

ANSWERS TO QUESTIONS WITHOUT NOTICE

Election Research: Funding

Senator ROBERT RAY (Victoria) (3.31 p.m.)—The Prime Minister, Mr John Howard, often says his is not a poll driven government. The document that we obtained yesterday shows not only is he a poll driven Prime Minister; he is sticking the taxpayer with the costs. It is all very well for Senator Hill to take the first part of my question basically on notice today. But in the supplementary he was asked whether it is appropriate for governments to poll for voter intention. What did we get? One of the lamest excuses in history: 'Oh, that question is hypothetical. I must obey standing orders and resist any temptation to answer the question.' Senator Hill has led the Liberal Party in this chamber for nine or 10 years and today he was asked to show just a little leadership, and he refused to show any leadership.

If it is okay for governments to poll for voting intentions, then we have set a new low standard in the history of this parliament and the government of Australia. We have a government that spends hundreds of millions of dollars on advertising, many of them covering the dubious boundary of partisan political viewpoint. We have a government that spends millions of dollars on public opinion polling, be it quantitative or qualitative. Let me say for the record that I do not regard it as being illegitimate for the government to use public opinion polling to assist it in coming to policy decisions. But in this instance it is a government in panic. In this instance it is a government that knows it is on the nose in rural areas, so it not only seeks to find out what some of the solutions might be; it also looks to their voting intention.

Let us have a look at page 6 to see what it says. It is broken into three categories—'Inner Queensland', 'Outer Queensland' and 'Country Queensland'—and it has across the three categories: 'Labor—34 per cent, 39 per cent, 34 per cent'. It has: 'Liberal—29 per cent, 18 per cent, 13 per cent.' 'The Nationals—5 per cent, 2 per cent'—and cop this one—'Country Queensland, 3 per cent'. It has the Democrats at five per cent in 'Inner Queensland', three per cent in 'Outer Queensland' and three per cent in 'Country Queensland'. One Nation: three per cent in 'Inner', eight in 'Outer' and a staggering 17 per cent in 'Country Queensland'.

If you want to know why they are doing so well, it is because of the embourgeoisied National Party, whose spokesman we heard from earlier in this debate, who surveys rural Victoria from East Melbourne, who is so unbusy in his activities he can lend his brother a staff member for a considerable period of time. The National Party is the problem. You do not need to spend \$200,000 to know why the coalition is on the nose in the bush: the National Party is the reason. People are sick of sell-out merchants. They are sick of these weak, spineless National ministers going into cabinet and being rolled. The current Treasurer really should not be paid what he is being paid, because it is just so easy to roll over the Nationals. He can do it in his sleep. He gets up in the morning, he goes into cabinet, gives them a couple of biffs—it is all over. The National Party have sold the bush right out.

Of course, this sort of surveying has been done in a number of ways. Apart from surveying voter intention, the other trick of this government is to get their lapdog pollster in and give him the work. There is never voter intention in any of his work that is given to government—that is all put in the back pocket and sent on to Robert Menzies House—and ~~Textor~~, the Liberal Party pollster, has been up to this for years. In some ways I do not really want to put a stop to it because, even though the Liberal Party are getting his polling on the cheap by commissioning government departments to use him, he is such a bozo pollster that we do not really have to worry about him. We actually have to keep him in place, so there is no point in attacking him here. But Senator Hill had a chance today to say whether voter intention polling is a legitimate tool of government. We say we do not think it is. (*Time expired*)

ANSWERS TO QUESTIONS WITHOUT NOTICE

Election Research: Funding

Senator FAULKNER (New South Wales—Leader of the Opposition in the Senate) (3.10 p.m.)—I move:

That the Senate take note of the answers given by the Minister for Regional Services, Territories and Local Government (Senator Ian Macdonald), to questions without notice asked by Senators Faulkner and Mackay today, relating to the regional Australia communications strategy and research undertaken by Quantum Market Research.

Today, again, the Howard government have been caught out using taxpayers' money for purely political purposes. Of course, they are doing so to try to suss out what the Australian electorate is thinking. But what would normally happen is that this sort of information would be paid for by political parties, not the Commonwealth taxpayer. The opposition have obtained a piece of Quantum Market Research information titled *Communicating with rural and regional Australians*. It was put together for the government, and a concerned whistleblower has provided that document to the opposition. That report states that the sources for the data were from Quantum's AusScan data, plus a consultancy report worth \$148,000 for a quantitative analysis ordered for the Department of Transport and Regional Services. Of course, we had a look at the DOTARS annual report and found that Quantum had been asked to determine issues that affect regional and rural Australians, feeding into the government's so-called Regional Australia Strategy. There was another \$48,000 set aside for Quantum to research branding elements for the so-called Regional Australia Strategy, but this money also allowed for 'the department to improve its understanding of regional perceptions and attitudes'.

Of course, we all know that this expenditure was about the Liberal and National parties' political interests in regional and rural Australia. This document, which was requested by a department, contains outrageous political statements, such as 'the welfare system is too open to being abused'. How is that sort of question relevant to the appropriate research on regional development? What about this statement:

Unions are too powerful and a barrier to progress.

That sounds like push polling, I think you would agree. Worst of all, the bureaucratic document runs a question of federal voting intentions for 1999 through the most regionalised state in Australia—Queensland. Why would Commonwealth officers, why would the bureaucracy, be spending taxpayers' money on party political polling? When Senator Hill was asked in question time today whether it was appropriate for a government department to commission research which indicated political party voting intentions, what was Senator Hill's only device to avoid the question? He refused to answer the question. He said the question was hypothetical, therefore he would not answer it. This is worst answer that Senator Hill has given in this parliament since he has been a minister. What a lame excuse, to duck behind the suggestion that the question was hypothetical.

The truth of the matter is that Australian taxpayers should not have Commonwealth departments funding political party research in the interests of the coalition parties. It should not happen and it has happened in this instance. The government has today been exposed for this massive abuse of taxpayers' money—a most inappropriate expenditure of Commonwealth moneys. This is now becoming stock in trade for this government. This is the Liberal Party after free political information that should be paid for by the political party machine. This is the Mark Textor approach writ large using the department as a stooge. This is the way the Howard government does business, but today it has been exposed. (*Time expired*)

APPROPRIATION BILL (NO. 1) 2000-2001
APPROPRIATION BILL (NO. 2) 2000-2001
APPROPRIATION (PARLIAMENTARY DEPARTMENTS) BILL (NO. 1) 2000-2001
Second Reading

Senator FAULKNER (New South Wales—Leader of the Opposition in the Senate) (0.51 a.m.)—I thank Senator Cooney for that fine endorsement of ex-Senator Gregor McGregor and of me, and that is much appreciated. I acknowledge that Senator Cooney is well-known for his generosity, but I would also have to acknowledge that there is not a great deal of generosity on the other side of the chamber, particularly when it comes to the issue of political advertising and the GST advertising campaign that has been dominating our television screens of late. I have noticed over the past few weeks that there has been a great deal of media and public confusion about the claimed amount spent on the promotion of the insidious goods and services tax of the Howard government. The Howard government has desperately been trying to argue the case, having been sprung spending some \$431 million of taxpayers' money on political propaganda in promoting the goods and services tax. Some people in the government have said, 'Oh well, that is just par for the course; that is what you expect from governments. The Labor Party did the same thing.' The Prime Minister in the House of Representatives has been trying very hard in a couple of recent abysmal question time performances—

Senator Abetz—He did very well today.

Senator FAULKNER—Oh, the Prime Minister did very well today! I have been informed of his impersonation of a checkout chick at Murphys wine shop. Apparently it was absolutely sensational. I have rung the library to see if a tape loop can be played of the news coverage of Mr Howard at Murphys wine shop. Unfortunately, because of the lateness of the hour and the great demand of others in the building actually wanting to see this extraordinary performance, I have yet to be able to see it. But let me assure you I have heard about the Prime Minister's performance—pure buffoonery. How embarrassing for the Prime Minister! How humiliating for the Liberal Party and the government!

