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# The Contributor.

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A journal of articles published by the  
Policy Committee of the Liberal Party of Western Australia

Bill Hassell | Tim Wilson | Keith Windschuttle | David Flint | Ben Allen | Joe Lenzo  
Lorraine Finlay | Marco Sodhy | Rosanna Capolingua | Tim McDonald | Reg Howard-Smith

# **The Contributor.**

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Policy Committee: Tom White (Chairman) Steve Thomas, Jeremy Buxton, David Rowe, Andres Timmermanis, Sherry Sufi, Simon Morgan, Richard Graham, Senator Dean Smith, Nola Marino MP, Ian Goodenough MP, Hon. Peter Katsambanis MLC, Peter Abetz MLA, Jan Norberger MLA, Matthew Woodall, Murray Nixon.

The intention of this document is to stimulate public policy debate by providing an avenue for individuals to express their views on topics in which they have an interest or expertise.

Opinions expressed in these articles are therefore those of their respective authors alone. In no way should the presence of an article in this publication be interpreted as an endorsement of the views it expresses, either by the Liberal Party or any of its constituent bodies.

Authorised by Tom White, Chairman of the Policy Committee of the WA Liberal Party, 640 Murray Street, West Perth WA 6005

"If Liberalism stands for anything ... it's for the passion to contribute to the nation, to be free, but to be contributors, to submit to the discipline of the mind instead of the ordinary, dull discipline of a regimented mass of people."

**Sir Robert Menzies, 27th July 1962**

## From the Policy Chairman

I want to thank you for taking the time to read this first edition of *The Contributor*, a new journal of articles being published by the Policy Committee.

This publication aims to stimulate policy debate within the Liberal Party by giving its members, and other learned individuals, a forum to discuss ideas that are consistent with our values, and which will carry Western Australia and Australia forward with strength.

Its title is inspired by an excerpt of a speech delivered by Sir Robert Menzies to the Young Liberal Movement's Federal Convention in late July 1962. His words speak to the intellectual autonomy that is afforded members of the Liberal Party, and to the volunteerism and individualism that have always been prominent features of life on the conservative side of politics. Our authors are, in a small way, making their own contribution to the future of our country by participating in debates about the policies and ideas which will define its future. We are very grateful to them for taking the time to do so.

I hope you will consider this a worthy initiative, and one which adds value to membership of the Liberal Party. I also hope it goes some way to breathing new life into policy debate and Liberal-minded thought in our ranks.

There will be things written and ideas proposed in this edition – and future editions – which may meet resistance. Debate is a healthy feature of any open and democratic political party. The articles represent the thoughts of their respective authors alone, and I encourage you to participate in this initiative by critically analysing, challenging or applauding them as you see fit. You can do so by penning an article or your own, or writing a letter to the editor at [policy.chair@wa.liberal.org.au](mailto:policy.chair@wa.liberal.org.au).

The publication of an article in *The Contributor* should represent the mere beginning of a debate on that topic, not its conclusion.

I want to sincerely thank our authors, the members of the Policy Committee for their advice and patience, Sherry Sufi for his tireless and valuable work as editor, and to everyone who takes the time to read each edition and taking a moment to ponder what it means to be a Liberal.

I do hope you enjoy this first edition, and I urge you to contribute, so that it may be the first of many.

Tom White  
Chairman, Policy Committee

## From the Editor

Australia remains by far the most firmly anchored representative democracy on earth. Yet our freedoms were not handed on a plate. Inspired by Enlightenment principles, our civilisational predecessors in Western Europe and America fought for rights we take for granted today. To think, speak, worship, own property and associate as we please, many nations around the globe are bereft of such rudimentary freedoms where your first dissent becomes your last. We are fortunate not to be such a place.

At the heart of our democracy lie transparency, accountability and accessibility by all Australians. Any Tom, Dick and Harry can fill out a membership form and pay a few bucks to join a political party of their choice. They can be a part of the political system and not only have their voices heard but potentially end up in Parliament as a people's representative. Neither biological kinship of an aristocratic elite, nor affiliation with an institutionalised faith are requisite. Without the covenant of these liberties afforded by our citizenship of Australia, our membership of our great party would be impossible, rendering our ability to have a say in the policies that govern our lives, inert.

*The Contributor* is a celebration and a modest embodiment of the freedoms to associate with who we want, and to think and say what we want. As its Editor, I have assumed a 'minimalist' approach, not only because our contributors are individuals of eminent capability but because I believe the role of an editor is to not exceed beyond the scanning and rectification of stylistic, grammatical and punctuational inconsistencies. Any stats, facts and quotes presented in the articles remain the responsibility of their authors.

Last but not the least, I commend Chairman Tom White for his role in launching this project and State Director Ben Morton for his on-going support. I concurrently thank each of our contributors for sparing a few moments to craft the submissions that make this initiative a reality. I trust the diverse ideas published in this edition will form the basis for stimulating debate in the party.

Your feedback matters and I welcome you to contact me at [ssufi@une.edu.au](mailto:ssufi@une.edu.au). Thanks.

Sherry Sufi  
Editor, *The Contributor*

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# Bill Hassell AM JP

Bill Hassell is a former Leader of the Opposition in Western Australia. He is a Life Member of the WA Liberal Party.

To recognise:  
Is that the  
question?

I congratulate the editors of this Policy Journal for their initiative in launching it as a quarterly designed to stimulate public policy discussion within the Liberal Party. I also congratulate Mr Tom White, Chairman of the Policy Committee of the WA Liberal Party, for seeking to make the Liberal Party, as distinct from its Parliamentary wing, once more relevant to policy formulation which governments of Liberal persuasion might implement.

That role seems to have fallen largely into desuetude in recent years, with policy assumed to be the preserve of Parliamentarians once they attain office as government. Yet when I joined the Liberal Party over 50 years ago policy formulation had a lively role in the Party. Mr (later Sir Charles) Court, Minister for Industrial Development in the David Brand Government elected in 1959 recognised that to stimulate Western Australia's economic activity and growth, then pitifully small and slow, he had to have overturned the embargo imposed by Canberra on the export of iron ore. One means he used to achieve that was the forum of the State Council of the Liberal Party where the issue was fought out, and in the teeth of the opposition of federal MPs from WA defending (as so often the case) the position as laid down by the mighty Menzies Government in Canberra the WA State Council voted to support the lifting of the embargo. That event when it happened was the foundation of Western Australia's spectacular economic growth from then until now. It was an event deeply influenced by the WA Liberal State Council taking a stand on policy.

Today we face another great issue: the preservation of the integrity of the federal constitution. A body of people, including our Liberal Prime Minister want to change it to include what is sometimes described as the recognition of aboriginal Australians as the first people of Australia. On Australia Day this year the Prime Minister, Hon Tony Abbott, included the following in his Australia Day media release:

We will also begin a national conversation about amending our Constitution to recognise Aboriginal peoples as the first Australians. This should be another unifying moment in the history of our country.

That led to great media headlines across the country and to elaborate claims as to what it would mean and achieve, and to extended expectations of what else might be done including proposed treaties between the government (one assumes the government in Canberra) and all the aboriginal "nations" said to have existed at the time of the original British settlement of Australia.

Leaving aside Mr Abbott's adoption of the current pop language in referring to a "national

conversation", and the possibly challengeable factual proposition that aborigines were the "first" Australians, the included assumption was that as the federal Liberal Parliamentary Leader had spoken what he said is the policy of the Liberal Party. That is not the case. So far as I know the proposition has not been endorsed by the Party in any State, nor by the federal Conference or Council of the Party. Even if it had been endorsed by the federal organs of the Party that would not bind the State bodies, and it may well be that when the requisite referendum is held to approve the changes desired by some to the constitution the traditionally conservative State bodies of the Party will not heed the call, albeit from Mr Abbott, to support that change.

