COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES

House of Representatives

Official Hansard

No. 18, 2011
Wednesday, 23 November 2011

FORTY-THIRD PARLIAMENT
FIRST SESSION—THIRD PERIOD

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES
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**SITTING DAYS—2011**

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FORTY-THIRD PARLIAMENT
FIRST SESSION—SECOND PERIOD

Governor-General
Her Excellency Ms Quentin Bryce, Companion of the Order of Australia

House of Representatives Office holders
Speaker—Mr Harry Alfred Jenkins MP
Deputy Speaker—Hon. Peter Neil Slipper MP
Second Deputy Speaker—Hon. Bruce Craig Scott MP

Members of the Speaker’s Panel—Ms Anna Elizabeth Burke MP, Hon. Dick Godfrey Harry Adams MP, Ms Sharon Leah Bird MP, Mrs Yvette Maree D’Ath MP, Mr Steven Georganas MP, Ms Kirsten Fiona Livermore MP, Mr John Paul Murphy MP, Mr Peter Sid Sidebottom MP, Mr Kelvin John Thomson MP, Ms Maria Vamvakou MP

Leader of the House—Hon. Anthony Norman Albanese MP
Deputy Leader of the House—Hon. Stephen Francis Smith MP
Manager of Opposition Business—Hon. Christopher Maurice Pyne MP
Deputy Manager of Opposition Business—Mr Luke Hartsuyker MP

Party Leaders and Whips
Australian Labor Party
Leader—Hon. Julia Eileen Gillard MP
Deputy Leader—Hon. Wayne Maxwell Swan MP
Chief Government Whip—Hon. Joel Andrew Fitzgibbon MP
Government Whips—Ms Jill Griffiths Hall MP and Mr Ed Husic MP

Liberal Party of Australia
Leader—Hon. Anthony John Abbott MP
Deputy Leader—Hon. Julie Isabel Bishop MP
Chief Opposition Whip—Hon. Warren George Entsch MP
Opposition Whips—Mr Patrick Damien Secker MP and Ms Nola Bethwyn Marino MP

The Nationals
Leader—Hon. Warren Errol Truss MP
Chief Whip—Mr Mark Maclean Coulton MP
Whip—Mr Paul Christopher Neville MP

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**Members of the House of Representatives**

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</table>
## Members of the House of Representatives

<table>
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<tr>
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<th>Division</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vasta, Ross Xavier</td>
<td>Bonner, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Washer, Malcom James</td>
<td>Moore, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Wilkie, Andrew Damien</td>
<td>Denison, TAS</td>
<td>Ind</td>
</tr>
<tr>
<td>Windsor, Anthony Harold Curties</td>
<td>New England, NSW</td>
<td>Ind</td>
</tr>
<tr>
<td>Wyatt, Kenneth George</td>
<td>Hasluck, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Zappia, Tony</td>
<td>Makin, SA</td>
<td>ALP</td>
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**PARTY ABBREVIATIONS**

ALP—Australian Labor Party; LP—Liberal Party of Australia; LNP—Liberal National Party;
CLP—Country Liberal Party; Nats—The Nationals; NWA—The Nationals WA; Ind—Independent;
AG—Australian Greens

**Heads of Parliamentary Departments**

Clerk of the Senate—R Laing
Clerk of the House of Representatives—B Wright
Secretary, Department of Parliamentary Services—A Thompson
**GILLARD MINISTRY**

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</tr>
<tr>
<td>Deputy Prime Minister, Treasurer</td>
<td>Hon. Wayne Swan MP</td>
</tr>
<tr>
<td>Minister for Regional Australia, Regional Development and Local Government</td>
<td>Hon. Simon Crean MP</td>
</tr>
<tr>
<td>Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate</td>
<td>Senator Hon. Chris Evans</td>
</tr>
<tr>
<td>Minister for School Education, Early Childhood and Youth</td>
<td>Hon. Peter Garrett AM, MP</td>
</tr>
<tr>
<td>Minister for Broadband, Communications and the Digital Economy and Deputy Leader of the Government in the Senate</td>
<td>Senator Hon. Stephen Conroy</td>
</tr>
<tr>
<td>Minister for Foreign Affairs</td>
<td>Hon. Kevin Rudd MP</td>
</tr>
<tr>
<td>Minister for Trade</td>
<td>Hon. Dr Craig Emerson MP</td>
</tr>
<tr>
<td>Minister for Defence and Deputy Leader of the House</td>
<td>Hon. Stephen Smith MP</td>
</tr>
<tr>
<td>Minister for Immigration and Citizenship</td>
<td>Hon. Chris Bowen MP</td>
</tr>
<tr>
<td>Minister for Infrastructure and Transport and Leader of the House</td>
<td>Hon. Anthony Albanese MP</td>
</tr>
<tr>
<td>Minister for Health and Ageing</td>
<td>Hon. Nicola Roxon MP</td>
</tr>
<tr>
<td>Minister for Families, Housing, Community Services and Indigenous Affairs</td>
<td>Hon. Jenny Macklin MP</td>
</tr>
<tr>
<td>Minister for Sustainability, Environment, Water, Population and Communities</td>
<td>Hon. Tony Burke MP</td>
</tr>
<tr>
<td>Minister for Finance and Deregulation</td>
<td>Senator Hon. Penny Wong</td>
</tr>
<tr>
<td>Minister for Innovation, Industry, Science and Research</td>
<td>Senator Hon. Kim Carr</td>
</tr>
<tr>
<td>Attorney-General and Vice President of the Executive Council</td>
<td>Hon. Robert McClelland MP</td>
</tr>
<tr>
<td>Minister for Agriculture, Fisheries and Forestry and Manager of Government Business in the Senate</td>
<td>Senator Hon. Joe Ludwig</td>
</tr>
<tr>
<td>Minister for Resources and Energy and Minister for Tourism</td>
<td>Hon. Martin Ferguson AM, MP</td>
</tr>
<tr>
<td>Minister for Climate Change and Energy Efficiency</td>
<td>Hon. Greg Combet AM, MP</td>
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</table>

[The above ministers constitute the cabinet]
Minister for the Arts
Minister for Social Inclusion
Minister for Privacy and Freedom of Information
Minister for Sport
Special Minister of State for the Public Service and Integrity
Assistant Treasurer and Minister for Financial Services and Superannuation
Minister for Employment Participation and Childcare
Minister for Indigenous Employment and Economic Development
Minister for Veterans’ Affairs and Minister for Defence Science and Personnel
Minister for Defence Materiel
Minister for Indigenous Health
Minister for Mental Health and Ageing and Minister Assisting the Prime Minister on Mental Health Reform
Minister for the Status of Women
Minister for Social Housing and Homelessness
Special Minister of State
Minister for Small Business
Minister for Home Affairs and Minister for Justice
Minister for Human Services
Cabinet Secretary
Parliamentary Secretary to the Prime Minister
Parliamentary Secretary to the Treasurer
Parliamentary Secretary for School Education and Workplace Relations
Minister Assisting the Prime Minister on Digital Productivity
Parliamentary Secretary for Trade
Parliamentary Secretary for Pacific Island Affairs
Parliamentary Secretary for Defence
Parliamentary Secretary for Immigration and Multicultural Affairs
Parliamentary Secretary for Infrastructure and Transport and Parliamentary Secretary for Health and Ageing
Parliamentary Secretary for Disabilities and Carers
Parliamentary Secretary for Community Services
Parliamentary Secretary for Sustainability and Urban Water
Minister Assisting on Deregulation and Public Sector Superannuation
Minister Assisting the Attorney-General on Queensland Floods Recovery
Parliamentary Secretary for Agriculture, Fisheries and Forestry
Minister Assisting the Minister for Tourism
Parliamentary Secretary for Climate Change and Energy Efficiency
SHADOW MINISTRY

Leader of the Opposition
Deputy Leader of the Opposition and Shadow Minister for Foreign Affairs and Shadow Minister for Trade
Leader of the Nationals and Shadow Minister for Infrastructure and Transport
Leader of the Opposition in the Senate and Shadow Minister for Employment and Workplace Relations
Deputy Leader of the Opposition in the Senate and Shadow Attorney-General and Shadow Minister for the Arts
Shadow Treasurer
Shadow Minister for Education, Apprenticeships and Training and Manager of Opposition Business in the House
Shadow Minister for Indigenous Affairs and Deputy Leader of the Nationals
Shadow Minister for Regional Development, Local Government and Water and Leader of the Nationals in the Senate
Shadow Minister for Finance, Deregulation and Debt Reduction and Chairman, Coalition Policy Development Committee
Shadow Minister for Energy and Resources
Shadow Minister for Defence
Shadow Minister for Communications and Broadband
Shadow Minister for Health and Ageing
Shadow Minister for Families, Housing and Human Services
Shadow Minister for Climate Action, Environment and Heritage
Shadow Minister for Productivity and Population and Shadow Minister for Immigration and Citizenship
Shadow Minister for Innovation, Industry and Science
Shadow Minister for Agriculture and Food Security
Shadow Minister for Small Business, Competition Policy and Consumer Affairs

Hon. Tony Abbott MP
Hon. Julie Bishop MP
Hon. Warren Truss MP
Senator Hon. Eric Abetz
Senator Hon. George Brandis SC
Hon. Joe Hockey MP
Hon. Christopher Pyne MP
Senator Hon. Nigel Scullion
Senator Barnaby Joyce
Hon. Andrew Robb AO, MP
Hon. Ian Macfarlane MP
Senator Hon. David Johnston
Hon. Malcolm Turnbull MP
Hon. Peter Dutton MP
Hon. Kevin Andrews MP
Hon. Greg Hunt MP
Mr Scott Morrison MP
Mrs Sophie Mirabella MP
Hon. John Cobb MP
Hon. Bruce Billson MP

[The above constitute the shadow cabinet]
SHADOW MINISTRY—continued

Shadow Minister for Employment Participation
Hon. Sussan Ley MP

Shadow Minister for Justice, Customs and Border Protection
Mr Michael Keenan MP

Shadow Assistant Treasurer and Shadow Minister for Financial Services and Superannuation
Senator Mathias Cormann

Shadow Minister for Childcare and Early Childhood Learning
Hon. Sussan Ley MP

Shadow Minister for Universities and Research
Senator Hon. Brett Mason

Shadow Minister for Youth and Sport and Deputy Manager of Opposition Business in the House
Mr Luke Hartsuyker MP

Shadow Minister for Indigenous Development and Employment
Senator Marise Payne

Shadow Minister for Regional Development
Hon. Bob Baldwin MP

Shadow Special Minister of State
Hon. Bronwyn Bishop MP

Shadow Minister for COAG
Senator Marise Payne

Shadow Minister for Tourism
Hon. Bob Baldwin MP

Shadow Minister for Defence Science, Technology and Personnel
Mr Stuart Robert MP

Shadow Minister for Veterans’ Affairs and Shadow Minister Assisting the Leader of the Opposition on the Centenary of ANZAC
Senator Hon. Michael Ronaldson

Shadow Minister for Regional Communications
Mr Luke Hartsuyker MP

Shadow Minister for Ageing and Shadow Minister for Mental Health
Senator Concetta Fierravanti-Wells

Shadow Minister for Seniors
Hon. Bronwyn Bishop MP

Shadow Minister for Disabilities, Carers and the Voluntary Sector and Manager of Opposition Business in the Senate
Senator Mitch Fifield

Shadow Minister for Housing
Senator Marise Payne

Chairman, Scrutiny of Government Waste Committee
Mr Jamie Briggs MP

Shadow Cabinet Secretary
Hon. Philip Ruddock MP

Shadow Parliamentary Secretary Assisting the Leader of the Opposition
Senator Cory Bernardi

Shadow Parliamentary Secretary for International Development Assistance
Hon. Teresa Gambaro MP

Shadow Parliamentary Secretary for Roads and Regional Transport
Mr Darren Chester MP

Shadow Parliamentary Secretary to the Shadow Attorney-General
Senator Gary Humphries

Shadow Parliamentary Secretary for Tax Reform and Deputy Chairman, Coalition Policy Development Committee
Hon. Tony Smith MP

Shadow Parliamentary Secretary for Regional Education
Senator Fiona Nash

Shadow Parliamentary Secretary for Northern and Remote Australia
Senator Hon. Ian Macdonald

Shadow Parliamentary Secretary for Local Government
Mr Don Randall MP

Shadow Parliamentary Secretary for the Murray-Darling Basin
Senator Simon Birmingham

Shadow Parliamentary Secretary for Defence Materiel
Senator Gary Humphries

Shadow Parliamentary Secretary for the Defence Force and Defence Support
Senator Hon. Ian Macdonald
SHADOW MINISTRY—continued

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shadow Parliamentary Secretary for Primary Healthcare</td>
<td>Dr Andrew Southcott MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Regional Health Services and Indigenous Health</td>
<td>Mr Andrew Laming MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Supporting Families</td>
<td>Senator Cory Bernardi</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for the Status of Women</td>
<td>Senator Michaelia Cash</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Environment</td>
<td>Senator Simon Birmingham</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Citizenship and Settlement</td>
<td>Hon. Teresa Gambaro MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Immigration</td>
<td>Senator Michaelia Cash</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Innovation, Industry, and Science</td>
<td>Senator Hon. Richard Colbeck</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Fisheries and Forestry</td>
<td>Senator Hon. Richard Colbeck</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Small Business and Fair Competition</td>
<td>Senator Scott Ryan</td>
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Wednesday, 23 November 2011

The SPEAKER (Mr Harry Jenkins) took the chair at 9:00, made an acknowledgement of country and read prayers.

MOTIONS
Carbon Pricing

Mr HUNT (Flinders) (09:01): Mr Speaker, I move that so much of the standing and sessional orders be suspended as would prevent the honourable member for Flinders from moving the following motion forthwith:

That so much of the standing and sessional orders be suspended as would prevent the Honourable Member for Flinders from moving the following motion forthwith:

That this House calls on the Government to:

(1) immediately release the GTEM carbon tax model;
(2) release the assumptions underpinning it; and
(3) redo the modelling before Parliament rises so as to reflect the real world given that:
   (a) the International environment is radically different from that claimed by the ALP. In particular the Canadian Foreign Minister and the United States leadership have made it clear that neither country will be adopting a carbon tax prior to 2015-16;
   (b) it now appears there will be no binding global treaty until 2020;
   (c) reports have shown the European ETS has had almost zero impact on the environment, but at a cost of up to $287bn Australian dollars;
   (d) the Government's assumption that “the modelling assumes comparable carbon pricing in other major economies from 2015-16” has collapsed; and
   (e) the consequence will be Australians paying the highest carbon tax in the world for no environmental benefit while also sending $3.5bn offshore to foreign carbon traders.

On the day of the latest secret—

The SPEAKER: The member for Flinders will resume his seat.

Mr Hunt interjecting—

The SPEAKER: The member for Flinders can speak into the ether. The microphone is off, and any words after I asked him to sit down are not recorded.

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (09:03): I move:

That the member be no longer heard.

Question put.

The House divided. [09:07]

(The Speaker—Mr Harry Jenkins)

Ayes .................67
Noes .................71
Majority ..............4

AYES

Adams, DGH
Bird, SL
Bradbury, DJ
Burke, AE
Butler, MC
Champion, ND
Clare, JD
Creean, SF
D’Ath, YM
Elliot, MJ
Emerson, CA
Fitzgibbon, JA
Georganas, S
Gillard, JE
Grierson, SJ
Hall, JG (teller)
Husic, EN (teller)
Kelly, MJ
Leigh, AK
Lyons, GR
Marles, RD
Mitchell, RG
Neumann, SK
O’Neill, DM
Parke, M
Plibersek, TJ
Rishworth, AL
Roxon, NL
Saffin, JA

Albanese, AN
Bowen, CE
Brodtmann, G
Burke, AS
Byrne, AM
Cheeseman, DL
Combet, GI
Dunphy, M
Dreyfus, MA
Ellis, KM
Ferguson, LDT
Garrett, PR
Gibbons, SW
Gray, G
Griffin, AP
Hayes, CP
Jones, SP
King, CF
Livermore, KF
Macklin, JL
Melham, D
Murphy, JP
O’Connor, BPJ
Owens, J
Perrett, GD
Ripoll, BF
Rowland, MA
Rudd, KM
Shorten, WR

CHAMBER
AYES

Sidebottom, PS
Smyth, L
Swan, WM
Thomson, CR
Zappia, A

Smith, SF
Snowdon, WE
Symon, MS
Vamvakinou, M

NOES

Abbott, AJ
Andrews, KJ
Baldwin, RC
Billson, BF
Bishop, BK
Buchholz, S
Hartaly, L
Hockey, JB
Hunt, GA
Irons, SJ
Jensen, DG
Jones, ET
Kelly, C
Ley, SP
Marino, NB
McCormack, MF
Morrison, SJ
Oakeshott, RJM
O'Dwyer, KM
Pyne, CM
Randall, DJ
Robert, SR
Ruddock, PM
Scott, BC
Slipper, PN
Somlyay, AM
Stone, SN
Truss, WE
Turnbull, MB
Vasta, RX
Wilkie, AD
Wyatt, KG

The SPEAKER: Is the motion seconded?

Mr BILLSON (Dunkley) (09:15): Yes, I second the motion. These are dirty deals not done dirt cheap, they are mighty expensive—$100 million last—

The SPEAKER: Order! The member for Dunkley will resume his seat. The Leader of the House.

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (09:16): I rise on a point of order. Mr Speaker, is it appropriate that the member for Dunkley has come to the dispatch box and raised abuse, including allegations that are clearly outside the standing orders because they impugn the motives of the government. That is clearly outside standing orders, and I would ask you—

The SPEAKER: The Leader of the House will resume his seat. The member for Dunkley.

Mr BILLSON: We have got self-serving dodgy modelling that must be debated in this place—

The SPEAKER: Order! The member for Dunkley will resume his seat.

Mr ALBANESE: Mr Speaker—

The SPEAKER: There is no point of order. The Leader of the House will resume his seat. The member for Dunkley.

Mr BILLSON: The matter of importance here is that this whole carbon tax is based on dodgy modelling—

The SPEAKER: The member for Dunkley will resume his seat. The Leader of the House.

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (09:17): I move:

That the member be no longer heard.
Question put.
The House divided. [09:22]
(The Speaker—Mr Harry Jenkins)

Ayes.................67
Noes.................72
Majority.............5

AYES

Adams, DGH
Bird, SL
Bradbury, DJ
Burke, AE
Butler, MC
Champion, ND
Clare, JD
Crean, SF
D’Ath, YM
Elliot, MJ
Emerson, CA
Fitzgibbon, JA
Georganas, S
Gillard, JE
Grierson, SJ
Hall, JG (teller)
Husic, EN (teller)
Kelly, MJ
Leigh, AK
Lyons, GR
Marles, RD
Mitchell, RG
Neumann, SK
O’Neill, DM
Parke, M
Piibersek, TJ
Rishworth, AL
Roxon, NL
Saffin, JA
Sidebottom, PS
Smyth, L
Swan, WM
Thomson, CR
Zappia, A

NOES

Crook, AJ
Entsch, WG
Forrest, JA
Gambaro, T
Griggs, NL
Hawke, AG
Hunt, GA
Jensen, DG
Keenan, M
Laming, A
Macfarlane, IE
Markus, LE
McCormack, MF
Morrison, SJ
Oakeshott, RJM
O’Dwyer, KM
Pyne, CM
Randall, DJ
Robert, SR
Ruddock, PM
Scott, BC
Slipper, PN
Somlyay, AM
Stone, SN
Truss, WE
Vasta, RX
Wilkie, AD

Dutton, PC
Fletcher, PW
Frydenberg, JA
Gash, J
Hartson, L
Hockey, JB
Irions, SJ
Jones, ET
Kelly, C
Ley, SP
Marino, NB
Matheson, RG
Mirabella, S
Neville, PC
O’Dowd, KD
Prentice, J
Ramsey, RE
Robb, AJ
Roy, WB
Schultz, AJ
Secker, PD (teller)
Smith, ADH
Southcott, AJ
Tehan, DT
Tudge, AE
Van Manen, AJ
Washer, MJ
Wyatt, KG

PAIRS

Collins, JM
Ferguson, MJ
McClelland, RB
Thomson, KJ
Simpkins, LXL
Moylan, JE
Haase, BW
Ciobo, SM

Question negatived.

The SPEAKER: The time allotted for the debate has expired.

BILLS

Business Names Registration (Application of Consequential Amendments) Bill 2011
Reference to Main Committee

Mr FITZGIBBON: by leave—I move:
That the bill be referred to the Main Committee for further consideration.
Question agreed to.
DELEGATION REPORTS

Australian Parliamentary Delegation to the 124th Inter-Parliamentary Union Assembly to Panama and bilateral visit to Brazil, 4-23 April
2011

The SPEAKER (09:29): For the information of honourable members, I present the report of the Australian Parliamentary Delegation to the 124th Inter-Parliamentary Union Assembly to Panama and bilateral visit to Brazil of 4 to 23 April 2011. In tabling the report, I indicate that this was yet another hardworking and informative delegation. Time does not permit me to provide you with a detailed overview of the delegation's contribution to the 124th IPU Assembly. I commend to honourable members the preface of the report, which outlines the highlights of the delegation's work.

Australia's delegations to assemblies of the Inter-Parliamentary Union have established a reputation for making a significant contribution to the IPU through their hard work, often behind the scenes, to facilitate dialogue and broker agreements across a wide range of global issues. The high regard in which Australia is held within the IPU is reflected in the invitation for an Australian representative to serve for the first time as a member of the Advisory Group to the IPU Committee on United Nations Affairs. The member for Holt, Anthony Byrne, was appointed to the advisory committee and represented Australia at the advisory committee's deliberations in Panama.

Australia served in key roles on two drafting committees: the member for Lyons, Dick Adams, was appointed chair of the drafting committee of the Standing Committee on Sustainable Development, Finance and Trade, and demonstrated Australia's leadership credentials by steering that committee through 128 amendments to a unanimous resolution in record time. I was appointed rapporteur of the drafting committee for the emergency item titled 'Strengthening democratic reform in emerging democracies including North Africa and the Middle East'. That resolution was also adopted unanimously by the assembly.