In the short time available to me I want to explain why the path that the coalition government has embarked on in relation to political advertising is quantum beyond what has ever been done by any government—Labor or Liberal—in relation to government advertising. We have got to examine the precedent that has now been set by the Howard government in relation to government advertising. We in the opposition believe that it is unconscionable to turn information and education campaigns into political propaganda campaigns, which of course is the way it has worked under this government.

We have to set the record straight in relation to some important principles that apply to government advertising. The first is that governments should be allowed to advertise. No-one argues with that. They should be able to promote programs in the media. They should be able to recruit members for the Australian Defence Force. We would argue that a government that did not engage in that sort of advertising would not be doing its job adequately. You cannot change laws to bring in new policies in a vacuum. People have to be informed. We acknowledge that. Not everyone reads the fine print in newspapers, as you would appreciate, Mr Acting Deputy President. Not everyone listens to or watches current affairs programs. Often you do not have these media outlets necessarily going into the fine print of every legislated program of government. Sometimes they even tend to get sidetracked, and sometimes you even have media outlets reporting political point scoring, as you would be aware.

But what is true is that governments have advertised their activities for many years. For the decade up until 1997 the Commonwealth spent an average of just over \$3 million a month on advertising. An average of \$13 million to \$14 million a year was spent on Defence Force recruitment advertising. Other programs that have been advertised, as senators would understand, include public health campaigns, 'Australian made' campaigns and the like. When the Hawke government was encouraging debate on the tax reforms of the mid-80s, the government then spent \$2 million on newspaper advertisements, mail-outs and the rest. When Labor refurbished Australia's superannuation system, \$15 million was spent from 1992 to 1995 to inform workers of their rights and responsibilities.

But what we have recently had is the Auditor-General's inquiry into the CEIP. That was the GST promotion campaign that was conducted in the run-up to the 1998 federal election. The Auditor-General

published in his report a graph which shows an average of around \$2 million a month in advertising from 1989 through to 1997, not including defence advertising. But right at the end of the graph that the Auditor-General prepared you have an unprecedented spike in 1998 in advertising expenditure. When was it? Of course, it was in the period of July-August 1998, just a few weeks prior to the 1998 federal election.

But the Howard government did not just blow \$16 million on the disgraceful GST CEIP; in the preceding two months there was the \$4 million spent on the Job Network campaign, there was \$4.5 million on 'what we've done for the youth of Australia' campaign, there was the \$4.5 million for the Natural Heritage Trust campaign.

Senator Abetz—Very successful programs.

Senator FAULKNER—That included a \$77,000 research component, which was slung to Liberal pollster Mark Textor, if my memory serves me correctly, just prior to his task of polling for the Liberal Party in the 1998 campaign. There was \$2.8 million for a social security fraud campaign telling us how many dole cheats had been caught by the current government using the data matching techniques that were introduced by the previous Labor government. So there was a three-month spend of \$30 million, with the climax being the \$16 million spent on the CEIP campaign on tax promotion just three weeks before Mr Howard drove to Yarralumla to ask the Governor-General to dissolve the parliament. They are the facts of the matter. I notice Senator Herron is reading the graph that I would like to have incorporated in *Hansard*. I will come back to that graph in a few minutes, but I now seek leave to have the graph incorporated in *Hansard*.

Leave granted.

The graph read as follows—

Senator FAULKNER—As I said, a massive amount of public money was spent on promoting the Howard government prior to the 1998 federal election. I note that a prime ministerial spokesman—hopefully, not the one who organised the debacle at Murphy's wine bar this evening—tried to avoid criticism of the current chains campaign by stating in the *Herald Sun* last Monday:

This advertising campaign relates to matters that have already been passed by parliament and are government policies.

They are very interesting words from the Prime Minister's spokesman. Of course, this is an admission from the Prime Minister's office that the CEIP campaign was not based on legislation and was all about promoting the Liberal Party's taxation policy before it took that policy to the last election. So you had a massive spike in expenditure just prior to the last election on government advertising. It is more than just a blip; we have a real government scam on our hands here.

But I have to be fair and objective in my analysis of government advertising. The CEIP spike in expenditure is just a molehill compared with the Everest that we have had over the last few months. The \$16 million CEIP campaign is, frankly, next to nothing when you compare it with the \$431 million that the Howard government has spent recently on promoting the GST. That figure has been painstakingly established by the Labor opposition through our effective work in the Senate estimates committee and through our trawling of the departmental annual reports. We have been able to establish the figure of \$431 million spent on GST advertising promotion and education.

What I have incorporated in *Hansard* is an updated graph that does not include the GST start-up unit. I would point out that a lot of corporations like Amway, Tupperware and these sorts of outfits tell anyone it is easy to sell something when it is being pitched by friends, as you would be aware, Mr Deputy President. So it is with the government giving GST funding to peak bodies and industry groups to sell the tax changes to their constituencies. GST start-up obviously has a direct promotional intent.

I accept that it is not purely advertising, but our calculations in this incorporated document of the funding set aside for advertising are deliberately conservative. There is \$54 million admitted by the ATO that covers general GST advertising, \$46 million for the disgraceful chains campaign, \$3.4 million for the farmers campaign, at least \$4 million spent on the pay-as-you-go campaign, at least \$15 million for the

ABN campaign, \$4 million for the family and community services campaign—that is for John and Wendy and the pensioners—and at least \$7 million for the ACCC. That is \$133 million in this financial year alone. There is around \$50 million set aside for the out years, and we are now informed that there is going to be a GST help line advertising campaign after 1 July. You do not know where this ends.

You also have to include in the government advertising expenditure graph the \$15 million spent on the Lifetime Health Cover umbrella advertising campaign in which the government has set about scaring people witless into taking out private health cover and, worse still, worrying those people who simply cannot afford it. The campaign deliberately fails to tell Australians that they are covered by Medicare. The year 2000 really has been a bonanza for the advertising companies and the research companies, hasn't it? We calculate that, in the four months from March to the end of June, \$148.9 million has been spent by the government on the GST and health insurance campaigns alone. These are remarkable figures. Once the bills arrive from the advertisers and are paid, the figures are obviously going to reveal that the Commonwealth has spent well in excess of \$150 million in taxpayer funded advertisements in three or four months. By the end of the entire promotional exercise, the government will have spent at least \$431 million. This is an astonishing amount of money. This is unprecedented in Australian history.

You have to look at what the Auditor-General's recommended guidelines state about taxpayer funded advertisements. In his report on the CEIP, the Auditor-General said:

Materials should be presented in an unbiased and objective language and in a manner free from partisan promotion of government policy and political argument.

And he said:

Materials should not attack or directly scorn the views, policy or actions of others such as the policies of opposition parties and groups.

Look at the centrepiece of the \$431 million promotional assault. Look at the \$46 million community information and awareness campaign, known to all and sundry as the 'chains campaign'. If the government followed the Auditor-General's recommendations—if they were accepted within government—the chains campaign would not have got to first base. That campaign, the *Unchain My Heart* campaign, would be struck out. We know there is \$20 million for placement of advertising in the chains campaign. There was \$13 million for production costs. There was \$10 million for the projected prime ministerial mail-out—the illegal, corrupt mail-out by the Prime Minister. The remainder of that was for research and ancillary purposes. Was the campaign informative? Was it objective? Was the campaign political? Of course it was political. It was political propaganda. But the Labor Party prevented the Prime Minister, the tax office and the Australian Electoral Commission from committing an offence—from committing an illegal act, breaking the law because we the Labor Party—the opposition—had to hold the government accountable and expose the intended use of the electoral roll, which would have made the original proposed mail-out by the Prime Minister illegal.