Mr Abbott himself is aware that despite what clearly will be a nationally funded campaign to garner support there are many deeply suspicious of changes to the constitution of the federation even if and perhaps because they are presented as symbolic.

I am opposed to changing the constitution as projected to be proposed (we do not yet of course know what will be proposed) for many reasons, but for the purposes of this short exposition I will state but a few.

Racism cuts two ways so to speak. If it is racist to single out aboriginal people for constitutional disadvantage, as was the case prior to 1967 when we voted nationally and overwhelmingly to *remove* a constitutional provision which discriminated against aborigines, it is equally racist to *include* a new provision which singles out aborigines for some kind of special recognition. As Andrew Bolt colourfully put it<sup>1</sup>

I AM an indigenous Australian, like millions of other people here, black or white. Take note, Tony Abbott. Think again, you new dividers, before we are on the path to apartheid with your change to our Constitution.

I was born here, I live here and I call no other country home. I am

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<sup>1</sup> *I am, you are, we are Australian*, Herald Sun, January 29th 2014. This is a strongly worded article by Andrew Bolt who was of course the victim of anti-free speech racial vilification laws the new Federal Liberal Government has vowed to change. THE AUSTRALIAN newspaper editorialised against the views expressed by Andrew Bolt in this article.

therefore indigenous to this land and have as much right as anyone to it.

What's more, when I go before the courts I want to be judged as an individual. I do not want different rights according to my class, faith, ancestry, country of birth ... or "race".

I'm sure most Australians feel the same. We are Australians together, equal under the law and equal in our right as citizens to be here. That's how we've been for generations.....

Stop now. Say no to racism. Say no to racial division. Say no to changing our Constitution.

Recognition of aboriginal people or that they were the first Australians, should that in fact be the case, is wholly unnecessary and would be an excrescence on the Commonwealth constitution. The aboriginal people of Australia are part of the body of people who make up Australia, as a people, as a nation. As I have been saying for a very long time my aspiration is for the kind of Australia like that of the United States I see - one in which there is a visceral loyalty to the nation, its flag, its place in the world and its fundamental goodness. In seeking and aspiring to address real and perceived disadvantage to many aboriginal people we provide vast help through our governments. (As of course we do to non-aboriginal people with need) That we so often fail in our aspirations does not detract from the commitment of the Australian people or in some way establish the need to change the constitution. My own hope is that in the long run separate 'help' programmes for aboriginal people will themselves be eliminated and merge into the mainstream. Empty symbolism by changing the constitution to "recognise" one race of the many in Australia will do nothing to address real need. It will do a lot to foster a kind of reverse apartheid, that in which aborigines see themselves as not part of the nation, but as needing treaties, a special status, special laws. A new and deeply dangerous paternalism.

Sad to say, I do not trust the High Court of Australia. The Court has so often indulged itself in judicial activism, in imposing its notions of what the judges of that august body believe should be in the constitution instead of sticking to what is there, and leaving it to the mechanism for change embodied in the document itself (the referendum procedure) to achieve change, one is led to the inevitable conclusion that no set of words of "recognition" however carefully drafted or with whatever limitations can be entrusted to the Court. Whatever words are used are likely lead it to new adventures in lawmaking or policy making. At a recent seminar at

the Constitutional Centre of Western Australia<sup>2</sup> there was some discussion of the issue of applying different sentencing principles to aboriginal people from those applicable to the rest of the population. One advocate, in describing the High Court's decisions aimed to produce a common law of sentencing throughout Australia, seemingly suggested a need for the Court to develop differing sentencing principles for aboriginal offenders. I was glad to hear a Judge make clear his view that such a matter is for the Parliaments, not the courts. But what a handy handle for the Court to do such things if the constitution itself formally recognises that aboriginal people are "different" Australians.

I am not alone in being suspicious of the High Court of Australia. Professor James Allan, Garrick Professor of Law at the University of Queensland, a person with experience of policies relating to indigenous peoples in Canada, Australia and New Zealand wrote in an article about the "recognition" proposal,<sup>3</sup>

In that last two decades our top judges have taken to interpreting our written Constitution in a way that I think is very hard to defend. Twenty years ago the High Court discovered, or read in, or flat out made up (according to taste) an implied freedom of political communication. Now I count myself as one of the biggest free speech adherents in the country, and in substantive terms I like this outcome. But as a matter of honestly interpreting the words of our Constitution these cases strike me as so implausible as to be laughable.

Even the less conservative Vice Chancellor of the Australian Catholic University, Greg Craven, an advocate for some form of "recognition" has written,<sup>4</sup>

[Writing of the fears of some as to "recognition" words in the preamble to the constitution] Others, in complete goodwill towards indigenous people, fear what an adventurous High Court might do with such words.

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<sup>2</sup> *Sentencing and the Criminal Process - Emerging Dimensions*, Saturday 22<sup>nd</sup> February 2014

<sup>3</sup> Professor James Allan, *Amending a Constitution* published (under a different title) in *The Australian* 30<sup>th</sup> January 2014.

<sup>4</sup> Professor Greg Craven, *The con-cons' constitutional conundrum*, in *The Australian* 19<sup>th</sup> February 2014.



Unfortunately, the record of that court is not entirely encouraging on the point of interpretative fidelity. But cautious wording would minimise the problem. Minimise the problem perhaps, but not eliminate it.

I am one of those who is, as Greg Craven describes it, in complete goodwill towards aboriginal people. That does not mean I can or will support changing the constitution as Tony Abbott, the Labor Opposition and many eminent persons suggest we should. To use an old saw, that which need not be changed needs not to be changed.

As a Liberal I have always enjoyed the right to have a different opinion from the official line, so to speak. What I am suggesting here is that what Mr Abbott has proposed is not in fact the official line. It is unlikely to be accepted by large sections of the Liberal Party, if not rejected by a majority. It is not Mr Abbott's prerogative to declare Party policy, and although he enjoys as he should tremendous authority as Prime Minister even the Parliamentary Party may not accept his policy aim, although many will keep quiet about it for various honourable and less honourable reasons. As Mr Malcolm Turnbull discovered in seeking to commit the Liberal Opposition to a climate change position wholly at odds with the view of the vast majority of Liberals, this is dangerous stuff.

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# Tim Wilson

Tim Wilson is Australia's Human Rights Commissioner and a classical liberal public policy analyst.

The heritage of liberal human rights.

Australian liberalism draws on many strands of thought.

As Former Howard government Minister, Dr David Kemp, wrote in his essay *The Liberals: A short history of Liberalism in Victoria and Australia*:

"Liberal ideas that came with the first fleet and its successors had first been formulated by French, English and Scottish thinkers of the Enlightenment, such as John Locke (the social contract), Montesquieu (the balanced constitution), Adam Smith (private-self interest in the market could serve the public good) and David Hume (reason was the way to understand the world and decide on policy)".

But similarly, American traditions flowed through the development of Australia's political institutions. We didn't opt for the full Westminster tradition. We chose federalism, and power is divided between elected Houses of Parliament, and the judiciary.

Our general economic, social and cultural approach toward the relationship between the individual and government is also built on a hybrid of American and British liberal thought.

The liberal approach is for government to create the framework for a free society. Individuals are then free to pursue their lives and enterprise without legal constraint.

The freedom to choose is voluntarily restrained by social and cultural norms and the expectation of others to be ethical and moral.

This framework creates the pillars of a liberal society. Individual liberal human rights provide the foundation for these pillars to stand on.