The bilateral visit to Brazil prior to the IPU assembly was highly educative. The commonalities between our two countries are many, and are underscored by a warm and positive bilateral relationship. Every member of the delegation came away from the visit with a strong appreciation of the tremendous opportunities for Australian business in Brazil across a range of sectors including resources, clean energy, infrastructure, education and the organisation of major sporting events. The clear message was that Australia must continue to strive to improve the shared understanding between us so that we can realise the full potential of these opportunities.

Similarly, Australia has much to gain by continuing to develop the positive relationship it shares with Panama. Ambassador Katrina Cooper must be congratulated for seizing the opportunity of the IPU assembly in Panama to announce the appointment of Australia's first Honorary Consul to Panama, Mr Ricardo Alberto Martinelli. Mr Martinelli embodies the key to strengthening the Panama-Australia relationship. He has studied and travelled in Australia and his firsthand appreciation of Australia and Australians will make him a very effective honorary consul for Australia. In addition, he is the son of Panama's President, Ricardo Martinelli.

I would like to thank the many people who contributed to the success of the delegation's visits. Foremost amongst these
were Ambassador Brett Hackett and DFAT staff in Brazil, including in Brasilia and Sao Paulo, and Ambassador Katrina Cooper and her staff who came down to Panama from Mexico City, who put together outstanding programs and provided practical support to the delegation.

On behalf of the delegation I thank Mr Eric van der Wal, the delegation's foreign affairs adviser at the IPU assembly in Panama, for his advice and professional support at this and previous IPU assemblies. I also thank the Delegation Secretary, Ms Jeannette Radcliffe, for her assistance and support to the delegation. And I thank my adviser, Debra Biggs, for her support to me personally.

In closing, I congratulate my fellow delegates for their hard work and good humour throughout this highly successful series of visits. Particular mention must be made of my deputy on this and previous delegations, Senator Judith Troeth, who has recently retired. I take this opportunity to acknowledge her significant contribution to the work of the IPU over successive assemblies.

I thank the House for its attention and I commend the report to the House.

BILLS

Road Safety Remuneration Bill 2011

First Reading

Bill and explanatory memorandum presented by Mr Albanese.

Bill read a first time.

Second Reading

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (09:35): I move:

That this bill be now read a second time.

Road transport accounts for over 1.7 per cent of Australia's total GDP and employs over 246,000 Australians.

Australia's freight task has increased at an annual rate of 5.6 per cent and is forecast to continue growing.

Given the vast distances of this nation, the government knows that a safe and productive transport sector is in the interests of all Australians.

The economic importance of transport is one side of the story.

Sadly, there is another side.

Each day four people are killed and another 80 are seriously injured on our roads, on average.

Last year, 1,368 Australians lost their lives on our roads.

A further 30,000 were hospitalised.

The statistics for truck driving are particularly grave.

It is the Australian industry with the highest incidence of fatal injuries, with 25 deaths per 100,000 workers in 2008-09.

That is 10 times higher than the average for all industries.

The Bureau of Infrastructure, Transport and Regional Economics has calculated that the cost to the Australian economy of this is $2.7 billion a year.

While the economic cost is important it is the human cost that really counts.

Very few Australians have not been affected by the loss of a loved family member, a work mate or a friend.

The effect is devastating: too many lives cut short too young.

The government is committed to doing all that is necessary to ensure that our truck drivers, whether they be an employee or a self employed owner-driver, have a safe and
fair workplace, while sustaining the long-term viability of the road transport industry. The government recognises the important role of small businesses, particularly owner drivers in the road transport industry.

They provide flexibility for businesses to meet demand for the delivery of goods, particularly in rural and regional areas—small businesses make up around 60 per cent of the road transport industry, yet they make up far less of the income earned in that industry.

Almost 30 per cent of owner drivers are paid below the award rate and many are unable to recover the cost of operating their vehicle.

In 2008, the National Transport Commission's review into remuneration and safety in the Australian heavy vehicle industry found that:

...commercial arrangements between an array of parties to the transport of freight, including load owners/clients and receivers, consignors and brokers, freight forwarders, large and small fleets as well as owner/drivers have a significant influence on safety.

Drivers are at the bottom of the contracting chain and have little commercial ability to demand rates which would enable them to perform their work safely and legally.

In this market, owner drivers are often forced to accept work at the going rate or have no work at all.

Not only is remuneration for owner drivers low, working hours are long.

There are other issues that affect the payment systems for owner drivers and employee drivers and impact the productivity of the industry.

Unpaid queuing time was highlighted as a major issue in the transport industry during fatigue-related reforms and consultation for Safe Rates, Safe Roads Directions Paper.

According to the National Road Transport Operators Association, distribution centres regularly require drivers to wait up to 10 hours before loading or unloading.

Drivers are not paid for this waiting time and cannot claim the waiting time as an official rest break, which impacts on both income and fatigue management.

The loss of ten hours' driving time is an incentive to make up for lost time, by driving additional hours, speeding or contravening mandatory fatigue management systems.

Any improvements that can be made to these practices will bring about positive change for the road transport industry and will provide incentives for transport companies and warehouses to increase efficiency by minimising waiting times.

To date, a national approach to safety issues that address pay as well as pay-related conditions in the industry, particularly for owner drivers, has not been taken.

The bill being introduced today reflects the government's commitment to taking the necessary next steps in addressing the underlying economic factors which create an incentive for, or encourage, unsafe on-road practices.

The measures being introduced will ensure pay and pay related conditions encourage drivers to drive safely, manage their hours and maintain their vehicles.

This will benefit the industry and it will benefit the wider community.

The bill seeks to reduce the number of road transport fatalities and injuries. This is important for truck drivers and their families, but it is also important for industry and it is important for all who use our roads in the community.

Improved conditions, including work-life balance and other health benefits for truck drivers would be an important step forward.
drivers and their families will also contribute to a safer industry.

The bill will reinforce and lock in the benefits of previous reforms, including those achieved by both industry and governments, whilst complementing the role of the National Heavy Vehicle Regulator.

It is another important step in removing economic incentives for unsafe behaviour.

The government recognises that owner drivers have chosen to be independent contractors and operate as small businesses.

The bill establishes a system that will assist road transport industry small businesses, while ensuring that owner drivers maintain their status as independent contractors.

This legislation will play an important role in removing the incentives for employee and owner drivers to drive in ways that increase the risk of deaths and injuries on the road.

The safety of truck drivers and the community is paramount.

Key elements of the bill

The bill being introduced today will establish a new Road Safety Remuneration Tribunal, whose objects are to promote safety and fairness in the road transport industry.

The bill complements existing federal legislation such as the Fair Work Act 2009 and the Independent Contractors Act 2006; current state-based schemes dealing with owner driver contracts; and the National Heavy Vehicle Regulator laws.

The principal objects of the bill recognise the government's intention to provide a framework that promotes a safe industry by:

- Ensuring that drivers in the road transport industry do not have pay and pay-related incentives and pressures to work in an unsafe manner. This includes unsafe work practices such as speeding and working excessive hours.
- Ensuring that road transport drivers are paid for their work, including loading or unloading their vehicles or waiting for someone else to load or unload their vehicle.
- Developing and applying reasonable and enforceable standards throughout the road transport industry supply chain to ensure the safety of road transport drivers.
- Ensuring that hirers of drivers and participants in the supply chain take responsibility for implementing and maintaining those standards.

The bill empowers the tribunal to inquire into sectors, issues and practices within the road transport industry and, where appropriate, determine mandatory minimum rates of pay and related conditions for employed and self-employed drivers.

The tribunal will be able to concurrently consider matters, for example safety issues that impact on both employee and owner drivers, such as addressing waiting times.

These determinations, to be known as Road Safety Remuneration Orders, will be in addition to any existing rights employed drivers have under industrial instruments and owner drivers have under their contracts for services.

The tribunal's approach will be evidence-based and research-focused.

With this approach, the tribunal will have regard to issues such as:

- the need to apply fair, reasonable and enforceable standards in the road transport industry to ensure the safety and fair treatment of road transport drivers;
- the likely impact of any order on the viability of businesses involved in the road transport industry;
the special circumstances of areas that are particularly reliant on the road transport industry, such as rural, regional and other isolated areas;

the likely impact of any order on the national economy and on the movement of freight across the nation;

the need to minimise the compliance burden on the road transport industry.

The tribunal will also be empowered to grant 'safe remuneration approvals' in relation to the remuneration and remuneration-related conditions contained in a road transport collective agreement between a hirer and all self-employed drivers with whom the hirer contracts.

The tribunal will be empowered to resolve disputes between drivers, their hirers or employers and participants in the road transport industry supply chain about remuneration and related conditions in so far as they provide incentives to work in an unsafe manner.

The tribunal will deal with a dispute as it considers appropriate, including by:

- mediation or conciliation;
- making a recommendation or expressing an opinion; or
- arbitration with the consent of the parties.

Fair Work Australia will be assisting the tribunal with dual appointments, ensuring a mixture of Fair Work Australia members and expert members with qualifications relevant to the road transport industry.

The tribunal secretariat will be provided by the General Manager of Fair Work Australia.

The bill also establishes a compliance regime for the enforcement of orders made by the tribunal, safe remuneration approvals and any orders arising out of a dispute.

These compliance functions will be performed by the Fair Work Ombudsman.

In addition, the Fair Work Ombudsman will provide education, assistance and advice to owner drivers, employees and the industry.

**Conclusion**

This bill is the government's response to the report of the National Transport Commission that I commissioned when I became the transport minister, but it is also in response to numerous reports over many years, including the *Burning the midnight oil* report, which was done by the House of Representatives committee, chaired by the member for Hinkler, who is in the chamber today. This has been an issue which has been talked about for a long time, but not acted upon until today.

While transport safety outcomes have improved over the years, there are still an unacceptably high number of truck accidents and deaths.

Without further action, the number of accidents will remain unacceptably high, impacting truck drivers, their industry and the wider community.

Lasting reform is necessary.

I pay tribute to all those who have worked so hard, including the members of the Transport Workers Union, the members of industry, including industry leaders such as Lindsay Fox, who have placed on the record for so many years the need to get a comprehensive plan to address these issues.

This reform is necessary and it must be directed at addressing the specific problems of the industry.

This bill does just this.

I commend this bill to the House.

Debate adjourned.
Road Safety Remuneration (Consequential Amendments and Related Provisions) Bill 2011

First Reading
Bill and explanatory memorandum presented by Mr Albanese.
Bill read a first time.

Second Reading
Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (09:48): I move:
That this bill be now read a second time.
I introduce the Road Safety Remuneration (Consequential Amendments and Related Provisions) Bill 2011. This bill makes consequential amendments and provides for other matters in connection with the Road Safety Remuneration Bill 2011 that I have just introduced into the House of Representatives.
I commend the bill to the House.
Debate adjourned.

Stronger Futures in the Northern Territory Bill 2011

First Reading
Bill and explanatory memorandum presented by Ms Macklin.
Bill read a first time.

Second Reading
Ms MACKLIN (Jagajaga—Minister for Families, Housing, Community Services and Indigenous Affairs) (09:49): I move:
That this bill be now read a second time.
The Stronger Futures in the Northern Territory Bill 2011 is being introduced alongside its companion, the Stronger Futures in the Northern Territory (Consequential and Transitional Provisions) Bill 2011.
The Social Security Legislation Amendment Bill 2011, which complements measures set out in these bills, is being introduced separately.
Together, these bills form a part of our next steps in the Northern Territory, undertaken in partnership with Aboriginal people and the Northern Territory government.
These are steps taken with a clear eye to the future.
A stronger future which sees a substantial and significant change for Aboriginal people in the Northern Territory.
Where people live in good houses, and in safe communities.
Where parents go to work, and children go to school each day.
A stronger future, grounded in a stronger relationship between government and Aboriginal people in the Northern Territory.
A relationship built on respect for Australia’s first peoples, for their custodianship of the land, for their culture and for their ongoing contributions to our shared nation.
This is a respect that is about much more than sentiment. It is about the approach we take to our work, and the approach we take to working together.
This is the approach we took to consultations after we first came into government.
These conversations revealed the depth of hurt felt by Aboriginal people by the sudden and rushed implementation of the Northern Territory Emergency Response.
It also informed our amendments, including the reinstatement of the Racial Discrimination Act 1975 in the Northern Territory.
As we have built houses, as we have built health services and preschools, we have also set about rebuilding the relationship with Aboriginal people. Let me be very clear: we must achieve real change for Aboriginal people in the Northern Territory because the situation does remain critical.

Yes, important progress has been made. The independent evaluation of the Northern Territory Emergency Response shows that there have been real and positive improvements over the last three years.

People have said that their communities are safer than they were three years ago. New police stations and night patrols have improved community safety.

The introduction of the basics card has been positive, showing that income management is a useful tool for people. It has helped them to stabilise the family budget and make sure that money is being spent on housing, food and clothing for children.

More than 350 new houses have been built and another 275 are underway. More than 1,800 rebuilds and refurbishments of houses are also complete.

Our investment is delivering improved living conditions—better and safer houses—to more than 2,000 Aboriginal families in the Northern Territory.

And more people are working—in properly paid jobs—than three years ago.

But the fact remains that Aboriginal people in the Northern Territory continue to face significant levels of need on a daily basis.

Some children are still not receiving proper care, and that is completely unacceptable.

The child protection substantiation rate has doubled for Indigenous children in the Northern Territory since the start of the Emergency Response.

Three in four of these cases related to child neglect.

The increased rate in reporting reflects our increased investment, with the Northern Territory government, in child protection services.

This includes additional funding from both governments delivered in response to the Bath report last year, which recommended additional child protection workers in remote communities, stronger alcohol controls and new intensive family support services for families referred for child protection income management.

We have enabled referrals from the child protection system for income management in the Northern Territory to ensure all the tools are available to child protection workers to make sure that children are not neglected, that they have food and clothing and housing.

With increased visibility of the extent of child neglect in the Northern Territory must come our reaffirmed commitment to do all that we can to ensure that children are safe.

Similarly, with our increased visibility of school enrolment and attendance, we must do more to make sure that children are going to school.

The evaluation report shows that there has been no overall improvement in school attendance—and while we are starting to see good signs in reading, the Northern Territory still lags behind the national standards for reading, writing and numeracy.

Aboriginal people in the Northern Territory still experience the widest gaps by a large margin across the Closing the Gap indicators.
They have a lower life expectancy than anywhere else in the country and a higher infant mortality rate.

We see that much more needs to be done—and we hear it too.

Across the Territory, people have told us that more needs to be done to achieve the change we all want to see for Aboriginal people who live there.

People in the Northern Territory want for their children what each of us, right across the country, want for our children:

- that they will grow up healthy and safe and get a good education,
- that they have a bright future that includes a roof over their heads, food on the table, and a good job, and
- that they will be strong people, proud of who they are.

It is clear that, if we are to see these stronger futures take shape, we must not walk away and we must continue to work hard.

Existing legislation for the Northern Territory is due to cease in August next year.

But our efforts cannot cease, because we know—and Aboriginal people have told us—that much more work needs to be done: work to consolidate our progress to date and work to build on these achievements, to build a stronger future with the Aboriginal people of the Northern Territory.

The measures I bring forward in these bills today reflect our determination to continue this work.

All of the measures in this bill have been designed to comply with the Racial Discrimination Act 1975.

They reflect our understanding that our efforts cannot cease with the existing legislation.

They reflect our appreciation of just how critical the situation is in the Northern Territory.

And they reflect the many conversations we have had with Aboriginal people in the Northern Territory over the past few months, and the past few years and more recently.

**Stronger Futures in the Northern Territory**

In the six weeks of our Stronger Futures in the Northern Territory consultations, we held meetings in 100 communities and town camps and public meetings in major towns.

Hundreds of smaller discussions took place with individuals, families and other groups right across the Territory.

These consultations were overseen by the independent Cultural and Indigenous Research Centre Australia, who agreed that the discussions were fair, open and accountable.

The outcomes of these consultations have been recorded in the *Stronger Futures in the Northern Territory: report on consultations*, which was released last month and which forms an important part of this government’s policy statement on our path forward.

I personally participated in a number of these discussions and want to place on the record my appreciation for the openness and the frankness with which people shared their stories and their hopes for a stronger future for themselves and for their children.

What is clear from these conversations is that we are united in our desire for change and that there is much more work to be done.

What we heard in the course of our conversations is that the path to change is laid with barriers, which we must break down if we are to create that change.

The barriers people described to us in this consultation were about the lack of services; yes, that is true.
But they were also about attitudes.

They said to me that we as a government have to do more, but that we must also expect more—that people would find a job and keep it; that children would go to school; and that people would sober up.

Because if children do not go to school, the best teachers and the best classrooms cannot give them a good education. The strongest work ethic and the most driving ambitions will be wasted if there are no jobs.

If people cannot get sober, if they cannot set the best example for their children—a parent who goes to work each day and brings home a pay cheque fortnight.

The measures in this legislative package I am introducing to the parliament today help tackle the barriers to change. They clear the path for us to walk together and work together for the change we all want to see.

They make clear our expectations of parents—that they will send their children to school to get a good education.

They support more jobs in the Northern Territory.

And they do more to tackle alcohol abuse.

**The Stronger Futures in the Northern Territory Bill 2011**

The Stronger Futures in the Northern Territory Bill 2011 contains measures aimed at breaking the back of alcohol abuse—to help individuals, their families and communities get back on their feet.

When people spoke to me of barriers, they spoke of alcohol and the havoc it wreaks on remote and urban communities alike.

They spoke of the harm caused by alcohol abuse—of loved ones lost to alcohol related disease, road accidents and the violence it causes in families and communities.

Alcohol abuse is at the heart of dysfunction, violence and abuse in many communities.

There is extensive hard evidence of the harm being caused by alcohol in Aboriginal communities, and of the huge economic and social costs of alcohol to the Territory.

Communities have called for their 'dry' status to remain in place.

The hard evidence and also what we heard from the consultations have persuaded the government that the alcohol restrictions must not be relaxed.

The Stronger Futures in the Northern Territory Bill provides for the current alcohol restrictions to be continued.

It requires respectful signage so that everyone is clear about the alcohol management arrangements in place, and communities will be consulted about these signs.

It responds to the concerns people raised—their frustrations with grog runners undermining the restrictions. So we are introducing tough new measures to clamp down on grog runners.

We are proposing to increase the penalty for liquor offences under 1,350 millilitres, to include six months' imprisonment.

Northern Territory laws will then permit the option of referral to the Substance Misuse Assessment and Referral for Treatment Court for this offence.

We have heard from people across the Territory that, if we are to break the back of alcohol abuse, we must empower individuals, families and communities to take control.

This bill strengthens the ability of communities to take that control.

The bill provides that alcohol management plans established by local
communities be directed at minimising alcohol related harm.

To ensure that alcohol management plans are able to contribute to reducing harm, the bill includes provision for rules on the minimum standards an alcohol management plan will need to meet before it can be approved.

In future alcohol management plans will be approved by the Commonwealth minister for Indigenous affairs.

Where an alcohol management plan is approved and in place, consideration will be given to lifting the restrictions under the Stronger Futures legislation. If the restrictions are lifted, the Northern Territory Liquor Act will continue to apply.

Where communities want to retain these Stronger Futures restrictions, they will be able to do so.

This measure is designed to support communities get control of the drinking problem and forge their own path—to make the grog, the despair and the violence that comes with it a thing of the past.

To assist the Northern Territory government to clamp down on alcohol traders who may be linked to substantial alcohol related harm to Aboriginal people, the bill provides that the Commonwealth Indigenous affairs minister may request the Northern Territory government to appoint an assessor under the Northern Territory Liquor Act to examine their practices and report back on findings.

The bill also provides for a joint Commonwealth-Northern Territory review to be conducted two years after commencement of the Stronger Futures legislation.

The review will examine the effectiveness of the Stronger Futures and the Territory laws in addressing alcohol related harm to Aboriginal people.

This will allow both governments to continue working together to make progress.

This review report will be tabled in this parliament.

Alcohol related harm, of course, is not confined to the Northern Territory.

The government is also increasing the tools available to governments across Australia to tackle alcohol related harm.

We are proposing to amend income management legislation to allow referrals by recognised state or territory authorities to trigger income management.

This non-discriminatory measure is intended to commence in the Northern Territory as a first step, to support referrals for income management from the Northern Territory Alcohol and Other Drugs Tribunal.

These proposals are included in the Social Security Legislation Amendment Bill 2011.

Alcohol abuse is a serious problem in the Northern Territory.

It is causing real harm to individuals, to families and to communities.

And it is a barrier to the positive changes that we all want to see.

We are responding with serious measures.

The Social Security Legislation Amendment Bill 2011 will also boost our efforts to tackle the barriers created by children not going to school.

All of us know a good education is a firm foundation for a stronger future.

And yet, we also know that levels of enrolment and attendance for Indigenous children in the Territory remain unacceptable.

Aboriginal people in the Northern Territory have made clear their expectation that governments support Indigenous children to get a good education.
They have been equally clear about their expectations of parents.

Parents do have a responsibility to send their children to school.

Parents of children everywhere.

Whether in a remote community in the Northern Territory, a regional town in Victoria or in the middle of Brisbane—parents have a responsibility to give their children the best start in life.

They have a responsibility to send their children to school every day.

The School Enrolment and Attendance Measure already applies to all parents on income support in some areas in the Northern Territory and in some areas in Queensland.

The Australian government will extend the School Enrolment and Attendance Measure to the townships of Alyangula and Nhulunbuy, and to Alice Springs, Tennant Creek, and the remaining schools in Katherine and the communities of Yirralka, Maningrida, Galiwin’ku, Ngukurr, Numbulwar, Umbakumba, Angurugu, Gapuwiyak, Gunbalanya, Milingimbi, Lajamanu and Yuendumu.

Other Measures in the Bill

The Stronger Futures in the Northern Territory Bill 2011 paves the way for change by supporting strong communities.

We heard in consultations that remote community stores have improved over the past four years. They now offer healthier food and are better managed.

We will continue to improve community stores licensing arrangements.

