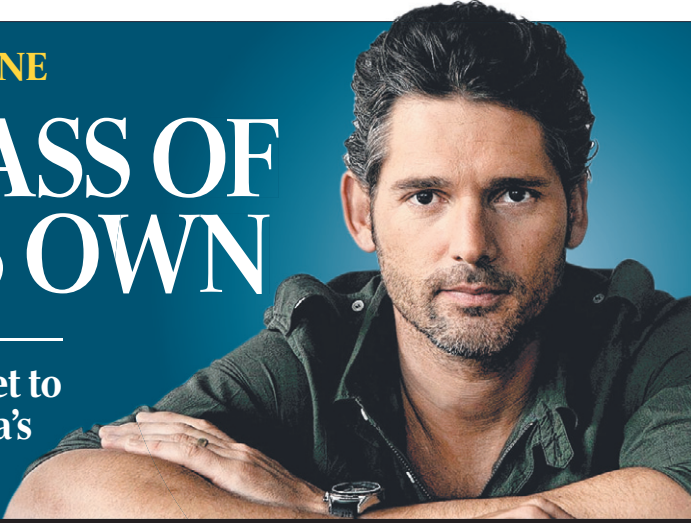




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The secret to Eric Bana's success



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BACK IN THE GAME

Mitchell Johnson revives Aussie Ashes hopes with four-wicket haul



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THE GREAT SANDPIT DEBATE

The days of going barefoot may be numbered



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Gideon Haigh's must-read column

JOHN HOWARD Exclusive extract from the updated edition of Lazarus Rising {INQUIRER P17} • RICHARD BRANSON Competition is the main game {BUSINESS P25}

NEXT WAVE OF LEAKS FEARED

PM braces for spy row to spread

EXCLUSIVE

DENNIS SHANAHAN
JOE KELLY

THE Abbott government is bracing for the possible release of more embarrassing material from leaked US intelligence about Indonesia and other Asian nations, as it aims for a "broader and deeper" security relationship with Jakarta.

The *Weekend Australian* understands Canberra is aiming to develop a "new process" of consultation with Jakarta as it seeks to limit the damage from the spying crisis.

The US is in "close contact" with the Australian government over the 200,000 secret files leaked by former US National Security Agency contractor Edward Snowden as it tries to identify what information has been compromised.

Australia is aware that "nobody really knows" what information is involved and as Hugh White, a former deputy secretary of the Defence Department, said yesterday, the government was "not in a position to make any assumptions".

"The only thing (the US) can be sure of is that Snowden won't have hold of anything they haven't shared with the NSA — only problem is that they share almost anything with the NSA," Professor White said.

Tony Abbott is aware of the threat of further disclosures about Australia's intelligence-gathering in the region but is devoting his attention to the relationship with Indonesia and responding to President Susilo Bambang Yudhoyono's demand for an explanation for the spying.

Agriculture Minister Barnaby Joyce yesterday postponed a trip to Indonesia planned for next

Diplomacy shown, criticism absorbed in first crisis

DENNIS SHANAHAN
ANALYSIS



TONY Abbott has handled his first crisis — and the most serious with Indonesia for years — in strict accord with all of Australia's traditional intelligence protocols and security practices.

Behaving as a Prime Minister should in the face of a growing diplomatic and political furore,

Abbott has kept his commentary to a bare minimum, copped criticism for Labor government actions without response and tried to ease the sense of an ever-rising crisis.

Unless he decides the current circumstances require a change to those past practices and political behaviour — as Barack Obama did — Abbott will go on in the same vein. What's more, he has little choice.

The governments of Australia and the US both know there is the potential, even a likelihood, of further embarrassing and damaging revelations to come from the 200,000 stolen intelligence files from the National Security Agency.

The US has already flagged there could be problems for Australia with other regional neighbours and even more with Indonesia.

Apart from the traditional

Continued on Page 4

INSIDE

THE onus is now with Abbott to demonstrate a flexible and new approach to intelligence and security issues. Nothing else will suffice.

PAUL KELLY P13

week, citing the current "circumstances" for the decision.

The documents leaked by Snowden showed that under the previous Labor government Australia's eavesdropping agency the Defence Signals Directorate (now called the Australian Signals Directorate) targeted the mobile phones of 10 prominent Indonesians in 2009, including the President, the first lady, the Vice-President and the former foreign

affairs spokesman. The Prime Minister has publicly repeated Australia's traditional response to reports on intelligence of refusing to "confirm or deny" the allegations and has refused to apologise to Indonesia, expressing "sincere regret" at the embarrassment caused by reports of the leaked files.

