australian Made Australian Grown' logo introduced in 1986, has also called for legislative change.

Chief executive Ian Harrison told a public hearing provisions around the 'Made in Australia' claim need to be tightened and clarified.

"The big picture is that research clearly shows that consumers here and overseas have a preference for food products grown and processed in Australia," he said.

"An effective country of origin labelling system trusted and understood by consumers and business will strengthen this important asset available to our farmers and food processors."

The inquiry also heard the rules are causing headaches for Australian pork producers. This is because imported pork 'transformed' into bacon can be labelled 'Made in Australia', while locally produced pork also made into bacon cannot say 'Product of Australia' because imported ingredients such as brine were used during processing.

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Australian Pork Limited chief executive Andrew Spencer said the ‘Made in’ claim should be removed from smallgoods.

“Our anecdotal evidence is that every time a consumer sees ‘Made in Australia’ on a packet of bacon or ham, they believed the pig was grown here and that of course is not the case,” he said.

“Today’s country-of-origin labelling laws make consumer choice almost impossible, which helps perpetuate 70 per cent of Australia’s ham and bacon consumption being made from imported pork, a fact of which most consumers remain unaware.”

However the Food and Grocery Council said its research shows that while origin is important to consumers, price, brand and quality are the main drivers.

While chief executive Gary Dawson said the terms ‘Grown in’, ‘Product of’ and ‘Made in’ could be better aligned with consumer expectation, this could be done within the existing framework.

“We would note that there are market mechanisms that are probably more effective than regulation in this area,” he said.

The Department of Industry’s Lyndall Milward-Bason said while the system is confusing, it is actually working because there is minimal evidence of a failure by industry to comply with the rules.

“The fundamental issue is not about the framework, it is about the understanding of the claims by consumers,” she said.

“That is why the processes we are going through are not about changing regulation, new regulation, or additional regulation, it is about education of the consumers through the new guidance material and if necessary an education campaign.” ■

**Review to focus on foreign investment facts**

A public inquiry into foreign investment in Australian homes will examine whether the current system is causing supply and affordability problems for local buyers.

Conducted by the House of Representatives Economics Committee, the review will investigate the economic benefits of foreign investment in residential property and whether it is increasing the supply of new housing.

It will also look at how Australia’s foreign investment framework compares internationally and whether any improvements can be made.

Committee chair Kelly O’Dwyer (Higgins, Vic) said the inquiry will look at whether or not our foreign investment framework is working and whether it’s appropriate for the current times.

“We think rather than debate anecdote and emotion, it’s much better to deal in fact,” she said.

Overseas buyers are currently able to seek approval to buy new dwellings and vacant land for residential development, and invest in new developments.

The policy aim is to boost the supply of new housing, thereby benefiting the local industry.

“It recognises that there are great social and economic benefits from that, but there are restrictions currently under the existing framework for established properties,” she said.

Foreign buyers cannot generally buy older homes, unless they are seeking to use it as a residence while in Australia.

Ms O’Dwyer said a key focus for the committee will be whether or not Australia’s policy framework is appropriate.

“If it is, whether it is being applied correctly and if it’s not being applied correctly, what are the barriers to its application and whether any enhancements ought to be considered,” she said.



Ms O’Dwyer said the committee would review substantial data to assess the impact of foreign investment on the housing market.

“If you take a cursory look at previous annual reports released by the Foreign Investment Review Board (FIRB), you will note that the quantum of foreign investment into residential real estate has been declining, not increasing,” she said.

“There has been some discussion about whether or not there is any impact on housing prices, if foreign investors are able to purchase property here, does that have an impact on inflating the price for Australian citizens who are looking to purchase property in Australia?”

Apartment developers Meriton said in 2012-13 FIRB approved the purchase of 11,668 dwellings by temporary residents and non-residents, which it said was around 2.5 per cent of the total residential real estate market in 2013. Total annual sales in that year were 468,354 dwellings.