Licensing will focus more clearly on supporting food security in remote communities. In the future, a community store may be required to have a licence to operate if it is an important source of food, drink or grocery items for Aboriginal communities.

We will also introduce a range of new penalties to encourage stores to improve their performance and crack down on unscrupulous practices.

We have long been clear that secure tenure is a foundation stone for our work to improve housing in remote Indigenous communities.

We have been determined not to replicate the mistakes of the past that saw ownership and responsibility for houses uncertain and unclear.

In the past, no-one made sure homes were maintained; no-one made sure proper tenancy management was in place.

This is now being fixed through systemic reforms in the delivery of remote housing under the National Partnership Agreement on Remote Indigenous Housing.

Leases which run for 40 years now form the foundation for housing in 15 larger communities. Tenancy management is now the clear responsibility of the Territory government.

And tenants now have a clear responsibility to pay their rent, just like tenants anywhere else in Australia.

The Australian and Northern Territory governments will continue to negotiate leases with Aboriginal land owners to enable the Territory government to manage public housing in remote communities.

This means that there is clear responsibility for the upkeep of houses—and that no longer will they fall down around people's ears through years of neglect.

In this bill, we make clear too that the Australian government will not be extending the compulsory five-year leases acquired under the original legislation, and instead will negotiate voluntary long-term leases.
The bill provides the Australian government with the ability to make regulations removing barriers in Northern Territory legislation to leasing on town camp and community living area land.

Currently, there are restrictions on how this land can be used—even where the community agrees that they want to put it to different uses.

This will enable the Aboriginal landholders of town camps and community living areas to make use of their land for a broader range of purposes, including for economic development and private home ownership.

This bill builds on what Aboriginal people in the Northern Territory have told us about the changes they want to see for themselves and for their children.

The measures have been designed for the long haul—to reflect our belief that over time these measures will provide better opportunities for Aboriginal people.

Over time, they will break down the barriers.

Over time, they will pave the way for the path forward.

And, over time, they will achieve their objectives.

These measures are designed so that when they achieve their objectives they will not continue.

Accordingly, we propose that the new Stronger Futures in the Northern Territory Act sunset 10 years after its commencement.

After seven years of operation, the government is proposing a legislative review of the stronger futures legislation.

The findings of this independent review will be tabled in the parliament.

The time frame for the review has been planned so that we could reasonably expect to see changes in the priority areas that were outlined in the Stronger Futures in the Northern Territory discussion paper—outcomes on education, jobs, alcohol related harm and housing.

Across each of the closing-the-gap targets, the gap does remain the greatest for Aboriginal people in the Northern Territory.

Progress is being made but much more remains to be done.

This bill is part of our next steps in the Northern Territory, steps taken in partnership with Aboriginal people. I commend the bill to the House.

Debate adjourned.

Stronger Futures in the Northern Territory (Consequential and Transitional Provisions) Bill 2011

First Reading

Bill and explanatory memorandum presented by Ms Macklin.

Bill read a first time.

Second Reading

Ms MACKLIN (Jagajaga—Minister for Families, Housing, Community Services and Indigenous Affairs) (10:13): I move:

That this bill be now read a second time.

The Stronger Futures in the Northern Territory (Consequential and Transitional Provisions) Bill 2011 is the companion bill to the Stronger Futures in the Northern Territory Bill 2011.

This bill amends existing Commonwealth legislation, and sets out transitional arrangements, to complement the new primary legislation established under the main Stronger Futures in the Northern Territory Bill.

This bill seeks to repeal the Northern Territory National Emergency Response Act 2007.
The speech I have just made on the main bill described our clear commitment to put new housing on firm foundations through secure tenure—so responsibility for maintenance, responsibility to pay rent and responsibility to build new housing is clear for the first time.

We have made clear our commitment to no new five-year leasing arrangements, and our intention to move to long-term voluntary leasing arrangements to give communities and governments certainty as we plan for the future. This bill includes savings provisions which make this transition possible. These provisions will preserve the current leasing arrangements as necessary until their planned sunset date—so that we can work with communities to transition to new, voluntary leases.

This provision also makes sure that rent can continue to be paid to the Aboriginal land owners of the five-year leases.

The bill will also allow landowners of Community Living Areas land to receive the help of land councils in managing their land, including negotiating lease arrangements.

This is designed to support the voluntary leasing arrangements—so that communities and governments have certainty and can accept responsibility for land and housing.

The measures we introduce today reflect our evaluation—of what is working and what is not.

They also repeal those measures in the existing legislation which have not worked or which are no longer needed.

This bill repeals statutory rights provisions that provide rights to carry out works in a construction area, and to occupy, use, maintain, repair or make minor improvements to the buildings and infrastructures in the construction area.

These are not consistent with our approach to voluntary leasing, and have never been used.

This bill also includes transitional arrangements for the measures to tackle alcohol abuse and to improve licensing arrangements for community stores that are considered in the Stronger Futures in the Northern Territory Bill 2011.

This bill will continue measures which have helped make communities safer and to protect their most vulnerable members, women and children.

The recently released evaluation of our work in the Northern Territory showed that nearly three out of every four people said that their community felt safer than four years ago.

The bill continues and makes minor changes to the restrictions introduced by the Northern Territory Emergency Response on sexually explicit and very violent material (the pornography restrictions) in remote Aboriginal communities in the Northern Territory.

This measure will be subject to the 10-year sunset applying to measures in the Stronger Futures in the Northern Territory Bill and the review to be undertaken at seven years after the legislation commences.

The bill continues the prohibition on taking customary law and cultural practice into account in considering the seriousness of an alleged offender's criminal behaviour in bail and sentencing decisions for Commonwealth and Northern Territory offences.

However, some changes are proposed to exempt offences that protect cultural heritage, such as offences around damaging sacred sites and cultural heritage objects. I commend the bill to the House.

Debate adjourned.
First Reading
Bill and explanatory memorandum presented by Mr O'Connor.
Bill read a first time.

Second Reading
Mr BRENDAN O'CONNOR (Gorton—Minister for Privacy and Freedom of Information, Minister for Home Affairs and Minister for Justice) (10:18): I move:
That this bill be now read a second time.

Providing law enforcement agencies with modern tools to combat modern forms of crime is the responsibility of every government. (Quorum formed)
The Gillard government is delivering on its commitment to combat crime, while also establishing strong safeguards and protections for victims, those accused of crimes, and the general public.

The Crimes Legislation Amendment (Powers and Offences) Bill 2011 contains important amendments to Commonwealth law enforcement legislation that will provide further tools to ensure the effective investigation and enforcement of crimes, and make enhancements to the safeguards applicable in those investigations.

DNA Forensic Procedures
Firstly, this bill will increase the transparency and reduce the complexity surrounding the procedures governing the collection, use and analysis of DNA forensic material through amendments to part 1D of the Crimes Act 1914.

The majority of these amendments are in response to the 2010 DNA Forensic Procedures: Further Independent Review of Part 1D of the Crimes Act 1914 led by Mr Peter Ford.

The review, which involved detailed consultation with Commonwealth, state and territory stakeholders, focused on ensuring the efficiency and effectiveness of DNA forensic sampling, profiling and matching while also appropriately safeguarding civil liberties and privacy.

Those themes are reflected in the amendments contained in this bill.

Of significance to law enforcement agencies, the bill contains amendments to help Commonwealth agencies work more effectively with their state and territory counterparts in cross-border criminal investigations involving DNA forensic evidence.

The amendments enhance the ability of the Australian Federal Police to respond to requests from foreign law enforcement agencies to match DNA profiles on the national criminal investigation DNA database with profiles obtained as part of criminal investigations by foreign agencies.

The bill also increases efficiencies in DNA sample collection.

Alongside these law enforcement measures, the bill will make a series of improvements to the consent processes relating to the collection and use of DNA forensic material and other safeguards that currently apply to forensic procedures.

One such amendment will enable new consent forms to be prescribed under regulations that will ensure the information required to be provided to persons whose consent is being sought to a DNA forensic procedure under the act is both consistent and comprehensible.

The bill will also clarify the processes currently in part 1D for suspects and offenders to access part of their DNA sample for the purposes of innocence testing, and other material related to their sample, such as
copies of its analysis or copies of related records.

In addition, the bill will:

- increase the availability of interpreter services to persons whose consent is sought to a forensic procedure;
- allow judges, magistrates and senior police officers, when authorising a forensic procedure, to authorise the most appropriate collection method in the circumstances;
- place strict restrictions on the purposes for which a DNA sample provided by a volunteer may be used; and
- require laboratories undertaking DNA analysis to be suitably accredited.

The bill also addresses some minor drafting issues.

A key message that came out of Peter Ford's review of part 1D of the Crimes Act is that it is a very complex area of law. I am confident that the amendments contained in this bill go significantly towards reducing that complexity and enhancing the procedures governing DNA collection and use for law enforcement and suspects, offenders and volunteers alike.

Australian Crime Commission

This bill will also enhance the Australian Crime Commission's information sharing capabilities. It will establish a comprehensive regime under which the commission can share information with Commonwealth, state and territory agencies and international law enforcement and intelligence bodies.

To effectively combat crime, however, government needs to share its information beyond just government agencies, and proactively collaborate with the private sector.

To assist in the Crime Commission's building preventative partnerships with industries that are exposed to serious and organised crime threats, the bill will provide the ACC CEO with the ability to share information with private sector bodies for a range of specified purposes where the CEO considers it appropriate. This will enable the Australian Crime Commission to share information and intelligence with private sector bodies to enable them to be aware of vulnerabilities and threats that exist in their respective industries. These changes reflect the responsibility held by the private sector to contribute to the fight against organised crime and will ensure that they are better equipped to do so.

Stringent safeguards on the handling, storage and disposal of any information provided will be applied by the ACC CEO. In addition, new criminal offences will apply to the misuse or inappropriate disclosure of this information. This will ensure the proper protection of information that has been disclosed to the private sector.

Australian Commission for Law Enforcement Integrity

Schedule 4 of the bill contains amendments to the Law Enforcement Integrity Commissioner Act 2006 to provide the Australian Commission for Law Enforcement Integrity (ACLEI) with a contempt power and to enhance the commission's capability to investigate corruption.

The commission was established in 2006 to investigate allegations of corruption and to enhance the integrity of Commonwealth law enforcement agencies.

The amendments will enable the Integrity Commissioner to refer a person to the Federal Court of Australia or a Supreme Court of a state or territory for contempt of the commission. The person will be in
contempt if they fail, or refuse, to cooperate with requests such as refusing or failing to answer the Integrity Commissioner's questions.

These provisions are designed to motivate an uncooperative witness to reconsider his or her position and will provide a swift and powerful mechanism for the Integrity Commissioner to deal with uncooperative witnesses.

These amendments will mirror the contempt provisions in the Australian Crime Commission Act and will align the Australian Commission for Law Enforcement Integrity with various state bodies which exercise comparable coercive investigative powers.

Commonwealth drug offences

New measures are also proposed in the bill to help combat the emergence of new and illicit substances, and are an important step in halting the emergence of a new drugs market in Australia.

It is proposed that the Criminal Code Act 1995 be amended to list additional drug substances and quantities to be subject to the full range of Commonwealth serious drug offences.

As an example, the amendments will enable law enforcement agencies to capture individuals and organised crime groups involved in drug importation and other drug related activities involving substances such as 'meow meow' and 'special K'.

The bill will also assist the Australian Customs and Border Protection Service perform its vital role in intercepting and seizing illicit drugs detected at the Australian border by overcoming a legislative anomaly which currently exists in relation to their ability to seize illicit substances without a warrant. The bill proposes amendments to ensure that the powers available to Customs to seize all illicit drugs—whether proscribed under Customs Regulations or the Criminal Code—are consistent.

Commonwealth parole amendments

The next area of reform in the bill relates to federal offenders. The bill proposes amendments to the Crimes Act to implement recommendations from the 2006 Australian Law Reform Commission report, *Same crime, same time: sentencing of federal offenders*. Currently, there is no discretion to refuse parole to a federal offender serving a sentence of imprisonment of less than 10 years, even if reports from corrective service agencies do not support the granting of parole.

The amendments will ensure that release on parole of all federal offenders is a discretionary decision. This is consistent with the general approach in the states and territories. The Attorney-General will be able to refuse or delay the release of an offender on parole, where this is appropriate.

For example, under current arrangements federal child sex offenders can refuse to participate in sex offender treatment programs, as they know they will be released at the end of their non-parole period regardless. Offenders would be encouraged to take part in rehabilitation programs if they knew that this would be taken into account in deciding whether they should be released on parole.

Further, amendments will be made to provide that the federal offender's parole period ends on the same day as his or her sentence and that the parole supervision period may extend to the end of the federal offender's parole period. Currently, for federal sentences other than a life sentence, the maximum parole supervision period is three years. By establishing that the supervision period may extend to the end of...
the offender's parole period, this will allow federal offenders who may require ongoing supervision during their parole period to receive this assistance. Such supervision may be required, for example, if the offender is engaging in ongoing drug use, or is displaying other worrying behaviour.

**Commonwealth fine enforcement**

This bill further amends the Crimes Act to improve the enforcement of Commonwealth fines.

The Commonwealth does not have a fine enforcement agency and relies on state and territory agencies to enforce Commonwealth fines on its behalf.

Currently, these agencies cannot impose certain penalties on persons who default on the payment of Commonwealth fines unless they first obtain a court order. It is expensive and time consuming for fine enforcement agencies to return to court to obtain an order, and this acts as a disincentive to do so.

These amendments will empower state and territory fine enforcement agencies to enforce Commonwealth fines through non-judicial enforcement actions without first obtaining a court order. These non-judicial enforcement actions may include, for example, garnishment of a debtor's wage or salary.

The amendments will not affect other fine enforcement options that are currently available as an alternative to paying a fine such as voluntary community service or suspension of a person's drivers licence.

**Proceeds of organised crime**

Lastly, the bill will amend the Proceeds of Crime Act 2002 and the Director of Public Prosecutions Act 1983 to allow a court to restrict the publication of certain matters in relation to applications for freezing orders and restraining orders.

As freezing orders and restraining orders are made early in proceedings, it is important that courts are empowered to prevent the early publication of information that could compromise a proceeds of crime investigation or a related criminal investigation.

A minor amendment will be made to the Proceeds of Crime Act to expand the definition of 'authorised officer' to include AFP employees and secondees to the AFP who are authorised by the Commissioner of AFP.

This amendment will ensure that AFP employees and other government secondees working in the new multi-agency Criminal Assets Confiscation Taskforce can be appointed as authorised officers and fully utilise their significant expertise in proceeds of crime investigations.

**Conclusion**

The measures contained in this bill are important to help support the fight against crime by enhancing laws relating to the investigation and enforcement of Commonwealth criminal matters. Importantly, they are balanced by significant safeguards. I commend the bill to the House.

Debate adjourned.

**Customs Amendment (Anti-dumping Improvements) Bill (No. 2) 2011**

**First Reading**

Bill and explanatory memorandum presented by Mr O'Connor.

Bill read a first time.

**Second Reading**

Mr BRENDAN O'CONNOR (Gorton—Minister for Privacy and Freedom of Information, Minister for Home Affairs and Minister for Justice) (10:33): I move:

That this bill be now read a second time.
I am pleased to present the Customs Amendment (Anti-dumping Improvements) Bill (No. 2) 2011, representing the second tranche of legislation implementing the government's reforms to Australia's anti-dumping system.

The package of reforms announced by the government in June are designed to provide better access to remedies for Australian industry, and to ensure those remedies are available as quickly as possible. They aim to improve the robustness and transparency of anti-dumping decisions and introduce stronger compliance mechanisms.

The elements of the reforms that I am introducing into the House today are focused on improving the robustness and transparency of anti-dumping decisions.

In particular, I am proposing a new appeals process to replace the existing mechanism, and provide more flexibility in seeking extensions of time during the course of investigations.

This bill also provides a legislative basis for the International Trade Remedies Forum, which met for the first time in August this year.

These amendments were drafted in close consultation with the Office of International Law within the Attorney-General's Department, and the Department of Foreign Affairs and Trade, to make sure that they are consistent with Australia's international law obligations. (Quorum formed)

New appeals process

The bill implements a number of changes to the process for appealing decisions of the minister or the Chief Executive Officer of Customs and Border Protection.

Presently decisions may be appealed to the trade measures review officer, who was an employee of the Attorney-General's Department. The review officer will be replaced by a three-member review panel able to take on a greater case workload. Members of the panel will be appointed by the minister based on their relevant expertise. Panel members will no longer be employees of the Attorney-General's Department, so will be independent of government.

The government will make available resources in the form of administrative and research assistance, to support the effective functioning of the panel.

Presently the review officer must accept an application for review unless the applicant has failed to provide sufficient particulars of the findings to which the review application relates. This has resulted in approximately 80 per cent of ministerial decisions being appealed to the trade measures review officer by one of the parties to the proceeding. The government is proposing a higher threshold for appeal. Now, in order to initiate an appeal, the panel will need to be satisfied that the applicant has established that the minister did not make the correct and preferable decision.

Presently there is a perception that the International Trade Remedies Branch is conflicted in reinvestigating its own decisions. When the review officer reviewed a decision, the officer would recommend a reinvestigation to the minister who referred it back to the branch which reinvestigated and made recommendations to the minister as to whether to overturn or amend the original decision.

To address this, the panel will now make recommendations directly to the minister as to whether the original decisions should be affirmed, revoked or substituted. Where reinvestigation of a particular finding is required, the panel will direct the branch to reinvestigate that finding and to report back to the panel to inform their recommendation to the minister.
Parties will now be able to appeal the minister's decision to continue or not continue measures, and also the minister's decisions to vary or revoke measures (or not) on review.

As part of the appeals process reforms, the Customs Act will be amended to allow for important stakeholder groups, such as downstream industry and trade unions, to participate in administrative reviews.

The changes to the appeals system allow for a more robust system which is better able to identify and process meritorious applications for review.

**Extension of time—investigations**

Second, these reforms will allow for more flexible extensions to the time frames of an investigation, review of measures, continuation inquiry or duty assessment.

Australia's antidumping system contains one of the shortest investigation time frames in the world, at 155 days. At present only one extension to that time frame can be sought, and it must be prior to the publication of the Statement of Essential Facts at day 110. This can mean that extensions, where required, tend to be for significant periods, to anticipate any possible further need for an extension.

Consistent with a recommendation of the Productivity Commission, the bill will allow for more flexible extensions of investigation time frames.

The minister will still have to approve all extensions of time. Implementation of this proposal will be carefully monitored to ensure it does not result in a blow-out of investigation periods, and that extensions are only sought in complex cases, not routinely.

The International Trade Remedies Branch will continue to provide in its annual report a consolidated summary of the timeliness of its investigations in the preceding 12 months.

This proposed change will improve decision making by allowing extensions to accommodate complex cases and to allow for the consideration of critical new information that could not reasonably have been provided earlier.

**International Trade Remedies Forum**

There is currently no stakeholder body to provide feedback to government on the operation of the antidumping system.

The government has established the International Trade Remedies Forum to provide strategic advice and feedback on the implementation of the reforms, the ongoing operations of the antidumping system as well as reporting to government on opportunities for further improvements.

The forum, which met for the first time in August, comprises representatives of manufacturers, producers and importers, as well as industry associations, trade unions and relevant government agencies.

The government is establishing the forum in legislation to ensure that this valuable dialogue with industry continues into the future.

The forum will meet a minimum of two times a year.

**Concluding remarks**

This second tranche of reforms directly responds to stakeholder concerns about enhancing the appeals process, providing adequate time for investigations and ensuring stakeholder consultation in the future.

These amendments will further strengthen the antidumping system by enhancing the appeals process to allow for a more streamlined process better able to process meritorious applications, provide greater independence and afford new opportunities for parties to seek review for decisions they disagree with.
The International Trade Remedies Forum will provide a greater opportunity for Australian industries and other stakeholders to play a role in the development and operation of Australia's antidumping system.

The changes to extension of time for reviews will allow Customs and Border Protection more flexibility in dealing with complex matters and scope for consideration of new information.

I commend the bill to the House.

Debate adjourned.

Access to Justice (Federal Jurisdiction) Amendment Bill 2011

First Reading

Bill and explanatory memorandum presented by Mr O'Connor.

Bill read a first time.

Second Reading

Mr BRENDAN O'CONNOR (Gorton—Minister for Privacy and Freedom of Information, Minister for Home Affairs and Minister for Justice) (10:44): I move:

That this bill be now read a second time.

This government has a proud history of reforms that facilitate access to justice. This bill marks the latest tranche of those reforms.

Discovery

The bill will implement legislative reforms regarding discovery during Federal Court litigation that were recommended in the Australian Law Reform Commission’s Managing discovery report, tabled in parliament in May 2011.

The Attorney-General initiated that inquiry in May 2010, following the 2009 report by the Attorney-General’s Department’s Access to Justice Taskforce entitled A strategic framework for access to justice in the federal civil justice system. The task force identified the high and sometimes disproportionate costs of discovery as a specific barrier to justice.

The Australian Law Reform Commission made practical recommendations aimed at the Federal Court taking greater control over the discovery process, many of which have already been implemented by the court in its new rules, or are under active consideration by the court. I acknowledge the effort the Federal Court continues to put into refining its case management processes, including those relating to discovery.

The government also welcomes current consideration by the Federal Court and National Judicial College of Australia of how judicial education and training can better equip judges to manage the discovery process.

The two recommendations to be implemented by this bill will give the Federal Court stronger powers to deal with the costs of discovery, and clarify that oral examinations can be used to assist to identify which kinds of documents should be subject to discovery. This will support judges in their role as robust case managers.

I am confident that this package of reforms will give the Federal Court the tools it needs to control discovery more tightly, assisting in the delivery of a more accessible and effective system of civil justice.

Suppression and non-publication orders

The bill will also implement—with some minor variations—the model legislation developed by the then Standing Committee of Attorneys-General on suppression and non-publication orders in the High Court, Federal Court, Family Court and Federal Magistrates Court.

There has been criticism of the volume and breadth of suppression orders granted by some state courts. As a result of these concerns, after extensive consultation, in
2010, the Standing Committee of Attorneys-General developed model legislation on suppression orders.