Indonesia Foreign Minister Marty Natalegawa said yesterday people-smuggling information exchanges with the Australian Federal Police had "ended".

Meanwhile, more protests took place outside the Australian embassy in Jakarta.

In response to Indonesia's ban on co-operation with illegal boat arrivals and threats of further

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Australia, Britain reject climate compo

DAVID CROWE
NATIONAL AFFAIRS EDITOR

AUSTRALIA has won support from Britain and others to head off demands for compensation payments to countries hit by damage they blame on climate change, sparking anger at a global summit meant to strike a deal this weekend.

Acting on Tony Abbott's edict to avoid any new financial com-

mitments, Australian negotiators have held out against calls to support the "loss and damage" payments sought by poorer countries.

Britain added weight to the Australian position yesterday when Energy Secretary Ed Davey rebuffed demands for payments.

"We don't accept the argument on compensation," Mr Davey said.

"We never have, and we are not intending to start now."

The dispute sharpened criti-

cism of Australia at the UN summit in the Polish capital of Warsaw yesterday and could make it harder to strike a more important deal this weekend on cutting the world's greenhouse gas emissions.

The *Australian* revealed two weeks ago that the Prime Minister and his cabinet colleagues had

Continued on Page 2

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Parting words for the party Gough loves



SALLY TSOUTAS

Gough Whitlam, at 97, has issued a 'valedictory' message on the eve of the release of a new book about his life and legacy

EXCLUSIVE

TROY BRAMSTON

AT 97 and in the twilight of his life, Gough Whitlam still goes to his office high above William Street in Sydney a few days each week.

His former colleagues visit from time to time. As do his four children — Antony, Nicholas, Stephen and Catherine.

Moving slower these days, and often in a wheelchair, he resides in an aged-care facility in Sydney's east. He has good days and not-so-good days.

Australia's longest-lived former prime minister has not consented to an interview for several years. He is no longer writing. His last public statement was a tribute to his wife of almost 70 years, Margaret, who died last year.

G-G at odds with Abbott on republic, gay marriage

QUENTIN Bryce has become the first serving Governor-General to publicly back Australia becoming a republic.

Ms Bryce, whose term ends in March, also threw her support behind gay marriage as she

delivered the final Boyer Lecture of the year, outlining her vision for the nation.

Her stance puts her at odds on two key issues with Tony Abbott, who opposes both a republic and gay marriage.

Ms Bryce said she hoped Australia might become a nation where "people are free to love and marry whom they choose".

"And where perhaps, my

friends, one day, one young girl or boy may even grow up to be our nation's first head of state," she said in the lecture, which will be broadcast in full on ABC Radio National tomorrow.

Ms Bryce was condemned by monarchists, who described the move as a "disgrace", but was praised by republicans as "wonderful".

FULL REPORT P3

political life. And parliament is by far the best place to achieve it."

The book of new essays, previously unpublished photographs and recently discovered archival documents will be launched by Bill Shorten next week.

Mr Whitlam writes that the "over-arching principle and unifying theme" of his lifetime of public service can be stated in just two words: contemporary relevance.

In what is likely to be his last substantial statement on politics and policy, Mr Whitlam says Labor must "constantly" review and revise its history.

He urges the party's members and supporters to "learn from our mistakes and failures as well as our successes and achievements".

It is essential Labor develops

we can make to the unprecedented demands now made on our leaders and representatives by the relentless news cycle, 24 hours a day, seven days a week.

"If we develop, define and defend our policies thoroughly before their implementation, we will be much less likely to be blown off course by the accidents and aberrations inseparable from modern

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Industry leaders in 'the indigenous dozen'

EXCLUSIVE

PATRICIA KARVELAS

TONY Abbott has recruited 12 of the most powerful business and indigenous figures in the country to provide advice on Aboriginal economic reform, including Westpac chief executive Gail Kelly and Rio Tinto managing director David Peever.

The *Weekend Australian* has obtained the full list of Mr Abbott's hand-picked appointees to the Prime Minister's indigen-

ous council, which will be led by Aboriginal leader Warren Mundine and give him bold ideas to closing the disadvantage gap.

The membership is stacked with people who have business and reform experience, with the Prime Minister deliberately steering away from the usual faces in indigenous affairs.

