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STRONGER TARGETS TO REDUCE INDIGENOUS INCARCERATION

Time to close gap in jails

EXCLUSIVE
GREG BROWN
PAIGE TAYLOR

More ambitious targets to reduce the number of Aboriginal Australians in jail will be put to state and territory governments as part of an overhaul of the Closing the Gap program to reduce indigenous disadvantage.

Morrison government sources confirmed the commonwealth would scrap a draft agreement to reduce the rate of young

Aboriginal and Torres Strait Islanders in prisons by up to 19 per cent by 2028.

It will instead take a higher target to the states next month after thousands of protesters took to the streets to express their anger over indigenous incarceration rates and deaths in custody.

Officials from state and federal departments will meet Aboriginal representatives including Pat Turner, the chief indigenous negotiator for the Closing the Gap "refresh", on Tuesday before a meeting of state and territory leaders to decide on the stricter

targets on July 2. Since the Royal Commission into Aboriginal Deaths in Custody in 1991, the rate at which indigenous people have died in jail as a percentage of the Aboriginal prison population has fallen and is now lower than for the non-indigenous prison population, according to data from both the Australian Institute of Criminology and the Australian Bureau of Statistics.

But the number of indigenous people in the prison system has increased from 19 per cent in 2000 to nearly 30 per cent in March this year, according to ABS figures.

There are now 12,900 indigenous people in prisons, out of a total prison population of 44,159.

Indigenous people made up almost 3 per cent of the population at the 2016 census.

Indigenous Australians Minister Ken Wyatt is pushing for each state and territory to adopt specific incarceration targets, according to sources close to negotiations. The new targets will be more ambitious than the draft Closing the Gap target, released in December 2018, for a 5 per cent decline in the incarceration rate among adults and an 11 to 19 per

cent reduction among youths. The high rate of indigenous incarceration and associated frequency of deaths in custody were seized on by Australian Black Lives Matter protesters at the weekend marches, which fuelled a backlash over the breaching of coronavirus social-distancing restrictions.

Mr Wyatt declined to comment on the new targets but told The Australian he was "working to address the factors that contribute to high incarceration rates (including) health, education and employment".

"If we want to reduce the num-

ber of deaths in custody, we need to look very closely at what's happening here in Australia — the factors contributing to incarceration rates and the way in which our systems are handling these incidents," Mr Wyatt said.

"This requires a co-operative approach between government and with communities, particularly when states and territories hold the policies and levers relating to policing and justice matters.

"It takes more than money; it takes an iron-steam commitment; it takes listening and understanding; and it takes us working to-

gether. The Morrison government is progressing with the Closing the Gap refresh in partnership with the Coalition of Peaks, and while we're still in final negotiations, there will be a justice target contained within that agreement."

Ms Turner — lead convener of the Coalition for Peaks, which represents about 50 Aboriginal bodies — said Aboriginal leaders were pushing for more ambition across all categories in the Closing the Gap refresh, including health,

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'We knew it was not suicide ... always'



Former soldier Chris Betts, shot dead in Baghdad

EXCLUSIVE
PAOLA TOTARO

The parents of Chris Betts, the elite former soldier shot dead in mysterious circumstances at Australia's embassy in Iraq in May 2016, wanted only to hear officially what they've long known in their hearts: "Chris did not commit suicide."

As Queensland Coroner Terry Ryan concluded on Monday that the death of Betts, 34, from Hervey Bay, 300km north of Brisbane, was "most likely to have been a tragic accident," his sisters' and parents' relief engulfed the courtroom.

"We have had four years waiting for this day to arrive. We know, and we have always known, that it was not suicide," Colin and Rae Betts told The Australian. "We feel empathy for all the lives that were turned upside down in that moment and every moment that followed.

"We know that the other person in the room that night will never be the same again, but all we wanted was the truth. Nothing more. Nothing less.

"Our world was turned upside down but all we wanted from day one was to know what happened to Chris and some show of responsibility from his workplace.

"URG had our son's life in their hands. And the lives of all the other men and women in their care in Iraq. They did not acknowledge their duty of care.