This bill will implement that model law in relation to the federal courts—in the interests of national consistency and to provide a more robust and comprehensive legislative framework.

The bill has several advantages over the current arrangements for the making of suppression orders in the federal courts:

- It provides a clearer legislative framework for the grounds on which suppression orders can be made, what information they can cover, how long they should last for, how broad they should be and what information such orders should contain, as well as clearer rules about standing.

- It clearly preserves the importance of the principle of open justice, and provides that suppression orders can only be made where such orders are necessary, consistent with recent High Court jurisprudence. This bill has been amended from the model law to more clearly define the grounds which empower the courts to exercise their discretion.

- The bill does not include the provision in the SCAG model law that allows a court to grant a suppression order if it is necessary in the public interest for the order to be made. The bill therefore does not broaden the grounds on which suppression orders can be made from those that currently apply.

This bill will provide a more transparent and accountable legislative regime for courts to make suppression orders. By ensuring that courts can only make suppression orders when they are clearly justified—and in as narrow terms as necessary to achieve their purpose—this bill appropriately recognises the fundamental importance that open justice plays in the administration of justice, and ultimately in upholding the rule of law.

Vexatious proceedings

Vexatious litigants have the capacity to absorb an enormous amount of judicial and registry staff’s time, to the detriment of other litigants waiting to have their cases dealt with.

It was for this reason the then Standing Committee of Attorneys-General developed a model law on vexatious proceedings. This law has already been implemented in Queensland, New South Wales and the Northern Territory. This bill will implement the model law in the High Court, Federal Court, Family Court and Federal Magistrates Court.

It is important to bear in mind that a self-represented litigant, or a litigant who has challenging behaviour (perhaps caused by mental illness), is very different from a vexatious litigant. With advice and assistance, many self-represented litigants are often able to adequately formulate and articulate their claims, or to obtain legal representation to enable them to do so. Those with challenging behaviours may be able to obtain professional assistance of another kind. I want to emphasise that these are not the kinds of litigants intended to be addressed by this bill.

Rather, vexatious litigants are those who frequently bring proceedings that are, for example, an abuse of process, designed to annoy others, or have no reasonable grounds.

Although the federal courts already have existing powers to deal with vexatious litigants, these powers are located across various legislation and court rules, and differ in detail. The bill will establish a more comprehensive and consistent legislative regime across all four federal courts.

While an order preventing access to the courts should not be made lightly, where a
person has frequently instituted or conducted vexatious proceedings in any Australian court or tribunal, a court will be able to make an order that a person not be able to commence any subsequent proceedings in that court without first obtaining the leave of the court.

The intention is that, once nationally consistent laws are passed, a vexatious litigant will no longer be able to repeatedly initiate proceedings in different courts with hopelessly doomed litigation.

(Quorum formed)

It is essential that court resources are devoted to cases that have merit, and cases which cannot be resolved by other means. The courts need appropriate powers to be able to deal with clearly unmeritorious cases brought by vexatious litigants. This bill will deliver that.

**Family law jurisdiction**

The bill will also remove the current jurisdictional ceiling on family law magistrates in Western Australia that applies in family law property matters.

This will bring Western Australia’s family law magistrates into line with the family law property jurisdiction which can be exercised by the Federal Magistrates Court in the rest of Australia, and give the Family Court of Western Australia more flexibility in the allocation of cases.

Ensuring that disputes are dealt with at the most appropriate level is an important aspect of access to justice.

**Administrative Appeals Tribunal fees**

The bill also makes amendments relating to fees in the Administrative Appeals Tribunal. These amendments will serve two purposes.

Firstly, they will allow applicants to make a valid application for review where they do not have the money to pay immediately, but where there is a time limit for making the application.

Secondly, they will allow regulations to be made to prescribe fees to be paid by any party to proceedings. This will allow regulations to be made to give the tribunal the discretion to impose fees on respondent government agencies which unsuccessfully defend tribunal proceedings, unless there were compelling reasons for proceeding to a hearing.

This is intended to provide a financial incentive to promote better primary decision making and early resolution of disputes where possible.

These are both important access to justice measures, aimed at early dispute resolution and ensuring that applicants can access the review of government decisions.

**Conclusion**

This bill will implement a number of important measures that will improve access to justice in a variety of ways.

The reforms to discovery, family law property jurisdiction and vexatious proceedings aim to ensure that valuable judicial resources are used appropriately, efficiently and effectively: for the benefit of all litigants.

Reforms to suppression orders create a framework that safeguards the public interest in open justice and accountability, reinforcing an important aspect of the administration of justice.

Finally, reforms to fees in the Administrative Appeals Tribunal will facilitate fairer access to the review of government decisions—encouraging better decision making by government agencies and earlier dispute resolution.

All these reforms are consistent with the Strategic Framework for Access to Justice—implemented by this government—designed
to facilitate accessible and equitable dispute resolution, at the most appropriate level, delivered through efficient and effective means.

I thank all involved for their work in developing this bill, which is an important part of the government’s ongoing access to justice initiatives.

I commend the bill to the House.

Debate adjourned.

Nuclear Terrorism Legislation Amendment Bill 2011
First Reading

Bill and explanatory memorandum presented by Mr Brendan O'Connor.

Bill read a first time.

Second Reading

Mr BRENDAN O'CONNOR (Gorton—Minister for Privacy and Freedom of Information, Minister for Home Affairs and Minister for Justice) (10:57): I move:

That this bill be now read a second time.


The convention recognises that acts relating to nuclear material and other radiological material and devices can pose a serious threat to international peace and security.

The convention is an important tool in the international fight against terrorism and the proliferation and use of weapons of mass destruction.

It fills a gap in existing international regimes by recognising the potential for nuclear weapons, facilities and radioactive material to be used to carry out acts of terrorism.

The convention establishes frameworks for criminalising certain conduct relating to nuclear material and other radiological material and devices and for international cooperation in the prevention, investigation, prosecution and extradition of persons who commit those offences.

Some of the obligations under the convention are already satisfied.

For example, existing provisions in the Criminal Code Act 1995 and the Australian Nuclear Science and Technology Organisation Act 1987 implement some of the Nuclear Terrorism Convention’s provisions.

While some aspects of the conduct prohibited by the convention are consistent with measures Australia has already taken, some amendments to Commonwealth legislation are necessary to fully implement the convention.

The bill creates new offences for specific conduct that is prohibited by the convention.

This includes:

- possessing radioactive material or a device
- using or damaging a radioactive material or device or nuclear facility
- demanding the use of radioactive material or device or nuclear facility
- threatening or attempting to use or damage a device, radioactive material or nuclear facility, and
- using radioactive material, or a device, or using or damaging a nuclear facility.

The offences will not be limited to conduct by Australians and in Australia, but will apply in a broad range of situations where the convention requires states parties to assert jurisdiction.

For example, the offences will cover situations where the offender is a foreigner if the offence is committed on board an Australian ship or aircraft or against an Australian citizen.
The bill also contains minor technical amendments to the Nuclear Non-Proliferation (Safeguards) Act 1987 updating various provisions to take account of the Legislative Instruments Act 2003 and amending the definition of Australian aircraft by replacing the reference to the Air Navigation Regulations (which is no longer correct) with a reference to the Civil Aviation Act 1988. Australia is committed to ratifying all international counterterrorism instruments as an integral part of strengthening its legal framework to fight terrorism.

Ratifying this convention will send a strong message to the international community and demonstrate Australia's continued commitment to addressing the threat of terrorism.

It will represent an important contribution by Australia to the second Nuclear Security Summit, which will take place in the Republic of Korea in March 2012.

In addition, it will strengthen Australia's efforts to encourage other countries in our region to ratify the 16 international counterterrorism instruments.

It is in this context that the government today commends to the chamber the Nuclear Terrorism Legislation Amendment Bill 2011. I commend the bill to the House.

Debate adjourned.

Antarctic Treaty (Environment Protection) Amendment Bill 2011

First Reading

Bill and explanatory memorandum presented by Mr Tony Burke.

Bill read a first time.

Second Reading

Mr BURKE (Watson—Minister for Sustainability, Environment, Water, Population and Communities) (11:00): I move:

That this bill be now read a second time.

Antarctica has a unique place in Australia’s national identity. We are tied to Antarctica through our history, our geology and our climate.

This year marks the 100th anniversary of the departure of the first Australasian Antarctic Expedition led by Sir Douglas Mawson. Mawson stands alongside other giants of Antarctic discovery, like Scott and Shackleton, for his remarkable endeavours to explore Antarctica and claim a sizeable portion of the continent on behalf of all Australians.

It was Mawson who established Australia’s first scientific research base at Cape Denison in Antarctica. Over the past century, Australia has built on that legacy, establishing a strong reputation for Antarctic science in areas such as climate change, conservation, astronomy and geoscience.

Antarctica’s unique environment offers major opportunities for this scientific research. The continent is recognised as a key indicator of global climate change. Better understanding of Antarctic ecosystems, weather and climate is crucial to environmental protection in the region as well as understanding global climate trends.

Australia has also become a world leader in Antarctic protection. We were one of the 12 original signatories to the 1959 Antarctic Treaty, which enshrines the principle of peaceful use of the Antarctic. Fifty years on, the Antarctic Treaty remains a model for global cooperation.

Australia actively engages in the international governance of the Antarctic. We played a key role in the development of the broader system of international arrangements for the region, known as the Antarctic Treaty system.
Just two decades ago, former Prime Minister Bob Hawke worked with former French Prime Minister Michel Rocard to prevent mining in Antarctica. For the first time, we recognised that the last pristine continent on earth should remain untouched. The opportunity was nearly missed but the decision changed the world’s way of thinking just in time.

Their efforts led to the Madrid protocol, which now protects the Antarctic environment, bans mining in Antarctica and designates Antarctica as a natural reserve, devoted to peace and science.

In October this year, I was honoured to join Bob Hawke and Michel Rocard in Hobart to commemorate the 20th anniversary of that Madrid protocol.

We will continue to build on protections for this unique and special part of the world.

This Antarctic Treaty (Environment Protection) Amendment Bill 2011 will amend the Antarctic Treaty (Environment Protection) Act 1980, which gives effect to our obligations under the Madrid protocol and the Convention for the Conservation of Antarctic Seals.

The bill will align the act with Australia’s new obligations in relation to three measures adopted under the Antarctic Treaty and Madrid protocol, namely:

1. Measure 4 relating to insurance and contingency planning for tourism and non-governmental activities in the Antarctic Treaty area that was adopted in June 2004;
2. Measure 1 relating to liability arising from environmental emergencies that was adopted in June 2005; and
3. Measure 15 relating to the landing of people from passenger vessels in the Antarctic Treaty area that was adopted in April 2009.

These measures will establish more stringent arrangements to protect human and vessel safety in the Antarctic, and the Antarctic environment.

Key amendments in the bill include:

1. providing the ability for the minister to grant a safety approval, an environmental protection approval, and to impose conditions on such approvals;
2. implementing new offences and civil penalties regarding unapproved activities, activities carried on in contravention of the conditions imposed by an approval, and offences and civil penalties related to environmental emergencies;
3. establishing a liability regime for environmental emergencies that occur in the Antarctic;
4. establishing an Antarctic environmental liability special account to receive payments from operators for the costs of response action to an environmental emergency caused by their activities in the Antarctic;
5. implementing new offences and civil penalties applicable to tourist vessels operating in the Antarctic;
6. making minor and technical amendments to the act; and
7. amending the long title of the act to extend the scope of the legislation;

As Australia prepares to host the 35th Antarctic Treaty Consultative Meeting in Hobart in June 2012, this bill marks another chapter in Australia’s history of involvement in Antarctica and maintains our commitments under the Antarctic Treaty and Madrid protocol.

I commend the bill to the House.
Debate adjourned.
Social Security Legislation Amendment Bill 2011

First Reading

Bill and explanatory memorandum presented by Mr Garrett.

Bill read a first time.

Second Reading

Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (11:08): I move:

That this bill be now read a second time.

This bill makes amendments to social security law to improve the operation of the income management system and to improve school attendance.

In regard to income management, the government believes all Australians should be able to share in the benefits of this strong economy, and enjoy the financial and social benefits of work.

The government's Building Australia's Future Workforce package addresses entrenched disadvantage in targeted locations by helping to stabilise families and to remove barriers to participation in work and the community.

The amendments in this bill will expand income management in five of the most disadvantaged locations in the country.

They will give greater flexibility to the operation of income management. For example, the refinements would allow the vulnerable welfare payment recipients measure to be activated on its own in a particular area, instead of in conjunction with the long-term welfare payment recipients measure and the disengaged youth measure, as is currently the case.

A new external referral income management measure, known as supporting people at risk, is being introduced. This will allow referrals from a wide range of state and territory authorities on a similar basis to referrals under the current child protection measure, and will help ensure income management assists those people most likely to benefit.

For example, to support the Stronger Futures in the Northern Territory alcohol measures, this bill will enable people referred by the Northern Territory government's Alcohol and Other Drugs Tribunal to be placed on this new measure of income management, thus reducing the proportion of income available for alcohol.

Additionally, the rules applying to a person who is subject to income management in a declared area and who moves to another location will be clarified, as will the school exemption criteria for the long-term welfare payment and disengaged youth measures.

A second measure in the bill amends the provisions in social security law that underpin the government's improving school enrolment and attendance through welfare reform measure, or SEAM.

SEAM is one aspect of the Australian government's strategy to improve school attendance and engagement. The amendments allow the possibility of an income support suspension to be integrated into the Northern Territory government's Every Child, Every Day attendance strategy.

School attendance in parts of the Northern Territory is unacceptably low—as low as 40 per cent in some schools. With such a level of absence, a child cannot build a sufficient foundation in literacy and numeracy to enable them to succeed in later schooling and in the modern world.

The Gillard government has invested significantly to improve the quality of education in schools in the Northern Territory. On top of base funding provided to government and non-government education
authorities, our additional investments in the Northern Territory include:

- $16 million to expand preschool services
- $70 million in funding for Northern Territory schools in disadvantaged communities
- $50 million for teacher quality and literacy and numeracy initiatives
- $46 million for 200 additional teachers
- $256 million under the Building the Education Revolution program for school infrastructure
- A further $10 million for classrooms in remote schools, and
- $12 million to build trades training centres.

In four years we have made substantial progress in addressing shortages of early childhood services, teachers, teacher housing and classrooms in Northern Territory schools. The COAG Reform Council's recent report shows progress is being made in preschool participation and early years literacy. The recent evaluation of the Northern Territory Emergency Response found that some 57 per cent of people surveyed strongly agreed that the school in their community was better now than it was three years ago.

This work must continue, but it is clear that for these improvements in schools to translate into improvements in educational outcomes for students, regular school attendance is essential.

Improving attendance can never be done by governments and schools alone. For all the funding that governments invest and all the skills that teachers bring to their schools, we still ultimately rely on the parents to get their children ready and to the school gate each morning.

While the overwhelming majority of parents understand the value of education and are making sure their children are in class and learning for their future every day, there are a number who do not.

The overwhelming opinion of Aboriginal people who participated in the Stronger Futures consultations in the Northern Territory was that they wanted action to hold to account those parents who do not send their children to school.

The amendments in the bill enable a new, integrated approach to managing cases of poor school attendance in the Northern Territory. They complement and strengthen the Northern Territory's Every Child, Every Day strategy and boost that government's own efforts on school attendance.

According to this approach, if a child is not attending school regularly, the school will convene an attendance conference with the family to talk through barriers to the child's education. The conference will agree on an attendance plan.

The attendance plan will include actions that the family commit to undertake, for example, walking the child to school in the mornings or providing a place for the child to study at home. Support from a social worker will be available to help the family meet their obligations under the plan.

Importantly, the attendance plan can also include actions that the school or other parties will undertake, for example, providing a school uniform or resolving an issue around bullying that may be contributing to the child's disengagement.

This is a collaborative approach that attempts to improve attendance in partnership with the family. However, it is important that there be a lever to ensure families engage in this process. If a family refuses to participate in the attendance conference, or refuses to agree to an
attendance plan, or fails to live up to their agreed actions in the attendance plan when other parties to the plan fulfil their commitments, then their income support payments may be suspended until they do.

If the family complies within 13 weeks, their income support payment can be reinstated with full back pay.

This is a sensible approach that apportions responsibility for school attendance appropriately between the school and family, and it recognises the crucial role that attendance plays in ensuring that children everywhere, and especially in the Northern Territory, get an adequate education.

I commend this bill to the House.

Debate adjourned.

Australian Research Council Amendment Bill 2011

First Reading

Bill and explanatory memorandum presented by Mr Garrett.

Bill read a first time.

Second Reading

Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (11:16): I move:

That this bill be now read a second time.

The Australian Research Council (ARC) is a statutory authority within the Australian Government's Innovation portfolio. Its mission is to deliver policy and programs that advance Australian research and innovation globally and benefit the community.

In seeking to achieve its mission, the ARC provides advice to the government on research matters and manages the National Competitive Grants Program (NCGP), a significant component of Australia's investment in research and development.

Through the NCGP, the ARC supports the highest-quality fundamental and applied research and research training through competitive selection processes across all disciplines, with the exception of clinical medicine and dentistry.

This is an appropriation bill to support the ongoing operations of the Australian Research Council. It will fund the high-quality research we need to address the great challenges of our time, to improve the quality of people's lives, to support the development of new industries and to remain competitive in the global knowledge economy.

Bills to amend the Australian Research Council Act 2001 to receive administered funding occur each year. The bills are generated to apply indexation to existing appropriation amounts, create an additional forward estimate and may also contain new funding for new initiatives.

The amendments proposed in this bill change only the administered special appropriation; they do not alter the substance of the act or increase departmental funds.

The ARC is the major source of funding for the innovative, investigator-driven research that has underpinned inventions ranging from the bionic ear to the Jameson Flotation Cell, which saves the coal industry hundreds of millions of dollars each year.

ARC funded research has and continues to play an important role in improving the lives of Australians and addressing the big issues of our time. This includes, for example, our need to transform our manufacturing industries to create greener, healthier and more resilient processes and products. The government is proud that stronger steel and cleaner, safer cars could soon be manufactured in Australia thanks to research made possible with funding from the ARC.
Ongoing funding for the ARC is essential to the vitality of the Australian higher education system and our commitment to strengthen Australia's research workforce. Excellent researchers across all areas of the university system must be able to compete for funding if we are to keep world-class academics in Australia, working in our universities and teaching the next generation.

It is important to note the key role the ARC has been and is playing in attracting more Indigenous Australians to academia and keeping more women in research careers. This includes through the Discovery Indigenous scheme, the addition of two new Australian Laureate Fellowships specifically for women and the introduction of Research Opportunity and Performance Evidence (ROPE) to enable assessors to take into account any career interruptions, including those for childbirth and caring responsibilities.

Through these initiatives and through the whole NCGP, the ARC is helping us to reduce research career barriers and ensure the nation reaps the benefit of all of its research talent.

And the ARC is not only supporting quality research and research careers, it is helping the government measure our research investment and assure taxpayers that their money is being invested wisely.

In January 2011, the government announced the outcomes of the first full Excellence in Research for Australia evaluations. Developed and implemented by the ARC, ERA allowed us, for the first time, to see exactly how our country's research efforts compare to the rest of the world. This is giving the government a clear idea of the research areas we need to focus on for improvement and continued excellence.

ERA is a key element of the government's 10-year innovation agenda, Powering Ideas.

Through this important legislation, the ARC will continue to advance our efforts to build a fairer and more prosperous Australia through innovation and education.

I commend the bill to the House.

Debate adjourned.

**Excise Amendment (Reducing Business Compliance Burden) Bill 2011**

**First Reading**

Bill and explanatory memorandum, and explanatory memorandum to the Customs Amendment (Reducing Business Compliance Burden) Bill 2011, presented by Mr Shorten.

Bill read a first time.

**Second Reading**

Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (11:21): I move:

That this bill be now read a second time.

This bill delivers on the government's commitment to reduce business compliance costs for excise liable businesses.

These taxpayers, operating under the existing standard seven-day excise settlement period, beginning Monday and ending Sunday, will become eligible to apply for a new weekly period, to begin on their preferred day.

The codification of the seven-day period will provide certainty to businesses. Furthermore, the flexibility to choose the particular seven-day cycle that best suits the business's commercial practice will reduce their administration costs.

Most importantly, small businesses will be able to apply for permission to defer their excise settlement to a monthly reporting cycle, with a further 21 days from the end of the month to remit their tax liability. This will considerably reduce the administration
and cash management burden on small businesses.

For example, a small business would previously have paid excise to the ATO every seven days although their typical business terms may be for a 30-day settlement. This bill gives small businesses at least 21 days, and up to 51 days, to remit their tax liability—which will significantly help with their cash management.

Furthermore, small businesses will be required to lodge only 12 returns per year, as opposed to 52 returns per year under the current arrangements.

Under this bill, business entities with no duty liabilities may have the terms of their seven-day or monthly permission amended to a longer reporting cycle at the discretion of the tax commissioner.

If a business's permission relates to gaseous fuel on a seven-day permission, this bill will allow that business to give the commissioner a return, on or before the sixth business day following the end of the seven-day period. This bill also ensures that the existing monthly settlement arrangement for stabilised crude oil and condensate will remain unchanged.

These arrangements reflect the particular commercial circumstances of the gaseous fuel, stabilised crude oil and condensate industries.

Full details of the amendments in this bill are contained in the combined explanatory memorandum.

Debate adjourned.

**Customs Amendment (Reducing Business Compliance Burden) Bill 2011**

First Reading

Bill presented by Mr Shorten.

Bill read a first time.

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**Second Reading**

**Mr SHORTEN** (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (11:25): I move:

That this bill be now read a second time.

This is the second of the bills that deliver on this government’s commitment to reduce business compliance costs for businesses dealing with goods liable for excise and excise equivalent customs duty.

This bill amends the Customs Act 1901 to codify administrative arrangements relating to periodic settlement permissions in relation to customs duty.

The amendments establish a flexible seven-day permission cycle for the giving of returns and the payment of excise equivalent customs duty. When the seven-day permission is for gaseous fuels, the permission holder may give their return and pay customs duty up to six business days following the end of the seven-day period.