“Foreign investors are an important contributor to the stock of new housing in Australia. However, their investment is not a significant driver of increased housing prices, playing a minor role in the overall housing market,” it said. ■

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# Visa rules excluding entrepreneurs

## Claims migration points test not geared for business

A skilled worker visa program designed to increase entrepreneurial talent and diversify business expertise in Australia has been criticised for setting its eligibility requirements too high.

Parliament's Migration Committee is inquiring into the Business Innovation and Investment Programme (BIIP), which has been running since 2012.

The program has several objectives, including to generate employment, increase Australian exports, encourage innovation and competition, and develop links with international markets.

The committee is investigating whether the program is meeting its objectives and if the eligibility criteria, which include a points test, are effective in selecting suitable migrants.

In its submission to the inquiry, the Law Council of Australia said feedback it has received from applicants suggests the eligibility criteria are excluding applicants who would otherwise be suitable business people or investors.

For example, an applicant may meet all the criteria except for their age, or fail the points test.

"The government may therefore wish to consider whether adding these additional requirements and the resultant complexity is really necessary," it said.

The Law Council said while the BIIP has been viewed positively both here and overseas, enthusiasm for and support of the program have not resulted in its success.

Liana Allan of the Migration Alliance told the committee at a public hearing she believes the selection criteria deter good candidates. "One of the key criteria in the BIIP has been a very stringent English language test" she said. "There would have been suitable applicants but unfortunately, because they could not meet the points test and the English language test for some of the criteria they were locked out."



▶ STAMP OF APPROVAL: Concerns business people are missing out on visas

In another submission, Trade and Investment Queensland has called for the points test to be removed.

"The points test is a successful tool when assessing the skills and abilities of an individual, however it does not translate into assessing business acumen," it said.

"It is not an appropriate method to determine a business skills qualification where the core factors are in non-personal areas such as business turnover and assets."

The Australian Private Equity and Venture Capital Association (AVCAL) said migrant entrepreneurs play a significant role in contributing to job creation, tax revenue and innovation.

"We do not believe it to be an overstatement to say that the potential impact of foreign-born entrepreneurs in building an innovation-based economy can be extraordinary and game-changing," it said in its submission.

The association believes the current rules set the bar too high for foreign entrepreneurs because they would have to be sufficiently successful and well-known to an Australian venture capital investor to secure the required investment.

"AVCAL supports the programme's objective to attract overseas entrepreneurs with a successful track record to set up innovative high-growth businesses in Australia," it said.

"In AVCAL's view, however, Australia would also benefit from immigration policies that build up the pool of entrepreneurial talent in Australia from the start-up level upwards."

In its submission to the inquiry, the Department of Immigration and Border Protection said it was expected that the application rate may drop.

"Several factors play a part in this reduction," it said.

"Having raised the visa thresholds deliberately to improve the quality of applicants, it was expected that the application rate would be lower.

"Other contributing factors include the new points test." ■

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## Thousands respond to child support survey

Almost 10,000 people have responded to a parliamentary inquiry's call for feedback by participating in a questionnaire about Australia's child support system.

The House of Representatives Social Policy and Legal Affairs Committee is examining how the scheme works and whether it could be improved, especially for high-conflict families.

Around 40 per cent of respondents are aged between 36 and 45, and roughly the same numbers of women and men have participated so far.

The committee is publishing on its website a 'snapshot' of some of the themes arising from the survey responses, the first of which is 'negotiation'.



Committee chair George Christensen (Dawson, Qld) said responses related to negotiation show a broad range of experiences with the Child Support Program.

"We want to give people an idea of the stories and experiences that people are telling us, and as time goes on, we will publish more summaries with other themes," he said.

Examples published in the snapshot include, "Money is a battlefield. It is a source of tension and anxiety for both parties," and, "We have been lucky we can be amicable and do it with a private treaty."

The committee will hold public hearings around the country which will also allow for 'community statement sessions'.