"They were responsible for protocols on safety and they did not enforce them.

"We want to prevent this happening again."

In his 30-page report, the coroner concluded that while private security firm United Resources Group's standard operating procedures prohibited the use of alcohol and required guns to be kept unloaded in a locked cupboard, these were not enforced.

Mr Ryan said the company fostered a "culture of unsafe drinking and weapons handling practices" and the failure by management to enforce its policies amounted to "reckless disregard for the safety of its staff".

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China turning off the cash tap

GLENDIA KORPORAL

Chinese investment in Australia plummeted by more than 60 per cent last year to \$3.4bn, as Beijing shifted capital towards developing nations that have signed up to Xi Jinping's signature Belt and Road Initiative.

A new report reveals that despite record trade between the two countries, Chinese investment in Australia in 2019 was at its lowest annual level since 2007, even below the 2010 trough that came two years after Chinese minerals and energy sector deals brought in more than \$20bn.

The investment dive is part of a broader trend of falling Chinese investment in Western countries such as the US and Canada, as Beijing directs capital flows to reinforce its strategic interests elsewhere in the world.

It came amid stricter Chinese government controls over outward investment, and tougher treatment by Australia's Foreign Investment Review Board of bids by Chinese companies, particularly state-owned enterprises.

The report by KPMG and the University of Sydney prelates last week's announcement by the Morrison government of a new foreign national security test for all offshore bids for sensitive assets, which could further choke investment flows from Chinese companies.

The report says the most Chinese investment in Australia last year came from a single deal that was 44 per cent of the total — the \$1.5bn takeover by China's Mengniu Dairy Company of food company Bellamy's Australia.

The total number of new deals by Chinese investors in Australia almost halved from 74 in 2018 to 42 last year.

Real estate was responsible for two other major deals — \$280m to buy a majority stake in the Propertylink Australian Logistics Trust II in NSW by the China Merchants Fund, and a \$200m residential investment deal by the Hong Kong-listed Aoyuan International to buy Sydney property developer Capital Bluestone.

The fourth-largest deal was the \$120m purchase by the China Education Group of education provider the King's Own Institute.

Two-way trade between Australia and China grew by more than 21 per cent last year to a record \$235bn.

KPMG's partner in charge of

CCP's network of influence stretches around the globe

BEN PACKHAM
FOREIGN AFFAIRS AND DEFENCE CORRESPONDENT

The Chinese Communist Party is influencing foreign governments, stealing technology and co-opting business interests through a vast "united front system" that stretches across the world, a new report reveals.

The Australian Strategic Policy Institute report lays bare the operations of the CCP's global influence network, saying intelligence agencies need to better track and understand the system to counter political interference and economic espionage.

It reveals how the global influence system goes well beyond the CCP's United Front Work Department, drawing upon "hundreds of thousands of united front figures and thousands of groups".

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INSIDE

We are in a new cold war and while it has different dimensions to the period between 1949 and 1989, there are unquestioned similarities.

STEPHEN LOOSLEY P10

Asia and international markets, Doug Ferguson, said there were many reasons behind the fall.

They included the tightening of Chinese regulations on outward direct investment, and investments by Chinese state-owned enterprises moving away from developed markets and towards Belt and Road Initiative projects in Latin America.

Mr Ferguson said "negative Chinese perceptions on stricter control regulations by the Australian government and worsening

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Police shut down Rye pier on the Mornington Peninsula after large crowds at the weekend went fishing without observing social-distancing rules

Pier's off: fishermen get marching orders

GEOFF CHAMBERS
RACHEL BAXENDALE

Victoria Police closed a popular Mornington Peninsula pier over concerns that locals and visitors were not "observing social-distancing requirements" just two days after thousands marched through the streets of Melbourne without penalty.

People would be "moved on" if they visited Rye pier and more local attractions would be shut if social-distancing was not observed, the police later said.

The apparent double standard in policing comes as health authorities consider lifting social-distancing restrictions more quickly and pressure mounts on states that let thousands of people march in Black Lives Matter protests on Saturday.

