

Who listens to Alan Jones?

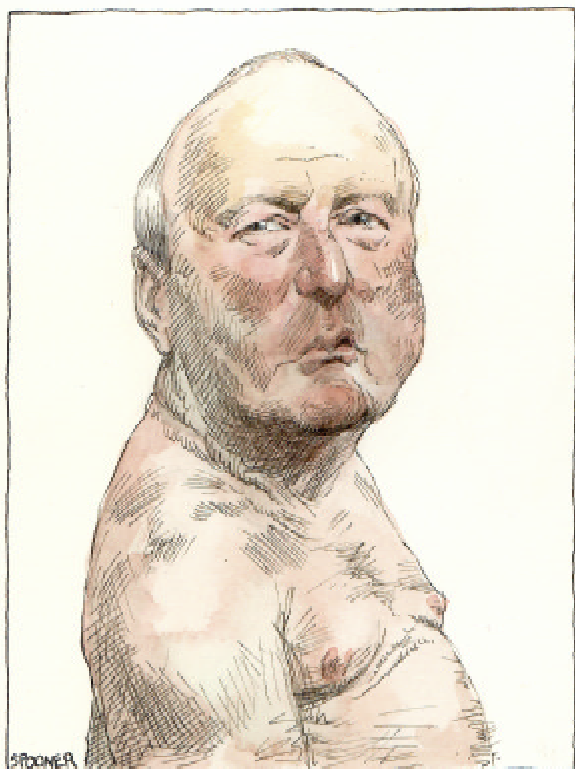
Alan Jones is said to be the most powerful broadcaster in the land. The Australia Institute's analysis of the profile of the 'typical' Alan Jones listener attracted great interest in media circles. Clive Hamilton outlines the results of the research.

Alan Jones is considered the 'king' of breakfast radio in Australia. His talkback radio show on Sydney's 2GB consistently wins the rating slot. His political networks and willingness to use them to have his opinions heard, and often acted upon, make him one of the most regarded and feared media personalities in Australia.

Indeed Michael Kroger, former President of the Victorian Liberals and key Howard strategist, argued as long ago as 1998 that:

"You can't underestimate the Alan Jones factor in New South Wales. I mean he has hundreds of thousands of listeners every day... [he] seeks to exercise his influence far more than John [Laws] or any other commentator. He's a very powerful figure."

Some perspective on this statement is given by comparison of Jones' audience numbers with other audience numbers. On any given day Jones broadcasts to approximately 182,000 people. By contrast, the highest rating television shows during prime time broadcast to upwards of 600,000 viewers in Sydney.



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The top rating news program, National Nine News Sunday, had 552,000 viewers for the last week of March 2006, more than three times the number of people who tune in to Alan Jones. In short, Jones' audience numbers are about the same as a failing television program.

The 'typical' Jones listener is older and morally more conservative across a raft of attitudes than other Australians. Seventy per cent are over 50 years of age and a third are over 65 years of age.

Further, almost two thirds of Jones' listeners consider themselves

No. 48 September 2006

Who listens to Alan Jones

Clive Hamilton

Indonesia's nuclear plans

Are fossil fuel companies 'capturing' our universities?

Christian Downie

School vouchers: update

Andrew Macintosh

History wars and heritage omissions

Deb Wilkinson

Rich boomer, poor boomer

Myra Hamilton

Tourism subsidies are money down the drain

Christian Downie

The use and abuse of the EPBC Act

Andrew Macintosh

The Australian obesity and diabetes juggernaut

Paul Zimmet

Introduction to nanotechnology

Georgia Miller

Institute notes

Anglican or Catholic compared to less than half of all Australians. They are also 41 per cent more likely to go to church or their place of worship on a regular basis than other Australians.

What do Jones listeners think?

According to Roy Morgan Research data they believe in heterosexual families where children are disciplined and have respect for authority. For example, 46 per cent of his listeners believe that homosexuality is immoral compared to 35 per cent of all Australians. Further, only 13 per cent of his listeners believe in adoption rights for homosexual couples.

Culture, for Jones' listeners, probably means European culture rather than Aboriginal culture. They are less likely than the rest of the population to believe that Aboriginal culture is an essential component of Australian society. Sixty eight per cent of Australians believe Aboriginal culture is an essential component of society compared to 56 per cent of Jones listeners. Jones agrees. In 1993 for example, he described the choice of Mandaway Yupinga as Australian of the Year as an 'insult', claiming that he only received the award because he is black.

Moreover, Jones' listeners believe that just as children should have respect for authority so should citizens have respect for the law. Criminals should be treated harshly and terrorists worse. Only 14 per cent of Jones' listeners place freedom above the law compared to 21 percent of the population. Similarly, only 15 per cent believe that terrorists deserve the same rights as other criminals.

With the warm treatment that Jones gives to the Prime Minister and the favourable editorialising on key Liberal Party issues it is not surprising that his listeners trust the Federal Government and vote accordingly.