Other appointees include Andrew Penfold, the chief executive of the Australian Indigenous Education Foundation, which provides scholarships for indigenous children to attend elite schools, and, as foreshadowed in *The Australian*, Peter Shergold,

chancellor of the University of Western Sydney and former secretary of the Department of Prime Minister and Cabinet.

Mrs Kelly described being asked to join the council as an honour and said she was grateful for the opportunity to contribute.

"My goal is to work with council members to drive actions to improve education, health and employment in indigenous communities," the Westpac chief executive said.

"Corporate Australia has an important role to play in doing more for Aboriginal and Torres Strait Islander people."

Leading indigenous members will include Richie Ah Mat, who is involved in the Cape York Welfare Reform agenda, and Bruce Martin, a Wik man from Aurukun and chief executive of Aak Puul Ngantam, an organisation that represents families in Cape York. Mr Abbott has also invited a giant of the reconciliation movement, Leah Armstrong, a Torres Strait Islander who is the chief executive of Reconciliation Australia.

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EXCLUSIVE Testing changes

STUDENTS will be assessed on their social and emotional skills, creative thinking and cultural understanding in subjects such as geography, science and maths, under proposed changes to the national testing program.

FULL REPORT P3



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DOMESTIC VIOLENCE STUDY

Researchers at the University of South Australia are seeking to survey victims of domestic violence to investigate the long term effects on their mental health, housing and employment.

Participants can be all ages and the involvement will be online and anonymous. Results will assist in better understanding of the ongoing and complex effects of domestic violence over the life course.

To find out more about the study or to participate visit unisa.edu.au/genderandviolence

This project has been approved by the University of South Australia's Human Research Ethics Committee.



University of South Australia

Newman circles the wagons on CMC chief

THE Newman government has closed ranks around embattled Crime and Misconduct Commission chairman Ken Levy, who declared late yesterday he would be staying in the job despite apparent evidence that he misled a parliamentary committee over his contact with the government before he wrote an article endorsing the government's anti-bikie laws.

Dr Levy late yesterday said he would be staying to see through the job of reforming the CMC, which has been the subject of three different reviews this year, despite calls from the state and independent Queensland MPs to resign over what they said was misleading parliament.

Dr Levy told a parliamentary committee on November 1 that he had not had any talks with the government before he wrote an opinion article for *The Courier-Mail* in which he endorsed the government's anti-bikie laws, but then he told a later inquiry in closed session he had spoken with the Premier's chief media adviser, Lee Anderson.

He agreed yesterday that there could be a different perception about his talks with the Premier's chief media adviser.

"It was an administrative matter, that I will say," he said.

Late on Thursday night, the Newman government sacked the

parliamentary committee overseeing the CMC, saying that statements from Labor members on the committee who had called for Dr Levy's resignation showed that it had become politicised.

The committee had been chaired by independent MP for Gladstone Liz Cunningham, who in the 1990s held the balance of power in Queensland and opted to support the then Coalition of Liberal and National parties ahead of the ALP.

Ms Cunningham said yesterday that the sacking of the committee would lead to questions over the independence of the committee system. "I think that the core issue here is that a committee that has progressed a matter contrary to the way the government may have liked it to have progressed has been dismissed. I think in the community's mind the question could be how independent will committees be allowed to be."

The government yesterday announced a new committee to be dominated by its own MPs. Attorney-General Jarrod Bleijie said the accusations against the CMC chief will now be examined by a newly convened select ethics committee — to be chaired by another LNP member, David Gibson — that's not tainted by bias.

ANDREW FRASER

THE AUSTRALIAN ON TV

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Former foreign minister

SPECIAL GUESTS

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Education Minister

SPECIAL GUEST
Plus **JANET ALBRECHTSEN**
JONATHAN SWAN

AUSTRALIAN AGENDA

Tomorrow at 8.30am

VIEWPOINT

Tomorrow at 8pm

Liberal 'must face' ageing shift

RICK MORTON
SOCIAL AFFAIRS WRITER

SUPER funds and other interest groups yesterday called on the federal government to face up to the dramatic ageing shift forecasted by the Productivity Commission but to do so cautiously and with plenty of warning.

Joe Hockey would not comment on the report except to say, through a spokesman, "the government has no plans to increase the pension age", which the Productivity Commission said should climb to 70 to combat ever-

growing periods of retirement as Australians lived longer.

The report also says the pension age should be linked to the age at which Australians can cash out their superannuation, which is 55 and due to rise to 60 in 2024.