The Australian Health Protection Principal Committee, which met on Monday to discuss the national cabinet's three-stage COVID-19 road map, is now understood to be considering



'Not acceptable' ... Pier fishermen on Monday

post-July scenarios for opening up contingent on no further virus outbreaks.

Federal Health Department figures show there are fewer than 460 active COVID-19 cases in the country, with 6706 people recovering from the virus. Australia has registered only 59 positive infections in the past seven days.

New Zealand Prime Minister Jacinda Ardern announced on



'Acceptable' ... a Black Lives Matter protest on Saturday

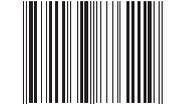
Monday that the country was coronavirus free, moving to unlock restrictions and bringing a return to normality for travel, hospitality, funerals and public transport. But she said New Zealand would not rush into starting a trans-Tasman "travel bubble" with Australia, describing the country's border as "critical".

"The reason New Zealanders ... will be able to move around with freedom that very few other countries in the world have is because we are maintaining those restrictions at the border," Ms Ardern said.

Premiers are now being urged by industry leaders to accelerate the easing of restrictions, including border closures, to protect the tourism and hospitality sectors and regional areas hard hit by the pandemic's economic fallout.

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SWAPPING PRIVILEGE FOR THE PAVEMENT

Church condemns Pell case online slurs

JOHN FERGUSON
ASSOCIATE EDITOR

The Catholic Church has condemned a fake email campaign using the coronavirus pandemic as a platform to attack the key witness in George Pell's criminal case and undermine the cardinal.

The church has denounced the campaign, which makes bizarre claims about Cardinal Pell's convictions, the role of his key accuser

and the proliferation of the coronavirus. The defamatory emails have been sent around the country, claiming to be from Catholic parishes, dioceses and in the organisations. The church believes the campaign amounts to criminal behaviour.

Information technology experts say those responsible are creating fake email addresses using legitimate or seemingly legitimate domain names.

"The seeming authenticity of

some of the emails has sparked concerns from the church, suggesting coronavirus slurs in Victoria could somehow be linked to the justice system's failures in the prosecution process.

Cardinal Pell's convictions were overturned in the High Court, 7-0, after he was wrongfully incarcerated for more than a year for abusing two choirboys.

The convictions came after the Victorian Court of Appeal ruled 2-1 to back the decision of the

County Court's second jury to convict Cardinal Pell.

"The content in the small number of emails that have been forwarded to us is offensive, un-Christian and, in some cases, defamatory," said Stephen Hackett, general secretary of the Australian Catholic Bishops Conference.

"The views expressed in the emails we have seen do not in any way reflect the views of the Catholic Church, nor the organisations that are purported to have sent

them. It is deeply regrettable that a number of people are being maligned in these emails, which seem designed to attack Cardinal Pell, Witness 1, the Catholic Church and now even politicians."

He said IT experts had determined the online attacks were based on fake email addresses.

"This has been described as the equivalent of someone sending a letter in the post that is signed 'in someone else's name and contains a fake return address.' Father

Hackett said. "Just as a letter of that kind would be hard to spot as fraudulent, some of the email addresses used appear to be legitimate."

Cardinal Pell was released from jail earlier this year, in a vindication of his supporters' claim that he had been wronged.

The final royal commission report into institutional sex abuse found Cardinal Pell had offered "implausible" evidence on the criminal behaviour of two ped-

ophile priests. The unredacted royal commission chapters relating to Cardinal Pell chronicled what was found to be a series of missteps by him dating back to the 1970s, rejecting key evidence in relation to two offending priests. The reports found Cardinal Pell was aware that one of the world's worst Catholic offenders — Gerald Ridsdale — was shifted to Sydney from western Victoria in 1982 because of his violent abuse of children.

The commission argued it was

"implausible" Cardinal Pell, 78, did not know Ridsdale was being moved because of his offending.

The commission also favoured the evidence of the Victorian Catholic Education Office over the cardinal on the actions of disgraced Melbourne priest Peter Seaton and whether Cardinal Pell was kept in the dark about some of Seaton's offending.