Jones' listeners are 60 per cent more likely than all Australians to believe

that the Federal Government is 'doing a good job running the country' and 52 per cent more likely to trust the government.

The result is that Jones' listeners are nearly twice as likely as other Australians to vote for the Federal Coalition.

Given the size and attitudes of Jones' audience, do the rest of Australians deserve the major parties pandering to the whims of a small minority of moral conservatives who demographically and attitudinally do not represent Australia?

The answer is no and the numbers confirm it. Only seven per cent of the 182,000 people who listen to Jones each day fall within the swinging demographic of 18 to 39 years of age. This equates to just 12,740 listeners spread across 28 Federal Sydney electorates. According to one analysis, Jones could be expected to affect the voting preference of a mere 450 people in each electorate.

His influence has always been based on self-promotion, networking and fear, rather than any potential to change votes. As one commentator put it, 'the perception of power is as important as power itself'. ■

Indonesia's nuclear plans

The head of Indonesia's National Atomic Power Agency, Soedyartomo Soentono, announced in April that investors from France, South Korea and Japan have offered to fund the Rp35 trillion (US\$3.8 billion) nuclear power plant that Indonesia plans to build at the foot of Mt Muria on the north coast of Central Java.

When plans (subsequently shelved) to build at Mt Muria were first announced by the Suharto Government in 1993, researchers using a global meteorological model at the Australian National University found that 'the lives of thousands of Australians could be harmed' if a major accident at the plant caused a release of radioactive gas during summer months.



Maps show that at that time of the year prevailing winds would take only a few days to carry a radioactive cloud across the Northern Territory, including Darwin and Kakadu National Park, and the northwest of Western Australia.

The Mt Muria reactor would be located in an area subject to intense

geological instability, including earthquakes, volcanoes and tsunamis. The planned nuclear plant will be located on the coast to make use of sea water for cooling.

According to the Antara news agency, construction of the 4,000-MW plant is due to start in 2010 and be completed in 2015. It is likely to be supplied with uranium sourced from Australia.

Although the risks of a major accident are very low, a cloud of radiation blowing over northern Australia would pose a severe danger to public safety and would jeopardise the cattle industries over an enormous area.

A prudent Federal Government would initiate an inquiry into the possible impacts and develop a contingency plan for such a situation.

Indeed, in 1994 the Opposition science spokesman, Peter McGauran, called on the Labor Government to pressure Jakarta to cancel plans to build nuclear reactors citing concerns over public safety. Opposition members also called on the Government to develop a plan to deal with a nuclear accident in Java.

However, the Howard Government has shown that appeasement of Indonesia comes before human rights, as in the case of the West Papuan asylum seekers, and may even have greater priority than protection of public safety in Australia. ■

Are fossil fuel companies ‘capturing’ our universities?

The Institute is currently preparing a report on the topic of ‘university capture’. Christian Downie provides a preview.

‘BHP Billiton buys Queensland University while Woodside seeks out merger opportunity with Curtin’.

Such a newspaper headline appears absurd, far-fetched or a headline for April Fools day – and for the moment it is. However, increasing ties between fossil fuel companies and Australian universities have some wondering what might be in store for the future if current trends continue.

For example, in 1999 Santos gave the University of Adelaide \$25 million to establish the Santos school of petroleum, in 2000 Woodside committed \$1.8 million over three years to the Woodside Hydrocarbon research facility at Curtin University and in 2004 Woodside allocated \$30 million to a joint venture with Curtin University, the University of Western Australia and the CSIRO.

Similar trends in the United States and the United Kingdom have led some commentators to speak of ‘university capture’, a process whereby corporations capture the allegiance of universities by sponsoring departments, professorships and academic posts.

In return for corporate sponsorship and contracts, universities are allowing companies to steer the research agenda.

One report from the United Kingdom argued that in return for corporate sponsorship and contracts, universities are allowing companies to steer the research agenda and tailoring courses to meet corporate personnel demand.

With growing concern about the general state of academic freedom in

Australian universities, as evidenced in previous research by the Institute, the forthcoming discussion paper examines the relationship between fossil fuel companies and Australian universities and the possible impacts this may have on academic freedom.



The paper is set against the backdrop of 20 years of government legislation that has encouraged universities to adopt an enterprise mentality to attract private sources of income as the Commonwealth withdraws from the provision of higher education.

It is not difficult to identify the change taking place in Australian universities. Most universities now have corporate plans and mission statements that identify target markets and promote the university’s international competitiveness and global ambitions.

University reports and promotional materials are commonly couched in the language of business. Whereas universities once lauded the pursuit of truth and the importance of acquiring knowledge for its own sake, more and more, universities and their administrations speak of the need to ‘serve the economy’, ‘satisfy our customers’ and ‘meet industry demands’.

Fossil fuel companies are busily building links with universities and their departments, schools, research centres and academics as they seek to reap the gains from expert research, training and from the integrity that

universities confer. At the company level for example, millions of dollars have flowed into university coffers for the sponsorship of academic posts and chairs.