To read the full snapshot or to complete the questionnaire visit:

[www.aph.gov.au/childsupport](http://www.aph.gov.au/childsupport) ■

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## Middle East markets beckon

### Trade and investment opportunities explored

More than \$348 million worth of Australian sheep and goat's meat was served on the dinner plates of the United Arab Emirates, Saudi Arabia, Jordan and Iran last year.

According to the Sheepmeat Council of Australia, in 2013 Australia exported 59,777 tonnes of lamb and 40,911 tonnes of mutton to the Middle East.

In the same year, Middle Eastern countries also imported more than \$1.4 billion of Australian wheat.

Now, federal parliament's Trade Sub-Committee is exploring whether these figures represent a small fraction of an as yet untapped potential in trade and investment between Australia and the Middle East.

Sub-committee chair Brue Scott (Maranoa, Qld) said Australia is starting on the right foot.

"We've always had good relations but they need to be built on, and this inquiry will identify some of the areas that we need to work harder at," he said.

Mr Scott said the sub-committee's decision to leave undefined which countries constitute 'the Middle East' for the purpose of the inquiry was a deliberate one.

"We think that the countries in the Middle East region with a great interest in Australia will identify themselves," he said.

The private sector in Australia will target where they are looking to operate and extend business opportunities.

"We felt that if we described which countries we may leave one out that was important."

Mr Scott said this approach was already paying dividends. It has allowed the inquiry to consider evidence on the expanding automotive and textile industries in Morocco, not always considered part of the Middle East.

The inquiry will also consider the impact of new air links with the Middle East.



 **HIGH EXPECTATIONS:** Growth pursued in trade with Middle East

"The much improved aviation links with this region are helping to bring the Middle East much closer to many exporters and also bolstering the potential of our inbound tourism and higher education sectors," Mr Scott said.

It is clear that both regions would benefit economically from closer trade and economic ties.

Already, Australia imported nearly \$4.2 billion of crude petroleum from the Middle East last year.

In total, there was nearly \$15 billion in merchandise trade between Australia and the countries of the Middle East in 2013.

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Saudis invested over \$4 billion in Australia in 2012, and Kuwaitis invested \$1 billion dollars.

However Mr Scott hopes the inquiry will also consider cultural links.

“Anything that builds an understanding between the Middle East and Australia is to our advantage and their advantage,” he said.

Professor Fethi Mansouri of Alfred Deakin University has told the sub-committee these cultural links should not be overlooked in favour of a traditional focus on trade alone.

“Australia is ideally placed to strengthen its current relationships with the Middle East to even higher levels. The existence of a vibrant Australia-Arab community is a significant asset that is not often tapped into in the most optimal manner,” he said.

The inquiry is especially keen to hear from Australian and Middle Eastern businesses with existing links to the region, or those seeking to break into the Middle Eastern or Australian markets.

“The sub-committee wants to find out from business what are the barriers and impediments to future trade and investment with Middle Eastern countries,” Mr Scott said.

They also want to hear about areas of potential growth, such as the market for higher quality food in the region because of the growth in the wealth of the middle class.

Deakin University has already made a submission to the inquiry suggesting that establishing more centres at Australian universities which specialise in Middle East studies would fuel education exchange with the region. ■

## LINKS

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## Land corridors vital for future growth



Concerns have been raised over whether enough is being done to protect land corridors needed for future infrastructure projects such as high speed rail.

The House of Representatives Infrastructure and Communications Committee is examining how infrastructure planning and procurement can be improved to meet the demands of a growing population, particularly in large cities.

In its submission to the inquiry, the Australasian Railway Association said a number of transport corridors, including land needed for east coast high speed rail, are not sufficiently protected.

It cited examples in states such as Queensland, where corridors are being designated for future rail lines which will provide access to key mining regions.

“All projects are designed to protect the land that is needed to deliver future infrastructure projects,” the submission said.

According to the association, Australia’s rail network is the sixth largest in the world, with 45,000 km of track.

Late last year the opposition introduced a private member’s bill to federal parliament which would preserve a corridor for the future construction of a high-speed rail link between Brisbane and Melbourne.