Cardinal Pell's supporters have questioned the accuracy of the royal commission report.

Killing to spark security overhaul

CHARLIE PELL

Security contractors will face tighter oversight under recommendations from a coroner who found bodyguard Chris Betts did not intend to take his own life when he died from a gunshot wound within the Australian embassy in Baghdad.

Handing down the findings on Monday from an inquest into Betts's death, coroner Terry Ryan said it was likely the former elite soldier pulled the trigger of the gun but did not mean to kill himself and that if the company he worked for had enforced its policies, the 34-year-old could still be alive.

Betts from Hervey Bay, 300km north of Brisbane died at 2:30am on May 12, 2016, following a night of drinking and video games in colleague Sun McKay's room within the embassy compound.

Betts's devastated wife, Angela, took her own life a few weeks later.

In declaring Betts's death a "tragic accident", Mr Ryan said it was likely he would not have died if the company he worked for had ensured its own protocols were followed. "He died when he was supposed to be in relatively safe surroundings," he said. "It was most likely a tragic accident which occurred when Mr Betts and Mr McKay were affected by alcohol."

Out of court, Betts's father, Colin, said the findings were not unexpected and he and his wife, Rae, had always believed their son had not intended to kill himself.

"In our hearts, we always knew that our son Chris would never have taken his own life deliberately," he said.

The company Betts worked for, Unity Resources Group, was contracted by the Department of Foreign Affairs and Trade to guard diplomats. The coroner said URG's standard operating procedures, which prohibited the use of alcohol and required guns to be kept unloaded in a locked cupboard, were adequate but not enforced. Former URG employees said drinking alcohol was "fairly prevalent" on the base and it would have been obvious to URG management.

Mr Ryan said the company fostered a "culture of unsafe drinking and weapons handling practices" and the failure by management to enforce its policies was reckless.

He recommended DFAT increase its oversight of contractors to ensure they have, and enforce, appropriate operating procedures, particularly regarding alcohol use and weapons.

Forensic evidence convinced the coroner that Betts, not Mr McKay, who was deemed an "unreliable witness", was holding the gun when it went off. "Mr McKay has a long history of mishandling or skylarking with his weapons," Mr Ryan said. "However, any theory that it was Mr McKay who discharged the weapon was not supported by the forensic evidence."

The managers of Dubai-based URG failed to co-operate with the inquest.

Iraq embassy guard's death ruled as 'accidental'

Continued from Page 1

"It is a matter of common sense that even highly trained professionals are adversely affected by alcohol," he said.

"Had the standard operating procedures been complied with and enforced by URG management, his death might have been prevented."

The Betts family did not just lose their son and another Chris young wife, Angela, devastated by her grief and the inability to glean straight answers on what happened on that terrible night, took her own life just a few weeks later.

"We miss Chris and Angela each and every single day. We hope and we know today. Hopefully the outcome today will allow us all to move forward a little more," Mr and Mrs Betts said.

"We don't believe in the word closure, but acceptance of the situation and knowing that it cannot be changed will also help us move forward."

Chris Betts had been working as a highly trained private security guard in the Australian embassy in Baghdad when he died in the early hours of May 12, 2016, after a gun was fired in his bedroom in the compound.

He was employed by URG, which was contracted to the Department of Foreign Affairs and Trade.

Evidence from work colleagues said Betts and former commando Sun McKay had been drinking and playing video games about 2:30am in Mr McKay's dorm room when Betts died of a gunshot wound.

Betts was due to go on holidays that day, had withdrawn cash for his break and had booked his flight to return home to Australia.

Mr McKay has never spoken publicly about events in the room that night but stood by what he told Australian Federal Police investigators at the time, claiming he had not been drinking and that Betts had actioned his Glock 17 pistol and it was "time to play clear or not clear" before pulling the trigger.

However, under aggressive questioning by the family's lawyer, Patrick McCafferty QC, during the coronial inquest hearings in November, Mr McKay conceded both the use of alcohol and that he probably put a magazine in his gun that night.