We still have a prime ministerial letter. All the individual salutations had to be junked—those letters had to be pulped—though everyone received a new piece of soapie propaganda from our 'fellow Australian'—John Howard is not the Prime Minister any more; he is our 'fellow Australian'. Doesn't that give you a lot of confidence? All of this soapie propaganda from our 'fellow Australian' went through the letterbox, but at least it was not illegal, thanks to the Labor Party. I commend to the Senate the document that I have incorporated tonight so that anyone who is genuinely interested in the cost of advertising campaigns can see what has occurred over the past few months. There are 431 million really good reasons why this parliament should hold the government accountable and adopt some clear rules about such public advertising. This is a government of manipulators, rorters and frauds, and they stand exposed in their advertising campaigns. (*Time expired*)

ADJOURNMENT

Estimates: Evidence

Senator ROBERT RAY (Victoria) (10.14 p.m.)—Tonight I want to make some comments about events in estimates committees in the last few weeks, in particular about the standard of evidence given by ministers and officers at the table. It has been my experience that some of those answers have been dissembling, some have been obstructionist and some have bordered on being misleading. I want to particularly highlight the question that came up in the Finance and Public Administration Committee and the Treasury estimates. The issue we were considering, brought out by the opposition in its questioning, was the intention of the government to have a direct mail-out letter from the Prime Minister, via the tax office, based on the AEC providing the tax office with an electronic version of the roll. I want to assert here that I believe the activities by the tax commissioner and the Electoral Commissioner are unlawful. I will follow that issue through later in the week. I am not going to address that tonight.

In the course of cross-examination of the Australian Electoral Commission on 26 May, we proceeded along a certain line of questioning. I want to share that with the chamber tonight, before I move on to the Treasury and the tax office. For the purposes of this first quote, the three characters involved are me, Senator Hill and the Australian Electoral Commissioner, Mr Becker. It goes like this:

Senator ROBERT RAY—So has Mr Carmody given you an indication of what is going to be in the mail-out?

Mr BECKER—None at all.

Senator ROBERT RAY—None at all?

Mr BECKER—Not to me, no.

Senator HILL—That is what his answer was. You do not have to repeat it.

Senator ROBERT RAY—He did not indicate to you it might be a direct mail letter from the Prime Minister to those 12 million people?

Senator HILL—He said 'none at all'.

Senator ROBERT RAY—What do you think? Do you know that, Senator Hill, as part of government policy?

Senator HILL—He said 'none at all'.

Senator ROBERT RAY—I am asking you now as the minister at the table.

Senator HILL—What is the question you want to ask me?

Senator ROBERT RAY—What is in the mail-out?

And finally—

Senator HILL—I don't know what is in the mail-out.

There is the evidence we got on 26 May. So we went and saw the tax commissioner on 30 May.

Madam President, it is too long and tedious to stretch your patience tonight by reading the whole record, so I will just read a few highlights. I am not distorting what was said. I have been very careful in selecting some of these quotes. I had Mr Carmody in front of me and I asked him about this mail-out:

Does it have a message in it from any individual?

Mr CARMODY—There are considerations of that but, as I understand what I am being told at the moment, the final details are being settled.

Another question later, Senator Kemp comes into the play and says:

As far as I am aware, these matters are still under consideration at the moment and they will be determined closer to the event.

We proceeded with a few more questions along the same line to try to evince some sort of answer. Senator Kemp enters the list again and says:

As I said, this is a matter that the government, and the tax office ultimately, will determine closer to the event. Clearly, there are a number of options which are being considered. This is a matter for the tax office and for the government's consideration.

We go another page and a half trying to find out what is in this mail-out and whether it is a letter from the Prime Minister. I put the question one last time:

Senator ROBERT RAY—Just one last question on that: you are not willing to say here whether you have been approached to have the Prime Minister send out a direct mail letter in this direct mail-out?

Senator Kemp obstructs for a few more lines. Mr Carmody comes back in and says:

My only observation at this moment is that the campaign is designed to be effective. Part of that effectiveness is the personalised nature of it.

I am not going to go through any further parts of that evidence, but it is clear that we were not answered directly.

The Prime Minister himself was asked a question in another place the same day that the tax commissioner appeared before the committee. He talked about the tax office mailing out a booklet. There was no mention in that answer that it was going to be a direct mail letter to every elector in Australia from himself at a cost of \$10 million. There was no mention at all. However, later that night on the *7.30 Report*—and I must say that he was on for other reasons—he was ambushed with that question and he fessed up and said, 'Oh, yes, I am going to send that letter out.'

Looking back at that evidence, Mr Becker clearly said that he had no knowledge of the Prime Minister's mail-out. Mr Carmody said it was still under consideration. Remember the effective dates: 26 May for Mr Becker and 30 May for Mr Carmody. Yet today we received in a letter from Mr Becker 17 corrections to the *Hansard* or to the evidence given on Wednesday, 26 May. There were 17 corrections, but I want to share an absolute highlight with you, which is point 16. This is a letter signed by Mr Becker on 31 May. He writes:

16. At page 366, Senator Ray asked a series of questions concerning the mailout, starting with the question:

'So has Mr Carmody given you an indication of what is going to be in the mail-out?'

Mr Becker went on to say:

Since last week's hearing I have become aware that in Mr Carmody's letter of 19 April—

that is 37 days before Mr Becker appeared and 41 days before Mr Carmody appeared—

he indicated that the mailout would include an information booklet 'along with a letter from the Prime Minister'. Although the letter was addressed to me, I was not in Canberra when the letter was received by the AEC and I have no recollection of having seen Mr Carmody's letter before last week's hearing. I apologise that I was not able to assist the Committee at the time of hearing.

So here we have a letter from the tax commissioner to the Electoral Commissioner well over a

month before both hearings. But when we ask them questions about it, Mr Becker has never heard of it, and Mr Carmody does not answer the questions, on both occasions massively aided and abetted by ministers at the table. The ministers at the table have not come into this chamber and corrected the record—and they should correct it. We even went as far as saying that there was a cover-up here. Little did we guess how close to the truth we were. There was a cover-up. The tax commissioner knew and wrote about a letter from the Prime Minister but did not divulge it as evidence when questioned before the estimates committee.

Mr Becker, of course, says he did not know. I ask you: how could the Australian Electoral Commissioner not read correspondence from the tax commissioner? How could he not remember it, as he says, even if he did view it? Surely the Electoral Commissioner would remember a request to provide 12 million names for the purposes of a mail-out that included a letter from the Prime Minister. It really stretches the imagination to think that Mr Becker forgot about that, but I have to believe him; he has corrected the record. It really stretches the imagination that a decision was still pending, according to Mr Carmody, when, 41 days before, he wrote to Mr Becker and asked for the electoral roll so he could use it for a mail-out.

We often hear complaints from coalition ministers that estimates takes too long. No wonder it takes so long, when we are given such dissembling and dishonest answers. If you want a further example of that, have a look at the evidence given by the tax office as to whose idea this mail-out was. Remember, it was an unprecedented mail-out of 12 million people, eight million addresses, \$10.2 million—and guess what? No-one in the tax office can remember whose idea it was. They say they think it is an iterative process. I cannot believe that public officials could agree to spend \$10 million on such a massive project and not remember where the idea came from. I can tell them where the idea came from; maybe I can refresh their memory. The idea came from the Prime Minister's office, and the idea came from **Mr Mark Beason** the Liberal Party advertising agent who is currently being paid \$195,000 to coordinate the GST advertising package. That is where it came from. I do not believe the tax commissioner, I do not believe the Electoral Commissioner, and I do not believe those tax officials who tell me they cannot remember where the idea came from. If they want to mislead committees like that, I think they are going to have to face the consequences.

ANSWERS TO QUESTIONS WITHOUT NOTICE

Goods and Services Tax: Information Campaign

Senator ROBERT RAY (3.22 p.m.)—We have heard from the two coalition wannabes today: Senators Coonan and Abetz.

Senator Abetz—You are a has-been.

Senator ROBERT RAY—I am happy to say that the best part of my career is behind me. But at least I made it, Senator Abetz, while you are still sycophantically crawling around the Prime Minister, hoping for the phone call. I have to say to the Senate: Senator Abetz is sixth in line for the ministry. That is pretty impressive—to be sixth in line. The reason he is sixth in line is that every government must have a Tasmanian minister. When Senator Newman goes off into the sunset at some stage, who is left? Senator Abetz has made sure there are not many. Through his poisonous activities in the Tasmanian branch of the Liberal Party, they have lost all House of Representatives seats. Every one he has touched is lost. Then he went into the last Senate election, and they barely got two quotas after preferences.