Despite their foundational role public understanding of the centrality of liberal human rights to the development of Australian society is poor. Their diminished standing is partly a consequence of complacency.

But the extension of that complacency is that liberals have let them go. Human rights are no longer synonymous with liberalism.

Instead they have been captured by other political movements that recognise their symbolic power, adopted the narrative of human rights and are using them for their own ends. This trend is most notable through the development of international 'human rights' treaties.

Reclaiming liberal human rights isn't just about re-establishing their pedigree. Reclaiming human rights is about saving their integrity.

It is understandable that Western democracies wanted to internationalise their values in the aftermath of the Second World War.

Establishing international human rights treaties helped taking liberal beliefs in individual rights to countries which didn't share the same political traditions.

Unlike comparable liberal democracies Australia doesn't have a Constitutional Bill of Rights or Human Rights Act. Australia predominantly preserves and protects our liberal rights through culture and the inherited common law.

But the shift from human rights evolving out of domestic political culture to international treaties has disconnected human rights from their intellectual traditions.

Human rights are no longer perceived as the birth right of free people that cannot be legislated or regulated away. Instead they are wrongly interpreted as a gift of government. What the government gives they can equally take away.

Once human rights have been interpreted as a gift from government new 'rights' can be added to the list and other aspirations can be conflated to the status of rights.

Numerous economic, social, cultural and group aspirations have been legally elevated to the status of human rights. But instead of enhancing the stature of human rights it has diluted their integrity.

And that is what has happened. When everything is a human right, then nothing is.

Liberal human rights have been taken from the foundational pillars of our society and be turned into a slogan allied to causes in need of inflation.

Civil rights are not the same as human rights. Civil rights are the gift of citizenship; human rights are universal and exist from birth.

Social justice is not the same as human rights. Social justice is broadly about advancing social and economic equity; human rights are about uncompromisingly protecting the autonomy of the individual and their enterprise.

Anti-discrimination is not a human right. Anti-discrimination is about removing unjust prejudice; whereas, apart from equality before the law, human rights can actually be exercising discrimination, such as free association.

Group rights cannot be human rights. Group rights cannot be universal to every person; human rights can only exist for individuals.

Importantly, despite using the words interchangeably, 'freedoms' are not the same as human rights. Human rights are limited. Liberal human rights exist for individuals such as free speech, association, movement, worship and property; freedoms are the exercise of those rights, such as the type of faith you adopt.

Freedoms cannot exist unless they are attached to a right.

When human rights are limited to free speech, association, worship and property they are sacrosanct principles connected to the dignity of the individual and the pursuit of their lives and enterprise.

Most of us commonly associate human rights with our civil and political freedoms. But what is often ignored is that the human right to property underpins a market economy.

Property rights begin with people owning their own body and lives. But property rights are also the foundation of individuals pursuing their opportunities and enterprise.

People's labour and their intellectual endeavours provide the basis for employment.

Intellectual property - from natural secrets to the exclusive rights of patents, copyright and trademarks - are the foundations for innovation in a modern market economy.

Free markets require liberal human rights.

Continuing to advance a liberal polity, society and economy necessitates a reconnection to liberal human rights.

Disconnecting human rights from liberalism sends human rights adrift; but equally disconnecting liberalism from human rights sends liberalism adrift.

# Keith Windschuttle

Keith Windschuttle is a renowned conservative Australian historian, author, and Editor of the Quadrant Magazine.

Maintaining a strong Australian defence force.

*The process is broken, the strategic thinking is confused, the denial of the world and regional situation is dangerous, the management of our allies and others has been confusing, the leadership team is dislocated, the delivery of anything except the most simple capability or those purchased directly from the USA is bumbling, the constant policy disruption is grossly wasteful, and the explanations to the Australian people about ADF capability and risk are duplicitous. The result is a defence force in terminal decline and a people blissfully unaware.*

Major General (retired) Jim Molan

This passage is from an article in *Quadrant* in March 2013, which is probably the most devastating critique ever written by a recently serving soldier about the state of our defence forces. Major General Molan served in the Australian Defence Force for more than forty years, a career that included high command in East Timor and Iraq, where he was Chief of Operations of the Multinational Force, so he knew what he was talking about. He wrote in response to the savage cuts to the defence budget by the Labor governments of Kevin Rudd and Julia Gillard and their gulling of the Australian public about the consequences of their actions.

The government of Tony Abbott was elected on a promise to restore the defence budget to the levels it enjoyed under John Howard, when it grew from \$15 billion per year in 1996 to \$22.3 billion in 2007 (in 2011-12 dollars), but this is going to be much easier to say than do. It is obvious that the May budget will be faced with the need to recover from such extraordinary levels of debt run up by its predecessors that there will be little opportunity to increase spending anywhere.

Yet unless this happens, Australia will face not only a continued deterioration in its own defence capability but also in our ultimate defence through our alliance with the United States. There are now so many reports of dissatisfaction with Australia's performance from within US political and defence circles that a slow or minimalist recovery of the situation should not be an option.

The rot set in with Rudd. At the same time he was telling the US Secretary of State, Hillary Clinton, that he was a "brutal realist" about the possibility of conflict between the US and China, he was undermining his own ambitious 2009 White Paper on Defence by removing billions from its funding. "Notwithstanding the polite, diplomatic rhetoric coming out of Washington," Molan observed, "it was not missed by the USA."

In 2011 Gillard announced a \$5.4 billion cut to defence spending between then and 2015. In 2012

she made a further 10.5 per cent reduction. She did this while giving vocal support to the Obama administration's "pivot" towards the Pacific region by publicly welcoming regular visits from a US Marine Air Ground Task Force to Darwin. The strategic thinking behind this move was targeted primarily at Australian voters, aiming to convince them that, despite the demolition of the defence budget, the US would still remain the ultimate guarantor of Australia's security. However, the polite support the Darwin offer again received from US officials barely concealed their growing unease that Australia was becoming the worst kind of ally, one unwilling to pay its own way.

To cap it all, in September 2012, the Defence Minister in the Gillard government, Stephen Smith, announced he was "re-base-lining" (that is, deferring) completion of the construction in Adelaide of three Air Warfare Destroyers until 2019. Not long after, the Gillard government proudly announced it would commit the guided missile frigate HMAS *Sydney* to operate with the US Seventh Fleet in Japanese waters. But as another *Quadrant* defence correspondent, Michael O'Connor, observed: "This ship is now an almost geriatric thirty years old and will be the oldest surface combatant in the fleet ... a low-cost but essentially token premium payment on our American insurance policy."

As long as Australia appears to be avoiding the financial responsibility for its own security, and as long as it continues to talk but not act on assuming its share of the security burden in Asia, it will not maintain credibility in the eyes of the United States. Moreover, as a recent paper from the Lowy Institute by James Brown and Rory Medcalf emphasises, if we continue down the same path we will not only lose credibility in the eyes of a great and powerful friend, but will miss out on many of the military benefits the alliance can bring to Australia. These include high-level access to strategic deliberations, exceptional intelligence sharing, access to advanced military technology as well as a set of explicit and implicit security guarantees.

In particular, the government could foster the deepening military integration that has been emerging, without much fanfare, for more than a decade. Besides the much publicised US Marine task force in Darwin, Brown and Medcalf list other promising initiatives. Serving Australian officers and civilians have been appointed to senior positions within US Pacific Command and US Central Command. US combat aircraft may soon be operating from Australia's northern airfields. A US space tracking radar is due to be positioned in Western Australia. Other possible initiatives are enhanced US naval access to Australian ports as

well as intelligence, surveillance and reconnaissance cooperation from Australia's Indian Ocean territories.