Asked to respond to colleagues who reported he had recklessly pointed his weapon at them in the past, Mr McKay was scathing in his assessment of their weapons skills and training, calling them "spuds" and "clock punches."

Mr Ryan concluded that while Mr McKay had a "long history of mishandling or skylarking with his weapons", forensic evidence did not support theories that he had fired the gun that killed his colleague.

Betts and Mr McKay formed part of an elite group of former soldiers who were employed by URG to provide personal protection to Australian diplomatic staff in Iraq.

The tragedy unfolded just a few months after The Australian published a series of 15 investigative reports outlining serious, internal concerns about URG work safety practices.

The first story detailed claims that the Dubai-based employer



Rae and Colin Betts, above, leave the coroner's court on Monday; Chris Betts with his wife, Angela, top right; and below, Betts's colleague Sun McKay

Embassy guards say lives at risk
December 28, 2015

Shortage of guards hits Iraq post
January 2-3, 2016

Embassy guards 'lost' pistols
January 4, 2016

DFAT troubleshooter to sort Baghdad security
January 18, 2016

Formal complaints against guard at centre of embassy shooting probe
May 18, 2016

Two years after death at embassy, family still waiting for answers
March 17-18, 2018

had "strong-armed" a 47 per cent pay cut, risking lives by scrimping on medical treatment and providing personnel with ageing and inferior arms and protective equipment.

DFAT had just awarded URG a new four-year contract worth nearly \$51m to provide personal protection for embassy staff from January 1, 2016. Tender documents showed that URG had won the new tender by undercutting by 50 per cent when compared with the \$100m it was paid to provide security for the four years between 2011 and December 31, 2015.

Such a big, complex case in court without the support of a litigation funder. Justice Lee said while he was not prepared to get into the "live controversy about litigation funding", without a funder in this case most of the group "would likely have been placed in a situation of being plaintiffs requesting compensation in circumstances where they would have been the subject of a significant inequality of arms".

He said the case was a "testament to the practical benefits of litigation funding". The claims he said, had been "litigated in an efficient and effective way" and

the grievances of "disgruntled former contractors" although they did not deny the accusations.

Mr Ryan concluded that had Standard Operating Procedures on weapons management been complied with at the time of Betts's death by the contractor, "Mr Betts's death could have been prevented".

In his report, he also flagged the possibility that DFAT officials were "deliberately kept in the dark" about internal issues and that there was some evidence that URG was "actively engaged in covering up information that did not reflect well on the company".

"Clearly, the failure by URG to enforce its own SOPs had the capacity to jeopardise the safety of its contractors and embassy officials."

"The outsourcing by DFAT of security operations to commercial security companies should not result in practices being introduced that would be unacceptable within the Australian Defence Force, which previously provided these functions."

Mr and Mrs Betts told The Australian that they would have had both compassion and empathy if the truth had been offered to them "no matter what that was".

"Unfortunately, all we got were so many different stories."

"However, after the coronial inquest last November and seeing and hearing all the wonderful positive things said about our son along with the support given to us... we have been more accepting of the fact that we know within our hearts what actually happened that dreadful night and Chris's mates and work colleagues also

had ultimately been resolved with an out-of-court settlement.

Omnibridge, CEO Andrew Saker said Justice Lee's ruling had been a "relief" and vindication for the litigation funder which had helped produce "a wonderful outcome for most group members."

He said Justice Lee's decision also demonstrated the level of "misplaced vitriol" levelled at litigation funder Omnibridge, he said, had foregone an additional \$35m in commissions in recognition of the relatively modest payouts and the fact that the case was settled out of court.

have a very definite idea. We all know it could have, and should have, been prevented.

"Chris was such a laid-back, happy young man with a future to look forward to with his wife, Angela.

"He hated being the centre of attention and was never one for bother."

"He got the job done quietly and efficiently. He loved his wife, his home, his two dogs, his family and his friends' lifestyle."

"When he chose his pets as a

young boy, he would always choose the runt of the litter.

"Always the ugliest cat. The ugliest guinea pig. But he loved them because they had so much character. He would have hated all this attention on him."