The University of Queensland is a case in point. It has the BHP sponsored chair of mining engineering and the BHP sponsored chair of minerals processing. Also at Queensland is the chair of mining safety which was first established by Rio Tinto amongst others, and the Xstrata chair of metallurgical engineering. Similar examples are found on university campuses around Australia

However, it is not just at the company level that the increasing presence of fossil fuel companies is raising concerns about the possibility that universities are being captured. At the industry level, in 1999 the Minerals Council of Australia (MCA) established the Minerals Tertiary Education Council.

With more than \$15 million in funding from the MCA, the Council is charged with developing course materials and employing academic staff to ensure that universities are meeting the demands of the industry. Australian coal companies also fund the Australian Coal Association Research Program (ACARP) which sponsors collaborative projects with universities and research centres ‘for the benefit of the coal mining industry’. Since 1992 ACARP has committed \$118 million to 780 different projects.

But what are the implications of these trends? Overseas evidence suggests that growing industry involvement in the sciences could limit academic freedom by hijacking the research agenda of universities and academics leading to an overemphasis on applied scientific research at the expense of basic scientific research.

Continued on page 12

School vouchers: update

In July, the Institute released a discussion paper that investigated school vouchers and their impact on education outcomes. Andrew Macintosh provides an overview of the debate generated by the paper.

The main conclusions from the Institute's report were that a universal voucher scheme that provides all government funding on a per student basis would not significantly improve average academic outcomes and could result in greater educational inequality.

Universal voucher schemes are also likely to be expensive. A flat-rate scheme with a voucher amount equal to the average cost of educating a student in a government school would require a \$5 billion increase in annual government expenditure on schools.

Funding for government schools would initially remain the same, but funding to independent and Catholic schools would increase by 129 per cent and 76 per cent respectively, thereby widening the resource gap between government and non-government schools.

A differentiated scheme would be very expensive.

Some voucher advocates have responded to our critique by claiming that the potential adverse impacts of a flat-rate voucher scheme could be ameliorated by the use of differentiated vouchers, where the voucher amount varies depending on the student's background and learning needs.

This approach is supported by a number of politicians, including the federal ALP member for Rankin, Dr Craig Emerson. However, the evidence suggests that such a scheme would still be costly, ineffective and inequitable.

To guarantee that all children have access to education, the voucher amount would have to be set at a level

that was equivalent to, or near, the average cost of educating a student in a government school. Children from disadvantaged backgrounds and those with special needs could then receive an additional allocation above the base amount.

A differentiated scheme of this nature would be extremely expensive, raising government expenditure on schools by well in excess of \$5 billion a year.

Many private schools would receive a substantial increase in government funding, but the evidence indicates this would have very little impact on the academic outcomes at these schools.

The scheme would also probably lead to an acceleration of public school closures in middle and high socio-economic areas, thereby forcing students in these areas who cannot access private education to travel long distances to attend school.

Although differentiated voucher schemes are better than their flat-rate cousins, they hold little promise of improving the plight of students from low socio-economic backgrounds.

The current funding system is already broadly progressive, meaning students from disadvantaged backgrounds tend to receive more from the government than the average student.

Whether a differentiated voucher scheme would increase funding for disadvantaged students would depend on its design, but any increase that may result is likely to be small given

budgetary constraints and the need to ensure all children have access to education.

There is a risk that the resources gap between poor and wealthy schools would increase.

In addition, there is a risk that the resources gap between poor and wealthy schools would increase due to the boost in funding to non-government schools and rising private school fees.

This would negate the ability of the scheme to improve the education outcomes of disadvantaged students as wealthier schools would continue to be able to offer superior employment packages to the most effective teachers.

Further, research has shown that parents from low socio-economic backgrounds have difficulties using vouchers and comprehending information about school choices.

Continued on page 12



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History wars and heritage omissions

Analysis of the National Heritage list gives a useful perspective on Federal Government statements about history teaching. Policy analyst Deb Wilkinson explains.

The Australian History Summit held in Parliament House in the middle of August attracted widespread media coverage and provided a platform for a band of right-wing media warriors to lambast the centre and left for the state of history teaching in Australia.

Their point of view was articulated by Paul Kelly from *The Australian*, who claimed there had been a ‘degrading of history’ that was attributable to the ‘postmodernist and progressivist grip on the humanities in schools and universities’.

The solution to the ‘history crisis’, according to the delegates to the summit, is to make history a mandatory and distinct subject in years 9 and 10 and mould a history curriculum around ‘a series of open-ended questions about the character of Australia’s society based on a clear chronology of events’.

Indigenous history is treated in a way that can only fuel the scepticism about the history summit.

A curriculum that explores different perspectives on key events in Australian history is a commendable idea. Basing history teaching around a chronology enables students to gain an understanding of the social, political and economic forces that have shaped contemporary Australia. This can provide a foundation for civic engagement and future learning.

The danger in a chronological approach to history is that key events may be left out of the curriculum and politically challenging perspectives on events could be deliberately overlooked.