However, Brown and Medcalf stress that simply serving as a location for American military assets will not be enough for Australia to strengthen the alliance. These and other examples of a greater US forward presence in Australia are predicated on much more than real estate. They require a credible Australian Defence Force, able to protect and fund defence facilities on its sovereign territory. In an age of constrained American military budgets, funds for the infrastructure required for, say, airfields in northern Australia or on the Cocos Islands cannot be automatically assumed to come from the wealthier ally. The authors observe: "It is hard to imagine the US Congress releasing major funds to make up for an ally's unwillingness to provide infrastructure for the enhanced US military presence that same ally wants."

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# Professor David Flint AM

David Flint read law and economics at Universities of Sydney, London and Paris, and is an Emeritus Professor of Law. He is also an Adjunct Professor of Law at Murdoch University, Perth, President of the Australian National Federation of the English Speaking Union and National Convenor of Australians for Constitutional Monarchy (ACM).

An Australian  
democracy more  
reflective of  
community sentiment.



There can be no doubt that Australians are increasingly disillusioned with the way they are governed.<sup>1</sup> But as one of the world's seven oldest continuing democracies, we have inherited one of the most successful systems of government in the world. This results from our having essentially sound institutions, the crucial importance of which to economic success is being increasingly accepted in academic circles.<sup>2</sup>

What our founders were not know was that our representative democracy would become dominated by a two-party system controlled, at least in part, by cabals of “faceless men” – the factional powerbrokers who would accumulate a vast cornucopia of privilege and wealth. Nor were they aware that these powerbrokers would work arm in arm with those radical elites who would soon realise that revolution was not necessary to achieve their agendas, agendas which the people would not want and would never accept.

Those elites soon learned their agenda could be realised behind the scenes quite simply by marching through and occupying more and more of our key institutions.

This could also be aided by adventurist judges who would no longer just apply the law and would now make it themselves, even amending the constitution though soi-disant interpretation.

And finally Australian law could be replaced through treaties made by international organisations, treaties which are only taken seriously by governments under the influence of Western elites.

The result is that too often government decisions do not pass what the prominent broadcaster, Alan Jones, calls the “pub test”.

This is shorthand for the common sense, good judgement and the decency typical of everyday Australians – the rank-and-file who are in the tradition of those who built, fought for and died for this country.

Conservatives understandably breathed a sigh of relief when the Abbott government was elected.

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<sup>1</sup> <http://www.theaustralian.com.au/national-affairs/political-trust-falls-to-new-low/story-fn59niix-1226743455603?sv=ac1497fde1093c8c3810dc2acce597c2#sthash.>

Ajt1kva.dpuf (retrieved 21.10.2013).

<sup>2</sup> For example, Daron Acemoglu and Jim Robinson, *Why Nations Fail*, 2012

The Rudd and Gillard governments had undoubtedly been the most incompetent, wasteful and deceitful in the history of the nation.

They left the nation with a mountain of debt, and a series of mismanaged projects.

It is reasonable to assume that the Abbott government will provide financial prudence and significantly superior standards of administration.

But there is no guarantee that at some point in the future, perhaps sooner than we expect, a government as bad as or even more incompetent than the Rudd and Gillard governments could come to power.

One warning sign is the total absence of any recognition in the leadership of the Labor Party of their failure in government.

Indeed they blame their defeat solely on their leadership disputes and not on the vast debt and monumental maladministration they have bequeathed to the Abbott government.

This is exacerbated by the way candidates endorsed by the Labor Party and some divisions of the Liberal Party are selected not on merit, but on loyalty to some or other powerbroker.

As a consequence of this, candidates increasingly have little life experience outside of political life and, in the Labor Party, union administration.

It should be recalled that nowadays few union administrators rise from the ranks – they are another form of that growing class, the career political cadet.

This means that parliaments more and more consist of people who have very little in common with the average voter.

In addition, with the gradual disappearance of the media mogul and his replacement by boards with little interest in the media and the politicisation of public broadcasting, the news more and more emerges though journalist collectives under only nominal editorial control and with a left-wing bias.

At the same time, institutionalised welfare dependency and innovative forms of taxpayer funded employment ensure that a bloc of voters see the Left as ensuring their income and vote accordingly.

We have even seen in other countries the Left favouring illegal and non-meritorious immigration as electoral fodder. There are suggestions that this may have already occurred in Australia.

A disappointing feature of politics in recent years has been the "lockstep syndrome".

This involves seemingly conservative oppositions not reversing the mistakes of their predecessors.

As G.K. Chesterton once observed in the Illustrated London News as long ago as 1924, the whole modern world has divided into conservatives and progressives.

The business of the progressives is to go on making mistakes.

The business of the conservatives, he said, is to prevent the mistakes from being corrected.

This seems to be less evident in Western Australia, but it is particularly obvious in the Eastern states in the field of law and order, where the gradual moving of the pendulum in the criminal justice system away from the victim and towards the accused has been kept in place by successive conservative governments.

We see it in the way governments have surrendered to the Left policy of building up dangerous fuel loads in the bush and in refusing to harvest water.

If CY O'Connor were living today he would be ridiculed in Parliament, the press and especially on the ABC's Media Watch, which has used similar ridicule against Alan Jones when he endorsed the Beale Plan to harvest the Clarence River and bring it into the Darling.

We see it also in relation to the decline in the legal protection of private property.

This is best exemplified by the Peter Spencer affair.

He rose to prominence after his threat in 2009 to starve himself to death on his farming property which had been completely neutralised by being declared a carbon sink.

His property was neutralised - you might as well say stolen - by the NSW State government under an agreement with the Federal government to ensure compliance with the Kyoto Protocol.

Extraordinarily, while forcing Mr. Spencer to bear the costs of compliance, the then coalition government refused to ratify the treaty.

We see this also in the socialist equalisation formula which applies in the distribution of GST to the great disadvantage of Western Australia.

This was exacerbated by a cunning federal government which managed to transfer much of its financial responsibility for the territories to the states though the GST pool.

A final example of the lockstep syndrome has been the extraordinary acceptance by the Coalition of an electoral system open to abuse. True, there was the attempt to close the rolls when an election is called, but even that was thwarted by an adventurist High Court redesigning the Constitution.

However useful and beneficial new parties are, the solution to these problems surely lies not in the false solutions so often proposed by the politicians but in the further democratisation of Australia. This is needed today to balance the concentration of too much power in the hands of the powerbrokers.

It is a fundamental principle in a democracy that the people's wishes should prevail.

Yet more and more and to a degree never envisaged at Federation, there is a very clear demonstration that far too many political decisions go against the common sense, good judgement and decency of the average Australian.

The answer lies in making our politicians truly accountable, and not just every three or four years in quite often confected elections where the preselected candidates are chosen for their allegiance to one or other powerbroker, and not on merit.

As a general principle politicians should be accountable just as most Australians in employment, business and professional practice are – on every day, of every month and of every year.

Just as the Swiss do and many American states and municipalities do.

The solution which resulted in our Federation – the Corowa plan – offers the way in which this issue of governments could be properly considered.

It is time now to elect a convention which should be allowed the time to consider these issues and to prepare a series of referendums for the consideration of the people.

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# Ben Allen

Ben Allen is a former Deputy State Director of the WA Liberal Party and now works as a Principal Policy Adviser in the WA Government.

Why Liberals should support Bitcoin.

I know what you're thinking – another tech fad. Another technological wonder that is going to change the way we live our lives. But there is nothing wrong with tech fads – don't forget the Internet was a fad that was only ever going to be used by universities and the military and now we can't imagine a world without it.

So let me introduce you to the world of Bitcoin.

