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Crackdown on terrorists

A-G moves to make prosecutions easier, prevent attacks

Brendan Nicholson
Defence Correspondent

SIGNIFICANT changes to terrorism laws will make it easier to prosecute anyone for encouraging violence in Australia. The Attorney-General, Robert McClelland, said an attack in Australia could be carried out by foreign or domestic terrorists. He said he would release a package of reforms to national security and counter-terrorism laws within weeks for discussion and consultation. The public's views would be sought on a plan to widen the possibility of prosecuting anyone inciting viol-

Involving families, communities and religious leaders was crucial, Mr McClelland said. The Attorney-General said centres for Islamic studies at tertiary institutions had a particular responsibility in identifying behaviour that promoted terrorism. While traditional military, law enforcement and intelligence approaches to countering terrorism would remain paramount, addressing the long-term causes of terrorism was also vitally important, Mr McClelland said. But it was also important to note that not all "radical" views or beliefs were necessarily a concern. "However, radicalism is a threat when it becomes extreme. That is, when it denies the possibility of alternatives and seeks to impose itself by force."

NO SURRENDER
The Chief of Defence Force, Angus Houston, has warned that if foreign troops pull out of Afghanistan now the likely result would be a civil war that the Taliban would probably win. **PAGE 4**

Mr McClelland said successful prosecutions in Melbourne and Sydney showed violent extremists were active in Australia. Key factors which appeared to regularly contribute to extremism included reactions to overseas events, grievances with local and national issues, and individual circumstances such as poor education and socioeconomic factors. Countering extremism was a national problem requiring a national response. Mr McClelland said the Government would focus on four key areas:

- Identifying and disrupting violent extremists;
 - Identifying at-risk groups and individuals and supporting them to resist violent extremism;
 - Maintaining the social cohesion and resilience of communities, and
 - Using effective communications to challenge violent extremist messages and support alternatives.
- He said the domestic intelligence agency, ASIO, could identify and engage with extremists in order to understand extremism, and counter extremist activities. The Foreign Minister, Stephen Smith, said yesterday Australian agencies would help Indonesian investigators collect clear images from surveillance cameras and prepare pictures of the likely Jakarta bombers.

ence against an individual on the basis of race, religion or nationality, he told the Australian Strategic Policy Institute last night. "Notably, this would expand the opportunity for prosecuting those who attempt to induce others, including vulnerable youths, to commit acts of politically motivated violence," Mr McClelland said. It would supplement the existing Commonwealth offence of inciting violence against a group. "We also need to focus on targeted initiatives to identify those exposed to, or at risk of being influenced by violent extremists," he said.



Saying goodbye... Indonesian friends and colleagues pay their respects to Thiess executive Garth McEvoy during a service at a Jakarta hospital yesterday. The Brisbane man was one of nine people killed - including three Australians - in the Jakarta bombings five days ago. Photo: Kate Geraghty

Arrest of suspect hastened deadly bombing

Tom Allard
Herald Correspondent in Jakarta

THE arrest of a key figure in the Indonesian terrorist network weeks before the deadly Jakarta hotel bombings is believed to have prompted the terrorists to bring forward their attack.

Indonesian authorities arrested the right-hand man of Noordin Top, the suspected mastermind of the bombings, late last month.

The capture of Saifuddin Zuhri, more commonly known as Sabit, showed how close counter-terrorism police came to cracking Noordin's network before the blasts that killed nine people last Friday, but also may have hastened the attacks.

Sabit, Noordin's most trusted emissary and a veteran of Osama bin Laden's Afghan jihad, was apprehended in a raid in Cilacap, Central Java, late last month.

Apparently acting on information gained from his interrogation, police launched a second raid on Tuesday last week that uncovered a bomb said to be

Lock and key terrorist

He was a small-time locksmith who convinced security at the JW Marriott hotel that he was a well-heeled businessman. Nur Hasbi, right, was also a radical Islamist, believed to have launched the attacks that killed nine civilians. **PAGE 7**



'Don't abandon Indonesians'

The brother of Garth McEvoy, killed in the Jakarta bombings, has urged Australians not to abandon Indonesia or blame ordinary Indonesians. Trent McEvoy urged people to continue working with the "wonderful people" in Indonesia. **PAGE 7**

identical to the one used in Friday's blasts. The day after the device was found buried in a Cilacap home, the attackers checked into the Marriott. A day later, after putting a "Do not disturb" sign on the door while the bombs were assembled, they struck.

The Australian National University terrorism analyst Greg Fealy said: "If [Sabit] was as trusted by Noordin as seemed to be the case, the chance was that he would have known something was on."

The operation at the Marriott and Ritz-Carlton hotels had clearly been planned for months, if not longer. But other evidence suggests that not everything went to plan, and the attack may have been brought forward. A third bomb assembled in a laptop, for example, was inexplicably left behind despite being "active".

