

Welcome to the eighth edition of The Australia Institute's e-bulletin, *Between the Lines*, a selective analysis of the policies and politics affecting the wellbeing of Australians. This edition looks at:

- A Human Rights Act for Australia
- Executive excess
- Policy on the run is policy underdone
- Food security

A Human Rights Act for Australia

Our first *Between the Lines* for this year alluded to the December launch of the Labor Government's national consultation on human rights in Australia. The purpose of the consultation is to make recommendations to the government and parliament about how the human rights of Australians might best be protected.

A consultation panel has been selected chaired by Frank Brennan, a Jesuit priest with a long history of involvement in aboriginal and refugee issues; Mary Kostakidis, the former SBS news anchor; Mick Palmer, former Australian Federal Police Commissioner; and Tammy Williams, a Queensland barrister of aboriginal descent.

The principal question before the panel will be whether Australia should enact a Human Rights Act, setting down the fundamental human rights Australians should possess and providing mechanisms for their implementation and enforcement. Remarkably, Australia is the only Western democracy which does not have comprehensive statutory or constitutional protection of peoples' human rights.

The principal arguments for the adoption of a Human Rights Act are to:

1. improve the quality and accountability of government
2. consolidate and strengthen human rights protections for all Australians
3. encourage social inclusion
4. constitute one effective, legal and political response to human rights violations that have taken place and are taking place in contemporary Australian society.

Presently, the favoured model for a Human Rights Act is that adopted in Britain. Under this model, the Act would set down the fundamental human rights to be protected. These would include, for example, freedom of speech, assembly, association and movement; freedom of thought, conscience, religion and belief; the right to privacy and to fair trial; and the right to life, liberty and security.

From the time of the Act's adoption, every law passed by parliament would have to be compatible with the preservation of these rights. And every agency of government would have to act in its dealings with members of the public in a manner that is consistent with them. This model has worked exceptionally well in Britain and is worthy of replication here.

Further information on the Campaign for a Federal Human Rights Act can be obtained at the website of the National Campaign: www.humanrightsact.com.au and the Australian Human Rights Group: www.humanrightsact.com.au/ahrg. Submissions

may be made through the website www.humanrightsconsultation.gov.au and the GetUp and Amnesty websites. Detailed guidance on how to write a submission is available on the website of the Human Rights Law Resource Centre: www.hrlrc.org.au.

Policy on the run is policy underdone

In the first episode of *The Hollowmen*, the government expresses its desire to introduce some rapid reform to address childhood obesity. By 'rapid' the Prime Minister's office meant 10 to 12 days whereas the department thought 10 to 12 months more likely—and only then if they really cut some corners.

With the arrival of the Rudd Government's Carbon Pollution Reduction Scheme (CPRS) legislation next week, the consequences of 'cutting corners' are becoming increasingly apparent.

Since publishing *Fixing the Floor in the ETS* (<https://www.tai.org.au/>) in November last year, the Institute has sought to explain, both to the public and the government, the significance of some of the design flaws. In particular, we have highlighted the seemingly bizarre

feature that ensures that for every tonne of emissions saved by the household sector, a pollution permit will be transferred to the big industrial polluters resulting in absolutely no net reduction in Australia's emissions beyond the government's target.

Emissions trading schemes are complex. Rather than explaining the strengths and weaknesses of the CPRS, the Climate Change Minister, Penny Wong, has enthusiastically assured Australians that it is the best answer to the climate change problem. Perhaps she does not understand how it will work herself or perhaps she is being disingenuous with both the public and her colleagues. The Prime Minister appeared to mislead parliament recently when he suggested that the \$4 billion of taxpayers' money spent on home insulation would reduce Australia's emissions by 50 million tonnes. What would actually happen under the CPRS is that the \$4 billion would free up 50 million tonnes worth of permits and that these permits would then be used to increase pollution in the industrial sector.

Then we had the minister responding to sustained pressure from Kerry O'Brien by stating: 'What we will be able to do as we set our targets to [sic], in short, is to recognise the fact that a range of measures can contribute to those targets. So it is the case that voluntary measures can contribute to the target that Australia achieves'.

What a great idea! The Institute has been calling for such a mechanism to keep track of the contribution of voluntary action and reduce the cap in the next year for some time now (<http://www.theaustralian.news.com.au/story/0,25197,25123821-7583,00.html>). We call it 'cap and slice'. The only issue is that there is no such mechanism in the CPRS White Paper and until the minister announced the concept on the *7.30 Report*, the government had spent its time denying there was a problem to fix.

Next Tuesday, the government will finally release the CPRS legislation and we will see how seriously they are taking the need to ensure that every kilogram saved by voluntary action leads to a reduction in emissions rather than a reduction in the price of pollution permits. In the meantime, if you would like to let the Government know that you want this problem fixed, please consider signing the GetUp petition to amend the CPRS legislation (<http://www.getup.org.au/>).