"The strong links between the two parts of Australia's retirement income system mean that decisions in one part can have large budgetary implications in the other," the report says.

"It also suggests that decisions concerning these two systems should be jointly considered."

Financial Services Council director of policy and international markets Martin Cadging yester-

day said the Coalition's Commission of Audit "is the right vehicle" for considering changes to the preservation age of superannuation funds.

"The superannuation system's ability to generate adequate retirement incomes for Australians can be significantly bolstered by increasing the preservation age," he said.

Association of Independent Retirees policy director Robert Carrel said the two schemes should be linked and rise together, while maintaining the seven-year gap between the super cash-out age and qualification age for the pension.

Labor in 2009 announced an increase in the eligible age of the pension from 65 to 67 to be phased in from 2017 to 2023.

"The preservation of the transition to retirement is critical and having that seven-year gap maintained will form part of that," Mr Carrel said.

"If you are able to work until you are 70, then you should expect to do that. The user really has to pay throughout their life for these changes because if we don't, the government will go broke."

Part of that user-pays model was suggested by the Productivity Commission: that older people could leverage the equity in the

value of their home to pay for essential care and services, even health services.

"Retirees tend not to draw down the wealth in their home, which represents a significant share of their total wealth... an equity release scheme could leave older households with an appreciating asset base and significantly reduce government fiscal pressures over the longer term," the report says.

Association of Superannuation Funds of Australia chief executive Pauline Vamos said any change needed to be flagged well ahead of time.

Those who couldn't keep work-

ing needed to be looked after, otherwise they would be driven on to the Newstart Allowance and the disability pension.

"We think the access to super should be about five years before the pension age — that's a long-standing position," Ms Vamos said.

"We also do have to start looking at equity access programs because providing income in retirement is not just about the pension or superannuation."

The opposition's Treasury spokesman, Chris Bowen, said the Coalition had shown its hand by abolishing an advisory panel on ageing set up by Labor.

Virgin pilot emerges as Rudd-seat contender

ANDREW FRASER

A FORMER RAAF pilot who flies for Virgin Blue has emerged as a possible replacement for Kevin Rudd, who officially resigned yesterday from the seat of Griffith, triggering a by-election to be held probably in late January or early February.

The ALP holds Griffith with a margin of 2.8 per cent after the former prime minister suffered a swing of 5.5 per cent against him at the September 7 election.

The Liberal National Party candidate who achieved that swing, former AMA chief Bill Glasson, was endorsed earlier this week to run again.

Nominations for ALP preselection close on Monday with a ballot of the 370 members in the area being held on December 14, after the party's electoral college holds its ballot on December 12.

The two ALP candidates so far are the Left's Terri Butler, 35, an industrial relations lawyer, and pilot Jeremy de Lore, 43.

Mr de Lore is not a member of any faction but has the backing of the dominant right-wing Old Guard and AWU factions.

Two of the nine by-elections caused by the death of a prime minister or the resignation of a former prime minister have been lost by the incumbent party.

Bob Hawke's Melbourne seat of Wills was lost to independent Phil Cleary in 1992 and William McMahon lost Lowe in Sydney to Labor's Michael Maher in 1982.

DENNIS SHANAHAN P19
CRAIG EMERSON P19

BY-ELECTIONS WHEN A FORMER PM LEFT PARLIAMENT*

	In office	Seat	Result
1996	Paul Keating (ALP)	Blaxland, NSW	Resigned Labor retained, no Liberal candidate
1992	Bob Hawke (ALP)	Wills, Vic	Resigned Labor lost to independent after swing of -19%
1983	Malcolm Fraser (Lib)	Wannon, Vic	Resigned Liberals retained, 2PP swing of only -1%
1982	William McMahon (Lib)	Lowe, NSW	Resigned Liberals lost to Labor after swing of -10%
1978	Gough Whitlam (ALP)	Werriwa, NSW	Resigned Labor retained with swing of +12%
1968	Harold Holt (Lib)	Higgins, Vic	Died Retained by Liberals, after swing of +6%
1966	Robert Menzies (Lib)	Kooyong, Vic	Resigned Liberals retained despite swing of -8%
1951	Ben Chifley (ALP)	Macquarie, NSW	Died Labor retained despite swing of -10%
1945	John Curtin (ALP)	Fremantle, WA	Died Labor retained despite swing of -10%

* Since WWII

Howard reveals advice to his political heir

EXCLUSIVE

DENNIS SHANAHAN
POLITICAL EDITOR

JOHN Howard warned Tony Abbott shortly after the dead-heat election of 2010 that the Gillard minority government would last the distance and the Coalition should prepare for a long campaign.