The Abetz factor has destroyed the Liberal Party in Tasmania. But when the Prime Minister has to look for a future minister there, who can they look towards? No-one other than Senator Abetz. Already Senator Calvert is whip; Senator Gibson has been tried and found wanting; Senator Watson would be too dubious a proposition, because Senator Abetz is trying to backdoor him and destroy his career. So all we get out of Senator Abetz is this sycophantic fawning on the Prime Minister. Senator Coonan, on the other hand, I am not going to give a character reference to one way or the other, because she is involved in an upcoming preselection and, frankly, I am not going to take sides. I wish them both well.

I want to go to the question that I asked Senator Ellison, because Senator Abetz said we got detailed answers today. Well, I did not get a detailed answer.

Senator Abetz—Of course you did.

Senator ROBERT RAY—I did not get a detailed answer. I asked whose idea it was for a direct mail letter. No answer. I asked what the difference was between the direct mail costs and household delivery. No answer. I asked when the decision was made. No answer. We cannot get answers on this. We have gone to estimates committees and we have had the tax office in front of us: not one of those officials can remember whose idea it was. They do not own up to it themselves, but they cannot remember. Let me assist them. If you had made a decision just a few weeks ago to spend \$10 million on an unprecedented mail-out, using the AEC database for the first time, you would think someone in government would remember it. When you are using what is a very sophisticated political tool, it does not come by accident.

I have got some suggestions to make about where these ideas came from. They came from the Prime Minister's office. They came from their paid party lackey, ~~Mark Pearson~~, who is being paid \$195,000 to coordinate the GST campaign—the very same ~~Mark Pearson~~ who directed the advertising campaign for the Liberal Party in the 1996 and 1998 elections. He was not even on the database of the Government Communications Unit. Of all the hundreds of people they could have chosen to do this job, they picked the insider, they picked the Liberal stooge. He is, in fact, responsible, along with the Prime Minister's office, for this direct mail-out. Why not a household delivery? It is half the price of direct mail, it gets to more people, it gets to those who are silently enrolled—

Senator Abetz—Like you.

Senator ROBERT RAY—Not like me.

Senator Abetz—You are very loud.

Senator ROBERT RAY—I am not silently enrolled. I do not have to worry like you, Senator Abetz, because I do not go around backstabbing fellow party members like you have a reputation for doing. Robin Gray got you absolutely right. I am actually going to donate to your farewell present, because you have done the Labor Party in Tasmania more good than all the rest of the efforts we have ever put in. You are our trump card, Senator Abetz. Your undermining and backstabbing in the Tasmanian branch of the Liberal Party has helped deliver five House of Representatives seats, five Labor senators, and it has ensured that Senators Harradine and Brown came into this chamber. It is all down to Senator Abetz: the hero of the Labor Party in Tasmania, the destroyer of the Liberal Party in Tasmania. Comrade, we salute you! (*Time expired*)

Question resolved in the affirmative.

MATTERS OF PUBLIC INTEREST

Textor, Mr Mark: Push Polling

Senator FAULKNER (NSW) (12.58 p.m.)—The Labor Party has on a number of occasions in this chamber raised serious issues about the behaviour, history and ethics of the Liberal Party's pollster **Mark Textor**. We have done this for two reasons. Firstly, Mr Textor's sordid history raises serious concerns about his fitness to obtain the many government research contracts which increasingly appear to be going his way. Revelations about his past behaviour in the Northern Territory and as the pollster behind the disgraceful Canberra by-election push polling scandal show his actions to be unethical, illegal and immoral.

Secondly, we raise these matters to expose—and by exposing we hope to end—the disturbing rise of wedge politics of which Mark Textor is an unashamed practitioner. Wedge politics operates on the cynical and shameful political calculation that you can win in politics only when you divide the community. His research methodology is designed to identify, exploit and inflame division for the benefit of his political clientele.

Understandably, Mark Textor is not happy with the attention he is getting over the allegations we have brought into this place. He and his political masters are best served by his ongoing anonymity and lack of accountability. His defence has been a mixture of flat denial and counterattack in the face of overwhelming and irrefutable evidence. Mark Textor thinks he is a brilliant pollster who strikes fear into the heart of the Labor Party. He no doubt delights in that self-delusion. His defenders in the Liberal Party also claim that we are out to get him because he is a strategic genius. He is and they are sadly misguided.

The Labor Party is not frightened of Mark Textor. We regard him as far from brilliant. We are not intimidated by his strategic genius, because we see no evidence that he possesses any. The only genius uncovered in Mark Textor's polling in 1998 should be attributed to the Labor Party campaign. If you believe his figures published in the *Bulletin*, Labor's primary vote jumped by seven points over the course of the campaign period.

We were also intrigued by the Liberal's failure to exert pressure on Labor in a number of areas where our own research showed us to be a little vulnerable. We waited and waited, but the assault never came. Instead, we watched as the Liberal Party resorted to polluting the letter boxes of elderly Australians with direct mail on our capital gains tax policy—a scare campaign that singularly failed to make a dent in our support, even amongst the groups it targeted.

We object to Mark Textor because as a market researcher and pollster he is ethically unscrupulous, unprofessional and—judging by his outlandish poll numbers published in the *Bulletin* before last year's election—incompetent. As a concrete example of Mark Textor's unethical and unprofessional research methods, the Labor Party has obtained videotapes of focus groups Mark Textor conducted in 1993 in the Northern Territory as director of his front company, Territory Focus Consulting. Territory Focus Consulting had entered into a contract with the Northern Territory government to conduct focus group research into community perceptions of government policy and programs.

The use of taxpayers' money for government research can be for legitimate purposes. An example would be the testing of community perceptions on the provision of health or education services using legitimate research methods. This was clearly not the case with the research performed under the contract Textor signed with the Northern Territory Chief Minister's Department on 14 April 1993 and through which Textor was paid \$740 a day of Northern Territory taxpayers' money. The contract, issued without any tender process, was hastily put together at the behest of the Country Liberal Party. It was arranged by Mr Paul Cowdy, who at the time worked for CLP Chief Minister Marshall Perron. Textor wrote to Paul Cowdy on 19 April 1993 in an attempt to present the research as a bona fide use of taxpayers' money. Cowdy also witnessed Textor's signature on the \$740 a day contract. Cowdy now sits at the right hand of the current CLP Chief Minister, Denis Burke, as his senior political adviser. Andrew Coward, the confessed co-conspirator, supervised the contract as the key operative in Marshall Perron's office.

We have stated earlier that this contract was a sham. The videotapes of the 1993 focus groups now provide graphic evidence that this contract represents a blatant and improper abuse of the established convention that taxpayers' money should not be used for covert party political purposes. The videos—of two separate focus group discussions held on the same day in April 1993—show that Mark Textor

relentlessly pursued political lines of inquiry, such as:

Who is the Chief Minister and how would you describe him? Have you heard of the Leader of the Opposition before today? If there were one word to describe him, what would it be? So we are on Brian Ede—what do you think of him? How would you describe him? Why is land rights a bad thing? Would you vote for the crowd that is in or the crowd that is out? Just before I give you your dough, let's go around the table. If you had to make a hard decision, which way would you go?

This is the stuff of political focus groups, pure and simple. And it should have been paid for by the end user of the research data—the Northern Territory Country Liberal Party. This is simply a more direct version of the 1990 strategy devised by Mark Textor and enacted by Brian Sweeney and Associates where Northern Territory taxpayers paid the overwhelming majority of the cost of the focus groups and where two reports resulted, with the more useful and detailed report going exclusively to the CLP.

The videos also show Textor testing out divisive issues to be slotted into CLP wedge politics campaigns, with direct questions on land rights, ownership and control of national parks and excessive government interference in the Territory's unrestricted lifestyle. He was teasing out language and concepts for the use of the CLP in the 1994 election. He was doing it on the payroll of the Northern Territory government in direct breach of at least section 45 of the Northern Territory Self-Government Act.