Bitcoin is both a digital currency and a global payment network. The properties of Bitcoin are:

- They are traded like other currencies on exchange websites;
- There will never be more than 21 million units in circulation;
- They exist in a perfectly free market so their worth always reflects the market price;
- New coins are released at a set schedule to random people who contribute computing power to securing the network; and
- It is impossible to fake a Bitcoin.

Let me explain why people exchange their hard earned Australian dollar for a Bitcoin and why Libertarians should support this change.

Firstly, Bitcoin is valuable because you don't have to place your trust in a regulated bank governed by fallible humans. Bitcoin means that you can instead place your trust in an unregulated cryptographic environment governed by infallible mathematics. 2+2 will always equal 4, no matter how much pressure or regulation the government places on it.<sup>1</sup>

The second reason why Bitcoin is valuable is because you have complete ownership of the money in both storage and transfer. That means that nobody can take it from you. It doesn't matter if your home is broken into or if the government issues a 'confiscation order' as it did in the United States with gold in 1933.<sup>2</sup> Think about it – this is the first time in human history where an individual has this ability. It is valuable because people trust Bitcoin more than they trust many government-backed currencies.

The individual also doesn't need to trust government or banks. You eliminate the risk that they will collude together to work against you.

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<sup>1</sup> E. Voorhees. On Life and Liberty – Bitcoin: The Libertarian Introduction. April 2012.  
<http://evoorhees.blogspot.com.au/2012/04/bitcoin-libertarian-introduction.html>

<sup>2</sup> Hoarding of Gold. 1933.  
<http://select.nytimes.com/gst/abstract.html?res=FB0B12FD3F5C16738DDDAF0894DC405B838FF1D3>

Sound unlikely? Just look at what happened in Cyprus in March 2013.<sup>3</sup>

The founder of Bitcoin, Satoshi Nakamoto (possible pseudonym), in an essay about the motives for establishing it wrote, "The root problem with conventional currencies is all the trust that's required to make it work. The central bank must be trusted not to debase the currency, but the history fiat currencies is full of breaches of that trust."<sup>4</sup>

Bitcoin is also currently the best market solution for money transfers.<sup>5</sup> Mega-companies like PayPal and Western Union will soon discover that they have to compete with a system that transfers money at practically zero cost. Just as horse cart manufacturers were made redundant with the invention of the automobile, so too will payment services that charge for a service.

Bitcoins are useful and scarce. When you put those two features together you will find that people will give it a price. The moment when the first Bitcoin was traded to someone for something else, an exchange rate (market price) was established. Subsequent exchangers agreed or disagreed with that rate and then made further trades. Once that had happened it had developed a price as all things do in an open market if they are sufficiently useful and sufficiently scarce.

Another benefit is that the transaction costs are the lowest anywhere on the planet.<sup>6</sup> Take for example a start up company in Nairobi, Kenya called BitPesa that helps Africans abroad send money to their families back home. According to the World Bank, \$1.3 billion in remittances is sent each year to Kenya alone. That process costs about \$110 million in fees. Using Bitcoin's peer-to-peer technology you can avoid banks and wire-transfer companies like Western Union. The result is a reduction in fees by up to two-thirds, saving ordinary Africans \$74 million annually.

Finally, without the need for libertarian-minded politicians who are trying to wind back the size of government at a slow rate and against fierce opposition, Bitcoin has the ability to dramatically

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<sup>3</sup> H. Rifkind. March 2013.  
<http://www.spectator.co.uk/columnists/hugo-rifkind/8874321/how-bitcoin-could-destroy-the-state-and-perhaps-make-me-a-bit-of-money/>

<sup>4</sup> A Feuer. The Bitcoin Ideology.  
[http://www.nytimes.com/2013/12/15/sunday-review/the-bitcoin-ideology.html?\\_r=0](http://www.nytimes.com/2013/12/15/sunday-review/the-bitcoin-ideology.html?_r=0)

<sup>5</sup> J. Heggestuen. Jan 2014.  
<http://www.businessinsider.com.au/marc-andreessen-tells-us-why-bitcoin-matters-2014-1>

<sup>6</sup> G. LeBlanc. Libertarians and Millennials are going crazy over Bitcoin: What are they?  
<http://www.forbes.com/sites/realspin/2013/12/22/libertarian-s-and-millennials-are-going-crazy-over-bitcoin-what-are-they/>

shrink the influence and size of government by just being a better way of exchanging money.

Governments wield influence on society via their ability to print, regulate and control the nation's money. The press conferences of people like the United States Chairman of the Federal Reserve will become less and less important as the US currency use decreases. Bitcoin allows individuals to just side step the government instead of trying to fight it.

I'm not saying that this will all happen overnight. But I encourage you to learn about it, challenge it and use it. I can guarantee that no government wants you to use this system and for that reason alone it is worth your interest.

~

# Joe Lenzo

Joe Lenzo is the Executive Director of the WA Division of the Property Council of Australia.

A reaction to the  
2014-15 WA Budget.

Prior to the 2013 Western Australian State election, the property industry received a commitment from the Liberal Party that if elected, a tax review would take place with the view to remove and reform inefficient taxes. Far from that, the 2014-15 State Budget slugs WA property owners for the second year in a row, with a big increase in land tax and a massive hike in the CBD Parking Levy.

It is easy to shrug off the complaints of property owners about land tax, but that would be to ignore the fact that the current land tax system in Western Australia is fundamentally broken. 5% of land taxpayers contribute nearly 80% of total land tax collected. In the last ten years, total land tax revenues have doubled, while the number of land taxpayers has declined by 50%.

Instead of commissioning a review of this system, the government decided to simply increase land tax. This happened despite it being clear that this kind of short-term solution to the State's budget problems do not work. Land tax was increased last year as well, by 12.5%. Yet there remains no evidence to suggest this move did anything to improve the State's budget situation.

An efficient tax system can be recognised where it distorts behaviour as little as possible for the amount of revenue that it raises. When applied uniformly across a broad base, land tax is one of the most efficient means for raising revenue. The land tax system in WA, however, with its narrow base, high tax rate, land tax exemptions and mobility of capital distorts behaviour and reduces the tax's efficiency.

Levying higher taxes on larger holdings discourages land-based investment by institutional investors, such as in rental housing or the leasing of space to retailers and businesses.

Tax exemptions can only be justified where they address market failures or where there is a strong social benefit for them to be in place. A significant number of the exemptions currently in place for land tax, however, do not meet either criterion.

The Government has stated that land tax in WA is lower than in most jurisdictions. This misses the point that today WA has a top marginal land tax rate of 2.67%, which is higher than Victoria, New South Wales and Queensland. They have pointed out that land tax is not charged under \$300,000,

unlike in Victoria, Tasmania and the ACT. But these types of comparisons are not the right way to consider what is in the best interests of Western Australians and the State's property industry. Interstate commercial property values vary enormously, which means that comparing rates with other states and territories is completely inequitable.

The GST remains a perennial bugbear of Western Australian state governments. If Premier Barnett and Treasurer Nahan were to take the front foot and review the State's taxation system, with a focus on land tax, this would provide them with the political capital to advocate for reform on a federal level. It would demonstrate to both the Abbott Government and the business community that Western Australia is serious about establishing a sustainable taxation system and would go some way towards meeting the original GST compact made between the states and the Howard Government.

The Perth Parking Levy currently is \$728.70 for tenant parking, and is set to increase by \$365 over two years to reach \$1093.70 in 2015-16. The Government continues to redefine the purpose of the levy. Initially, it was designed to administer parking in the CBD, which was followed by funding for the CAT buses in the CBD. In the latest Budget, the parking levy will now fund the new Perth Busport as well. The levy has evidently evolved into an opened-ended cash cow.