At the time Minister for Transport Warren Truss said he planned to consult with various states over how to move forward with the preservation of land.

The association has also called for a greater focus on improving the capacity of passenger rail networks in cities to combat urban congestion and pollution.

It said a recent report into public transport showed that in Brisbane and in Perth rail requires 57 per cent and 38 per cent less investment funds than road to achieve the same reduction in congestion.

“If no action is taken to invest in public transport, by 2031 the annual cost of congestion is expected to reach \$5.5 billion per annum in Brisbane (currently \$2 billion) and \$3.8 billion per annum in Perth (currently \$1.4 billion),” it said.

“Most important, congestion will retard productivity, which is fundamental to the economic health of not only our cities but also the nation.” ■

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# Payment rules impact disability programs

‘No gap’ may lead to ‘no service’

The ‘no gap’ principle of the National Disability Insurance Scheme (NDIS) is creating headaches for participants and service providers.

The NDIS was introduced in July 2013 under the previous government as a pilot scheme at four trial sites, and is designed to provide support for people with disability.

The parliamentary committee reviewing its implementation and administration recently visited all four trial sites and held public hearings.

While positive comments about the scheme were aired, it has not all been easy listening, said committee chair Mal Brough (Fisher, Qld).

“We have also been very disturbed by some of the evidence provided,” he said.

One key issue raised with the committee has been unforeseen consequences from the NDIS ‘no gap’ principle.

“This issue has been raised in every single forum that we have had,” committee member Jenny Macklin (Jagajaga, Vic) said.

A foundation principle of the NDIS is that funding allocated to participants should be enough to pay for approved services, without participants needing to dip into their own pocket to make any extra ‘gap’ payment.

While most agree that a no gap policy is the best way to go, carers have told the committee that services are closing down, and it is because their work is undervalued in NDIS set rates.

Wendy Hosking said group services her daughter used to attend have now closed down and she does not have a choice to make an extra payment to ensure they continue.

“The unexpected consequence is that a number of therapists are electing not to do NDIS work,” she said.

Service providers have confirmed that the current payment structure isn’t always working.

John Cranwell of Sasrapid Inc, which provides inclusive pathways into



**STRUGGLING:** Some companies cannot afford NDIS payment rates

community sport and recreation, said his organisation was struggling to provide services at NDIS rates and that gap payments were essential for a viable business model.

“At the moment, for a service that costs us around \$60, \$40 of that is covered by the government funding and \$20 of that is covered by the family. That actually puts us behind when it becomes NDIS and a gap fee can’t be charged,” he said.

“Families give us a call and say ‘we are now in a plan’ – and then we are losing money,” he said.

Mr Cranwell said that if something didn’t change, the program would soon cease.

“We can’t afford to do it at those prices because of the background cost in terms of pools. They are an expensive item,” he said.

The National Disability Insurance Agency administers the scheme and has told the committee some carers should still be able to make a gap payment to access desired services in certain situations.

However carers such as Ms Hosking said they had repeatedly been told by

service providers that they were not allowed to make a gap payment for a service they wanted.

“Basically, what they are trying to do is stop providers charging more. I see that is a really important point but in this case I want the choice to pay extra,” she said.

Mr Cranwell said Sasrapid Inc was in the process of working with the NDIA to determine whether parents could make a gap payment.


“The NDIA, full credit, have been excellent in helping us out so far. The problem is, they are telling our families not to pay the gap fee,” he said.


Mr Brough has assured the community that the committee will take the issue of gap payments on board.

“Our aim is to report to the parliament as soon after 30 June as possible,” he said. ■

## LINKS

 [www.aph.gov.au/joint\\_ndis](http://www.aph.gov.au/joint_ndis)

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## Tax disputes reviewed

Fair treatment and respect of taxpayers will be examined as part of a public inquiry into how tax disputes are handled.

The inquiry, by the House of Representatives Tax Committee, will cover all categories of taxpayers.