As he grilled these unsuspecting participants for their political insights, in a room nearby on closed-circuit television sat a number of CLP political operatives, including Andrew Coward from the Chief Minister's office. Think about this for one moment—a party official sitting in on party-political focus group research corruptly commissioned by the Northern Territory government and funded out the pockets of taxpayers.

And now we come to the lies. In the course of the focus group sessions, Mark Textor wilfully lied repeatedly. He lied about his client. He claimed on one occasion that he was working for businesses down south and on another that he had no client at all but would sell the research to the highest bidder once completed. In fact, when specifically asked whether he was working for the Liberal or Labor governments, he explicitly denied that. In fact, his nominal client was the Northern Territory government—at least that is who paid his fee. His real client was the CLP.

He lied about the video. He claimed that the video was for his use only and would be taped over or destroyed immediately after the session was completed. In fact, it was not a stand-alone video recorder but a closed-circuit television beamed into a neighbouring room for the benefit of interested but unidentified onlookers. And the video was never taped over or destroyed but was kept indefinitely in the files of the CLP.

He lied about himself. He claimed he knew nothing about the Northern Territory, having, he said, only spent six months there a few years ago. In fact, Mark Textor was born and raised in Darwin. It was where he cut his political teeth. As a member of the Market Research Society of Australia, he is bound by the professional code of conduct that governs the industry. Under these guidelines Mark Textor is not obliged to reveal his client, and that is fair enough. But creating fictional clients to appease concerned participants is a clear breach. Lying about his own personal history was simply gratuitous dishonesty.

A market researcher is permitted to take video recordings of his focus groups, but only when he or she explicitly spells out what they intend to do with them and gains approval from the interviewees. He is also obliged under the guidelines to inform the group if a closed-circuit television is in use and, if so, who is watching. He did neither. As a market researcher he is further obliged to protect the security of the tapes and thereby the privacy of the participants. The fact that in 1999 we have obtained copies of the five-year-old tapes amply illustrates that he failed to do this as well.

Irresponsibly, Mark Textor plied the participants with alcohol—no doubt in an attempt to elicit their innermost feelings—and then stood by as many pulled out their car keys and made their way home. Mark Textor was consistently and flagrantly in breach of the code of professional conduct that governs his profession. He lied, allowed unauthorised parties to witness the proceedings, failed to protect the privacy of the participants and calmly watched them leave to drive home, intoxicated from the alcohol he provided.

This new evidence shows he is a market researcher of the most unethical, irresponsible and deceitful

kind who, through his actions, has brought his profession into disrepute. Along with Andrew Robb, Mark Textor has been forced to pay a price for his corrupt and despicable actions as a Liberal Party political operative, specifically in paying substantial damages and apologising to the Labor Party candidate in the 1995 Canberra by-election. This was a specific admission that Mark Textor and the Liberal Party had used push polling techniques during an election campaign.

There have been more recent examples of the Liberal Party using these abhorrent push polling methods, where personally damaging lies are knowingly peddled to sway individuals' voting intentions under the guise of polling activity. The Labor Party is aware of at least two instances where this has been used by the Liberal Party recently—during the by-election in the NSW state seat of Sutherland and in Drummoyne during the current NSW state election campaign.

Similarly, the Labor Party has a range of serious questions regarding the federal government contracts going to Mark Textor's main company, Australasian Research Strategies. For instance, just before the 1998 election Mark Textor received contracts to undertake polling research in two highly political and controversial areas—namely, community attitudes on the environmental issues for the Natural Heritage Trust and on industrial relations issues for the research document attached to the leaked Reith letter to the Prime Minister.

In regard to this very recent polling, we ask the Howard government: how much did these two research contracts cost the Commonwealth taxpayer? Was a proper competitive tendering process undertaken for these contracts? Was there any political interference in this tendering, the contracting, or the drafting of the tasks to be undertaken? And, most importantly, how can Commonwealth taxpayers be assured that the highly political data gathered by Mark Textor and paid for by the Commonwealth taxpayer was not passed on to the Liberal Party for use in the 1998 federal election campaign?

The evidence we have outlined today demonstrates the tactics used in recent years by Mark Textor and the Liberal Party in abusing Commonwealth taxpayers' money to conduct blatantly political research. We now require the Howard government to come clean on how these fraudulent tactics have been used to spend public funds on political research for the 1998 federal election campaign. If the government will not come clean on these matters, it is our view that parliament may need to seek full details of Mr Textor's taxpayer funded political research through a wide-reaching parliamentary inquiry. The Labor Party is not raising these questions through partisan politics motivated by jealousy or self-interest on our part. Indeed, it is in our interest that the Liberal Party continues to rely on such wildly inaccurate polling. The true act of partisanship here would be for the coalition to continue to protect and defend Textor when that defence taints them with the very corruption and moral bankruptcy that he represents.

QUESTIONS WITHOUT NOTICE
Jobs Strategy: Research

Senator ROBERT RAY—I direct my question to the minister representing the Minister for Employment, Workplace Relations and Small Business, Senator Alston. What tender processes were employed prior to the government contracting Mark Textor to conduct research into their jobs strategy? What was the contract price for this research? How much has been paid to date? What procedures were put in place to ensure that copyright integrity was maintained? Is the minister now ready to reply to a question I put on notice three months ago as to how much work that department has given Mark Textor? Given that 11 ministers have replied so far, will he now concede that the department's failure to do so was an effort to cover up its sneaky and politically motivated research?

Senator ALSTON—I do not have any information on any of those matters. I will seek some assistance from Mr Reith's office. I would have thought they were the very sorts of matters that Senator Ray enjoyed trawling over ad nauseam in estimates committees, but if he did not manage to get around to them there and he wants to waste question time putting something else on notice, I will attend to it. I can assure him that any delay on the part of Mr Reith's office to provide an answer to an outstanding question is in no way a result of any attempt to cover anything up. It probably reflects the priorities of the issues that Mr Reith's office has to deal with.

Senator ROBERT RAY—Madam President, I ask a supplementary question. Would Senator Alston like to explain why he has written to me on other questions on notice to explain why they were late, yet again, but has omitted this one? Why has it taken three months, when this research was done in July last year, to actually come forward with the figures showing how much this particular contract cost? Will the minister find out whether it went to a tender process? After all, Mr Mark Textor did all the Liberal Party research in the last election.

Senator ALSTON—I will make those inquiries. But just so that Senator Ray does not get away with the usual smear campaign, let me say that Mark Textor's skills are well recognised around Australia.

Senator Carr—By the Liberal Party.

Senator ALSTON—From our point of view, he delivered the goods, didn't he? He called it right. He knew exactly what was going on out there. If you are asking whether the bloke has credentials, whether he has a decent track record, the answer is yes. I hope you are not suggesting for a moment that he is not properly qualified. I can understand the usual political partisan game playing in the sandpit—that because someone is associated with the Liberal Party he is not capable of doing anything else in the real world—but the fact is he is capable of conducting very effective research in a range of areas.

Senator Robert Ray—Because you are funding him through government contracts.

Senator ALSTON—If you want to say that outside, make his day. You used to be a great man for saying, 'Take the walk.' Well, away you go. If you really want to make him happy, go out and say that.
(Time expired)

COMMITTEES

Senator ROBERT RAY (VIC) (10.25 a.m.)—On behalf of Senator Gibbs, I move:

That the following matters be referred to the Finance and Public Administration References Committee for inquiry and report by 31 March 1999:

(a) the extent and cost of all market research undertaken by all government departments and agencies in the period 11 March 1996 to 3 October 1998;

(b) whether on all occasions a full and open tender process was observed; and

(c) what steps were taken to avoid the use of such market research for party-political purposes.