Gregory Melleuish from the University of Wollongong, who was a delegate at the summit, suggests that this is

what has occurred in a number of textbooks set for the Australian history course in New South Wales. He argues that these texts ‘lacked balance, focusing on some topics excessively such as the Vietnam War, the Whitlam Government and the social movements of the late twentieth century’.

For the summit, Melleuish provided a sketch of his ideal history syllabus. A major criticism of it is that it seeks to cover too many topics – trying to be too many things to too many people. Melleuish is also careful to skate around contentious political topics, often nodding in their direction but failing to give them prominence.

One notable omission is the rise of environmentalism and its impact on social and economic trends. Trade unions are included, but mainly as a part of a proposed module on the ‘development of commercial and other sorts of voluntary institutions’.

Indigenous history is discussed, but critical aspects of post-1788 Indigenous history are treated in a way that can only fuel the scepticism about the history summit.

For example, there is a suggested module on the ‘cultural contact between the early settlement and the indigenous inhabitants’, but no mention of the violent clashes that took place in the early years of the settlement.

There is another module on the ‘negative impact of the coming of these settlers on indigenous Australia’, which Melleuish says should tell the story of the ‘human tragedy undergone by the Australian Aborigines as they faced new diseases, competition for resources and the loss of land’. Again though, there is no mention of frontier violence or massacres.

The stolen generations get wrapped up in ‘policies relating to Aboriginal protection’ and there is no mention of the land rights movement. In fact, the only explicit reference to Indigenous issues in the segment on post-World War II Australia is the 1967 referendum – the extension of suffrage to Indigenous Australians is not even discussed.

Melleuish’s proposed syllabus has a number of good aspects and many of

Continued on page 6



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History Wars Continued from page 5

its apparent flaws are probably a product of the difficulty of the task and the reality that no two-year school history course can cover everything. Choices must be made and it is inevitable that people's views on the legitimacy of the end product will differ. Melleuish's syllabus is also not an official document.

The Government has made all the right noises about not wanting an official history or a single narrative. It has also been careful to talk about the importance of Indigenous history. In her address to the summit, the Education Minister, Julie Bishop, said that we need to 'build the bridge between indigenous history and the rest of the national story'.

But actions speak louder than words. The Federal Government's blatant disregard of Indigenous and natural heritage in its administration of the federal heritage regime gives grounds for great scepticism about its motives.

This regime is supposed to be a living history book – a collection of places that tell Australia's story. But to date, only three places have been included on the National Heritage List solely because of their Indigenous heritage significance. And only two places have been included on the list because of their natural heritage values.

Seven places with some Indigenous and natural heritage values versus 26 that relate to European settlement and exploration and modern Australia. The Government's distribution of heritage funding has been equally warped, with only a tiny proportion being directed to the protection and conservation of places of Indigenous heritage significance.

The Federal Government's fine words at the history summit are undermined by their actions. Until the Government shows a willingness to acknowledge the importance of different historical perspectives, there are grounds for believing the Government's forays into history are motivated by ideology rather than a genuine concern for educational standards and cultural development. ■

Rich boomer, poor boomer

Recent research by the Institute shows that, contrary to popular stereotypes, many boomers are not financially prepared for retirement. One of the authors, Myra Hamilton, reports.

The first baby boomers are now starting to retire, a phenomenon with far-reaching social and policy implications. Research shows that the characterization of the baby boomers as the lucky generation is inaccurate for a large proportion of the age cohort.

In fact, when it comes to retirement prospects there is a great divide between low-income and high-income boomers.

In the first half of 2006, we conducted research into boomers' retirement expectations using a series of eight focus groups (in Sydney city, Bathurst, Parramatta and Brisbane) and a national opinion survey of 829 baby boomers.

The great divide

The focus groups revealed a sharp divide between the expected timing of retirement of high and low-income baby boomers.

"You don't retire from something; you retire to something."

Many high-income boomers reject the traditional notion of retirement, seeing it instead as a change of career, one in which they work fewer hours, shift down a gear and enjoy the flexibility to pursue their hobbies and leisure interests.

By contrast, the lower income boomers have virtually no wealth to fund their retirement years. Many believe they will not be able to enjoy a traditional retirement, in the sense of a distinct and welcome transition from work to leisure, because they will need to continue to work up to and beyond the retirement age for financial reasons.

Survey results confirmed this divide. Of those who expect to be fully dependent on the age pension (and intend to continue working beyond retirement age), nearly four in five nominate financial need as the main reason for continuing to work, while only 20 per cent nominate job satisfaction or keeping busy.

"If we all won Lotto, we'd all retire tomorrow."

However, of those who expect to self-fund in retirement (and continue working) only 15 per cent nominate financial need as their key motivating factor, with four in five nominating job satisfaction or keeping busy as their main motivating reason.

So in general, lower income earners expect to continue working beyond retirement age through necessity, whilst higher income earners expect to continue working beyond retirement age as a lifestyle choice.

Concerns about retirement income

It was clear from focus group discussion that both higher and lower income earners believe that the age pension is not enough to fund a comfortable retirement.