There is no doubt that Australia needs a comprehensive legislative approach to reversing climate change and that science, not politics, needs to underpin the targets. But there is also no doubt that if we are going to tackle this problem we need the efforts of the household sector to add to the efforts of the big polluters, not substitute for them as the White Paper currently implies.

Executive excess

Many people are angry and upset to hear that Pacific Brands, at the same time that it was planning to sack 1850 of its employees, was doubling its executives' salaries. But it is not the first time this sort of thing has occurred in Australia.

- In 2007, Geoff Dixon of QANTAS was paid almost \$12 million while seeking to cap salary rises for his staff at three per cent a year and laying off 1500 workers by the end of the year.
- Sol Trujillo has presided over the tanking of Telstra's share price and the shedding of 10,000 jobs over the three and a half years he has been at the helm but he is still going to receive a substantial payout when he leaves in June.

The rationale behind paying CEOs very large salaries is that corporations need executives with talent and skills and the market is tight for such people. If Australia does not offer these 'exceptional' people high rates of pay, either the overseas talent won't come here or the locally-grown talent will leave Australia to go where it is more appreciated.

There is, of course, some logic to this. But one wonders how much difference there might be between the talent and skills of someone paid a reasonable executive salary and someone paid millions of dollars—apart from ego and opportunity that is. The 'lean and hungry' might even be more effective than the 'fat and bloated'.

Running a business may not be easy and the person in charge is expected to shoulder a great deal of responsibility. CEOs, who run their organisations well and keep the interests of their employees, their clients and the public in mind, no doubt earn the higher salaries that are paid to them. And there are probably not too many people in Australia who begrudge them their pay and their perks.

But when it appears that the only thing being looked after is the CEO's ability to accumulate millions of dollars, seemingly at the expense of the company, the employees and the clients, then it's a different story.

When executives display the gross lack of judgement that allowed car company chiefs in the US to fly their company jets to Washington to beg for handouts from the taxpayer, it is incumbent upon the citizenry to say 'STOP'. It is difficult to understand the lack of empathy, never mind plain common sense, behind that sort of behaviour.

The government is muttering in outrage at these incidents even though it is doubtful that it will do anything about questionable executive behaviour. But even if it cannot legislate to control stratospheric salaries, it can tax them appropriately as our paper, *The case for a new top tax rate*, recommends (<https://www.tai.org.au/>). That would be a win-win situation!

Food security

When people always have enough food of a safe, culturally appropriate and nutritious nature at a price they can afford, they are said to have food security. The absence of these conditions is defined as food insecurity. Almost 850 million people worldwide

face food insecurity, either on a long-term or acute basis, and it is feared that this situation will worsen in the future.

The reasons for food insecurity are many and include:

- global warming, climate change and water availability
- drought, hurricanes and insect plague
- current agricultural practices and outmoded technology
- decreasing biodiversity
- politics and commercialism.

For many years, food security has been a problem where some countries and some communities are concerned but it is now becoming a major global issue. Global warming and associated changes in climate in addition to water availability, grain use and fuel prices are all impacting on the ability of people to feed themselves.

And, of course, it is always the poorest who suffer the most. Over the last decade, food prices have risen dramatically across the globe and the impact is being felt most keenly in the poorest nations where food accounts for up to 70 per cent of household income. But not only poor countries are experiencing food insecurity. A 2004 survey of three low-income suburbs south of Sydney found that 21.9 per cent of households had experienced difficulties maintaining adequate food supplies.

There are sufficient resources in the world to provide food security for everyone living in it but achieving this will require substantial changes both to policy and behaviour, including:

- controlling population growth
- providing access to productive land for many more individuals
- halting the loss of productive land to urbanisation
- the use of science and technology to improve the production of food within current social and environmental constraints
- reforming agricultural markets.

Food security is a basic human right. But the world has a long way to go before it can be satisfied that no-one is going to bed hungry.

Worth noting

1. Last week GetUp ran a full-page ad in *The Australian* describing the flaw in the CPRS which will prevent voluntary action from helping to reduce carbon emissions. The ad is on the GetUp website along with a petition to the government for concerned people to sign. Visit the GetUp website at <http://www.getup.org.au/campaign/ClimateActionNow&id=535>.

2. The nation's progressive think tanks, including The Australia Institute, are convening a major conference in Sydney on April 22nd and 23rd. The event, *Crunch time: Australia's Policy Future*, is a rare opportunity to discuss the challenges that governments in Australia now face and consider the principles and values that should guide progressive policy making into the 21st century.

If you are interested in attending the conference, further details will be available in the next edition of *Between the Lines*. Alternatively, the conference website (www.crunchtime.org.au) should be up and running soon.

If you have any comments regarding *Between the Lines*, please send them to mail@tai.org.au. If you know someone else who needs to read *Between the Lines*, please forward this email. They can sign up to receive it at www.tai.org.au.