It will also consider whether there needs to be changes to the current legal framework which could help with dispute resolution and compliance strategies, and if another agency should manage ATO litigation.

The committee has also requested the Inspector-General of Taxation to conduct a formal review into tax disputes in relation to large businesses and high-wealth individuals.



The Inspector-General has not previously conducted an inquiry at the request of a parliamentary committee.

Committee chair John Alexander (Bennelong, NSW) said the ATO has made clear their efforts to promote taxpayer confidence and trust in the system.

“This inquiry will assist the committee to ensure these goals, particularly with regards to mechanisms for dispute resolution,” he said.

Although the committee will receive evidence of individuals’ experience with the tax system, it will not act on behalf of individual taxpayers in the inquiry. ■

 LINKS

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# Online crime increasing

## More than one million incidents of card fraud and related crime in one year



 OUT OF THE SHADOWS: Crackdown needed on dodgy lenders

**S**cammers and fraudsters are increasingly taking advantage of the digital space to launder money, commit fraud and steal people’s identities.

The Australian Bankers’ Association, which has 24 members nationally, has told a parliamentary inquiry while bank robberies are falling, online crimes are growing.

This is partly because Australia’s strong economy is attractive to organised criminals taking advantage of new products such as faster payments and customer self-service.

In its submission to the inquiry by the Joint Committee on Law Enforcement, the ABA notes that incidents of card fraud and related crime have risen from around 419,000 in 2008 to over 1,300,000 in 2013. The money involved in the same timeframe has almost doubled from \$150 million to \$280 million.

The number of suspicious transaction reports has risen from almost 30,000 in 2005 to 44,000 in 2013.

“The use of technology to interact with people everywhere and at all times has been embraced across the world leading to a change in the way business is conducted,” the submission said.

“Unfortunately the early adopters of this technology change have been criminal groups and individuals who are largely able to hide or take over identities and use the geographical constraints of the criminal justice system.”

The National Financial Services Federation represents 190 ASIC licensed short-term credit providers. Its submission said some people’s identities are being stolen by scammers posing as lenders purely to collect personal and financial information.

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“If someone wants to steal your identity and set you up for a financial scam, the best way to do this is to ask you to apply for a loan,” it said.

“When loan applicants are ‘declined’, most think nothing of it and move to the next ‘lender’ and part with the same information again.”

The federation has proposed several changes to crack down on illegal lenders, including banning ads from lenders who do not hold a valid Australian credit licence.

CrimTrac hosts law enforcement systems such as the National Automated Fingerprint Identification System and National Criminal Investigation DNA Database. It said there is no national approach to tracking down those who may be operating under a false identity.

“A consistent and improved national approach to identity resolution would enable an improved capability to link and match multiple records across jurisdictions,” it said.

“Improvements in the accuracy of recording and verifying identity would assist to prevent fraud, enhancing the ability of law enforcement and policing agencies to detect and resolve financial related crime.”

Evidence presented to the committee by the Northern Territory Police also suggests vulnerable groups are being targeted by online criminals.

It said international crime groups have used open source information to specifically identify and target groups in Indigenous communities such as Nhulunbuy, via inheritance scams which have resulted in losses worth \$70,000.

“In January 2014 the NTP were advised that between 10 and 20 individuals had paid funds via Western Union in anticipation of receiving inheritance funds,” it said. ■

## LINKS

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## Female police vital for Afghan justice



More recruitment and training of Afghan female police officers is crucial for improving the rights of the country’s women and girls, a parliamentary inquiry has been told.

Federal parliament’s Human Rights Sub-Committee is investigating the human rights challenges facing women and girls in the Indian Ocean and Asia-Pacific regions.

Colonel Najibullah Samsour has over 30 years of experience in the Afghan National Police, including mentoring female police officers.

At present just one per cent of the country’s 157,000 strong force are women, and in a first, one has been appointed as the chief of police in one of Kabul’s districts.

Colonel Samsour told the inquiry more must be done to increase numbers.

“In Afghanistan’s conservative society, female police are vital for Afghan women to be able to report crimes and access desperately needed justice,” he said.