"I know I could live on it, but I wouldn't want to."

Many of the higher income earners intend to fund their retirement through superannuation.

Lower income earners were very reluctant to say they would be relying on a full or part pension, with most saying they intended to rely on super.

However, when probed, many said they intended to combine a pension with super, sell property or rely on children, and a proportion said they did not know how they would fund their retirement. This uncertainty was of great concern for many of the lower income earners.

"Super, part-time work and sale of assets as needed. The pre-requisite is to have the mortgage and other debts paid off."



Nicholson of "The Australian" newspaper. www.nicholsoncartoons.com.au

The results from the survey were similar, with only 12 per cent of boomers expecting to be fully reliant on the age pension, and another 46 per cent expecting to be partly reliant on the age pension.

Of those in the lowest income group, earning less than \$30,000 per annum, only one third expected to be fully reliant on the age pension, and 14 per cent said they would fully self-fund!

"I'm terrified (about)...financial security."

These figures are much lower than Treasury projections, which anticipate that by 2050 the proportion of people of age pension age in receipt of some form of age pension will be as high as 75 per cent, with 37 per cent of those on a full pension. It appears that many baby boomers are in denial or have unrealistic expectations about their financial situation in retirement.

Boomer feelings about retirement policy

Baby boomers entered the workforce when the predominant form of retirement funding was the age pension. However, as they approach retirement the emphasis has shifted to private provision through superannuation. The boomer generation was 30-45 years old when

the Superannuation Guarantee Charge was introduced in 1992 and therefore sits right in the centre of the transition between the age pension and superannuation. As a result, many boomers feel cheated by government for expecting them to self fund without having given them the opportunity to do so.

"Our generation is between a rock and a hard place."

Confirming this sentiment from focus groups, the survey showed that 57 per cent agree that the baby boomer generation has been hard done by because compulsory superannuation was introduced late in their working lives. Thirty-four per cent disagree.

"We're the first bunnies, the first generation that will have to look after ourselves."

Women are more likely to agree that boomers have been hard done by. This is understandable since many have not been in a position to accumulate as much super as men due to their more intermittent engagement in paid work and their lower salaries.

Not surprisingly, people who expect to rely fully on the pension are much

more likely than others to believe that boomers have been hard done by.

The prevailing myth that boomers are moving into a golden age of self-funded retirement where they will work only because they choose to is untrue for the majority of boomers.

The popular idea that baby boomers are 'the generation that will never retire' is one conditioned very much by the expectations of the minority of wealthier boomers, with the majority left feeling neither lucky nor confident about their future. ■

The Australia Institute

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Tourism spending is money down the drain

A report released by The Australia Institute in July showed that the millions spent each year by state and territory governments subsidising the domestic tourism industry is a waste of taxpayers' money. This attracted widespread media attention that was fuelled by furious responses from the tourism industry. Christian Downie summarises the debate.

Institute research showed that rather than enhancing the welfare of Australians, domestic tourism subsidies serve only to enhance the welfare of an industry that pits state against state for a slice of the domestic tourism market.

State and territory spending on domestic marketing and event attraction merely promote the tourism industry in one state over that of another – what one state gains another loses. It is a zero sum game.

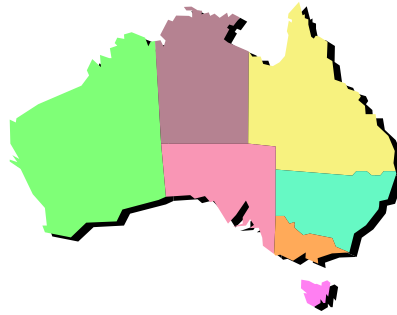
We estimated that state and territory governments spend \$135 million annually promoting their jurisdiction domestically and a further \$102 million on event attraction.

The Victorian Government topped the list, wasting \$75 million each year on domestic marketing and event attraction. South Australia came in second, dissipating \$32 million, followed by Queensland with \$30 million. Per capita, the Northern Territory Government fritters away the most with \$16 million, or \$78 per person.

Spending on domestic marketing and event attraction is a zero sum game.

One classic example of the waste associated with these types of subsidies is the Australian Formula One Grand Prix. In 1993, the Victorian Government outbid South Australia for the rights to host the Grand Prix, at an estimated cost of \$100 million to the Victorian taxpayer.

As with all of these types of subsidies, the Victorian Government lauded the economic benefits in terms of investment dollars, jobs and multiplier effects throughout the State



economy. Yet at the same time, some 2000 jobs were lost in South Australia, presumably with consequential negative multiplier effects.

Worse still, the expected economic gains that are promoted by government and the tourism industry often do not materialise. For example, in 2001 the ACT Government spent over \$5 million staging the V8 Super Car Event in Canberra, yet the ACT Audit Office found that this cost was more than double the returns from the event.

Tourism industry response

With headlines like ‘taxpayer millions wasted in grab for tourists’ and the ‘\$237m promo waste’, as well as radio announcers asking their listeners ‘where the bloody hell all the money is going?’, the report met fierce criticism from tourism industry bodies and state and territory ministers.