On top of raising land tax and the Perth Parking Levy, the Government failed to demonstrate any serious commitment to the sale of public assets. It is true that such moves are often faced with opposition as the public is concerned about job losses, higher prices and quick profits at the cost of service provision. Debate surrounding sales is particularly vocal around those government-owned assets that demonstrate monopoly characteristics which, when left unchecked, would be abused by the private sector. This is why the Property Council has consistently advocated for asset sales to concentrate on government land and property holdings. The sale of those assets would allow the Government to realise the revenue of public assets sales without unnecessarily triggering public fears, introducing new regulation to control private sector monopolies or having to examine the suitability of public assets for sale.

If the Barnett Government and the WA Liberal Party wish to receive support from members of the property industry, it is high time that they took a long hard look at exactly what they are doing. Funding projects like Elizabeth Quay and the City Link is a crucial move for the growth of the State, but that cannot be where the interplay with the property industry stops if there is any intention of keeping that momentum going forward.

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# Lorraine Finlay

Lorraine Finlay is a law lecturer at Murdoch University, teaching criminal and constitutional law.

Protecting the  
community, not the  
criminal.

How many chances should a dangerous sexual offender get? How much risk does the community have to bear to give them yet another shot at rehabilitation? And why does this discussion always seem to focus on the rights of the offender and not the rights of their victims?

The recent release of dangerous sexual offender TJD in Perth is just the latest case to raise serious questions about how we deal with these types of cases. This particular offender has an extensive record of violent sexual offences. Even in the decision releasing him on 11 March the WA Supreme Court found that he "remains a serious danger to the community". A psychiatric report suggested that any future offending involved "a chance of escalation to serious life-threatening violence" and that "the likely psychological harm to the victim in the event of an offence would be severe".

TJD was jailed under a continuing detention order in 2011 after being categorised as a "dangerous sexual offender". This type of order is reserved for only the very worst sexual offenders, with the court needing to find that they pose a serious danger to the community and that there is an unacceptable risk they will commit another serious sexual offence if not detained. And yet, since being indefinitely detained, TJD has been released twice, with the risk to the community supposedly being managed by strict release conditions. On both occasions he has breached those conditions.

In the Perth Magistrates Court in March TJD admitted breaching a reporting condition by failing to take a diary to his very first meeting with custodial authorities after being released. This most recent breach was, from a legal perspective, minor. And yet, from the community's perspective, no breach is minor when we are dealing with an offender like this. The fact that he was released in the first place has rightly caused significant community concern. That the DPP consented to this release has caused the Attorney General to ask questions about that decision. That TJD then immediately breached a condition of his release, was granted bail pending the hearing of the breach charge, and was then released with just a \$300 fine only serves to reinforce the concerns that many have about both this individual case and the system more broadly.

Balancing the often conflicting interests in the criminal justice system is always a difficult and delicate task. There is no doubt that the rehabilitation of offenders is an important goal. But not at the expense of community safety. Surely there must be a point where the damage that an offender has caused and the continued risk to the community are so serious that the interests of the

law-abiding majority have to take priority. In the case of TJD the irreparable hurt that he has caused to his past victims and the significant risk that he continues to pose means that he should not have been released and should be immediately returned to custody.

The deaths of Daniel Morcombe and Jill Meagher are salutary reminders of the tragic consequences that can follow when we get these types of decisions wrong. The WA Attorney General has now announced a review into the Dangerous Sexual Offenders Act. This is a welcome opportunity to strengthen the WA legislation. It is particularly important in light of the DPP's announcement that he will not be applying to have TJD's supervision order cancelled following his breach conviction, stating that there was "no possibility" that the Supreme Court would detain TJD given the minor nature of the breach. If the DPP is correct in his reading of the legislative requirements (and, in my view, he is) then the legislation itself needs to be urgently changed.

There are some key amendments to the existing WA regime that would provide a sensible starting point. Continuing detention orders in WA are currently subject to annual review, a process that takes up significant prosecutorial and judicial time and resources. This periodic review should occur less frequently, perhaps every five years instead. The fact that a dangerous sexual offender who breaches a supervision condition could ever be eligible for bail must be reconsidered. Any alleged breach should result in the offender returning immediately to jail until they are tried and sentenced for that breach. Finally, where a dangerous sexual offender breaches a supervision order there should be a presumption against release built into any future periodic review of detention.

The standard criticisms against these types of proposals are that they reduce judicial discretion and diminish individual rights. Indeed, in 2010 the UN Human Rights Committee criticized similar regimes in Queensland and NSW, finding that continuing detention orders made against two dangerous sexual offenders violated Australia's international human rights obligations.

What about the rights of the victims and the community? When we are dealing with repeat offenders with a history of violent sexual offending the protection of the community must be the paramount concern. Continuing to give chance after chance to the most serious repeat offenders only serves to undermine confidence in our criminal justice system. This is not justice and our community deserves better.

# Marco Sodhy

Marco Sodhy is a PhD student at the University of Western Australia researching the development of English identity after the Norman Invasion of 1066.

The dual and complimentary ideologies of the Liberal Party.

When we think of our two-party system in parliament, we think of Left and Right. We think of an economic divide – socialism versus liberalism. In many people’s minds, the Labor party represents socialism, while the Liberal party represents liberalism. The former view is right (even if not Right!), but the latter view is not completely accurate. The Liberal party does stand for economic liberalism, but does it stand for all forms of liberalism? Given the current monopoly the economic spectrum has over the political debate, it is not surprising to see the term ‘liberalism’ associated solely with the free market. Yet politics is a vast field – far greater than an economic question – and I find it disconcerting how the field has become narrowed by the Left-Right economic divide. This article addresses the history and development of liberalism and conservatism on the social spectrum.

Our two-party parliamentary system has its roots in Early Modern England. During the reign of King Charles II (1660–85), two political factions arose in parliament: the Whigs and the Tories. Although born out of a dispute over the royal succession, there emerged within the two factions clear and distinct sets of ideologies. The Tory party wished to uphold what they perceived to be traditional values and institutions, such as the power of the monarchy and the influence of the Anglican Church. They stood for “God, King and Country”, and probably admired the autocratic but charismatic 16<sup>th</sup> century Tudor king, Henry VIII. On the other side stood the Whig party, who opposed absolute rule, fought for a constitutional monarchy and promoted reform. They were influenced by the philosophies of John Locke, who advocated individual liberty, equality and religious tolerance, and they echoed his ideas in the manifestos they circulated in the late 17<sup>th</sup> and early 18<sup>th</sup> centuries. Between the two factions there was fierce opposition and mutual loathing; in fact, ‘Whig’ and ‘Tory’ were derogatory names the rivals used to label each other.

18<sup>th</sup> century England saw the development of ideologies for both Whig and Tory. The Whigs supported the supremacy of Parliament over the Crown, and enjoyed both political dominance and ideological influence during the reign of the House of Hanover. The kings behaved – willingly or unwillingly – like constitutional monarchs, which was at odds with the Tory vision of a powerful, absolute monarchy. The Whigs and Tories found other ideological battlefields. The Whig spirit of reform led them to sanction socially liberal policies – like the toleration of Presbyterians and nonconformist Protestants – which were an affront to Tory conservatism. This created a dichotomy of social ideals, with the liberalism of the Whigs pitted against the conservatism of the Tories.

Economically, the Whigs advocated the views of Adam Smith and supported the free market, while the Tories were at times in favour of protectionism, evident during the Corn Laws of 1815-1846.