Additionally, small business entities, prescribed persons and producers of prescribed goods will be able to apply for a permission to defer their customs duty settlement to a monthly reporting cycle.

Full details of the amendments in this bill are contained in the combined explanatory memorandum.

Debate adjourned.

**Insurance Contracts Amendment Bill 2011**

First Reading

Bill and explanatory memorandum presented by Mr Shorten.

Bill read a first time.

Second Reading

**Mr SHORTEN** (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (11:27): I move:
That this bill be now read a second time.

The Insurance Contracts Amendments Bill 2011 introduces amendments to provide for a legislative framework so that regulations can be made to establish a standard definition of 'flood' for home building, home contents, small business and strata title insurance policies and a key fact sheet in relation to home building and home contents insurance policies.

What this bill shows is that, after nearly half a century of delay following Cyclone Tracy and the 1974 Brisbane floods, the Gillard government has fixed a too long overdue problem.

This bill delivers on the government's commitment to provide consumers—everyday individuals, modest hardworking families and striving Australian enterprises—with a better understanding of what is included in their insurance policies and in particular, the extent to which policies provide cover for flood and what cover for flood actually means.

In recent times there has been a distressing increase in the occurrence of major natural disasters.

In 2009, the Black Saturday bushfires spread across over 450,000 hectares in Victoria, tragically killing 173 people.

In 2010 and 2011, areas of Queensland, New South Wales and Victoria experienced severe flooding with Queensland also suffering the effects of Cyclone Yasi. We saw the tragic deaths of 37 people as a result of these events.

A substantial portion of the financial costs of losses resulting from these natural disasters was met by insurance with claims currently estimated at $3.64 billion for Queensland alone.

These catastrophic events highlight the importance of insurance and making sure that individuals, families, communities and governments have effective insurance cover in place to guard against and recover from disasters.

In April, I released a consultation paper entitled 'Reforming flood insurance: clearing the waters'.

It contained proposals for a standard definition of 'flood' and a key fact sheet—both of which were designed to ensure insurers communicate more effectively with consumers. Further, industry and consumer groups have indicated broad support for these measures today.

This bill will implement these proposals with the aim of helping consumers make effective decisions in relation to their insurance needs, through increased clarity and accessibility of key information.

**Standard definition of flood**

Schedule 1 to the bill will amend the Insurance Contracts Act 1984 to introduce a legislative framework for standard definition of the term 'flood' for home building, home contents, small business and strata title insurance policies.

As I said earlier, this should have been done many years ago—indeed it ought to have been done decades ago. The confusion has lingered on far too long.

Therefore, I am pleased that the Gillard government have demonstrated our willingness and capacity to deal with the hard issues and, with the collaboration of industry, consumers and local members of parliament, clarify for Australian families and businesses what constitutes a flood.

The definition is designed to provide a clear and easily understandable meaning for what is commonly known as riverine flooding, namely the covering of normally dry land with water that has escaped or been released from the normal confines of any lake, river, creek or other natural
watercourse or alternatively, any reservoir, canal or dam.

A standard definition of flood will reduce consumer confusion regarding what is and is not included in insurance contracts. It will also avoid situations where neighbouring properties in the same street, affected by the same flood event, receive different claims assessments because the policies covering them use different definitions of flood.

Further, this measure will improve consumers' ability to evaluate potential insurance policies and compare 'like' products between different insurance providers.

Whilst this measure will not mandate the inclusion of flood cover in all insurance policies, it does ensure that whenever the term 'flood' appears in any of the relevant classes of insurance contracts, it will be taken to have the meaning I outlined earlier. Insurance contracts must not include the term 'flood' (or any related terms) except in association with the proposed definition. This restriction will also prevent said contracts from including compound phrases based on the term 'flood' (for example flash flood or accidental flooding).

The detail of this measure, including the actual wording of the standard definition, will be made in regulations contained in the Insurance Contracts Regulations 1985. Draft regulations containing these measures are expected to be released for public consultation by the end of the year.

Key facts sheet

Schedule 2 to the bill will amend the Insurance Contracts Act 1984 to provide a legislative framework to allow regulations to be made to introduce a requirement for insurers to provide a key facts sheet outlining key information in relation to home building and home contents insurance policies.

The key facts sheet will enable consumers to access key information in relation to home building and home contents insurance policies in a concise and easy to understand format. This will assist consumers in making more appropriate decisions when entering into these types of insurance contracts.

In order to ensure consumers are able to effectively utilise the key facts sheet, insurers will be required to provide this document to consumers as soon as they have requested information on the particular policy.

The introduction of the key facts sheet will make the purchase of home building and home contents policies simpler for consumers, assisting them to compare policies with a consistent document, and facilitate more effective and informed decision making.

The detail of these measures, including the specific content of the key facts sheet, will be made in regulations contained in the Insurance Contracts Regulations 1985. The draft regulations containing these measures will be released for public consultation in the new year. The key facts sheet will be consumer tested before being finalised.

Conclusion

In conclusion, the Gillard government are committed to improving the performance of the insurance market in Australia and we have announced our response to a number of other recommendations put forward by the Natural Disaster Insurance Review to help continue to provide an improved insurance market for all Australians.

I thoroughly believe that in some unexpected, unsought for and undesired way, natural disasters do tend to help us in Australia rediscover and remind us of our greatest strengths.
In this continent that we call home, we do often see natural disasters occurring. But if we remain strong and resolute, and industry and consumers work together as they have on this matter, we still can indeed see our way through to the future.

The legislation is mindful that, even in tough times, with people working together, we can make the best of what has happened.

The amendments in this bill are an important first step in improving Australia's insurance market through better disclosure of insurance cover for consumers—and clearing up the lingering confusion.

Further details of the amendments are contained in the explanatory memorandum.

I commend the bill to the House.

Debate adjourned.

**Tax Laws Amendment (2011 Measures No. 9) Bill 2011**

First Reading

Bill and explanatory memorandum presented by Mr Shorten.

Bill read a first time.

Second Reading

Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (11:35): I move:

That this bill be now read a second time.

This bill amends various taxation laws to implement a range of improvements to Australia's tax laws.

Schedule 1 amends the Superannuation Industry (Supervision) Act 1993 and the Retirement Savings Accounts Act 1997 to permit the Australian Taxation Office to operate a scheme that will make it easier and simpler for lost superannuation fund members and retirement savings account holders to consolidate their benefits.

This scheme, known as the electronic portability form, will allow members reported as lost by their superannuation funds to electronically request the transfer of their superannuation benefits through the ATO.

The new form will enable lost members to visit the ATO website, find their benefits, fill in a simple transfer request and submit it electronically to the ATO. The ATO will apply a verification process using data supplied by the member. If these processes are successfully completed, the ATO will electronically send the member's request to the fund that reported the member as lost, which will then transfer the member's benefits to the nominated receiving fund.

The electronic portability form will not prevent members from dealing directly with their fund to arrange the transfer of their benefits if they so wish.

The amendments allow the regulations to set out the operating details of the electronic portability form and also amend the tax file number provisions for the purposes of the new form.

The amendments are expected to reduce the amount of lost superannuation. There are about five million lost superannuation accounts worth $20.2 billion (as at 30 June 2011). These amendments will benefit individual members by reducing the fees they pay on multiple accounts and maximising their benefits on retirement. Schedule 2 amends the CGT provisions to make it easier for businesses to restructure. These changes include extending the CGT rollover for the conversion of a body to an incorporated company and broadening the range of CGT rollovers where entities can use a share or interest sale facility for foreign residents in a restructure. These changes also allow CGT demerger relief for demerger groups that include corporations sole or complying superannuation entities, which currently cannot access the relief. These
changes are consistent with the government's objective of promoting flexibility for businesses.

Schedule 3 amends the GST law to implement three of the recommendations agreed to by the government arising out of Treasury's review of the GST financial supply provisions. The remaining measures require amendments to GST regulations and will be put before the parliament at a later date.

Part 1 amends the GST law to increase the first limb of the financial acquisitions threshold from $50,000 to $150,000. This increase will reduce compliance costs for businesses that only make a small number of low value financial supplies through reducing the number of businesses that are drawn into the financial supplies regime and then prevented from claiming input tax credits on acquisitions that relate to making financial supplies.

An entity can now make up to $1.65 million of financial acquisitions in the relevant 12-month period and still be able to claim input tax credits on those acquisitions. This compares with up to only $550,000 of similar acquisitions prior to 1 July 2012.

Part 2 amends the GST law to exclude financial supplies consisting of a borrowing made through the provision of deposit accounts by an Australian authorised deposit-taking institution from the current concession for borrowings. This will better target the exemption to reflect the policy intent.

Part 3 allows taxpayers who account on a cash basis to claim input tax credits upfront for acquisitions they make under hire purchase agreements.

This change will remove the distortion between hire purchase and other forms of financing for cash-based taxpayers, and also ensure that hire purchase transactions are treated on the same basis regardless of whether taxpayers account on a cash or non-cash basis. Removing the current discrepancy in the GST treatment will allow cash-based taxpayers to acquire business assets at a lower cost.

These amendments apply from 1 July 2012.

Schedule 4 amends the GST act to ensure that sales or long-term leases of new residential premises by a registered entity are taxable supplies and that sales or long-term leases of existing residential premises are input taxed supplies.

This schedule provides that a 'wholesale supply' of residential premises is disregarded in certain circumstances for the purposes of determining whether a subsequent supply of the premises is a supply of new residential premises.

In addition, any supply of residential premises by a government body as a result of the lodgement of a property subdivision plan is disregarded for the purposes of determining whether a subsequent supply of the premises is a supply of new residential premises.

Further, these amendments clarify and remove any doubt that the subdivision of existing residential premises that are not new residential premises, by itself, does not result in the subdivided premises being new residential premises.

The main provisions take effect from the date of the government's announcement on 27 January 2011. This is to reduce risks to revenue that might otherwise arise from behavioural change.

However, this schedule also contains a transitional provision to ensure that developers who were 'commercially committed' to arrangements to develop...
premises before 27 January 2011 are not disadvantaged by the measure.

Schedule 5 adds one new organisation to list of deductible gift recipients, namely, the Rhodes Trust of Australia. The purpose of the Rhodes Trust of Australia is to raise moneys in Australia to augment the existing Rhodes Scholarship program at Oxford University in the United Kingdom. All moneys raised in Australia are used to provide scholarships to Australians to undertake tertiary education at Oxford University in the United Kingdom.

Schedule 5 also recognises the name change of 'Playgroup Australia Incorporated' to 'Playgroup Australia Limited'.

DGR status will assist this organisation to attract public support for their activities.

Schedule 6 includes amendments to the tax laws to ensure that the law operates as intended by correcting technical or drafting defects, removing anomalies and addressing unintended outcomes.

These amendments are part of the government's commitment to the care and maintenance of the tax law.

This package also includes some legislative issues raised by the public through the tax issues entry system, or TIES for short.

Full details of the measures in this bill are contained in the explanatory memorandum.

Debate adjourned.

Electoral and Referendum Amendment (Maintaining Address) Bill 2011

First Reading

Bill and explanatory memorandum presented by Mr Gray.

Bill read a first time.

Second Reading

Mr GRAY (Brand—Special Minister of State for the Public Service and Integrity and Special Minister of State) (11:42): I move:

That this bill be now read a second time.

I am pleased to present a bill to amend the Electoral Act and the referendum act to deliver a more accurate electoral roll.

This bill will allow the Electoral Commissioner to directly update an elector's enrolled address following receipt and analysis of reliable and current data sources from outside the Electoral Commission. The bill is consistent with legislation already operating in Victoria and New South Wales.

Information from reliable sources is already used by the Electoral Commission to monitor the accuracy of the roll. The Electoral Act does not currently permit the Electoral Commission to use this information to update the elector's enrolled address.

The Electoral Commission currently uses this information as the basis to remove someone from the electoral roll. The result is that eligible electors are being removed from the roll despite the fact that the Electoral Commission has accurate information on the elector's current address. This restriction is having a detrimental effect on enrolment.

This bill will enable the Electoral Commission to deliver a more accurate electoral roll. The Electoral Commissioner will be permitted to use accurate and timely information from reliable sources to maintain the current address of already enrolled electors. This bill will ensure that an elector will be notified of the Electoral Commissioner's intention to enrol him or her at a new address and be given the opportunity to object to the change.

The bill will not provide the capacity to directly enrol new electors. Persons who are not on the roll will need to enrol in
The bill will assist in meeting the urgent need to arrest the decline in enrolment rates across Australia by ensuring the federal electoral roll is as current and accurate as possible.

It will also ensure that the roll sits in harmony with rolls in those states where trusted source enrolment currently takes place.

I commend the bill to the House. Debate adjourned.

**Illegal Logging Prohibition Bill 2011**

**First Reading**

Bill and explanatory memorandum presented by Dr Kelly.

Bill read a first time.

**Second Reading**

Dr MIKE KELLY (Eden-Monaro—Parliamentary Secretary for Agriculture, Fisheries and Forestry) (11:45): I move:

That this bill be now read a second time.

**Introduction**

The Illegal Logging Prohibition Bill (the bill) responds to a significant issue affecting forest communities around the world.

The environmental and social costs of illegal logging worldwide have been estimated at approximately US$60 billion per annum.

Illegal harvest of timber contributes to environmental degradation through bad practices by illegal loggers. It hampers social development by depriving local governments and communities of the benefits derived from the use of their resource.

Illegally harvested timber also undermines well regulated and sustainable industries, including the Australian industry, by undercutting legally harvested timber products.

This bill will make it a criminal offence to import regulated timber products or process raw logs without undertaking due diligence.

**How this bill was developed**

The bill is the product of extensive consultation.

A commitment to prohibit the importation of illegally harvested timber was first presented to the community during the 2007 and 2010 election campaigns. Following the 2007 election, the Labor government commissioned substantial research to inform policy development including a regulation impact statement; a risk assessment framework; a framework for differentiating legality verification and chain of custody; a generic code of conduct for importers; an economic analysis of the impact of illegal logging; and reports on the small business impacts and social costs of illegal logging.

In December 2010, the government announced the framework to implement the policy.

On 23 March 2011 the Minister for Agriculture, Fisheries and Forestry tabled an exposure draft, referring it to the Senate Rural Affairs and Transport Legislation Committee for public inquiry.

The committee released a report on its findings on 23 June 2011, which included seven recommendations. In particular, the committee recommended the government reconsider the role of the timber industry certifiers and the inclusion of a requirement for a mandatory and explicit declaration at the border.

The government has considered the report, and the dissenting report, and the views of stakeholders about the committee recommendations in preparing the bill now before the parliament.
The government has received representations from the domestic timber industry, state governments, timber and timber product importers, the Australian Conservation Foundation, Greenpeace, the Uniting Church of Australia, the Construction, Forestry, Mining and Energy Union, domestic retailers and exporters of timber products to Australia.

The government welcomes the strong community interest in this issue.

**How the bill works**

The bill focuses exclusively on measures that will restrict the importation and sale of illegally logged timber in Australia. The government recognises these measures are an essential first step towards a longer-term goal of Australia sourcing timber products from sustainably managed forests, wherever they are in the world.

The bill will regulate timber products at two key points of entry onto the Australian timber market—at the border, for imported timber products, and at timber processing plants where domestically sourced raw logs are processed for the first time. It will restrict the importation and sale of illegally logged timber in Australia in three main ways.

First, the bill prohibits the importation of all timber products that contain illegally logged timber and the processing of domestically grown raw logs that have been illegally harvested. The prohibition enters into force on the day after royal assent of this bill. A maximum penalty of five years imprisonment or 500 penalty units, equivalent to $55,000 for an individual and $275,000 for a corporation or body corporate, or both, applies under this offence. Importers and processors suspected of importing or processing illegally logged timber products will be investigated under the powers of monitoring, investigation and enforcement under part 4 of the bill and will be prosecuted if they intentionally, knowingly or recklessly import or process illegally logged timber products.

Our own research and the work of the European Union indicate that the best way to minimise trade in illegally harvested product is to implement a due diligence framework. Importers and processors will be required to undertake a process of due diligence on those products to mitigate the risk that the timber has been illegally logged. The level of culpability for these products is negligence which differs from the standard subjective fault elements of intention, knowledge or recklessness. Negligence is an objective fault element which looks to the standard of care that a reasonable person would exercise in the circumstances. Importers of regulated timber products can only be negligent if the prosecution can satisfy the requirements for negligence set out in the Criminal Code 1995.

Second, the bill will require importers of regulated timber products and processors of raw logs to undertake due diligence to mitigate the risk of products containing illegally logged timber.

Timber products, for which due diligence will be required, will be prescribed by regulations that will be developed in consultation with key stakeholders. The government will use a number of inputs when finalising timber products to be prescribed by regulations including an economic assessment of the range of product types, value and volume of timber annually imported into Australia.

Importers of regulated timber products and processors of domestically grown raw logs will be required to undertake due diligence to mitigate the risk of importing or processing illegally logged timber. The details of the due diligence process will be prescribed by regulations and will be based
on a risk management approach. Criminal offences will apply to importers and processors who do not comply with the due diligence requirements of the bill. There is a maximum penalty of 300 penalty units, equivalent to a fine of $33,000 for an individual and $165,000 for a corporation or body corporate. Administrative sanctions and civil penalties for minor breaches of the legislation will be included in subordinate legislative instruments such as administrative sanctions for noncompliance with certain due diligence requirements.

Requirements for due diligence will be enacted after two years have elapsed following the commencement of the bill to give industry sufficient time to establish and implement their due diligence systems and processes.

Due diligence will involve a three-step process: (i) identifying and gathering information to enable the risk of procuring illegally logged timber to be assessed; (ii) assessing and identifying the risk of timber being illegally logged based on this information; and (iii) mitigating this risk depending on the level identified where it has not been identified as negligible. The specific measures and procedures underpinning the three steps will be prescribed by regulations to be developed in consultation with stakeholders.

To help meet their due diligence obligations and minimise compliance costs, importers and processors may utilise laws, rules or processes including those in force in a state, a territory or another country. Individual country initiatives and national schemes including national timber legality verification and forest certification schemes that can demonstrate that timber products have been harvested in compliance with the applicable laws of the country of harvest may be used, where applicable, as part of an importer's due diligence process.

To enable the government to enforce compliance with the due diligence requirements, importers are required to complete a statement of compliance with the due diligence requirements of the bill before they complete a customs import declaration at the border. The information to be provided on the statement of compliance and customs import declaration will be prescribed by regulations.

The customs import declaration will include a community protection question asking importers of regulated timber products whether they have undertaken due diligence in compliance with this bill. This will be linked to importers' statements of compliance to provide a legally binding basis for enforcement of compliance with the legislation. The government will monitor the importation of regulated timber products at the border for compliance with the customs declaration, whilst government compliance and investigation officers will carry out border and post-border checks, as required, using the monitoring, investigation and enforcement powers of the bill.

Processors are required to complete a statement of compliance with the due diligence requirements of the bill. As Commonwealth, state and territory laws relating to the legality of timber harvesting in Australia are comprehensive and robust, the Commonwealth government will seek to align the due diligence requirements of the bill with the pre-harvesting approvals processes of relevant state and territory governments to reduce compliance and administrative costs. The content and form of the statement will be prescribed by regulations.

Third, the bill establishes a comprehensive monitoring, investigation and enforcement
regime to ensure compliance with all elements of the bill including the prohibition and due diligence requirements. Imported timber products may be seized by the Commonwealth without a warrant under provisions in the Customs Act 1901, whilst goods deemed to be involved in an offence under the act, consistent with provisions provided in the Customs Act 1901 and the Crimes Act 1913, may be forfeited to the Commonwealth.

The bill also provides requirements for importers and processors to provide statements and declarations of compliance, undertake audits and remedial action, provide reports and other information to the minister and publish information for compliance and enforcement purposes.

The results of audits will provide a basis for continuous improvement of importers and processors due diligence systems and processes where deficiencies are identified, and for enforcement purposes by the Commonwealth where breaches are detected. To ensure there are satisfactory levels of transparency of compliance with the due diligence requirements of the bill, importers and processors are required to make an annual statement of compliance. The nature and detail of these statements will be prescribed by regulations to be developed in consultation with key stakeholders. This information may be used by the Commonwealth to publicly report on the performance and level of compliance of importers and processors, consistent with privacy and commercial-in-confidence considerations. The coverage and detail of public reporting requirements will be developed in consultation with key stakeholders.

The bill provides for the government to undertake a review of the first five years of the operation of the act. This review is to be commenced no later than 12 months after the five-year period is complete. This provision should ensure ongoing improvement in relation to the operational aspects and effectiveness of the legislative framework.

**International alignment**

The bill aligns Australia's efforts to combat illegal logging with international initiatives including legislation already implemented in the United States and developments in the European Union.

It is therefore sensible that this bill should work towards alignment with international regimes.

In establishing the regulations, the government will continue to develop requirements that, to the greatest extent possible, align with the measures being introduced as part of the US Lacey Act Amendments 2008 and the EU Regulation 2010 in order to minimise compliance costs for exporters. This will have the effect of engendering greater cooperation amongst timber importing markets like Australia, Europe and the US and help to facilitate higher compliance amongst exporting countries.

For example, the government anticipates that certification systems (either third party or government) recognised by EU or the US frameworks will be capable of meeting Australia's requirements.

The bill will also strengthen Australia's leadership position in the Asia-Pacific region on forestry issues and facilitate continued bilateral and multilateral cooperation with developing countries to promote legal and sustainable forest management.

**Conclusion**

The bill allows the government to work with key stakeholders to stamp out illegal logging and trade in illegally logged timber products.
An illegal logging working group comprising industry sectors and non-government organisations is already established to assist the government in this process and help minimise the compliance and administrative costs for both industry and government whilst driving, of course, behavioural change in the global timber trade. The government will continue to work closely with its illegal logging working group and state and territory governments to develop the subordinate legislative instruments required.

The government appreciates the work of the Senate Standing Committee on Rural Affairs and Transport for its contribution to the development of the bill. The government also acknowledges the input of industry, both importers and domestic producers, and other members of the community for their input into the process thus far.