Opponents asserted that subsidies for domestic tourism promotion encourage Australians to travel in Australia and to spend their money in the tourism industry rather than on other goods, to great economic benefit.

Surprisingly, even Chris Richardson from Access Economics argued that tourism subsidies help win industry dollars away from overseas travel or from buying a new car. The report was also derided from some quarters as an example for right-wing economics and from others as extreme left-wing economics!

Our rejoinder

Much of the criticism said more about the tourism industry than it did the contents of the report. There is an unholy alliance between the tourism lobby and state tourism ministers to protect public subsidies for tourism promotion.

Criticism that we ignored the benefits of tourism as an export industry for Australia misstated the report’s findings. We focussed solely on two particular types of domestic tourism subsidies – domestic tourism marketing and event attraction.

The report did not consider the additional subsidies that the industry receives at a Federal level to promote Australia overseas nor those that encourage Australians to travel in Australia, like the ‘See Australia’ campaign.

The report met fierce criticism from the tourism industry.

Moreover, in response to claims that tourism subsidies win dollars away from money spent on white-goods or cars we asked; why is it the job of government to persuade consumers that they are better off spending their money on white-goods rather than travel? Is that a good use of taxpayers’ money?

The findings of the report stand. With no public benefit from the zero-sum game of domestic tourism promotion taxpayers should not be forced to squander millions doing the advertising for an industry that already does very well out of the public purse in the form of additional subsidies from local, state and federal governments. ■

The use and abuse of the EPBC Act

The federal Environment Protection and Biodiversity Act (EPBC Act) has attracted a considerable amount of media attention over the past few months, primarily as a result of the Environment Minister's controversial decision to use the Act to block a large wind farm proposal at Bald Hills in south Gippsland. Andrew Macintosh reviews the ongoing failure of environment protection at a federal level.

The Bald Hills decision was criticised widely by environmentalists and developers as an abuse of process. Even Alan Moran from the right-wing Institute of Public Affairs agreed, describing it as a 'gross distortion of the act'.

The only prominent defenders of the decision outside Government were anti-wind groups and a collection of green groups that are close to the Howard Government that have supported the legislation since it first passed through Parliament in 1999.

There was almost universal agreement that the decision was motivated by political considerations and was a misuse of the legislation.

Alistair Graham from the Tasmanian Conservation Trust said they were 'bloody delighted' with the decision and claimed that 'this is a decision where politics and good policy have lined up'. Nicola Beynon from the Humane Society International was equally enthusiastic in her support for the decision on the ABC's Australia Talks Back program in late April.

Apart from these groups, there was almost universal agreement that the decision was motivated by political considerations and was a misuse of the legislation. This seemed to be confirmed when Senator Campbell decided to settle a court case taken by the developers of the Bald Hills proposal in early August.

The proposal will now be remitted and subsequently reconsidered by the Minister in accordance with the law.

In light of these events, the Institute decided to revisit the statistics on the administration of the EPBC Act to determine whether things had improved since we published an assessment of the effectiveness of legislation in July 2005. We found the opposite.

Of the approximately 1,913 proposals that were considered by the Minister between July 2000 when the EPBC Act commenced and July 2006, 76 per cent were declared to be exempt. Only 24 per cent (462 actions) even progressed to the assessment phase of the process and, of these, only four were stopped from proceeding.

One of the blocked developments was the Bald Hills wind farm, which may ultimately be allowed to proceed. Two of the other developments that were refused were small-scale residential housing proposals and the other involved the culling of flying-foxes at a fruit farm in north Queensland.

Not only has there been no noticeable improvement in the overall administration of assessment and

approval process, it appears the major problem remains the lack of referrals, particularly from the agriculture and fishery sectors.

For example, only 50 agricultural developments have been referred under the legislation and less than ten of these involved any significant land clearing. This is despite the fact that millions of hectares of native vegetation have been cleared since July 2000 for agricultural purposes. Similarly, no commercial fishing activities have been referred to the Minister.

Given the absence of referrals, it could be expected that the Government may have done something to improve the levels of compliance. However, to date, only two enforcement actions have been taken under the assessment and approval provisions and only one of these was successful.

The available data suggest that the Act's assessment regime has cost taxpayers a minimum of \$72 million and that it may have cost up to \$180 million. *Continued on page 12*



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The Australian obesity and diabetes juggernaut

Internationally recognised medical professionals are calling for urgent policy change in Australia. Professor Paul Zimmet, of the International Diabetes Institute, summarises the issues.

Australia is in the throes of an unprecedented epidemic of diabetes and obesity. The evidence shows that years of government reliance on health promotion and intense media coverage of obesity have had virtually no effect.

The obesity and diabetes juggernaut has continued to gain momentum. Stronger policy measures are urgently required.

The Australian Diabetes, Obesity and Lifestyle (AusDiab) study found that in 2000, almost a million Australians were affected by diabetes, and that almost 60 per cent were classified as either overweight or obese, compared with only 24 per cent in 1981.