In the 19<sup>th</sup> century, the Whigs became known as the Liberal Party, while the Tories evolved into the Conservative Party. Their adoption of the terms ‘Liberal’ and ‘Conservative’ indicates the importance they placed on social ideologies, and reflects the polarisation of their respective positions. The Liberal Party continued the Whig tradition of campaigning for social reform, personal liberty, and the reduction of the powers of both the Crown and Church of England. They fought for Catholic emancipation, the abolition of slavery, and the expansion of suffrage. Led by John Stuart Mill and William Ewart Gladstone, they developed a philosophy of libertarianism, which upheld the liberty of the individual and called for minimal government interference in both the society and the economy. Those policies would have been opposed by the old Tories, who favoured a more authoritarian rule, but the new Conservative Party was not a carbon copy of the old Tory party. In fact, the early Conservatives included in their ranks some former members of the old Whig party, and espoused the views of two famous 18<sup>th</sup> century Whigs: William Pitt the Younger and Edmund Burke; both of whom had conservative tendencies, who championed both liberty and authority.

While liberalism has traditionally been responsible for bringing constant reform in the social sphere, conservatism remains a relative phenomenon. The Tories of the 17<sup>th</sup> century wished to conserve an absolute monarchy – the tradition of the day – and opposed the Whig idea of a constitutional monarchy. By the 19<sup>th</sup> century, however, the Conservative Party was defending a constitutional monarchy, which by then was the accepted tradition. In many ways, liberalism and conservatism – while at opposite ends of the social spectrum – need each other, as Sir Winston Churchill (who served both the Liberal and Conservative parties) pointed out, “There is scarcely a Liberal sentiment which animated the great Liberal leaders of the past which we (Conservatives) do not inherit and defend.”

A good mix of social liberalism and conservatism should bring balance to a society, and in Australia we have a unique situation where both ideologies are present in one political party. When Sir Robert Menzies founded the Liberal Party of Australia in 1945, he acknowledged both liberal and conservative traditions – from John Stuart Mill to Edmund Burke – thereby uniting the Whigs and Tories under the one banner.

# Dr Rosanna Capolingua

Dr Rosanna Capolingua is a former President of the Australian Medical Association.

The future of  
the healthcare  
sector.

Health is always a government priority and it is an impassioned topic that hits the hearts and minds of voters and can turn a term of government.

We in Australia have an enviable health system. An important mix of public and private, with government totally funding one and supporting the other to leverage the people's choice and use of private sector. This takes pressure and demand off government funding the public. It is essential that we support a private sector healthcare system that has market influenced by reputation and quality and determined by patient and doctor choice. We must always in our public/private mix avoid the private health insurers or HMO's managed care model that resides in the US. This limits the patient choice and access, and importantly interferes with the doctor's ability to choose the best clinical care for the patient.

The standards and quality of health care in Australia are high in both the public and private sector. There are systems, audits, reports, accreditation, registration, accountability, score cards, league tables and scrutiny. We constantly strive for the best outcomes for patients. Suboptimal performance and delivery of care occurs when those holding the purse strings do not understand the industry that they are funding. The involvement of the medical profession in administration and management of health delivery and funding actually produces the most efficient and effective delivery of bang for buck and care for patient. There has been a movement to rid health departments of medical input, but lo and behold, the efficiencies of having experts in the business you are delivering being involved in the planning and delivery of your product has recently been rediscovered in health care.

Of course we are always reflecting that funding constraints and distribution do not meet the needs and demand of the day. Many argue that government underpinning the cost of the delivery of health care cannot be sustainable. And yet, it must be. As a result of the health of the nation, reduced smoking rates, the prosperity and general standard of living of many Australians we have population growth and longevity; these positives are painted as negatives that are contributing to breaking the health bank. Increasing a productive population, that can work till 70 as is proposed, in turn contributes to the economy and should assist in sustaining the health budget itself. We just have to ensure that there is employment to underpin the productivity of the growing and long living Australia.

The other stat that is thrown up repeatedly is that 46% of the health dollar goes to 10% of the population. Much of this of course is for those who

are sickest and in greatest need. Premature neonates, acutely sick and complex kids, adults in trouble due to serious acute disease or injury, complicated chronic disorders, and the older group who need more frequent interventions as the human body loses its resilience to the challenges of life and the failings of its organs and support structures. We cannot deny these needs. We must be humane and care for our fellow man in need. We must have respect for human life and consider the sick and those who love them. Otherwise we lose our essence of humanity.

Then there is the component of patients that demand of the system greater than "need necessary". The demand for technology and intervention as expensive "life lengtheners" increases the burden of cost with sometimes little positive to compensate, except for the families and individuals who are clinging to days, weeks or months of the human existence.

So what to do? This is a conversation that needs to be had. And again the role of doctors as active managers of expectations and realistic outcomes is crucial in this world of "anything at all costs".

Much is to be considered in the area of empowering individuals and families with the understanding of what is possible, what is feasible and what is useful.

Patients need to consider their needs later in their longer lives. End of life planning and care directives are useful for individuals, family, friends and those caring for them. These will also save resources and dollars.

The money saved cannot be the driver for these social reflections on terminal illness or end of life; it must also come from respect for the individual and for life itself.

The Australian government does not shirk from its responsibility to underpin health costs of a nation, but how we do it is always under consideration. A completely free system has potential to be undervalued. A means test or a co-payment adds value, but must be administered so that no one in need is discriminated against or at risk of being denied, or unable to access necessary care.

~

# Dr Tim McDonald

Dr Tim McDonald is the Director of the Catholic Education Office in Western Australia.

The importance of private education.

### *What is education really about?*

Recently we have witnessed a number of media articles that have done little to properly represent and promulgate the principles of good education policy in Western Australia. Every year around late January, league tables are printed which rank schools in terms of elements of year 12 performance. While the basis of many of these tables is highly questionable, what is even more alarming is the “public versus private” school analysis and debate which inevitably underpins reporting. More recently, press coverage was provided to David Gillespie’s publication “Free Schools” and reported with the headline ‘public versus private schools’ debate.

Such analysis is unfortunate and potentially divisive, as well as diverting discussion away from the real purpose of education. Education is about providing quality learning experiences to cater for the diverse needs of children and young adults. It is about supporting educational choice for parents as they seek the best for their children. It is about providing a diverse range of schools in terms of size, philosophy and curriculum. It is about encouraging partnerships between schools and with school communities to aspire to reach their common purpose. Education is not about competition. Unlike the commercial world, schools do not seek to make profits, instead schools seek to create knowledge.

In Western Australia, like the other jurisdictions, an enduring feature of education is the remarkable choice parents have. Similarly in Western Australia, there is remarkable collaboration across the three education systems – government, Catholic and independent. Future government planning needs to set policy which protects and enhances choice. There is often confusion about the concept of choice, especially those who cite inability to access some schools and the perceived ‘exclusive’ nature of certain schools. However, each system includes schools that have entry requirements such as academic entry standards, religious affiliations, gender, catchment area restrictions and specialist programs or focus.

### *Need to support disadvantaged students*

I believe that a particular focus for education policy and planning should be on lower socio-economic schools. There is clear evidence of residualisation

occurring within schools in lower socio-economic areas, both in many metropolitan and country schools. Additionally, there is also an emerging group of students who are disengaged from education, and for whom mainstream schools are unsuitable.

Catholic education has always preserved a privilege for the poor and vulnerable. This is evidenced, amongst other things, by our longstanding commitment to education in remote areas (often through sole-provider schools) and by our commitment to Health Care card fee support and enrolment for refugees. Furthermore, it is apparent from our three Curriculum and Re-engagement (CARE) schools. Catholic education is due to open its fourth CARE school in Maddington, and is actively seeking additional CARE School sites. I believe that there is an emerging policy opportunity for the government to form partnerships across education systems to support the students for which CARE Schools cater for.