"Our son will never be back with us and nor will his beautiful wife. But we know we have had guidance the whole way through from them. We just know."

"And that too has helped us accept this situation as best as we can."

Labor eyes \$100m with tax raid on gas

SARAH ELKS

The Queensland government could rake in an extra \$100m a year thanks to a new "super-profits" royalties scheme imposed on the petroleum industry, despite warnings it could discourage investment.

Treasurer Cameron Dick on Monday announced the new royalties regime for gas producers to simplify Queensland's "time-consuming, complex and costly" system.

He said the royalties regime — recommended by former South Australian Labor premier Jay Weatherill after a lengthy review — would start on October 1, and would be based on the volume of gas produced, as well as actual sales revenue. The current system is calculated using the estimated commercial value of gas at the wellhead, which is difficult to estimate in the coal-seam gas and LNG sectors.

Petroleum royalties were worth \$454m to the state budget in 2018-19 and before the coronavirus crisis hit were estimated to contribute \$549m in 2019-20. LNG is the state's second-largest export commodity, with 22 million tonnes exported in the year to October 2019, worth about \$16bn.

According to pre-coronavirus modelling, the "volume model" is expected to generate, on average, \$94m a year more in royalties for Queensland taxpayers than the current system for the next nine years. The industry's preferred model was forecast to generate \$36m a year less.

Mr Weatherill said industry groups APPEA and the Queensland Resources Council backed alternative models, as did two of the three big LNG proponents.

He said the industry had raised concerns that the volume model might discourage investment in marginal gas fields.

ARTC

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ARTC Inland Rail is seeking Expressions of Interest (EOI) from suitably qualified design and construction contractors to:

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Two contractors will be engaged under an Early Contractor Involvement (ECI) model to deliver the early phase of design and construction works as part of the first of two tranches of works. Sites in the first tranche include Barnawartha, Wangaratta, Seymour, Tallarook and Glenrowan.

Contractors with experience delivering a program of complex road and rail infrastructure in regional locations with combined value in excess of \$200m are encouraged to respond.

EOI evaluation criteria will include having necessary insurances, compliances and demonstrated capabilities for project specific requirements.

HOW TO APPLY:

Interested parties must be registered on the TenderLink website and submit an EOI before **5pm (AEST), 13 July 2020**.

Visit tenderlink.com/inlandrail to view the EOI documents, ask a question or submit your EOI.

TenderLink reference
INLAND-920310

ADF payout locked in, litigation funders defended

EXCLUSIVE
DEBORAH CORNWALL

A Federal Court judge has approved a controversial \$212.5m settlement involving 3450 people who sued the Australian Defence Force for contaminating their land and waterways with the toxic firefighting foam, PFAS.

The class action was launched in 2016 by residents from three communities close to defence bases: Oakley in Queensland, Katherine in the Northern Territory and Williamtown in NSW's

Hunter Region. The group claimed their land was left almost worthless by the Defence Department's routine use of the PFAS foam over decades.

But when the Defence Department finally agreed to settle out of court in February, many class members had already learned \$57m would go straight to the litigation funder Omnibridge, which bankrolled their case, while a further \$30m had already been sucked up in legal fees.

"The settlement has been a cause celebre for critics of litigation funding for class actions.

At least 3 per cent of the class

members made formal submissions to Federal Court judge Michael Lee, variously arguing the funder and the lawyers had carved out so much of the payout they would be left with a "pittance".

In Oakley, where lawyers had predicted a \$200m payout, the community got just \$16.4m, with an average payout of \$36,000 for 450 people.

After two days of hearing submissions, Justice Lee concluded on Friday that while the settlement might have been like a "hollow" victory for some class action members, it would have been "impossible" for them to have pursued

such a big, complex case in court without the support of a litigation funder.

Justice Lee said while he was not prepared to get into the "live controversy about litigation funding", without a funder in this case most of the group "would likely have been placed in a situation of being plaintiffs requesting compensation in circumstances where they would have been the subject of a significant inequality of arms".

He said the case was a "testament to the practical benefits of litigation funding". The claims he said, had been "litigated in an efficient and effective way" and

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