By monitoring participants in 1999/2000 and then again in 2004/05, the AusDiab study found that people classified as obese were four times as likely to develop diabetes than those with normal weight.

It also found that those who did no physical activity were twice as likely to develop diabetes than those who did more than 150 minutes a week of physical activity.

Obesity is a driving force behind type 2 diabetes, which has cardiovascular and other complications, such as renal failure and blindness. Weight gain plays a major role in precipitating glucose intolerance, the precursor to diabetes. Reversal of what is sometimes known as the 'diabesity' epidemic therefore requires a public alert on the need to limit weight gain.

Voluntary measures fail

Reliance on voluntary consumption restriction (such as previously advocated for tobacco and alcohol) has never been shown to be effective. Moreover, for the Australian population to return to energy balance – a balance between energy inputs and outputs leading to the



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maintenance of a stable body weight – would require on average very major voluntary lifestyle changes.

Research shows that on average Australians would need to walk briskly for 80–90 minutes daily to maintain energy balance on current diets. This is a near impossible population goal for leisure time activity.

Alternatively, given our current sedentary state, we would need to change to a diet in which fat accounts for only 20 per cent of caloric intake, and minimal sugary drinks are consumed.

It is unrealistic to expect changes of this scale to be voluntarily achieved across the whole population. In particular, current pervasive marketing to children distorts their understanding and their demands, and transforms their eating, drinking and exercise habits to generate obesity.

Major legislative and other regulatory measures are urgently required to avoid enormous public health costs and to protect Australians' quality of life (see box). Action across different policy areas must be politically driven, multi-disciplinary, and coordinated to be fully effective.

To ensure continued sales and profits, the food industry would be obliged to respond rapidly to such new legal and regulatory requirements.

COAG has recently recognised that the prevention of obesity and type 2 diabetes requires coordinated policy and legislative changes, and committed to action. This is encouraging and shows that the message from health experts is finally being heard.

Regulatory measures needed to prevent 'diabesity' in Australia

- Establish strict food and activity requirements for schools.
- Remove junk foods and drinks from all publicly funded premises.
- Require 'traffic light' food labelling on all foods, drinks and meals, wherever sold.
- Adjust fiscal policies to progressively change the relative prices of foods and drinks high in fat or sugar in favour of vegetables and fruit.
- Implement urban environmental requirements favouring pedestrians and cyclists.

This summary is based on a longer article by Professor Zimmet and Professor James (of the International Obesity Task Force, London) that appeared in the *Medical Journal of Australia*, Vol. 85, No. 4, 21 August 2006.

Introduction to nanotechnology

Most Australians are not yet familiar with the term “nanotechnology”, let alone aware that hundreds of products containing nanoparticles are now available in their supermarkets. Georgia Miller, coordinator of Friends of the Earth’s Nanotechnology Project, comments.

Nanotechnology and nanoscience involve the study of phenomena and materials, and the manipulation of structures, devices and systems that exist at the nanoscale, <100 nanometres (nm) in size. To put 100nm in context: a strand of DNA is 2.5nm wide, a protein molecule is 5nm, a red blood cell 7,000 nm and a human hair is 80,000 nm wide.

The properties of nanoparticles are not governed by the same physical laws as larger particles, but by quantum mechanics. The physical and chemical properties of nanoparticles – for example, colour, solubility, strength, chemical reactivity and toxicity – can be quite different from those of larger particles of the same substance.

For example, in years past zinc sunscreen was based on particles of zinc oxide that were white, opaque and greater than 100nm in size; today’s nano-sunscreens based on 3-30nm nanoparticle zinc oxide are entirely transparent.

Engineered nanoparticles are used in literally hundreds of products that are already available on supermarket shelves, including transparent sunscreens, light-diffracting cosmetics, penetration enhanced moisturisers, stain and odour repellent fabrics, dirt repellent coatings, long lasting paints and furniture varnishes, and even some food products.

Big Business

Already, nanotechnology is big business. Industry analysts Lux Research Inc estimate that global sales of products containing nanomaterials or nanodevices totalled more than US\$32 billion in 2005 alone.

Near-term nanotechnology includes sophisticated nanodevices and ‘smart’ drugs for medicine; atomically

engineered (nanobiotechnology) products for agriculture, industry, environmental remediation and military use; personalised interactive ‘smart’ foods; ‘smart’ manufacturing and packaging; vastly more efficient solar cells; high performance electronics and the tools for ubiquitous surveillance in agricultural, civil and military contexts.

The US National Science Foundation expects the global nanotechnology industry to be worth US\$1 trillion by 2011.

The APEC Centre for Technology Foresight has predicted that nanotechnology, and the emergence of convergent technologies at the nanoscale, will revolutionise all aspects of our economy and all aspects of society, with associated large-scale social upheaval.

Ethical concerns

Nanobiotechnology raises significant ethical issues in its quest to engineer organisms and products containing both biological and human-made components.