The Illegal Logging Prohibition Bill 2011 delivers on the government's policy to restrict the importation and sale of illegally logged timber in Australia. It will remove unfair competition posed by illegally logged timber for Australia's domestic timber producers and suppliers and establish an even economic playing field for the purchase and sale of legally logged timber products and provide assurance to consumers that products they purchase have been sourced in compliance with government legislation. I commend the bill to the House.

Debate adjourned.

National Health Amendment (Fifth Community Pharmacy Agreement Initiatives) Bill 2011

First Reading

Bill and explanatory memorandum presented by Ms Roxon.

Bill read a first time.

Second Reading

Ms ROXON (Gellibrand—Minister for Health and Ageing) (12:01): I move:

That this bill be now read a second time.

The National Health Amendment (Fifth Community Pharmacy Agreement Initiatives) Bill 2011 will amend the National Health Act 1953 to implement two key initiatives in the Fifth Community Pharmacy Agreement.

These initiatives represent another important step in improving services for Australian health consumers, and will bring pharmacists even closer to the centre of the Gillard Labor government's health reform agenda.

A pillar of these reforms is the $15.4 billion, five-year Fifth Community Pharmacy Agreement, particularly the clear role within it for pharmacists to improve professional practice and patient care.

The initiatives implemented by the bill, Supply and Pharmaceutical Benefits Scheme Claiming from a Medication Chart in Residential Aged Care Facilities and Continued Dispensing of Pharmaceutical Benefits Scheme Medicines in Defined Circumstances, introduce more patient focused health services that will deliver better health outcomes.

In addition, the bill includes technical changes for prescribing certain quantities of pharmaceuticals.

The Fifth Community Pharmacy Agreement between the Australian government and the Pharmacy Guild of Australia was entered into on 1 July 2010.

Through the fifth agreement the Australian government has committed to ensuring that fair and adequate remuneration is provided to approved pharmacists for the supply of pharmaceutical benefits. This creates and maintains a stable environment
for community pharmacy to remain viable and participate in delivering better care for all Australians.

Importantly, the fifth agreement also directly provides positive health outcomes for the Australian community through the efficient delivery of professional services and targeted community programs.

The two initiatives within this bill are scheduled to be implemented at the Commonwealth level by 1 July 2012. Amendments to state and territory government legislation will also be required to support the implementation of these initiatives and it is anticipated that this will occur through a staged progression of changes within the various jurisdictional frameworks.

They have both been the subject of wider consultation with consumer representatives, interested parties and professional organisations such as the Pharmaceutical Society of Australia and the Consumers Health Forum.

The government thanks all parties for their important input, particularly the Pharmaceutical Society, which helped to draft the protocols that will guide the continued dispensing initiative, should it be passed. This input is an example of the more inclusive nature of the fifth agreement, which is helping to ensure health consumers are the biggest beneficiaries.

**Medication charts**

The Supply and Pharmaceutical Benefits Scheme Claiming from a Medication Chart in Residential Aged Care Facilities initiative will introduce the supply and claiming of PBS medicines, by approved suppliers under the National Health Act 1953, from an approved medication chart within residential aged-care facilities.

This initiative will allow the medication chart to be used in place of the PBS prescription form. This will eliminate the requirement for prescribers to write a separate PBS prescription as well as having to write on a medication chart. A pharmacist will be able to use this medication chart when supplying and claiming medicines for residents of aged-care facilities.

Medications included on the Repatriation Pharmaceutical Benefits Scheme will also be able to be prescribed, supplied and claimed in this manner where the person is a resident of an aged-care facility.

Enabling the supply and claiming of PBS medicines from a medication chart will improve patient safety by reducing risk of transcription error when writing a prescription from a medication chart entry. A more streamlined process will also mean that more healthcare practitioners re-engage with aged-care facilities. Lessening the administrative burden on prescribers through the removal of administrative processes will allow more time to be spent on clinical care. Feedback received by the government indicated that the necessity for a prescriber to write the medication order on a prescription, as well as on a medication chart, makes some general practitioners reluctant to provide services to residents of aged-care facilities.

The medication chart will be designed to encourage prescribers to review the chart in its entirety each time a medicine is ordered. This will result in quality use of medicine benefits and ensure the resident gets the right medication at the right time.

This initiative will also address issues faced by prescribers, pharmacies and aged-care facilities regarding the ordering or prescribing, supply and PBS claiming of medicines within aged-care facilities, and improve the timeliness of medicine supply.

Pharmacies will be provided with timely notice of updates and changes to a resident's
medication regimen, ensuring that the prescriber's most recent intentions for the resident's clinical care are promptly acted on.

The initiative will be supported by the development of a nationally standardised chart that incorporates all the necessary information to allow for the prescribing, supply and claiming of PBS medicines from the medication chart. Importantly the chart will also enable aged-care facility staff, such as nurses, to record administration of treatment to residents as well as act as a complete record of the resident's medication needs.

As part of the development of the initiative, standard fields for inclusion on a medication chart that can be utilised in electronic format will be developed. This will enable the chart to interface with other new initiatives being developed in the e-health space such as the personally controlled electronic health record.

**Continued dispensing**

The second initiative to be enabled by this bill is the continued dispensing of PBS medicines in defined circumstances. This initiative will provide an additional mechanism for patients to access certain PBS medicines where a valid prescription is unavailable. The PBS is an Australian government initiative that provides affordable access for all Australian residents to effective and cost-effective medicines. Under part V (21)(1) of the National Health (Pharmaceutical Benefits) Regulations 1960, a pharmacist must not supply or claim for a pharmaceutical benefit unless the prescription is written in accordance with these regulations. The requirement for a written prescription is also included in respective state and territory legislation.

This can create problems when consumers are in need of a prescription medicine but have run out of the prescription, lost it, or are not able to see a GP. Currently, both Commonwealth and state and territory legislation require that a medicine will only be supplied on presentation of a prescription.

In an urgent case, a prescriber may communicate a prescription to a pharmacist personally by telephone or other means. The prescriber is then obliged to supply a PBS prescription, known as an 'owing' prescription, to the pharmacist within seven days.

Where it is not possible to contact the prescriber, most state or territory legislation allows for an 'emergency supply' of medicines without a prescription. The quantity supplied is generally limited to no more than that required for three days treatment or the smallest standard pack in which certain medication forms, for example liquids, are contained. PBS subsidies do not apply in the case of emergency supply and so the patient is required to pay the full price of the medicine.

This initiative will ensure optimal health outcomes for patients.

For consumers taking medication for the treatment of certain chronic conditions it means that their treatment will not be interrupted should they, for example, not be able to synchronise their medical appointments with their medication requirements. Patients will not bear the financial burden of paying the full cost of the medication, as is currently the case for 'emergency supply' situations.

From commencement, oral hormonal contraceptives, or the pill, for systemic use and lipid modifying agents, specifically the HMG CoA reductase inhibitors as listed in the Schedule of Pharmaceutical Benefits are in scope for this initiative. These two therapeutic groups have been chosen on the basis that they are relatively well tolerated medicines with a very good safety profile.
Professional protocols by the community pharmacist will apply, so that quality and patient safety will not be compromised. These protocols will assist the pharmacist in ensuring that a person on a stable medicine regimen is being given ongoing medication through the application of the quality use of medicines principles.

The protocol is expected to include how continued dispensing interacts with already existing emergency supply arrangements; a mandatory feedback loop to the prescriber that continued dispensing has occurred; communication to the patient about the medicines dispensed under this initiative, including the importance of regular review by the prescriber; and the limited and selective availability of supply under this initiative.

The continued dispensing initiative will introduce efficiencies for pharmacists and prescribers, lessening the administrative burden of having to chase 'owing prescriptions' and decreasing the wastage that occurs when an original pack of medication has to be broken to adhere to the limited emergency supply provisions under the current state or territory legislation.

The initiative will be implemented in the community pharmacy setting only.

A review will be conducted of this initiative two years following its implementation to assess the suitability and appropriateness of the current therapeutic categories as well as the impact the initiative has had on patient access to medicines.

**Technical amendments**

The technical changes proposed in the bill for prescribing certain quantities of pharmaceutical benefits are intended to enhance current policy, for example, by expanding use of the streamlined 'authority required' process. This continues the government's commitment to its 2010 policy, in accordance with requests from prescribers, for expansion of the criteria for streamlining 'authority required' medicines.

The bill also enhances current arrangements by providing for determination of rules about increasing prescribed quantities for some medicines. The binding rules would be consistent with current guidelines in the Schedule of Pharmaceutical Benefits.

**Conclusion**

The $15.4 billion, five-year Fifth Community Pharmacy Agreement is a central pillar of our health reform agenda.

Community pharmacists are a vital part of our primary healthcare system. They play an important role in the health care of their local communities, they are experts in medicines, and they are visited more often than GPs.

The initiatives contained within this bill are just two ways in which the Gillard Labor government is supporting community pharmacy to provide better quality health outcomes to all Australians.

I commend the bill to the House.

Debate adjourned.
The sad truth is that our medical information is not connected—despite how logical and possible it is to achieve.

In many ways, the absence of a system of electronic health records in Australia demonstrates the difficulties of health reform—the fragmentation, the vested interests and the balancing priorities.

But we clearly know the evidence of why we need to act.

Currently health information of individuals is fragmented across a range of locations rather than being attached to the patient. Consumers need to retell their story each time they visit a different clinician. This outdated approach can result in poor information flows, unnecessary retesting, delays and medical errors.

Studies in hospital environments have indicated that between nine per cent and 17 per cent of tests are unnecessary duplicates.

Medication errors currently account for 190,000 admissions to hospitals each year. Up to 18 per cent of medical errors are attributed to inadequate patient information.

There are situations demonstrating every day in Australia why the introduction of e-health records will lead to improved care for patients. Take these situations as examples:

- A Victorian retiree on holiday away from his detailed medication history gets rushed by an ambulance to hospital.
- A mother with two children who both suffer from asthma struggles to remember the different medications they have tried.
- A carer tries to help their elderly mother with their health care who cannot participate in her own health care.
- Or a man with a chronic disease like diabetes who wants to better manage their disease—and ensure his doctors are all working off the same information. These scenarios reflect the kinds of real-life situations that occur all around Australia every day.

E-health records can change all these situations for the better.

That is why clinicians, health consumers and the health technology industry are all united in the call for electronic health records.

The National Health and Hospitals Reform Commission recommended to the government in 2009 that 'by 2012 every Australian should be able to have a personal electronic health record that will at all times be owned and controlled by that person'.

This is a proposition that had widespread support in the extensive health reform forums and consultations that the government held throughout 2009 and 2010 around Australia.

Australians saw the value in preventing errors and misdiagnosis. They saw the benefits in managing their own health and the health of their family members. And they saw the benefits in creating a more efficient and effective health system.

Our analysis shows that the net economic benefits of e-health records are estimated at $11.5 billion until 2025.

To put it bluntly—there is widespread support for dragging the management of health records into the 21st century.

That is why this government committed $467 million in the 2010 federal budget to a two-year program to build the national infrastructure for personally controlled e-health records.

Records will have the capacity to contain summary health information such as conditions, medications, allergies and records of medical events created by healthcare providers. The records will also be able to include discharge summaries from
hospitals, information from Medicare systems and some information entered by consumers themselves.

Australians rightly do not want their privacy threatened. They do not want one single massive data repository for all their records. They also want the right to participate, but not be forced to do so.

That is why we are designing this project to take heed of privacy from the ground up.

- We are building a truly personally controlled record.

- We are establishing new consent settings for sensitive information and auditing that does not currently exist for any individual's record.

It is how our system will strike the right balance between security and access. Many of these protections are about ensuring that patients have the same protections over the access to digital records that they do over paper based records.

The bias is placed upon linking data sources around the country—much of which exists already in various forms in general practices, at the pharmacy, with pathology groups or at hospitals. This also means that we will not be building every technology solution—but providing the national infrastructure that only the Commonwealth government can do.

Already there have been significant achievements made in the past few years towards the implementation of e-health.

This parliament passed legislation last year to implement the Healthcare Identifiers Service which provides the backbone identification system for e-health.

There are now 1.1 million of these identifiers downloaded—across jurisdictions and lead implementation sites.

Twelve lead implementation sites have been established and are working with clinicians and patients to deploy e-health solutions.

Partners have been appointed and are busy working in the key areas of building the national infrastructure, change management and evaluating the success and effectiveness of the solutions.

The implementation approach is both swift and careful. We are developing infrastructure in a set period of time, but the rollout will happen in a staged manner.

All through the process there has been extensive consultation with clinicians, consumers and the health IT industry.

The finalised concept of operations released in September is the result of much of this consultation—but the engagement work now continues as the fine details are completed.

This consultation is important because establishing e-health records is not an end in itself. It has to deliver for clinicians and patients. This is why we have embedded e-health within our health reform agenda.

We want to know what is going to work for the patients—as well as the doctors, nurses, allied health professionals and others who have to deliver care.

This legislation I am introducing today will deliver the legal basis for this new system from when it starts registrations from 1 July 2012.

To develop this legislation we have had two rounds of public consultations—both on the legal issues for the system, and then on an exposure draft version of this bill.

The central theme of our system and this bill is that any Australian will be able to register for an e-health record, and they will be able to choose the settings for who can access their record and the extent of that access.
When registered, consumers may be represented by authorised and/or nominated representatives. This allows minors and persons with limited or no capacity to have an e-health record which details their medical history. Patients can choose to have a carer, family member or friend assist them with their record.

Apart from consumers, the other participants who can choose to register include healthcare provider organisations and repository and portal operators.

A registration framework will ensure regulation of all these parties, verification of identity, assurance that minimum technical, security and administrative requirements are met, and system accountability.

The bill prescribes the circumstances in which e-health record information can be collected, used or disclosed and imposes civil penalties for knowing or reckless unauthorised collection, use or disclosure.

All registered consumers and organisations will be subject to the Privacy Act 1988 or state or territory privacy laws as prescribed. The Privacy Act will also apply to the system operator including the ability of the Information Commissioner to investigate an interference with privacy and to penalise an offending party.

The bill also sets out requirements which apply to protect the privacy and security of patient health information. This includes notification of data breaches and storing all information in Australia. These requirements are also subject to civil penalties.

The system operator will be responsible for establishing and maintaining the basic infrastructure of the system—including a register of participants, index service for documents and national repositories where appropriate.

There will also be important safeguards that the system operator will deliver including audit logs for access to records, reports on the performance of the system and mechanisms for handling complaints.

An independent advisory council will provide expert advice on the operation of the system and on clinical, privacy and security matters.

The membership will include consumers, health providers and people with experience in critical areas such as rural health, Indigenous health, administration, technology and legal or privacy issues.

A jurisdictional advisory committee will include representatives of the Commonwealth, states and territories and will provide advice regarding their perspectives of the system.

The Australian Information Commissioner will be the key regulator for the system and will have the capacity to conduct audits, commence investigations and impose a range of sanctions, accept enforceable undertakings and investigate complaints.

To ensure transparency of the system, the system operator and the Information Commissioner will be required to provide annual reports on the practical operation of the system to the minister and the ministerial council. The system is to be reviewed two years after the bill commences. To ensure transparency of the system, the System Operator and the Information Commissioner will be required to provide annual reports on the practical operation of the system to the minister and the ministerial council. The
system is to be reviewed two years after the bill commences.

This legislation being introduced is yet another sign that this government is getting on with the job of rolling out e-health records.

This stands in stark contrast to the record of the opposition in this area, and particularly the current Leader of the Opposition. When he was the health minister he committed to establishing e-health records. This of course did not occur.

He recalled in 2005, and I quote: Failure to establish an electronic patient record within five years—that would take us to 2010—I said, would be an indictment against everyone in the system, including the Government. I hope to be judged against that somewhat rashly declared standard; not because it is likely to be fully met but because it would mean that, come next year, I remain the Health Minister!

Of course that did not eventuate, that was a standard that he failed. The previous government did not deliver on this change, much to the detriment of patients and clinicians alike.

However he also failed a second test when, in the lead-up to the 2010 election, the Liberal Party promised that if they formed government they would cut every cent of the $467 million that this government had committed to e-health.

This legislation presents another test. What will the opposition do? Will it do the right thing for this country and support bringing our health system into the 21st century, or will the Leader of the Opposition continue down this well-trodden path of just saying no?

For the sake of the future health care of Australians I hope that the opposition will come on board.

Many people may see this system and legislation as being about technology. That is a mistake. It is about health care. It is about helping patients and doctors to prevent, cure and treat, and it uses technology to do that.

It also builds upon the other advances that are happening because of this government's investments—namely the National Broadband Network and telehealth, investments that are rolling out right now and helping to better the lives of Australians.

The use of technology to improve care will have a similar effect to the other great advances in healthcare technology, whether it be antibiotics or X-rays. This is a once in a generation opportunity to deliver these important reforms.

I encourage this parliament to support this improved health care through the passage of this bill, which I commend to the House.

Debate adjourned.

Personally Controlled Electronic Health Records (Consequential Amendments) Bill 2011

First Reading

Bill and explanatory memorandum presented by Ms Roxon.

Bill read a first time.

Second Reading

Ms ROXON (Gellibrand—Minister for Health and Ageing) (12:25): I move:

That this bill be read a second time.

This bill makes a number of minor, consequential amendments to existing acts to support the introduction of the Personally Controlled Electronic Health Records Bill 2011, which I have just introduced into the parliament.

The system will enable patients who register to access their health information and make it available to participating
healthcare providers, online, where and when it is needed.

To manage the information from different sources, a consumer's individual healthcare identifier number is used to ensure that only information relating to that consumer can be viewed through their e-health record.

This consequential amendments bill will ensure that the system is able to operate appropriately and effectively.

In order to enable the system to operate, a number of amendments to existing acts are required, including to the Healthcare Identifiers Act 2010 to allow the system to take up and use healthcare identifiers. Using healthcare identifiers will allow more accurate matching of health information to the correct consumer record and allow more accurate identification of healthcare providers.

The amendments to the Healthcare Identifiers Act 2010 will authorise the System Operator, and other entities such as Medicare acting on behalf of the System Operator, to handle healthcare identifiers in various ways including the capacity to:

- collect, use and disclose healthcare identifiers for the purpose of registering consumers in the system; and
- use healthcare identifiers to verify the identity of individuals during the registration process;

Similarly, authorisations are also sought for repository providers to:

- disclose healthcare identifiers for the purpose of indexing documents uploaded to a consumers electronic health record; and
- adopt healthcare identifiers as the main identifiers in their repository for information that is to be used within the system.

There will also need to be amendments to the Health Insurance Act 1973 and the National Health Act 1953 to allow a range of health records stored by Medicare to be included in a consumer's e-health record if the consumer so chooses.

The consequential amendments proposed in this bill will allow a range of records created by Medicare to be included in a consumer's e-health record. Consumers will be able to choose to have their Medical Benefits Scheme, Pharmaceutical Benefits Scheme, organ donor and childhood immunisation information included in their e-health record. Both the Health Insurance Act 1973 and the National Health Act 1953 contain certain prohibitions regarding the linking of Medicare and Pharmaceutical Benefits Scheme information, and the amendments will displace those prohibitions only for e-health records system purposes.

This bill seeks to make these amendments so that consumers can have the health information they choose included in their e-health record to support their better coordinated and better informed ongoing health care.

I commend this bill also to the House.

Debate adjourned.

COMMITTEES

Public Works Committee

Approval of Work

Mr CLARE (Blaxland—Minister for Defence Materiel) (12:29): On behalf of the Minister for Regional Australia, Regional Development and Local Government, I move:

That, in accordance with section 5 of the Parliament Act 1974, the House approves the following proposals for works in the Parliamentary Zone which were presented to the House on 21 November 2011, namely: High Court of Australia south western forecourt
landscape works, and installation of a raised concrete bench seat at the southern end of the Ceremonial Ramp at the entrance to the High Court of Australia.

Question agreed to.

Public Accounts and Audit Committee Report

Mr OAKESHOTT (Lyne) (12:29): On behalf of the Joint Committee of Public Accounts and Audit, I present the committee's report No. 426 entitled Ninth biennial hearing with the Commissioner of Taxation.

Ordered that the report be made a parliamentary paper.

Mr OAKESHOTT: by leave—On 23 September 2011 the Joint Committee of Public Accounts and Audit held its ninth biannual hearing with the Commissioner for Taxation. The hearing provides the committee with the opportunity to directly review and scrutinise the activities of the Australian Taxation Office. It also allows the committee to work with the tax office to ensure a stable, certain, and efficient taxation system of the highest quality for all Australians.

To enable the committee to gain a broader and deeper view of the operations of the tax office, the latest hearing was conducted with an expanded format and additional participants. Participants included the ATO's external scrutiny bodies—the Taxation Ombudsman; the Inspector-General of Taxation; and the Auditor-General. In addition, the Tax Institute and the Association of Taxation and Management Accountants provided a voice to the professional bodies during the hearing.

This new format provided the committee with a broad range of expert input and perspectives which added exceptional value to the process. Having used this new expanded format, I can attest that overall Australia's tax system is robust, well-managed and meets the highest standards. I believe it provides a trusted foundation for Australia's people, business and governments. However, there is always room for improvement.

The committee therefore made the following six recommendations in the report tabled today: firstly, that key service standards performance information, such as the ATO's traffic light benchmark reporting system, be made more prominent on the ATO's website to increase transparency and accountability; and secondly, the committee found that ATO notifications to government of tax policy or legislative problems currently remain confidential.

The committee has called for a change towards a more transparent approach, recommending that such submissions should be made public after 12 months, along with a response from government. I believe this will allow the government adequate time to consider and rectify any substantial policy or legislative problems before they become widely known and, at the same time, will place appropriate pressure on the government to act on these notifications from the ATO and that the committee did feel that the public conversation was an important driver of accountability through the process.

Thirdly, the committee found that reviews conducted by the Inspector-General of Taxation are not necessarily made public as soon as they could be. Therefore, the report's third recommendation is that these reviews should be made public after a reasonable period of time. The committee's fourth recommendation is directed at the ATO's external scrutineers asking them to investigate and report on opportunities for more strategic planning and improved information sharing as they undertake their reviews. This recommendation is focused on
further improving the already high quality of scrutiny these bodies provide.