Let it be said from the outset that Labor does not oppose the use of quantitative and qualitative market research by governments when they are devising and testing the effectiveness of promotional campaigns. It is a useful tool in developing communications strategies for government policies that have been passed in parliament in the form of legislation or adopted by government through legitimate processes of executive government. It is not, however, legitimate to research areas that are the province of election campaigns, especially where one's party is seeking a mandate on a specific issue.

The current government has not provided, in any meaningful detail, data relating to market research undertaken by government departments. In response to questions from both Senator Faulkner and me, some departments have provided detail of market research undertaken by them. Other departments have refused outright to disclose any information about their market research programs. Hence, it is not possible to quantify total expenditure in this area.

Today we have put further questions on notice seeking detailed disclosures of such expenditure and would expect the government to come clean and outline how much taxpayers' money has been spent in this area.

Senator Ian Campbell interjecting—

Senator ROBERT RAY—In response to a question on notice from Senator Faulkner in June of this year, Senator Minchin informed the Senate that, according to OGIA records, Commonwealth departments and agencies let out 78 contracts for market research. He was unable to provide details of the costing of these proposals. Based on FOI requests, we do know the following.

Senator Ian Campbell interjecting—

Senator ROBERT RAY—The Department of Social Security and Centrelink spent \$90,000 on qualitative market research to gauge community attitudes to social security fraud—

Senator Ian Campbell interjecting—

The PRESIDENT—Order! Senator.

Senator ROBERT RAY—and to assist in developing an advertising campaign aimed at raising public awareness of the government's efforts in this area.

Senator Ian Campbell—It is a shambles.

The PRESIDENT—Order, Senator!

Senator ROBERT RAY—Of course, this area was a key element in the Liberal Party advertising in the recent election.

Senator Ian Campbell—You are a bunch of hypocrites.

The PRESIDENT—Senator Campbell!

Senator Ian Campbell—They are a bunch of hypocrites.

The PRESIDENT—Senator Campbell—

Senator ROBERT RAY—A further contract worth up to \$145,000 was let out—

The PRESIDENT—Just a moment, Senator Ray. Senator Campbell, I ask you to withdraw that.

Senator Ian Campbell—Madam President, these blokes are hypocrites.

The PRESIDENT—There is no need to debate it. I ask you to withdraw.

Senator Ian Campbell—They said that we should be informing them about the government's program in advance and we have just had this brought on without any notice to the coalition whatsoever. They are a shambles. They have given us a lecture about giving advance notice and they have now brought this matter on with no advice through the whips, no advice from the manager—they are absolute, unadulterated hypocrites.

The PRESIDENT—Senator, I ask you to withdraw that and remain silent. You will have your chance to speak.

Senator Ian Campbell—I withdraw that word.

Senator ROBERT RAY—Madam President, a further contract of up to \$145,000 was let by the Department of Social Security to benchmark and evaluate the government's campaign to promote the new youth allowance. The department of finance reported through their lead brokers in the partial sale of Telstra that they spent a grand total of \$460,035, in two bites, to conduct qualitative research into the attitude of shareholders and Telstra staff, amongst others. The original budget for this research was \$200,000.

Environment Australia, through a consultant—a former staffer for John Hewson and Andrew Peacock and also a Liberal Party operative, Jane Seaborn—paid ~~Mark Textor, from the Australasian Research Strategies Proprietary Limited~~, the sum of \$7,541 for focus group research regarding the Natural Heritage Trust.

The Department of Immigration and Multicultural Affairs allocated \$184,850 to a research company for a mixture of quantitative and qualitative research in the preparation of the anti-racism kits for schools. A developmental research concept testing and tracking polling for an information campaign for the Office of the Employment Advocate is budgeted up to \$300,000.

These are just six contracts of the 78 recorded by OGIA. The total expenditure is massive and the government must be forced to give parliament accurate figures as to the total expenditure.

The extent of the government's reliance on market research techniques is not surprising. They have learned the hard way not to ignore the merits of qualitative research. During their first term, they were twice saved from going ahead with potentially disastrous advertising campaigns because of qualitative research employed to test their effectiveness. In both cases the advertising campaigns were cobbled together by the Liberal Party apparatchiks, whose employment clearly owed more to political debts of gratitude than to any expertise in the field.

It was revealed in September 1996 that qualitative researchers Elliott and Shanahan had reported to the government that the forthcoming guns buyback campaign, proposed by DDB Needham with the theme of 'Bite the bullet', was overwhelmingly rejected by focus group participants. They found that it generated considerable anger, that it would lead to non-compliance, and that it presented a message in a way which suggested that the government was dictatorial—'We are coming to get you.' The researchers found that it was the worst of all proposals.

However, it did not stop the ministerial council, via a blatant political fix, allocating the contract to DDB

Needham as a reward for services rendered by key operatives in the previous federal election campaign. This research resulted in DDB Needham changing strategy. The campaign that finally emerged was dull, ineffective and, basically, a waste of taxpayers' money. But, thanks to market testing, it was at least no longer insulting, offensive and counterproductive.

In January this year, yet another PR disaster was narrowly averted. The Prime Minister's office, in disarray over native title, proposed to cabinet a massive advertising campaign to push the government's position on the Wik issue. Drafted by self-appointed advertising experts in the Prime Minister's office, the proposed advertisements were, at the last minute, sent for market testing.

The results of that testing were damning in the extreme. This report showed that, one, the ads tested poorly across all demographics. Secondly, the reaction to the ads ranged from outright disgust to apathy, with respondents commenting that they were alarmist, racist and corrupt. Thirdly, far from reinforcing the desired message, the ads would have actually damaged the government's position.

Now the government—exposed by the opposition in Senate estimates, ridiculed in the national press and lampooned by its own market research—killed the advertising campaign, thus saving Australian taxpayers \$3 million. The government, however, did not escape entirely unscathed from this shabby, amateurish effort. Caught out giving misleading evidence to the estimates committee, exposed as incompetent cowboys, they were nonetheless saved from total humiliation by the appropriate and timely application of market research.

All this highlights is what the government should already know. There is a place for the use of market research techniques in devising and testing appropriate government promotional campaigns. There is absolutely no place for taxpayer funded market research to be used for purely party political purposes.

Because market research companies essentially conduct opinion polling and focus group research, the potential for crossover into the party political arena is self-evident. Therefore, when the government funds market research programs, there must be detailed public scrutiny because of the nature of the techniques involved and, especially, the high risk of inappropriate and unethical use.

It is proper that a number of ethical issues are considered to test the appropriateness of government actions in this area. For the benefit of government senators who seem to be unclear about these issues, I will outline some of the broad and non-controversial matters for consideration in the use of market research by governments.

Firstly, there is legitimacy. Any research conducted by the government must be designed to meet public policy and not party political objectives.

There is ownership. When the government commissions research for use in promotional campaigns, the question of who owns the information is critical. Because such research has the potential for political partisanship, it should be either quarantined from ministers' offices or made available for all to see via parliament.

There are tender processes. As with all external contracts, the tender process must be conducted in a fair and appropriate way with equal consideration given to all tenderers. Given that this area is often subject to contract changes, if there are substantial changes, they should be retendered.

Then there are the budgetary issues. There are too many examples where a budget has been set and then blown out with no thought of retendering. These budget blow-outs are usually in direct proportion to the political panic at the time.

The final issue is accountability. Given the sensitivity of government sponsored market research, the process must be transparent and as accountable as possible. All information relating to these projects—that is, the tender process, the departmental briefs, detailed budget information including estimated and actual costs, and the research findings themselves—should be made available at the soonest possible time for parliamentary and wider scrutiny.

Let us measure off these principles as they apply to the latest government outrage in market research—the tax reform market testing. In this case the research was conducted by Worthington Di Marzio to prepare the government's tax advertising campaign. Leaving aside the outrageous expenditure of

taxpayers' funds on a partisan political exercise, the research aspect itself is nothing more than a scandal. The research project went well over budget, and we are still waiting for the Treasurer to provide details of the actual expenditure. At the moment we are working off the estimated cost as presented to the Treasury by Worthington Di Marzio.