Sabit was the point man for Noordin's last known attempt to launch a terrorist attack, a plot last year to blow up a cafe in Bukittinggi, West Sumatra. The

last week. Baharudin is the imam of a radical mosque in Cilacap, but escaped the recent raids and remains at large.

Several members of the so-called Palembang cell that had planned the Bukittinggi cafe bombing hailed from Cilacap, a port town just 500 metres from Nusakambangan, the prison island where the Bali bombers Amrozi, Mukhlas and Imam Samudra were imprisoned and later executed.

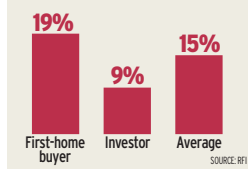
Noordin's network runs on a strict cell structure where communications between members are kept to a minimum, particularly when an attack is looming.

Sabit was, by most accounts, intensely loyal to his master. But his arrest and the subsequent raid would have been alarming to Noordin, giving the impression his lieutenant might have squealed.

"[The arrest] would have made them move faster because it might lead to this particular cell being uncovered," said Rohan Gunaratna, a terrorism expert at Nanyang University, Singapore.

Mortgage belt loosens, but not for first-home buyers

AT EASE
Proportion of borrowers who expect difficulty over the next 12 months



Jacob Saulwick
National Correspondent

THE proportion of home owners in NSW and the ACT struggling to muster their mortgage repayments has halved in the past two years - but it is still the highest in the country.

A report on Australian mortgagors paints a much healthier picture than in previous years, with two potential blemishes - the prospect of

higher unemployment and a surge in the number of riskier first-home buyers.

Among borrowers in NSW and the ACT, only 15 per cent now find it difficult to pay their loan, down from almost 30 per cent in 2007, according to the report, released yesterday by the mortgage insurer Genworth Financial.

But there are concerns about a mini-boom among first-home buyers, lured into the market by grants pumped up by the Gov-

ernment to help stimulate the economy.

One in five first-home buyers expect difficulty meeting their repayments in the coming year, compared with one in seven among existing buyers.

First-home buyers are also taking out riskier loans. Last year one in five took out a loan for more than 90 per cent of the property price. But this year one in three home buyers is taking out a loan for more than 90 per cent.

"Certainly the increase is a consequence of the first-home buyer's [grant] boost," said the chief executive officer at Genworth Financial, Martin Barter, referring to payments ranging from \$14,000 to \$21,000.

Mr Barter said he did not think a bubble had formed in the market for first homes, mostly because banks had tightened lending standards.

But in their rush some buyers were finding ways around new

bank limits that prevent 100 per cent home loans.

Otto Dargan, from Home Loan Experts in Enfield, said in the past two months there had been a surge in the number of "guarantor applications" - where first-home buyers use their parents' houses as additional security to get a 100 per cent home loan.

"Forty per cent of our loans are now guarantor loans," Mr Dargan said. A couple of months ago, "they were 5 per cent, they were nothing".

Mr Dargan said some banks were becoming concerned about guarantor loans, particularly if the applicant's parents were quite elderly.

Genworth's survey cited unemployment as the main worry among home buyers. And Mr Barter said that while mortgagors in NSW cited the highest level of stress, those in other states were catching up.

Rate cut hopes fade - Page 3

INSIDE

Federal health takeover

A federal takeover of ancillary health services is at the centre of plans for a shake-up put to the Rudd Government. Outpatient services and community health centres now run by the states would fall under federal funding control. **NEWS, PAGE 4**

Epping killings horrify young

The family bashed to death as they slept in their North Epping home were subject to another violent crime only a month ago. A local shopkeeper says Lillie Lin, wife of Min Lin and mother of Henry, 9, and Terry, 12, was held at knifepoint during a robbery at the family's newsagency. **NEWS, PAGE 2**

Civil claim hits Dubai accused

The Gold Coast developer Sunland Group has complained to police and the corporate watchdog about two Australians accused of fraud in Dubai. It will take civil action against Matthew Joyce and Marcus Lee who have been charged with fraud after being held for six months on suspicion of bribery. **BUSINESSDAY, PAGE 15**

Berlusconi stiff blonde escort

Recordings made by the now-infamous blonde escort Patrizia D'Addario appear to confirm that the Italian Prime Minister, Silvio Berlusconi, not only spent the night with her, he also forgot to pay her. **WORLD, PAGE 6**

Why failure is the new success

In contemporary art, failure appears to be the new success. One reason that being so crap is now so popular is the ugly tendency in Australian culture to revel in triumphalism. The need to win runs deep in the Australian psyche. **ANDREW FROST, OPINION, PAGE 9**

SYDNEY CITY fine, windy 14°-23°
TOMORROW: chance late shower 11-17°
LIVERPOOL mostly fine, windy 12°-23°
TOMORROW: chance late shower 7°- 17°
PENRITH mostly fine, windy 12°-23°
TOMORROW: chance late shower 7°- 17°
WOLLONGONG chance shower 14°-23°
TOMORROW: chance late shower 11°- 17°

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