Finally, recommendations 5 and 6 call upon the ATO to provide detailed additional information to the committee in its next submission on a range of important areas and that all future submissions continue to be provided at least one month prior to the committee hearings. Amongst other issues, the committee has requested that the ATO provide updates on what lessons they have learnt from public and business complaints; initiatives towards simplifying communication and the use of plain language; simplification of lodgement processes for medium, small and micro businesses; work done on estimating the tax gap and its possible impacts; progress to implement any recommendations by external scrutiny bodies; and processes for speedy release of superannuation funds in crisis situations.

The committee expects that the information provided in the ATO's next submission will demonstrate that concrete actions have been taken throughout the year to improve the ATO's administration and effectiveness. Given the constructive approach taken by the ATO during the past six months and at the recent hearing, the committee has full confidence that the ATO will work towards this goal also.

The committee has further decided to hold future hearings with the tax commissioner annually rather than biannually with the next hearing likely to be held in September 2012. This new time frame acknowledges the expanded scope of the hearings and that the ATO would benefit from having a longer time frame to implement improvements and evaluate outcomes following on from the committee's tabled reports and recommendations.

Overall, I and the committee believe all participants worked through issues collaboratively and constructively during the hearing. I look forward to this continuing and further cultivating a productive relationship with the ATO and other witnesses.

In closing, I wish to thank all those who participated and assisted the committee with its work, in particular the Commissioner of Taxation, the Ombudsman, the Auditor-General and the Inspector-General of Taxation. I would also like to thank the representatives of the Tax Institute and the Association of Taxation and Management Accountants. I once again thank the secretariat of the Joint Committee of Public Accounts and Audit for their work and, at this time of year, wish them a very Merry Christmas. I commend the report to the House.

Report and Reference to Main Committee

Mr OAKESHOTT: I move:

That the order of the day be referred to the Main Committee for debate.

Question agreed to.

Agriculture, Resources, Fisheries and Forestry Committee

Report

Mr ADAMS (Lyons) (12:36): We have the member for Lyne, the member for Lyons and we have Mr Lyons, the member for Bass, sitting in the chamber—it can get confusing. On behalf of the Standing Committee on Agriculture, Resources, Fisheries and Forestry, I present the committee's report entitled Seeing the forest through the trees—Inquiry into the future of the Australian forestry industry together with the minutes of proceedings. I ask leave of the House to make a short statement in connection with the report.

Leave granted.
Mr ADAMS: The committee’s brief was to inquire into the current and future prospects of the Australian forest industry. The inquiry took in a number of factors which included the opportunities for forestry and the constraints upon production and for diversification into the future. Opportunities for value adding and the product innovation we could seek included opportunities for the development of potential energy production through biofuse fuels, biomass and biochar. It also touched on co-generation and carbon sequestration, all issues that have been opportunities for the forest industries as a result of climate change discussions.

The committee was aware of the land-use competition between the forestry and agriculture sectors. The environmental impacts of forestry were considered, including the impacts of plantations upon land and water availability for other land uses. We were aware of the need to look at balancing environmental costs with economic opportunities and coming up with some solutions for the conflict that has faced the forest industry in recent times.

The implications of competing land use for the cost of the availability of timber, food and fibre were also considered. There needs to be some harmonising of competing interests while looking at farm and forest opportunities. The need was identified to look at creating a better business environment for forest industries, including investment models for sawlog production, new business and investment models for plantation production, superannuation investment in plantations, and social and economic benefits for forestry production. This became quite a task.

Over the course of the inquiry, the committee was impressed by the passion and commitment of individuals and groups throughout the forest industry. We received 121 detailed written submissions from a huge range of organisations involved in some way with the industry—from both public and private forestry areas; from industry players, individuals and some non-government environmental groups. There were seven public hearings in Canberra between 25 May and 24 August. There were three public hearing outside Canberra taking in Melbourne, New Norfolk in Tasmania and Grafton in New South Wales. The committee also took the opportunity to inspect first-hand operations in the Northern Rivers in New South Wales, the Derwent Valley in Tasmania and Ballarat in Victoria.

This inquiry has come at an important time for the forest industry and the committee has been privileged to visit some of Australia’s timber communities to talk about the future of the industry. One of the most important aspects of an inquiry is to spend time listening to people about things they know best. The committee is grateful for the contribution of all those who made submissions and attended hearings. Throughout this report the committee has focused on new forestry opportunities, both for today and in the future. The committee firmly believes that the future of Australian forestry is bright and looks forward to seeing those in the industry take advantage of these opportunities. It can be seen from the recommendations that there is plenty more to do. However, I think the future of the forest industry is full of promise and opportunity. The committee firmly believes that, with the right policy settings, the industry will be able to take advantage of each and every opportunity. The forest industry will thus continue to play an important role, as it does in Australia’s economy, particularly in rural and regional areas.

I thank my fellow committee members—the deputy chair, Alby Schultz; Mr Geoff Lyons, the member for Bass; Darren Cheeseman; George Christensen; Robb
Mitchell; Tony Crook and Dan Tehan— for all their hard work and commitment in seeing this report through. It was no mean task. I also thank the committee secretariat— Mr David Brunoro from 3 February, Dr Bill Pender until 25 July, Mr Thomas Gregory from 8 August, and Fiona Gardner—who pulled together what I believe will be seen as a landmark report into the future. Lastly, I thank all those who submitted information, attended hearings and talked to us around Australia, for without their help we would not have been able to get the complete picture we finally received. I move:

That the House take note of the report.

The DEPUTY SPEAKER (Ms King): In accordance with standing order 39, the debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting.

Report and Reference to Main Committee

Mr ADAMS: by leave—I move:

That the order for the day be referred to the Main Committee for debate.

Question agreed to.

National Capital and External Territories Committee

Report

Mr SIMPKINS (Cowan) (12:43): On behalf of the Joint Standing Committee on the National Capital and External Territories I have pleasure in presenting the committee’s report entitled Etched in Stone? Inquiry into the Administration of the National Memorials Ordinance 1928, together with minutes of proceedings. I ask leave of the House to make a short statement in connection with the report.

Leave granted.

Mr SIMPKINS: The National Memorials Ordinance 1928 defines the membership and responsibilities of the Canberra National Memorials Committee—the CNMC. The CNMC is the body responsible for approving national memorials, an important responsibility given that national memorials represent a permanent symbol of the nation’s history and our aspirations.

The inquiry arose out of public concern about the processes underpinning the work of the CNMC. The committee was tasked with examining the membership and decision-making processes of the CNMC. If changes were recommended, transition arrangements for current memorial proposals were also to be considered. The evidence presented to the committee indicates that there are significant problems with the ordinance and the operation of the CNMC. There are problems associated with the membership of the CNMC. There is a lack of structure in decision making; a lack of transparency in decision making; questionable treatment of heritage issues; doubts about access to independent expert advice; an absence of public participation; a lack of supporting documentation such as plans and guidelines; inadequate definition of key issues, including the basic question of what constitutes a national memorial; and a lack of effective parliamentary oversight.

The report raises two possibilities in addressing these issues. Firstly, the ordinance could be retained, but with the ordinance and the CNMC being substantially modernised. The committee has addressed this possibility in some detail, and indicated the reforms required to modernise the ordinance and make its operation more effective.

The preferred option of the committee is, however, for the ordinance to be repealed and the CNMC abolished. In its place, a new model for approving national memorials would be adopted, based upon the approvals process for memorials in Washington DC.
An Australian commemorative works act would define a commemorative work; define the legislative process by which commemoratives intent is established and approved by parliament; establish and define the responsibilities of the National Memorials Advisory Committee, an expert body capable of giving high-level advice on any memorial proposal; give legal standing to the criteria by which commemorative works are assessed and approved; define the process for establishing the character and location of memorials; define the responsibilities of proponents in meeting design, construction and maintenance costs; and define the role of the joint standing committee in the final approvals process for memorials.

Each proposal for a national memorial would require a motion to be introduced in each house of parliament approving its commemorative intent. Each proposal would be referred to the joint standing committee for consideration and report. The National Memorials Advisory Committee would assess each proposal against the criteria for commemorative works, while the National Capital Authority would be responsible for ensuring that the project was financially viable. Upon the joint standing committee's report, the commemorative intent of the National Memorial would be either rejected or approved.

Once approved, the task of identifying a location for the memorial and initiating a process for its design would pass to the National Capital Authority. This would involve extensive public consultation, independent expert input, and environmental and heritage approvals. Once a design and location were settled, the proposal would be referred to the joint standing committee for consideration and approval on behalf of the parliament. The committee's approval would be final.

The prominent role in this scheme given to the joint standing committee is based on its representative mixture of national and local members, its ability to represent the views of parliament and its ability to access public and expert opinion through normal inquiry processes. The committee believes its preferred option would give parliament and the people a simple, robust and transparent mechanism for assessing and approving national memorials as enduring symbols of national commemoration.

I take this opportunity to thank the secretariat for their hard work—Secretary Mr Peter Stephens, Inquiry Secretary Dr William Pender and the whole of the secretariat staff. There were a number of complicated, tricky matters involved in this inquiry, and the secretariat's great work was of excellent assistance to the members of the committee. I also thank Senator Pratt, the chair of the committee, and all members of the committee, including my friend Dick Adams, the honourable member for Lyons. In particular, I thank the ACT members of the committee, Dr Leigh, Ms Brodtmann and Senator Gary Humphries. Senator Humphries's work in giving us some insights into the way things work in Washington—in many ways, the model for what we are looking at—was a great step forward for the committee. It was good to see that, on a bipartisan program, the whole committee acknowledged the need for this fundamental change that we are proposing.

On behalf of the committee I commend the report to the House.

Ms BRODTMANN (Canberra) (12:49): by leave—An inquiry into the National Memorials Ordinance was long overdue. This ordinance, first promulgated in 1928, governs the decisions made on which memorials can be constructed in the ACT. It does this through the creation of a specific committee with responsibility for these
decisions—that is, the Canberra National Memorials Committee. The ordinance has not been significantly reviewed since its creation, and the overwhelming evidence before the committee has been that it is no longer functioning in a manner that best suits its purpose.

In the short time that I have been the member for Canberra, many people have contacted me with questions about the process by which national memorials in Canberra are approved. This is not to say that Canberrans are against the commissioning of national memorials here. Nothing could be further from the truth. We Canberrans accept the role we play as custodians of the national capital. It is a role that we relish and one that we take seriously. We also understand and agree that all Australians have a legitimate interest in decisions on commemorating the significant events that have made our nation. However, much has changed since this ordinance was promulgated and Canberra was founded.

Canberra has grown to be more than just a quaint place filled with memorials and the federal parliament. We are a living community with our own identity. There are now families with generations of residence in Canberra. The Canberra of 1928 was little more than a concept, and the full vision of Australia's national capital was yet to be realised. Indeed, the Canberra and Canberrans of 1928 could not be more different from their counterparts today. Canberra's population has become larger than what was dreamed of by Walter Burley Griffin when he first put pen to paper. Instead of a population of 50,000, Canberra today is a growing city of hundreds of thousands. We have a citizenry deeply interested in the aesthetic of our city and strongly committed to the future of its built environment. And we now have self-government, with responsibility for the planning and development of that future environment.

There have also been many changes to the national political dynamic that mean there are demands on the time of our federal leaders that in 1928 would not have been deemed possible. This means that they are not as well placed as they were in 1928 to discharge their duties on the Canberra National Memorials Committee.

These changes, taken together, have created gaps and uncertainties in the decision-making process on memorials. These just cannot be adequately addressed by the current ordinance. Indeed, this can be quite clearly seen in the level of interest and vigorous debate surrounding one particular proposal. While I wish in no way to detract from those concerned by that proposal, I believe the controversy is a symptom of a larger problem. The problem is that there is a lack of adequate process and transparency concerning the way in which the Canberra National Memorials Committee operates. This process was appropriate for its day and has served the country well, but it clearly does not meet modern standards expected by Australians and strongly desired by Canberrans.

To this end I fully endorse the chief recommendation of this report that the National Memorials Ordinance 1928 be replaced by a new commemorative works act. I also agree completely with the view of the committee that as an interim measure those vacant positions open to citizens of the ACT on the Canberra National Memorials Committee be filled. Surprisingly, it appears that none have ever been appointed. Overall I am pleased with the direction of the committee and the recommendations it has made. In particular, the recommendations provide for comprehensive public consultation. They also would establish a
rigorous two-step process of evaluation, providing greater assurance of quality and financial viability.

The recommendations also set out appropriate parliamentary oversight of memorials. This provides not only assurances on accountability but also ensures there is a national interest oversight. The recommendations thus provide the necessary and overdue modernisation of the process of national memorials and provide reassurance to my electorate that their views are valued.

I thank the committee chair, Senator Pratt, for her leadership in this inquiry and all the members of the Joint Standing Committee on the National Capital and External Territories for their work on the inquiry. I also thank all those people who took the time to make submissions to the inquiry and to appear as witnesses. Finally, I would like to express my deep thanks to the support of the secretariat staff, in particular Mr Peter Stephens and Dr William Pender, for their support during this inquiry.

Mr SIMPKINS: I move:

That the House take note of the report.

The DEPUTY SPEAKER: In accordance with standing order 39, the debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting.

Report and Reference to Main Committee

Mr SIMPKINS: by leave—I move:

That the order of the day be referred to the Main Committee for debate.

Question agreed to.

BILLS

Aviation Transport Security Amendment (Air Cargo) Bill 2011

Consideration of Senate Message

Bill returned from the Senate with an amendment.

Ordered that the amendment be considered immediately.

Senate’s amendment—

(1) Clause 2, page 1 (lines 7 to 9), omit the clause, substitute:

2 Commencement

(1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

<table>
<thead>
<tr>
<th>Column 1</th>
<th>Column 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision(s)</td>
<td>Commencement</td>
</tr>
<tr>
<td>1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table</td>
<td>The day this Act receives the Royal Assent.</td>
</tr>
<tr>
<td>2. Schedule 1, Part 1</td>
<td>A single day to be fixed by Proclamation. However, if the provision(s) do not commence within the period of 6 months beginning on the day this Act receives the Royal Assent, they commence on the day after the end of that period.</td>
</tr>
<tr>
<td>3. Schedule 1, Part 2</td>
<td>The day this Act receives the Royal Assent.</td>
</tr>
<tr>
<td>4. Schedule 1, Parts 3 to 5</td>
<td>At the same time as the provision(s) covered by table item 2.</td>
</tr>
</tbody>
</table>

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

(2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (12:55): I move:
That the amendment be agreed to.
The purpose of this amendment is to amend the commencement provision of the bill to commence proposed sections 1 to 3 and schedule 1 part 2 on royal assent and the remainder of schedule 1 on earlier of proclamation or six months. Commencing schedule 1 part 2 on royal assent will extend the operation of transport security programs for regulated air cargo agents. This means that transport security programs due to expire before 31 December 2012 will be taken to be in force until 31 December 2012 unless the TSP is either revised or cancelled at an earlier date.

This item will allow industry to adjust to new measures to help secure Australia’s air cargo supply chain that were announced on 9 February 2010, thereby minimising the administrative burden on industry during the transition to the new air cargo security framework. Delaying the commencement of the other parts of schedule 1 will provide more time for consultation with industry about consequential regulations that will implement changes to the air cargo security framework contained in the bill. This will also prevent a period where the act and regulations may not align and provide certainty to the air cargo and aviation industries about security arrangements over the busy Christmas period. I commend the bill as amended to the House.

The DEPUTY SPEAKER (Ms K Livermore): The question is that the amendment be agreed to.

Question agreed to.

Broadcasting Services Amendment (Review of Future Uses of Broadcasting Services Bands Spectrum) Bill 2011
Report from Main Committee
Bill returned from Main Committee without amendment; certified copy of the bill presented.

Ordered that this bill be considered immediately.

Bill agreed to.

Third Reading
Mr CLARE: by leave—I move:
That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Coal Mining Industry (Long Service Leave) Legislation Amendment Bill 2011
Report from Main Committee
Bill returned from Main Committee without amendment; certified copy of bill presented.

Ordered that this bill be considered immediately.

Bill agreed to.

Third Reading
Mr CLARE: by leave—I move:
That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Offshore Petroleum and Greenhouse Gas Storage Amendment (Significant Incident Directions) Bill 2011
Report from Main Committee
Bill returned from Main Committee without amendment; certified copy of bill presented.
Ordered that this bill be considered immediately.
Bill agreed to.

Third Reading
Mr CLARE: by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Business Names Registration (Application of Consequential Amendments) Bill 2011
Report from Main Committee

Bill returned from Main Committee without amendment; certified copy of bill presented.

Ordered that this bill be considered immediately.
Bill agreed to.

Third Reading
Mr CLARE: by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Crimes Legislation Amendment Bill (No. 2) 2011

Veterans' Affairs Legislation Amendment (Participants in British Nuclear Tests) Bill 2011

Protection of the Sea (Prevention of Pollution from Ships) Amendment (Oils in the Antarctic Area) Bill 2011

Message received from the Senate returning the bill(s) without amendment or request.

Stronger Futures in the Northern Territory Bill 2011

Explanatory Memorandum
Mr CLARE (Blaxland—Minister for Defence Materiel) (13:01): Madam Deputy Speaker, for the information of honourable members, I present a correction to the explanatory memorandum for the Stronger Futures in the Northern Territory Bill 2011.

Social Security Legislation Amendment (Family Participation Measures) Bill 2011

First Reading

Bill received from the Senate and read a first time.

Second Reading

Mr CREAN (Hotham—Minister for Regional Australia, Regional Development and Local Government and Minister for the Arts) (13:02): I present the explanatory memorandum to this bill and move:

That this bill be now read a second time.

This bill will introduce amendments by giving effect to the teenage parent and jobless families trials which were announced in the Building Australia’s Future Workforce package in the 2011-12 budget. This is an important bill because it will address social inclusion, lift educational attainment and also increase workforce participation. The bill will be accompanied by a legislative instrument which will outline limited circumstances where a parenting payment recipient with a youngest child aged less than six years can be required to attend interviews and develop a participation plan with the Department of Human Services. For teenage parent trial participants, parents can also be required to do the activities set out in the participation plan. Trial participants who do not meet these requirements can have their income support payment suspended until they do.

Joblessness among families is a significant social and economic problem in Australia, and we have one of the highest proportions of children living in jobless families in the OECD. There are currently
some 257,000 jobless families with dependent children who are on income support and who have no reported income over the last year or more. Being in a jobless family where no adult has a job for a significant period of time is associated with higher rates of poverty, poorer health status and lower education attainment for both parents and their children.

There are around 11,000 teenage parents currently on parenting payments in Australia. The vast majority of these parents have not completed year 12 and over a quarter only have primary school as their highest level of attained education. That said, there are some teenage parents who do very well for themselves and their children. However, there is also very clear evidence that becoming a teenage parent carries with it a greater risk of poor life outcomes for both parents and children.

This bill, therefore, will provide new services and new opportunities and will require new responsibilities to boost the educational attainment and job readiness of the parents, the wellbeing of children and the functioning of families with young children in some of the most disadvantaged locations in the country. By introducing requirements for trial participants—which means they must access local services and attend activities if they want to continue to receive parenting payment—the government is sending a very clear message that it is the responsibility of the parent to make the most of the opportunities available to them.

The trial participants will be teenage parents in the 10 locations who do not have year 12 or equivalent, have children who are not yet six years old and are in receipt of parenting payment. There will be some 4,000 teen parents in total participating in the trial. The government is sending a very clear message to parents in the jobless families trial that attending Centrelink interviews and workshops and developing a participation plan are important steps towards being work-ready once children start school. There will be some 22,000 parents a year participating in the jobless families trial. The two trials require that selected parents in the 10 locations must plan to use the services available to their local communities whilst they are on parenting payment and before they are required to look for work. The specific and additional focus for teenage parent trial participants is that the parent must work towards attaining year 12 or equivalent whilst also spending time doing child-centred activities. Of course, some teen parents have dropped out of school even before becoming pregnant, so going back to their old school might not be an attractive or even possible option for them.

Each of the trial locations will have specially tailored opportunities for teen parents to re-engage with education, including options for studying without having to put their children into child care. There will be people who can help the teenage parents to navigate the variety of services available, including, for example, helping them enrol in a course or go along to an activity for the first time. The government has invested in ensuring that there are extra services (such as Youth Connections and Communities for Children) in the trial locations to make sure parents get the help they need to participate.

The bill will make necessary changes to the social security law so that parents subject to the new requirements do not lose entitlement to other non-participation payments (such as family tax benefit) due to failure to comply with the new requirements. Parents in the trials will not be subject to the jobseeker compliance framework.
Parents who are particularly vulnerable will be assessed by Centrelink and offered more intensive support via case coordination. This new approach helps Centrelink better identify a parent’s needs and allows them to provide more appropriate referrals and better services at the time that they are needed most. This support may also extend to exempting the parent from certain aspects of the trial for a period of time. This is worthy and vital legislation, and I commend the bill to the House.

Leave granted for second reading debate to continue immediately.

Ms LEY (Farrer) (13:09): I rise to speak on the Social Security Legislation Amendment (Family Participation Measures) Bill 2011. This bill, as we have heard from the minister—and from others in the Senate two days ago—announces pilot programs in the area of social security and welfare which were mentioned in the 2011-12 budget. There are two measures: a teenage parent participation pilot and a jobless families participation pilot. The cost of these measures is $43.7 million over four years. I note—as the minister also noted—that the government announced additional expenditure of $80 million over four years to provide extra training places for single and teenage parents who are in receipt of income support, so these pilot programs, as well as costing $43.7 million over four years, do link into those additional programs which provide support, places to go and extra help for the vulnerable people who are covered by the two pilots.