“This is vital given 87 per cent of Afghan women have experienced some form of violence.

“Further action is urgently needed to recruit, train and protect Afghan female police.”

In 2006 special family response units were established to tackle domestic violence and a gender strategy was developed by the Ministry of Interior.

“But further cooperation and support is required for the implementation of this strategy,” Colonel Samsour said.

Zulaikha Rafiq of the Afghan Women Educational Centre said while

illiteracy rates were high and underage marriages common in the country, it was important to take note of the gains that have been made.

Of the 8.3 million children at school, 40 per cent are girls, compared to almost none in 2001.

Although still high, the maternal mortality rate has more than halved to 400 women per 100,000 live births compared to the year 2000.

“Hundreds of women are entering public life and taking on leadership and decision-making roles both in the government and non-government sectors,” she said.

“With the backing of the international community over the past decade, Afghan women have found their voice and have become a force that cannot be ignored.”

Ms Rafiq said while it was a challenge to ensure some new laws regarding women and girls were implemented across the country, there have been some fundamental changes in attitude throughout communities.

“It has been reflected in the recent elections,” she said.

“I do not think anybody at all is for the resurgence of the Taliban regime. We do not have any fear of that coming back,” she said. ■

## LINKS

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# Norfolk Island's economic woes deepen

## Review examines development options

Norfolk Island has no way of reigning in its ballooning budget deficit, the island's Finance Minister Tim Sheridan has said.

The economic downturn has hit Norfolk Island hard in recent years, with the tourism industry stalling, local businesses suffering and people leaving to find jobs on the mainland.

Mr Sheridan said the government's deficit is around \$7.4 million to \$7.8 million into the next three financial years.

"We cannot find that and we have no ability to raise that locally," he told a parliamentary inquiry.

"In our current budget we have a total income of just under \$30 million and our total expenditure is just over \$34 million," he said.

"This financial year we were granted a \$4.4 million assistance package from the Commonwealth, but that is dependent upon meeting certain milestones within the funding agreement."

Federal parliament's National Capital and External Territories Committee is examining the economic development of the island, Australia's only non-mainland territory with a self-governing legislative assembly.

In a submission to the inquiry the Department of Infrastructure and Regional Development said the island would go bankrupt without federal emergency funding.

The department said it is unlikely the island's economy could ever provide a revenue base of sufficient size to fund the delivery of appropriate services and infrastructure.

"It is clear that the Norfolk Island government is not able to fulfil the range of federal, state and local responsibilities for which it currently has responsibility," it said.



FLAGGING ECONOMY: Norfolk Island's challenges greater than ever before

"There does not appear to be any improvement on the horizon."

Norfolk Island operates outside of Australia's tax regime and its population is not eligible to access Australian social services and welfare.

Mr Sheridan said some changes to increase the tax base are underway, such as introducing municipal rates to raise \$250,000 in the next financial year.

However he told the inquiry that while the island remains outside of the Australian tax system it will continue to request Commonwealth financial support.

Mr Sheridan said recurrent expenditure is \$23.3 million, and this year the Norfolk Island government has allowed some \$400,000 for capital expenditure.

"That is the area that suffers the most because the funds that are provided from the Commonwealth do not allow for any capital expenditure, so we fund our recurrent expenditure only and very little on capital expenditure," he said.

Committee chair, Luke Simpkins (Cowan, WA) said Norfolk Island's economic challenges were well documented.

"Clearly this is not a sustainable situation," he said. "The economic challenges are now greater than ever before."

On the upside, a turnaround in tourist traffic has returned confidence to Norfolk Island's tourism industry and given a small boost to the island's struggling economy, according to Norfolk Island's Chief Minister, Lisle Snell.

He told the inquiry that securing a reliable air service to the island, which was underwritten by the Australian government, had been a key factor in the turnaround in inbound tourist numbers.

"We need to extend the current Air New Zealand Air Services contract and consider additional flights in the high season to allow an increase in visitor numbers," he said.