The US National Science Foundation’s work to use convergent nanotechnology, biotechnology, information technology and cognitive science to improve human performance beyond species-typical boundaries has also raised very serious ethical concerns.

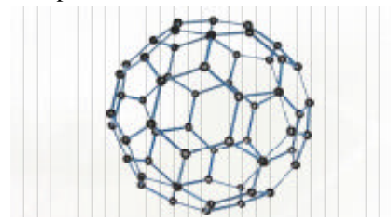
Safety Risks

In 2004, the United Kingdom’s Royal Society warned that nanomaterials can present serious new toxicity risks for humans and the environment. It recommended that nanomaterials should be treated as new chemicals and be subject to new safety assessments prior to their inclusion in consumer products.

However, as yet no national government has introduced a regulatory system to protect the health of workers, the public and the environment from the risks associated with nanotoxicity.

Socio-economic disruption

Industry analysts Lux Research Inc have warned that nanotechnology and the introduction of novel nanomaterials will result in large-scale disruption to commodity markets, supply and value chains world-wide, disrupting many multi billion dollar companies and industries.



This would have the most devastating impact on people in the developing world whose countries are most dependent on trade in raw resources (e.g. rubber, cotton, copper) that could be readily displaced by new nanomaterials, and who are least able to adapt quickly in the face of rapid technological change.

Lack of public involvement

Despite the rapid growth of nanotechnology, as yet there has been little transparency in how the decisions shaping this technology are made and few opportunities for the public to be involved in policy development.

If the Federal Government does not act quickly to initiate genuine public participation in decision-making around nanotechnology’s introduction and demonstrate its commitment to funding public interest science, nanotechnology is likely to face a massive community backlash similar to that against genetically engineered foods. ■

Institute notes

New Publications

A. Macintosh and D. Wilkinson, *School Vouchers: An evaluation of their impact on education outcomes*, Discussion Paper 88, July 2006

C. Hamilton, *Who Listens to Alan Jones?*, Webpaper, June 2006

C. Downie, *State and Territory Tourism Assistance: A zero-sum game*, Webpaper, July 2006

A. Macintosh, *Environment Protection and Biodiversity Conservation Act: An ongoing failure*, Webpaper, July 2006

M. Hamilton and C. Hamilton, *Rich Boomer, Poor Boomer: Retirement prospects for the not-so-lucky generation*, Webpaper, August 2006

Forthcoming Publications

M. Hamilton and C. Hamilton, *Baby Boomers and Retirement*

E. Rush and A. La Nauze, *The Sexualisation of Children*

A. Macintosh and C. Downie, *Wind Farms: The facts and the fallacies*

A. Wilkie, *The Silencing of Dissent in Australia's Security Agencies*

C. Downie, *University Capture*

A. Macintosh, *The Siting of Nuclear PowerPlants*

University Capture Continued from p. 3

More worrying, it may lead to a focus on short-term research projects with clear commercial results at the expense of public interest research. It is also possible that these trends could impinge on academic freedom by inhibiting free exchange of scientific information, restricting the willingness of academics to 'speak out', and limiting the ability of academics to determine academic curricula.

While it can be assumed that Australian universities are not on the cusp of being bought out by the likes of BHP Billiton or Woodside in the near future, it is less clear what impact these companies are having on research, teaching and academic freedom therein – a question the forthcoming paper hopes to answer.

The Institute would be interested to hear from anyone who has information relevant to this project. All communications will be strictly confidential. Please contact Christian Downie on 02 6125 1274 or christian@tai.org.au. ■

School Vouchers from p. 5

On the positive side, a differentiated voucher scheme could improve outcomes by promoting greater competition. By increasing public and private spending on schools, voucher schemes could also increase average teaching salaries, perhaps raising the academic ability of people entering the teaching profession. In addition, vouchers could promote greater wage flexibility and performance-based pay schemes, which may increase the productivity of teachers.

However, the evidence suggests that any increase in overall academic outcomes that flows from these mechanisms as a result of the introduction of vouchers is likely to be small and that targeted strategies could achieve the same outcomes at less cost.

The debate about school vouchers is likely to continue over the coming years. Policy makers need to be wary of the hype surrounding voucher schemes and mindful of the evidence demonstrating that they are not a cost-effective way of improving education outcomes. ■



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EPBC Act from p. 9

The return on this investment has been negligible. It is difficult to avoid the conclusion that the EPBC Act has been a waste of resources.

It would seem difficult to lower the current environmental standards under the EPBC Act. However, amending legislation is scheduled to be debated in Parliament later this year and, although the bill has not yet been publicly released, there are rumours it will strip the Act of its already limited power.

This is a shame, as the legislation could be amended to provide a firm basis for environmental decision making. One proposal, which has surprisingly received support from the Institute of Public Affairs, is for the Minister's decision making powers to be transferred to an independent statutory authority like the state environment protection agencies.

Yet, it appears we will have to wait some time yet before getting a federal environmental protection regime that is capable of doing more than merely eating up taxpayers' resources. ■