The former Liberal prime minister met his political heir a month after the August 2010 election to talk about the challenges of the "coming three years".

Mr Howard said they were both aware "grumbles about Abbott's leadership might easily emerge" and the Liberal leader "dreaded the thought that this near-victory in 2010 might be as

close as he was ever going to get".

In an updated post-election chapter of his book *Lazarus Rising*, Mr Howard writes that "Abbott knew enough political history to be anxious about the future".

"There is constant pressure on an opposition leader to perform. The post-election euphoria would quickly fade, and expectations were high that the Gillard government would collapse, if this did not happen, grumbles about Abbott's leadership might easily emerge," Mr Howard writes.

"He dreaded the thought that this near-victory in 2010 might be as close as he was ever going to get. That had been Arthur Calwell's lot in 1961, when the Menzies government survived by just one seat. Calwell would lose two more elections as Labor opposition leader, each by a wider margin than the last," he said.

In **INQUIRER**



Exclusive extract from the new edition of *Lazarus Rising*

Mr Howard was of the opinion the minority Labor government "would go the distance" because the rural independents, Rob Oakeshott and Tony Windsor, who supported Labor, would not change course.

"The bad blood between them and the Nationals was palpable," he said.

"I advised Abbott to make more 'boring speeches' about the economy."

"It would almost certainly be three years before the next election, so an expanded narrative would be needed."

Mr Howard said that Labor's loss on September 7 could be attributed to June 23, 2010 "when Kevin Rudd was ambushed by his deputy Julia Gillard and bullied into standing down in the certain belief that he would suffer a humiliating defeat in any caucus ballot".

Australia's second-longest-serving prime minister also rates the Rudd-Gillard-Rudd government as the "least successful Labor administration since World War II".

Parting words for a party he loves

Continued from Page 1

policies that appeal to the needs and aspirations of voters, Mr Whitlam writes. Understanding Labor's record in government and opposition — moments of pride and matters of regret — can help to refresh the party's contemporary "sense of identity and purpose".

The essay was written in the past year during Julia Gillard's government. This tumultuous period was often marked by vigorous political debates, claims of policy failures and backflips, and some spectacular parliamentary clashes.

In recent years, Mr Whitlam has worked tirelessly to promote the Whitlam Institute, located at the University of Western Sydney, which houses his papers. He visited a few weeks ago.

"The pressures on our leaders today are much more intense than in my times, exciting and exacting as they were," Mr Whitlam writes in the book.

"The most successful initiatives of my government were those which had been most thoroughly explained to the electorate, using the great forums of the party and the parliament."

Troy Bramston is the editor of *The Whitlam Legacy (The Federation Press)*

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Clarification

IN a report published in *The Australian* on Monday, ("Overhaul township leases, says council", page 6), Djiniyini Gondarra was referred to as a traditional owner of Yirrkala. *The Australian* wishes to clarify that he is a senior Djunggayaya man for the deceased Lamamirri tribe and through proper processes of indigenous decision-making has full rights to have a seat at any table of negotiation concerning Yirrkala.

DIRECTOR, MARKETING & COMMUNICATIONS

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Alternatively position descriptions can be obtained from our corporate website at www.tourism.sa.gov.au

Applications should be marked "confidential", and be addressed to Rodney Harrex, Chief Executive Officer, South Australian Tourism Commission, GPO Box 1972, Adelaide, SA 5001.

The South Australian Tourism Commission is an Equal Opportunity Employer.



Rio backs Canberra on carbon action

BRIDGET CARTER

THE chairman of global mining giant Rio Tinto is backing the Abbott government's approach to climate change and business, despite it still being "early days".

Rio applauded the scrapping of the carbon tax and was engaging regularly with the government on some ideas surrounding climate action, chairman Jan du Plessis said yesterday.

"It is early days, so we need to know whether we think it is practical and how it will play out, but we are supportive," he told the Australian British Chamber of Commerce business lunch in Sydney.

Mr du Plessis said Labor's proposed resource super-profits tax was particularly unfortunate, describing the process as questionable, and adding there was almost no discussion, despite the company being the nation's biggest corporate taxpayer.

"A more considered approach would have endeavoured to introduce reforms that encourage investment, generate economic growth and create jobs for Australia."