"The security of an airline system is of the utmost importance for tourism to Norfolk Island. It has returned confidence to the industry, and we appreciate very much the Commonwealth assisting us in providing that security of airline service."

Mr Snell also listed a number of capital works programs in need of funding "to enhance the tourism experience" and provide better facilities.

"For example roads, footpaths, walkways and bikeways, a multipurpose community conference centre, enhanced school facilities, dredging alongside Kingston Jetty, and storage solutions for excess energy generation," he said. ■

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# Senate voting reforms proposed

## 2013 election results prompt calls for change

**'G**aming' the Senate ballot paper at federal elections may soon be impossible if a raft of electoral changes proposed by a parliamentary inquiry are implemented by the federal government.

The Joint Standing Committee on Electoral Matters has released an interim report on Senate voting practices as part of its inquiry into the 2013 election.

The original Senate result in 2013 saw several candidates from smaller parties elected, including the Australian Motorist Enthusiast Party's Ricky Muir who received just .51 per cent of the primary vote.

The interim report has made six recommendations for change to the Senate voting system in a bid to stop preference deals which facilitate the election of candidates on such a small primary vote.

Committee chair Tony Smith (Casey, Vic) said the recommendations were agreed to unanimously across all parties, including the Australian Greens.

"These changes are designed to restore choice to the voter, restore some clarity, and bring an end to the distortion of electoral will that has been occurring as a result of 'gaming' the Senate voting system," he said.

As outlined in the interim report, the Motoring Enthusiast Party received only a total of 17,122 votes in Victoria, or just 0.0354 of a quota.

"However, through manipulation of preference deals, the party was elected to the final seat with a transfer of 143,118 votes from the Sex Party, whose transferred votes themselves had been transferred from over 20 other parties, arguably coming from voters that had no idea that their vote would elect a candidate from such an unrelated party with such low electoral support," Mr Smith said.

Deputy chair Alan Griffin (Bruce, Vic) said the proposed changes were a positive step forward.



**BALLOT BLOCKS:** Recommendations to stop 'gaming' in Senate elections

"We think they're the sorts of steps that governments should be considering seriously to actually ensure the sorts of events that occurred in the Senate election in September 2013 don't happen again," he said.

The committee has recommended that the group voting ticket, which allows for parties to determine the preference flows, be abolished.

It has also called for optional above the line and below the line preferential voting.

At present a voter can vote with a '1' above the line, with preferences to be distributed as per the group voting ticket which dictates the full preference flow to be applied.

If they opt to vote below the line they need to number all the boxes. At the 2013 federal election some Senate ballot papers were the maximum allowable printable width, with 110 candidates listed.

"We think this farce should end and that's why we're recommending we move to a system of optional preferential voting," Mr Smith said.

According to Australian Electoral Commission figures, in 2013 96.5 per cent of formal votes nationally were made above the line, leaving only

3.5 per cent or 470,000 voters voting below the line.

The committee has also targeted party registration rules, recommending that the number of members needed to register a party be tripled from 500 to 1,500.

And it wants the Australian Electoral Commission to verify that the membership is genuine.

"If these recommendations are accepted ... voters will know that parties have had to pass a reasonable test, that they're real and genuine and voters won't be able to have their electoral will distorted," Mr Smith said.

"They'll know where their preferences are going and the extent to which they'll go."

If the recommendations are implemented, the committee also wants adequate resources allocated to the Australian Electoral Commission so it can conduct a comprehensive education campaign on the changes.

Special Minister of State Michael Ronaldson welcomed the report and said the government will consider it.

"The committee's interim report has highlighted and confirmed widespread community concern in relation to the current Senate voting system," he said.


"There was also widespread acknowledgement that many voters were unaware of where their preferences would eventually flow."

The inquiry has held several hearings in Canberra, NSW, Queensland and Tasmania and is still investigating other aspects of the 2013 federal election such as the circumstances which led to a new Senate election being held for Western Australia this year. ■

### LINKS

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