On 3 June this year, the Senate Finance and Public Administration estimates committee was told that the research budget for the tax advertising campaign would be up to \$200,000. On the following day, Treasury bragged to the economics estimates committee that they were able to keep the budget to just under \$100,000 despite the earlier estimate of 200,000. At no point, despite questioning from the opposition, did Treasury officials provide details of any future expenditure, some of which would be allocated just a few days after the estimates hearings. Further evidence was given that the research would be overwhelmingly qualitative.

The contracts let out to Worthington Di Marzio were, firstly, research into community views regarding tax reform. The final report was due 3 June 1998, there was a budget of up to \$100,000 but Worthington's quote was \$93,850. Then we had the amended brief to test advertising concepts and information products with target groups. There was a \$16,900 quote from Worthington, let on 18 June. Then we had the research brief for the 'concept for tax reform information program'. Worthington's quote was \$29,750, let on 17 July. Then in August 1998 there was 'bench mark tracking and evaluation results for message delivery and effectiveness evaluation'. Worthington's quote was \$221,350, let on 21 July. In addition, Worthington Di Marzio were charging \$1,000 per day for each consultant when required in Canberra. This comes to a total cost of \$361,850—\$161,850 over budget, as outlined at the estimates committee hearings; an 81 per cent blow-out.

If there were any decency in government life or public life, Worthington Di Marzio's account should be sent not to the Treasury but to 'Lightweight' Lynton, c/- Robert Menzies House, Barton, ACT. You might ask why. We asked this question: was the research purely for public policy reasons or was it research for the Liberal Party of Australia for its upcoming federal election campaign. The documents tabled by the Treasurer clearly show that it was commissioned for partisan political reasons. Worthington Di Marzio were instructed by Treasury to do extensive research on the Australian Labor Party's 1993 campaign commercials.

In the Wave 2 lines of inquiry document, the moderators were instructed to show the Singleton ads from the 1993 ALP election campaign to test recognition, to test respondents' overall opinion of the campaign, to evaluate which components hit the message home and why, and to ascertain where respondents thought they had failed and why. This section of the report, referring to ALP ads, is entitled 'Towards a counter-attack strategy', so there is nothing subtle about this. This is most inappropriate subject for taxpayer funded research that I have ever seen or could possibly imagine.

Elsewhere in the documents there are several other references to the need to devise responses to potential criticisms of the tax package. In a campaign the government claims is to inform the electorate about a government proposal, how can it be appropriate to engage consultants to research a counter-attack strategy which, by definition, is less about information than about partisan political persuasion?

The next question that arises is what happened to the research when the election was called. The welter of information collected by Worthington Di Marzio would have been of massive assistance to a political party going to the electorate with tax reform as its key issue. The research provides detailed analysis of voter attitudes to tax reform across all age groups and education and income levels across metropolitan, rural and regional voters by gender.

This is precisely the kind of data which political parties use to develop campaign strategies, to analyse policy strengths and weaknesses and to mould campaign messages to target a range of groups within the community. It is the very information that political parties pay for themselves—but not the Liberal Party. Why pay for it yourselves when you can get the taxpayer to fund it?

We know that the research would have dovetailed beautifully with the Liberal Party campaign strategy. After all, the report contained 312 pages of detailed, quantitative data which analyses in great detail public attitudes towards what would become the centrepiece of the Liberal Party campaign in 1998. It includes focus group research testing attitudes towards an opponent's campaign conducted just weeks before the campaign was called.

We still do not know what happened to the tracking polling. Was it ever done? If so, where is it? Why wasn't it tabled? When did it start? When did it finish? Was any of it done during the official election campaign period? What guarantees can the government give that none of this research found its way into the hands of the Liberal Party organisation? We are entitled to have doubts about these matters because the government will not come clean on the extent and nature of market research done.

We must give credit to some departments for being transparent and accountable. But this may no longer be the case as OGIA has been shifted from DoFA across to PM&C under the direct control of the Prime Minister's office rather than the department. As the auditor-General said in relation to government advertising, there would be major benefit in a parliamentary inquiry into the use of market research by governments. There can be no more opportune time than now to review the ethical guidelines which cover advertising and market research, given that supervision has been transferred from DoFA to PM&C. Such a committee inquiry could establish both the scope and the cost of market research by government and make recommendations as to appropriate guidelines that would govern the use of such techniques.

This is a government that has systematically rorted advertising and research. It rorts the selection processes to give jobs to its mates. It rorts the research briefs to acquire taxpayer funded political research. It flagrantly rorts copyright so that the Liberal Party can use government artwork. It covers up by refusing to table all relevant material for parliamentary scrutiny. It covers up by refusing to answer questions on notice. It covers up by rejecting freedom of information requests. It covers up by giving misleading answers at Senate estimates committees.

Only a full Senate inquiry can get to the bottom of the murky, rorted research activities of this government and make sensible recommendations to ensure cleaner, more accountable and more honest arrangements in future.

MATTERS OF PUBLIC INTEREST

Prime Minister

Senator O'BRIEN (TAS) (1.01 p.m.)—Today I want to talk about a number of matters relating to the actions of this Prime Minister. Firstly, I want to talk about the manner in which the Howard government has gone about its waterfront strategy because that should not surprise anyone. Nor should it surprise anyone that the Prime Minister has been personally involved in this plan from day one. His involvement has been ongoing. Mr Howard ticked off this plan as it was developed from early last year. The Prime Minister is involved in everything because he trusts no one. One assumes with hindsight that the waterfront plan might be renamed 'operation Titanic' because it has succeeded only in sinking the political machismo of Mr Reith and his hapless Prime Minister.

Even in his own office he leaves nothing to chance. This is especially the case since the departure of Graham Morris. There is a simple reason for this. Within his own party this Prime Minister has always been an after-thought. He has always been the party's second or third choice as leader. A look at the Prime Minister's path to the Lodge makes this point clearly. In the lead up to the 1983 election Mr Howard saw himself as the heir apparent. But senators will recall that the then Prime Minister, Malcolm Fraser, had a very different view. Mr Fraser called Andrew Peacock the morning after the election defeat and told him he was prepared to do anything to prevent Mr Howard taking the leadership. His leader duded Mr Howard and Andrew Peacock got the top job.

Senators will also recall that in 1985 Mr Peacock called a meeting of the party and declared all leadership positions vacant. Mr Howard had been working on Mr Peacock's demise and the opposition leader decided to take the matter head on. Mr Peacock called on Mr Howard to declare he would never ever run for the leadership but Mr Howard refused—of course, he said he would never ever have a goods and services tax. So Mr Peacock pulled on a vote to force Mr Howard's hand but Mr Howard did not have the confidence to nominate; he refused to nominate. Mr Peacock was re-elected but his running mate, Mr Moore, was not. The party decided it wanted Mr Howard as deputy leader.

Senators will also recall the extraordinary scenes that followed, with Andrew Peacock declaring a vote for Howard was a vote against him and he promptly resigned. So Mr Howard, who would not throw his hat in the ring and would not even nominate after there had been a spill of positions, found himself as leader of the party. Then Mr Howard lost the leadership to Mr Peacock in 1989. Remember the front page of the *Bulletin*—'Mr 14 per cent—why does he bother' The Prime Minister had another shot at the top job in 1990 but lost convincingly. He tested the water again after the 1993 election but did not have the gumption to run against John Hewson, who had just lost the unlosable election. He finally returned to the leadership position of the Liberal Party on Australia Day in 1995.

So, as I said, Mr Howard has always been the party's second or third choice and hence he trusts no one. Not only does Mr Howard not trust his ministry or his party he does not trust the Australian community. He is far more comfortable with the politics of division than the politics of consensus. It is a political strategy the Prime Minister has applied on a number of occasions. In August 1988 Mr Howard expressed the view that the number of Asians coming to this country was too great. He made this statement in the context of a debate about multiculturalism and its place in Australian society. On the ABC AM program, Mr Howard was asked:

. . . Mr Howard, is the rate of Asian immigration into Australia too fast?

Mr Howard responded:

I think there are some people who believe it is.