### *Private schools offer good value*

Ongoing discussion about state and federal funding, and subsequent policy making, sometimes seems to have been distracted by the incorrect view that non-government schools are being funded to the detriment of government schools. The track record demonstrates that non-government schools do remarkably well with the per-capita funding they receive – a quantum of funding which is far less than for government schools. Non-government schools are also required to fund land acquisition, building costs and associated debt servicing.

The current Western Australian government has been a robust supporter of non-government schools through recent increases in low interest loans and the current level of state per capita funding. Future planning and policy needs to maintain current levels of support in real terms. Put simply, non-government schools are a very sound investment for society, and governments know this.

### *Ongoing issues for school planning*

However, non-government schools now face real challenges in continuing to provide the level of educational choice that society has come to expect. Land acquisition for school sites is an increasingly



complex issue in terms of availability, costs and the impact of government red tape and processes. Clearly, the establishment of non-government schools in emerging residential areas is important and relieves pressure on government schools. A further issue relates to the expansion of existing schools in built-up areas, especially to meet demand from urban infill policies. Local authorities have variable, and sometimes incongruous, planning requirements. The proposed amalgamation of some local councils may address this to some extent, although it is clear that further State government intervention is required.

Policy makers face new challenges as all schools and systems seek to achieve their common goal – providing the choice of a varied and robust education system for all. A key element of policy should therefore be to ensure that non-government schooling is provided with the best opportunity to maintain current standards, and deliver best practice wherever possible.

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# Reg Howard-Smith

Reg Howard-Smith is the Chief Executive of the Chamber of Minerals and Energy of Western Australia.

CME  
Western Australian  
Infrastructure Report.

Earlier this year, the Assistant Minister for Infrastructure and Regional Development, the Hon. Jamie Briggs, MP and Finance Minister, Senator Mathias Cormann officially launched the Chamber of Minerals and Energy of Western Australia's (CME) Investment in Resources Sector Infrastructure report.

Prepared in conjunction with PricewaterhouseCoopers (PwC), the report highlights the need for greater investment in resources sector infrastructure.

It's clear Western Australia's on-going prosperity relies upon further investment in resources sector infrastructure, particularly as production levels increase.

The resources sector relies on a range of public and private infrastructure in delivering successful projects and commodities into the market. With public sector investment constrained by rising debt levels, it is crucial any impediments to attracting greater private sector investment are understood and addressed by both industry and governments.

The resources sector faces constraints in attracting greater private investment in infrastructure because of:

- a shortage of long-term, integrated planning for infrastructure;
- the complexity associated with structuring, funding and delivering multi-user projects; and
- investor's general aversion to accepting demand risk on greenfields infrastructure projects.

Government should evaluate infrastructure investments both in terms of the financial viability of projects and the wider economic and social benefits that could accrue to the state.

CME acknowledges the overall infrastructure requirements of the resources sector will exceed the ability of any government to provide the infrastructure required, particularly with increased public sector debt.

The State Government has a crucial role in infrastructure planning and co-ordination. The CME report aims to assist government and infrastructure investors to identify ways to encourage infrastructure development in the state. This includes the development of a state infrastructure plan and ensuring efficient investment frameworks are in place.

The report provides an in-depth examination of the following areas:

- The need for investment in resources sector infrastructure – The resources sector relies on a range of public and private infrastructure to deliver successful projects. Quality infrastructure, built and operated efficiently, can be a key driver of the financial viability of projects.
- Infrastructure planning and coordination – Long term, coordinated planning around the states infrastructure can help avoid duplication and delays. A detailed long term infrastructure plan can create a pipeline of priority projects to help align planning processes across government and assist investors.
- Delivery of complex infrastructure – The government should strengthen its capabilities for the complex role of brokering partnerships to develop economic infrastructure through establishing a dedicated economic infrastructure unit and through blended project delivery teams.
- Financing, funding and Public Private Partnerships – The private sector invests in projects based on their financial return however, government may consider a number of factors when deciding to invest, such as economic and social benefits to the state. Commercial and financial structures of projects can be optimised through viability gap funding, minimum guarantees, utilising existing revenue streams and delaying demand risk transfer.
- Capital recycling – Recycling existing assets would allow the government to invest in new, value creating infrastructure for the resources sector.
- User financing contributions – The taxation treatment of gifted assets and the structure and oversight of user contributions can impact on investments.

CME is pleased that a number of the 14 recommendations contained in the report have already been actioned, or are being considered, including a review of the state's strategic asset base, the announcement that states, including Western Australia, will be compensated for the value of tax revenue that would otherwise move to the Commonwealth as part of the transfer of ownership, and possible changes to the structure of the Infrastructure Coordinating Committee.

It is our hope the report becomes a key reference point for government and industry when examining the resources sector's crucial infrastructure needs.

CME has begun meeting with relevant Ministers and departments to discuss the report and the means

means through which the recommendations can be implemented.

The future growth of the Western Australian resources sector is not guaranteed. With local projects facing an increasingly competitive environment, we need to ensure we have the right policy settings so the sector can continue to deliver benefits for all Western Australians.

For further information or a full copy of CME's Investment in Resources Sector Infrastructure Report, please visit [www.cmewa.com](http://www.cmewa.com)

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# We Believe.

In Australia, its people and its future.

In the innate worth of the individual, in the right to be independent, to own property and to achieve, and in the need to encourage initiative and personal responsibility.

In the basic freedoms of thought, worship, speech, association and choice.

In equality of opportunity, with all Australians having the opportunity to reach their full potential in a tolerant national community.

In a just and humane society, where those who cannot provide for themselves can live in dignity.

In the family as the primary institution for fostering the values on which a cohesive society is built.

In the creation of wealth and in competitive enterprise, consumer choice and reward for effort as the proven means of providing prosperity for all Australians.

In the principle of mutual obligation, whereby those in receipt of government benefits make some form of contribution to the community in return, where this is appropriate.

In the importance of voluntary effort and voluntary organisations.

In parliamentary democracy as the best system for the expression and fulfilment of the aspirations of a free people.

In the separation and distribution of powers as the best protection for the democratic process.

In a federal system of government and the decentralisation of power, with local decisions being made at the local level.

In a constitutional head of state as a symbol of unity and continuity.

In Government being sufficiently responsive so that it can meet its proper obligations to its citizens.

In Government keeping to its core business and not competing with the private sector.

In the rule of law and justice, giving all citizens equal rights under the law, responsibilities to maintain it, and the freedom to change it.

In Australia playing a constructive role in the pursuit and maintenance of international peace in alliance with other free nations and in assisting less advantaged peoples.

In Liberalism, with its emphasis on the individual and enterprise, as the political philosophy best able to meet the demands and challenges of the 21st century.



**WE**

**WANT**

**YOU**

# WRITE AN ARTICLE

— *or* —

# WRITE A LETTER

This journal belongs to all members of the Liberal Party in Western Australia. If you are a member and you are passionate about a particular topic, we strongly encourage you to consider putting your name to an article or letter to the editor, and submitting it for consideration. A selection will be published in each future edition. Words published in this journal should be the beginning of a debate, not the end.

If you would like to participate in this exciting new initiative, you can send your article, letter or enquiry to [policy.chair@wa.liberal.org.au](mailto:policy.chair@wa.liberal.org.au).

"The nine most terrifying words in the English language are,  
'I'm from the government and I'm here to help.'"

*Ronald Reagan*

<sup>The</sup>  
**Contributor.**