Mr du Plessis described the public's trust in both the business and political class globally as being at an all-time low and said Australia's leaders needed to accept that trust was no longer a given.

"We have to re-earn and rebuild the trust that was lost and

that we so desperately need," Mr du Plessis said.

In Australia, the resources boom underwrote what was a golden era of wealth creation between 1991 and 2009, making Australia's economy "the envy of many in the world".

In the aftermath of the global financial crisis, however, the situation had changed and the government and business needed to take stock.

"For too long, government and business have taken prosperity for granted. We have developed bad and lazy habits," he said.

"The strength of the resources boom has masked the weakness of a slowdown in productivity improvements."

Co-operation and collaboration of business and government at an industry and company, federal and state level was needed for effective reform in Australia, he said.

When questioned about the tensions between Australia and Indonesia, Mr du Plessis said nations spying on each other was nothing new, but it had become more personalised, citing the example where US President Barack Obama apologised for the tapping of German Chancellor Angela Merkel's mobile phone.

"The personal nature of some of the things we have read recently makes these things very difficult."

BUSINESS P23

Australia rejects climate compo

Continued from Page 1

agreed on a negotiating position at Warsaw that would not agree to any new taxes, charges or contributions. That approach has led developing nations to blame Australia, along with others, for stalling the "loss and damage" talks in recent days to assist countries that suffer from storms or floods that might be linked to climate change.

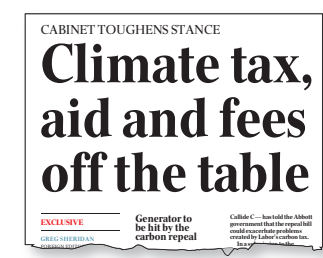
The draft agreement on "loss and damage" has left out references to compensation — the key demand from China and the Group of 77 developing countries — and concentrates instead on setting up an unspecified mechanism, according to reports from Warsaw.

European Commissioner for Climate Action Connie Hedegaard also expressed concern about payments.

"We cannot have a system where we have automatic compensation whenever severe weather events happen around the planet," Ms Hedegaard said in a Bloomberg report.

Developing nations gained support from Australia and others one year ago to put the "loss and damage" idea on the UN agenda as some advocates called for about \$100 billion in annual compensation. That would require \$2bn or \$3bn a year from Australia if the nation's contribution was measured by its share of global GDP or greenhouse gas emissions.

Separate talks on climate finance, focused on helping developing countries adapt to cli-



How *The Australian* broke the story on November 11

mate change consequences such as rising sea levels, are meant to lead to about \$100bn in contributions from wealthy countries every year by 2020.

In his only public comments on the negotiating position at Warsaw, Mr Abbott stood by his vow to cut domestic emissions by 5 per cent by 2020.

"We will meet our 5 per cent emissions reduction target but this government has made no commitments to go further than that," the Prime Minister said.

"We certainly want to get emissions down as far as we reasonably can but we are certainly in no way looking to make further binding commitments in the absence of very serious, like binding commitments in other countries and there's no evidence of that."

Mr Davey's comments on compensation do not indicate a broader support for Australia's position on the 2020 target, given the British Energy Secretary has criticised Japan for abandoning its plan to cut emissions.

Australian diplomats at Warsaw drew rebukes in recent days

for wearing T-shirts to a session, flouting the summit's dress code, but Climate Institute deputy chief executive Erwin Jackson said the bigger issue was not helping to get agreements.

"We shouldn't overlap the actions of the diplomats when all they're doing is carrying out the instructions of their political masters in Canberra," Mr Jackson said yesterday.

The Climate Institute said Australia's broader ambition on climate change, to cut emissions by 15 to 25 per cent by 2020, remained in the UN agreements.

Mr Abbott's repeal of the carbon tax, begun in parliament this week, has fuelled criticism of Australia at the UN summit along with Japan, Canada and Norway.

Indian Environment Minister Jayanthi Natarajan expressed "dismay" at the scaling down of ambitions by developed countries and Chinese negotiator Su Wei was scathing about the talks.

"This week... saw 'loss and damage' talks that have stalled because developed countries refused to engage," Mr Su said, according to Bloomberg. Mr Su did not mention Australia by name but his remarks were reported as a criticism of the country.

South African Environment Minister Edna Molewa named Australia as one of the culprits in the negotiations.

"We are deeply concerned about recent announcements by Japan and Australia to significantly reduce their commitments," Ms Molewa said.