He was then asked what he thought and he said:

. . . I wouldn't like to see it greater . . . I do believe that if in the eyes of some in the community, it's too great, it would be in our immediate term interests, and supportive of social cohesion, if it were slowed down a little . . .

And what was his view on multiculturalism? He said that it was an aimless concept. In 1988 he was happy to take the political course of creating division within the Australian community in pursuit of his

political agenda. It was a simple message: there are too many Asians coming to Australia.

In his *Future directions* document released in December of that year Mr Howard said he wanted to see 'one Australia' not an Australia of individual groups. Another simple message: if you want to live in Australia you have to behave like a white European middle class heterosexual. One could be forgiven for thinking that the member for Oxley is a plagiarist.

I must add that Mr Howard was more than happy to let the member for Oxley and her motley crew run their campaign of division and bigotry. This was despite the best efforts of many—including John Laws of 2UE—to get him to speak out against her as the Prime Minister of Australia. John Laws was rightly concerned about the damage she was doing to the social fabric of this community. He wanted the Prime Minister to take a stand. John Laws asked him to act like the Prime Minister of Australia and he would not. And why, because he did not want to—he saw political benefit in remaining silent. So Ms Hanson and her acolytes parade the misnomer of one nation. It begs the question: what do we call the Howard Liberals? Half a nation?

The manner in which the Prime Minister dealt with the debate over the native title issue provides further and clear evidence that Mr Howard's approach to the Australian waterfront is true to form. On the ABC's *7.30 Report* on 4 September last year the Prime Minister said that the problem with native title is:

. . . that the pendulum has swung too far in one direction, particularly after the Wik decision . . .

He then held up a map of Australia and said:

Let me just show your viewers . . . This shows 78 per cent of the land mass of Australia—coloured brown on the map. Now, the Labor Party and the Democrats are effectively saying that the Aboriginal people of Australia should have the potential right of veto over further development of 78 per cent of the land mass of Australia.

He then told the *7.30 Report* viewers:

Now that is a very simple message. I think the Australian people will understand that message.

It was a very simple message, delivered via a map coloured brown. He was saying to the community that if we are not careful the blacks will take over the place. It was almost identical—and just as misleading—to the crude but effective campaign run by the Western Australian Chamber of Mines in the 1980s. The only difference is that their map was black, not brown.

And now the Prime Minister has turned his hand to demonising the wharfies. He has decided to be a more sophisticated person in his approach to this matter. First, he had to create the image. How was this achieved? Through his ministers he appointed Liberal pollster Mark Textor, the principal of Australasian Research Services. Mr Textor, it should be remembered, is closely associated with the technique of push polling. This first appeared on the Australian political landscape in the 1994 Northern Territory Election. Voters were asked if they would change their vote if they knew the following facts. They were then told that Territory Labor planned to introduce two sets of laws—one for blacks and another for whites. The Country-Liberal Party employed Mr Textor in the lead up to that election as a polling adviser. The Liberal Party also employed the same technique in the lead up to the Federal by-election for the seat of Canberra. Mr Textor was the pollster for the Liberal Party for the 1996 election campaign.

Last year Mr Howard, Mr Reith and Mr Sharp commissioned Mr Textor to attack not their political opponents but an industrial union. The work was channelled through the ACIL consultancy. Mr Textor then organised a number of focus groups. He showed them parts of a *60 Minutes* program and other material designed to colour their view, including edited 'highlights' of an address by the Secretary of the ACTU, Bill Kelty. He was paid over \$40,000 for his trouble.

Despite his best efforts the waterfront and wharfies were not considered to be so-called 'top the mind' issues. There was strong concern about waterfront efficiency, international competitiveness and any hindrances to exports. The Textor research was then provided to a second consultant—long time Liberal Party election strategist, Jonathon Gaul. The Gaul plan was to use the Textor research to paint the wharfies as the privileged elite—\$100,000 for 14 hours a week and then they all nick off anyway. That is the sort of line we have been hearing from this government and that is the line that was created by

Jonathon Gaul.

As with the Asians in 1988, the Aborigines and the Wik message, it was both simple and divisive. Madam Acting Deputy President, you would know that the average wharfie is like any other Australian worker. He has to work long hours to make ends meet. He has a family to support. And in many cases he does achieve world's best practice in his workplace. At the port of Burnie in my state, Tasmania, the waterside workers achieved an average rate, I believe, of 33 containers per hour in the week before they were dismissed. In the state of Queensland, your state, Madam Acting Deputy President, Townsville is a port of hard working and highly productive workers. What did the Prime Minister say of their fate? The Prime Minister was interviewed on *A Current Affair* two days after Chris Corrigan implemented what the government thought was the final part of its grand plan to smash the MUA. He was asked about workers in ports like Burnie and Townsville and why they were sacked along with their colleagues in Sydney and Melbourne. He said:

They are all part of the one union.

Guilty by association.

This country has changed dramatically under the leadership of John Howard. There is now mistrust in the community. There is now a high level of insecurity about what the future might bring. Mr Howard has achieved all of this in just over two years. His is already a remarkable record. I, together with many Australians, hope the legacy of this Prime Minister, as Prime Minister, is a short one.

The Senate would recall that the last time Mr Howard lost his job he mocked the suggestion of a possible return by claiming that that would amount to Lazarus with a triple bypass. We now know that we have Lazarus with a triple bypass as our Prime Minister. The question that must be answered and will be answered, and in the hearts of many Australians has already been answered, is: has John Howard got the ticker for the job that he now has? The facts show that he has not.

WATERFRONT REFORM

Senator FAULKNER (NSW) (3.07 p.m.)—by leave—I must say I interpret the minister's statement, and I heard most of the original statement by Senator Alston, much differently from the way Senator Murray has interpreted it. The opposition, through Senator O'Brien, a long time ago moved two returns to order for the production of documents in the Senate. Both of those found majority support amongst senators in the chamber and the government has consistently refused to comply with those orders of the Senate. Senator Murray's subsequent motion—which also found majority support within the Senate—for production of documents appears to me to have had a response that is not dissimilar to the one that was the government's approach to the first two motions that were agreed to that stood in the name of Senator O'Brien.

The point needs to be made that we have a situation where well in excess of \$1 million of public money has been spent on a variety of reports and consultancies in relation to the waterfront. Those consultants' fees and those reports that have been produced for government, only a small proportion of which have been made available for senators to peruse, I think ought to be quite clearly made available for the benefit of the parliament and the benefit of the public.

We believe that the Australian people are entitled to see how the government has spent this money. We are very concerned about the use of taxpayers' money for what we believe is blatantly political market research, public misinformation and public relations campaigns. We believe that these consultancies, campaigns and reports ought to be made available.

Of the consultants to the government on the waterfront, we have had Mr Paul Houlihan, who is a former IR specialist with the National Farmers Federation and director of P&C Stevedores, and that consultancy was \$20,000. We have had two reports from ACIL Australia, and the second ACIL Australia report included a number of subcontracts. Those subcontractors involve people like Mr Mark Textor, the Liberal Party polling consultant, and Jonathan Gaul of Canberra Liaison. We have the consultancy of Dr Stephen Webster on Mr Reith's staff, that of Dr John Davies and a range of other legal and media consultancies that have been paid for by taxpayers that have obviously been fundamental in the government developing its waterfront strategy. The opposition continues to say we are entitled to sight, given their significance in relation to public policy in this country and given their significance in the development of Mr Reith's and Mr Howard's strategy on the waterfront.

We do know at a minimum that at least \$1,191,989 has been paid to a range of consultants for a range of consultancies that we know have been contracted by this particular government. We say that the vast majority of those that have not been made available for parliamentary and public perusal ought to be. I interpret Senator Alston's statement to the Senate very differently from Senator Murray. As far as the Labor Party is concerned, we have made it absolutely clear what our view will be. Contingent on the government's failure to provide this material, which we believe is in the public interest and in the parliament's interest—if that material is not provided—the opposition will be proceeding with its proposal to establish a select committee into why that material has not been provided and a range of other matters in relation to the waterfront dispute.