I now turn to a consideration of the basic elements of the teenage parents participation pilot, which are as follows. These pilots are to be conducted in 10 targeted local government areas. Parents on income support will be required to attend six-monthly interviews with Centrelink once their child turns six months of age. Once the child is 12 months old, the purpose of the interview with Centrelink will be to develop a participation plan. The participation plan will be compulsory and is to be aimed at improving education outcomes for the parent by focusing on school completion, foundation skills or certificate-level qualifications as well as focusing on the health and education of the participation plan child. Support for the participation plan is to continue until the parent achieves year 12 completion or the child turns six years of age. Clearly, the pilot seeks to address a growing issue of concern: the number of teenage parents who have failed to complete year 12 or an equivalent qualification. Alarmingly, more than 50 per cent of teenage parents were on welfare support before becoming a parent, and a massive 80 per cent of them have not completed their year 12 studies.

We on this side of the House do not suppose that every parent who is a teenager is vulnerable, has problems or needs to be specifically investigated by departments. But we do recognise, as does the government, that there is an issue of teenage parents falling out of school and therefore falling out of the workforce and finding it that much more difficult later in life to get back on the treadmill of a job and a pathway to an opportunity which has unfortunately gone missing. We recognise that young people who have failed to complete their schooling are generally highly disadvantaged in the job market and that they have limited future career possibilities. In addition, when they do find employment, they are more likely to earn lower incomes than are those students who achieved a year 12 qualification. However, the evidence clearly shows that those between 20 and 24 years of age are more likely to be unemployed if they have not completed their year 12 studies. This very well-intentioned pilot is clearly about
making sure that mothers—and it nearly always is mothers—who are leaving school to bring up children who they have had while they are teenagers need to be assisted to get back into the workforce and to have the maximum help that we can offer them as government and non-government organisations so that they are properly catered for into the future. As I said, it is a well-intentioned pilot program.

The additional pressures of raising a young child further decrease the likelihood of a teenage parent's securing employment. Many teenage mothers raise their child on their own with little or no support from the baby's father. In 2008 it was estimated that around 60 per cent of teenage mothers had no male partner by the time they gave birth. Without this support, and in some instances without support from their own families, teenage parents are in a difficult position. By having the mechanisms in place to introduce vulnerable young mothers to organisations and to parenting groups, they can develop a support network and access the advice and assistance that they need to care for the child.

The next step, of course, is to get them back into school—whether it be their school, a TAFE facility, a community college or a registered training organisation—so that they will be better placed to provide for their family into the future. This, for them, is about overcoming those initial barriers that tell them that they do not have a chance, that they are not worth it, that school and TAFE are places that are no longer for them and also that they perhaps do not need to take the level of responsibility for their own lives and the welfare of their children that we would expect them to.

So that is the teenage parents participation pilot, and what I would say about it is that a lot of the efforts that it talks about should be and are going on in the community already. Perhaps more can be done to bring the linkages together, but in announcing a pilot over 10 separate locations what are we doing about the teenage parents in the other locations? What will happen from this pilot that will lead to future government policy? And isn't it a bit of a cop-out anyway for the government to couch its messages about mutual obligations—which it talks up, because it gets a good response in the community, which recognises the necessity for them—in pilots that are not necessarily going to transfer well into public policy?

I know that research will be done. I am not sure how effective it will be. But I do come back to the point that all of these support mechanisms that we are talking about to surround teenage parents are actually already there in the community. How much of the $47 million that we are allocating to this is going to go to additional staff in our government departments, including Centrelink and the Department of Education, Employment and Workplace Relations? Those staff do good work and we recognise that, but I am always wary when I see dollars allocated to administration and to coordination. When a program is surrounded by all of these good words, you still need to drill down and ask: what is happening? What is happening at the teenager's school? What is happening in the teenager's family? What is happening in their town?

The federal government dollars that have been allocated are going towards coordination efforts, meetings at Centrelink and bringing together the various providers—perhaps around a table to talk about it on a case management basis. All of these are very well intentioned, I know, but it is a significant allocation of taxpayers' dollars for services that I know, as a local member, and that other local members will also know, happen already. They are not always connected very well. The dots are not always joined up very well. But we have
youth connections, we have facilities for NGOs and we have organisations that look after teen parents. We have the state government departments and we have the state schools.

If I look at my daughter's school, which is in a town that unhappily has one of the highest rates of teenage pregnancy in Australia, and consider the friends that she had at school who fell pregnant during years 11 and 12, one of the things I can say is how well that school looked after those kids and how well it linked them into the services in the community. By announcing this pilot, the government is saying: 'We've got 10 areas we are going to focus on, and we are going to do something that hasn't been done before. We're also going to spend a lot of money doing it.' The coalition does not disagree with this legislation about teenage participation pilots at all, but we really do want to make those points.

We also know in this area that, the longer the time that someone spends out of the workforce, the more they struggle to re-engage down the track. That is one thing that I am totally aware of from my meetings with employment participation agencies—if I can scoop them up under that one umbrella—around the country and with bodies that look for jobs for vulnerable people, that work with youth and that try to connect youth as they leave school. We need to make it clear, not just to teenage parents but to young people, that education is an absolutely valid choice, that there is nothing scary about setting foot on the grounds of a TAFE, a community college or any other educational institution, and that when the time comes in your life to get into education, to learn something and to get a certificate and you find the one that means something to you and that can get you a job then that should be an absolutely logical step that you take.

Intergenerational unemployment is a real risk and the reality is that many of our teenage parents come from families who themselves have been supported predominantly by the welfare system. Currently, there are more than 530,000 children younger than 15 who are living with parents who do not work, and there is a strong likelihood of the cycle of dependency being repeated. It is a statistic that has been around as long as I have been in politics—that is, our very poor standing in OECD terms relating to our intergenerational unemployment. It is so bad, in fact, that I have met families who do not talk about collecting a benefit from Centrelink, who do not recognise that with a welfare cheque comes an responsibility to look for work or to participate in training, but who actually talk about going to Centrelink to pick up their pay—so strong and so entrenched is the message of no work and joblessness. I do not blame those individuals at all, because in many cases their life circumstances have not led them to any other choice. That is where the tough love of government policy really needs to take effect.

As I said, the decision has been made for this pilot to be undertaken in areas identified as having higher than average levels of disadvantage. Currently there are around 11,000 teenage parents in Australia, so this really will only scratch the surface. Teenage parents will be required to attend Centrelink once their child turns six months so they can formulate a plan to return to schooling once their child is a year old. Fully-subsidised child care will be provided to enable them to return to school at this 12-month mark. I do have real concerns about the fully-subsidised child care. This is not because it is not a good thing—it is—but because of the shortages of nought to two-year-old places and that that shortage is becoming exacerbated with every passing day because
of the government's new rules around child-to-staff ratios that are forcing childcare centres to reduce the number of places. This government really will have a task ahead of it to ensure that those places are available in convenient and suitable locations for these parents.

At the heart of this measure—if it becomes policy, and there is no reason why it should not—there is the need for the teenage parent to have really good child care so that they can educate themselves. You cannot do that with a newborn baby in the room, so we have to have child care that is affordable and available for teenage parents. Because of the new rules that I have just mentioned, which reduce the number of nought to two places, I visit childcare centres all the time that say, 'We've decided that it is not going to pay to have babies, so our youngest room will have toddlers,' and they will just start at two-year-olds, saying, 'We won't do nought to twos anymore'. I also meet a lot of childcare providers who say that they are having to cut down on the number of nought to two places they have, and everywhere I go I say, 'Where is your waiting list?' It is in the nought to two—a sometimes as many as 50. I do not know how the Centrelink case managers and the people who fill in numerous pages about compliance in relation to this measure are going to answer the question: 'Where is my waiting list?' It is in the nought to two—sometimes as many as 50. I do not know how the Centrelink case managers and the people who fill in numerous pages about compliance in relation to this measure are going to answer the question: 'Where is my child going to go for child care that I can really feel comfortable with as a nervous new mother? Where is my child going to go so that I can go to TAFE or back to school or back to community college?' I would simply say to the government that, with $47 million attached to this and the other significant dollars with all the training places et cetera, it is all going to fall in a heap if the child care is not available.

I also remain concerned as to how Centrelink plans to monitor school attendance and compliance with the rest of the employment pathway plan. In particular, teenage parents will be required at these interviews they attend to outline how they will maximise the health and education of their children. Part of making this work is ensuring that they do adhere to those commitments. But it is not really the role of Centrelink to look at the health and education of a child. It is slightly outside their role. Their job in this respect is to complete an employment pathway plan and to interview the teenage parent. It is not an unfriendly exercise, because there is really nothing to do when the baby is six months. That is about saying: 'Okay, let's get something happening here. Let's make a plan so that when your child turns one you do start doing something that is in your own interest and also, because of the vulnerability of the children of teenage parents, we'll keep an eye on that as well.' How this actually happens in the real world is not clear to me at all. Again, we have the Labor government announcing rather grand plans and initiatives. People should not make the mistake of thinking that they will translate well in a real world situation.

I want to talk about the other pilot, the jobless families pilot, which is the subject of this legislation. It will commence on 1 July 2012. As with the teenage parents pilot, it will be run in 10 local government areas. It introduces new participation requirements and support services for parents who have been on income support for over two years or who are aged under 23 and are in a targeted local government area. They will be required to attend compulsory workshops and interviews and set personal and family goals. They will receive assistance to target prevocational barriers to engage in the community and to improve the health and education outcomes for children. They will have access to 52 weeks of jobs, education
and training child care fee assistance, which pays any childcare fee gap, effectively making child care cost free. This also links to $71.1 million which is provided in other government programs, $19.4 million of which is to be spent on children for community services, which the minister recently mentioned was going to be enhanced in these targeted areas.

I know that all these things happen with clients of Centrelink, our job services agencies and our disability employment service providers. They conduct workshops, they talk to people about setting family goals. It might be that the people in this jobless families participation pilot do not have those activity test requirements, but if we give them those requirements, which essentially is what we seem to be doing here, the services and the provision of those services does already exist. Again I question where the $47 million is going to significantly add value?

One of the most frustrating things for me is going to a town and seeing something provided by one service, something provided by another service around the corner, and other related activities somewhere else—no one entirely talking to each other because, let us face it, there is a bit of competition between them in attracting the government funding to run the services. If we simply said, 'Everybody sit around the same table, talk about this particular family, talk about this particular teenage parent and work out what you are going to do,' it would be a common sense local initiative that would not require so much money.

Remember: where you create a program like this you create significant compliance as well. You have a computer system, you have forms to fill in. At interviews an amazing number of boxes have to be ticked and questions have to be asked, but you have to remember the experience of the individual. These are vulnerable members of our community and they are sitting in a chair across from somebody who is staring at a computer screen with a program that has been provided by the Department of Education, Employment and Workplace Relations. Those people who sit at the computer screen tell me they sometimes spend 50 per cent to 60 per cent of their time filling in forms in order to serve the great IT system within the department. I have seen this in many situations. The person sitting there wonders: 'Is this person interested in me? Do they want to know about my problems? Are they, in fact, someone who is trained to understand my problems or are they someone who is really, really good at compliance, who can sit in front of his computer screen and give all the answers to make the department happy?'

I know I am being a little unfair and I am probably exaggerating to get my point across, but it is a valid point. When I talk to the people who run these case management exercises that is the single thing they say: 'We would like to speak to people. We would like to empathise with our clients. We would like to say, "We see you, we hear you, we understand what your life is like," but instead we are sitting in front of a computer screen moving the mouse and just glancing occasionally at them.' It is not a good way to do business.

Despite the investment we are making in our jobless families participation pilot, there is no requirement for the families to commit to taking work. Compliance with the employment pathway plan should be a given. I understand with the teenage parents it is about getting them back to school, so we do not want to be withdrawing dollars or support. But in this case, compliance with the employment pathway plan is about being a young person without a job. So once again we have a prime example of how the Labor
Party has watered down the compliance regime: talking tough about mutual obligation, making the public think that that is what they are doing, but not really doing it. We absolutely have to ensure that jobseekers follow through on their commitments and accept responsibility for their financial futures.

Indigenous families are chronically overrepresented in the cohort of welfare dependent families, with around 40 per cent of Indigenous children living in jobless families. Here the challenge to break this cycle is absolutely paramount. I see this tragedy firsthand in a number of places in my electorate, with families camping outside local pubs waiting for opening time: grandma, mum, dad and a handful of toddlers running around—it is absolutely heartbreaking to witness. It is a battle that we do have to win, and it often does require a firm hand.

The coalition has a proud track record of welfare reform. We stand firm in our commitment to mutual obligation. Welfare payments need to be viewed as a temporary safety net—there to support people when they are down but intrinsically linked to the support mechanisms that will help raise them up. That is why a program such as Work for the Dole has such an important role to play. It reiterates that in order to receive income support one has subsequent obligations to look for work, and in the absence of paid employment to give back to the society that supports you. More than 600,000 people have benefited from time in Work for the Dole, with programs across the country helping get job seekers job ready. It has taught real-life skills that are needed in every workplace: punctuality, teamwork, appearance and work ethic. I would like to reiterate that the coalition sees Work for the Dole as a labour market program.

We certainly witnessed great success during our time in government but, unfortunately, since the Rudd-Gillard governments came in unemployment has risen. The government chose to water down mutual obligation when it came to power by changing the requirement for job seekers to undertake a Work for the Dole activity after six months, which was the case when we were in government, to 12 months. This government is actually helping to allow people to languish on welfare. The departmental secretary reinforced Labor's position by writing to employment services providers and urging them to be more lenient on job seekers' noncompliance. But compliance has a critical role to play in getting job seekers off welfare and into work. The coalition has never lost sight of this, opposing Labor's frequent attempts to water it down. We face an increasingly complex demographic challenge in the Australian workforce; we have an ageing population and we will face significant skills challenges into the future. But we still have an extraordinarily high number of long-term unemployed job seekers. We need to ensure that those who can work do work.

The coalition moved amendments in the Senate yesterday, one of which the Greens supported, I am happy to say. Our amendments sought to maintain the ability of the secretary to intervene in extenuating circumstances. I actually remain quite bewildered at Labor's decision to introduce this clause—that is, that the secretary cannot intervene. There must always be scope for the secretary to intervene when we are talking about vulnerable people. In addition to the amendment moved in this bill in the Senate, where the bill was introduced, we will move further amendments here to address the need for real penalties to apply in the case of jobless family participants so that we can follow through on requiring an
employment participation plan. If there are no teeth then there may not be any agreement by the participant to go ahead.

I foreshadow that we will move those amendments in the consideration in detail stage and repeat that, despite the concerns that I have indicated, the coalition will be supporting this bill. It takes some positive albeit rather baby steps towards reinforcing the responsibilities that come with the right to welfare, and it provides a basis for supporting teenage parents and jobless families to help them realise a brighter future.

Mr HUSIC (Chifley—Government Whip) (13:33): At the outset can I just say that I am proud to be associated with a government that, at a period of time when most of the advanced world was shedding jobs phenomenally, was able to create them. We had an economy that was stronger than most of the rest of the world and we have survived today. This is even to the extent that, when the Leader of the Opposition trawls around the country talking down the economy, the minute he gets a chance to go overseas and thinks that no-one is watching he is praising it.

We have done a lot in employment, job growth and finding work here. I just wanted to note that in the context of the contribution that has just been made, which tried to suggest otherwise. We are always looking for ways to improve job outcomes, not just because of the economic benefit that flows from that but also because of the fact that it provides opportunity for people to do within their lives the types of things that they want to see within themselves individually, for their families, for their friends and for their communities.

Particularly in Western Sydney, where we have stubbornly higher than national average unemployment, we are always looking for ways to find meaningful work, and there are a number of ways that we seek to do it. Certainly since becoming the member for Chifley last year I have spoken at length in this place and elsewhere about the need for our young people to remain at school as long as possible. In an electorate like Chifley, where there are households that have multiple generations of people who have been on some sort of income support, it is important that we give young people the tools and the motivation to get skilled to get a job and to get ahead.

In my first speech to this place I nominated lifting local school retention rates as one of my main priorities as a member of parliament. I commented in that speech that retention rates in Chifley were stubbornly lower than the national average and I lauded, for example, three trade training centres that had been promised and said how I hoped they would lift the number of students staying on in years 11 and 12. Last week I had the opportunity of inspecting the progress of construction at the Loyola trade centre at Mount Druitt. I am excited about the momentum that is building around this centre, which has started delivering trade qualifications in commercial cookery, electrotechnology and hairdressing. Students are lining up in great numbers to begin studying automotive, carpentry, shopfitting and metal fabrication when classes resume in February.

I see these centres and other initiatives in our schools as delivering opportunities to young people—not just opportunities to study but opportunities to find work—and these are opportunities for life. It is why I am supporting this legislation today. I am not comfortable with opportunities like these passing people by, particularly because of changing circumstances—some of which include the need to raise young children and
the family responsibilities that come with that. There are roughly 11,000 teenage parents in Australia. They receive a parenting payment, and more than 90 per cent of them have not completed year 12. A quarter of them claim primary school as their highest level of education. Certainly when economic conditions change—when they tighten, when they are harder and when jobs are lost—this lack of a skills base is one of the greatest disadvantages that people, particularly in the electorate that I am proud to represent, have. Having grown up in those areas, I know that the people there have enormous hearts, are willing, keen and enthusiastic and want to get involved but sometimes a lack of qualifications holds them back.

Not only are many teenage parents missing out on opportunities for a stable future but so too are their children. There is clear evidence that becoming a parent as a teenager brings with it greater risk of poor life outcomes for both the parent and the child. There is also evidence that coming from a family where no adult has a job for a significant period is associated with high rates of poverty, poorer health status and lower education attainment for the child and the parent.

This bill will allow for the commencement of two trials: the teenage parent trial and the jobless family trial. These trials will be implemented in 10 disadvantaged communities across Australia. It is hoped they will lead to improved family functioning. The jobless family trial will amend the arrangement that currently requires parenting payment recipients to look for a job for at least 15 hours per week once their youngest child turns six. The trial will now extend that requirement to where the youngest child is less than six years of age. Some might claim that we are taking parents away from their primary role of caring for their child, but we believe there are enormous benefits that flow from being able to get people in a position where they are training and seeking work. Already there are many services available in local communities which families can use while they are parenting, such as playgroups and play schools. Other often free services, like TAFE courses, baby health clinics and community courses in cooking or financial management, can also improve family outcomes. Making use of services like these while children are young can improve the chances of welfare recipients becoming financially independent once their children are at school. Children themselves are more likely to be school ready when they turn six.

The teenage parent trial will require participants to access local services and attend activities in order to continue receiving the parenting payment. The government is sending the clear message that it is the responsibility of the parent to make the most of the opportunities available to them. Trial participants will be teenage parents who have not attained year 12 or an equivalent qualification, or who have children who are not yet six, and are in receipt of the parenting payment.

In order to facilitate these trials the Gillard government has invested in extra services like Youth Connections and Communities for Children in the trial locations. Communities for Children is also making great headway in suburbs like Mount Druitt. A few months ago the Parliamentary Secretary for Community Services, Julie Collins, visited Mount Druitt. We were very happy to have her visit. The state government announced support in Mount Druitt to help families.

There are also a number of other services helping families in Bidwill. They are helping...
young parents cope with their new-found responsibilities as parents. Sometimes this is approved in some suburbs within Chifley. There is enormous pressure on families who do not have support networks. Some of the work that is being done to invest in that support has been hugely beneficial. I congratulate UnitingCare on their work in Bidwill. The NewPIN program has made some important contributions to improving family life and improving the role of young parents in our area.

So that the trial participants can navigate the array of services available to them, there will be people to help them enrol in a course or attend an activity for the first time. It is anticipated that these trials will positively impact 4,000 teenage parents and 22,000 parents in jobless families. Parents who fail to comply with these requirements will have income support payments suspended until they do so; however, family tax benefit will continue to be paid.

It has to be emphasised that the government is providing participants with all the support they need to comply with the requirement to attend activities or to complete secondary education or the equivalent. There are a range of safety measures in place to ensure that those most at risk will get the support they need. Parents who are particularly vulnerable will be assessed by Centrelink and offered more intensive support via case coordination. Centrelink is going to be required to identify a parent's needs and provide more appropriate referrals and better services. This additional support may include exempting the parent from certain aspects of the trial for a period of time.

The government will ensure that these trials are monitored closely throughout their implementation. That is fundamental. This will ensure that parents are achieving the desired goal and that it is remaining fair to those participating. Overall the greatest focus needs to remain on how to improve access to education early on for parents, particularly for young people. As I said earlier, their greatest level of education attainment might be attending primary school or in some areas the early years of high school. That denies them so many opportunities not just to participate in the workplace but to equip them to navigate their way through community life. As I said at the beginning of my contribution to this debate, that is why I feel so strongly that being able to find ways to ensure students stay on as long as they possibly can in school is critical.

I refer to the fact that we have had trade training centres open. With years 11 and 12 counting as the first years of an apprenticeship, people are finding this is definitely keeping students in school longer. At Loyola, for instance, they have the Nicholas Owen Program for students who just do not have the enthusiasm for school and who, as a result their lack of engagement, create social problems in school. They have found other ways to keep the kids in longer. They found that a lot of the students in the Nicholas Owen Program were attracted to a trade type course. The students are enrolled in carpentry and trained on the way through. They are retained in school while building their skills.

When students do not stay on in school as long as they possibly can it can affect them greatly, particularly when economic circumstances become bad and they are unable to hold onto employment. Hopefully, through the initiatives being discussed in this legislation, especially where intergenerational unemployment has gripped so many families in suburbs north of Mount Druitt in the seat I represent, we will see those people able to get a faster track and faster focus on education—
The DEPUTY SPEAKER (Hon. Peter Slipper): Order! It being 1.45 pm, the debate is interrupted in accordance with standing order 43. The honourable member for Chifley will have the opportunity to continue his remarks at a later hour.

STATEMENTS BY MEMBERS

McKerihan, Ms Melissa

Mr BRUCE SCOTT (Maranoa—Second Deputy Speaker) (13:45): We all come to this place as representatives of a constituency around Australia. We are so often the public face of our electorates in this place and also in many parts of Australia. The media spotlight is on us but, I have to say, we are only ever as good as the people we surround ourselves with, including our own staff.

Today I want to pay a personal tribute to a former staffer of mine who passed away on Sunday. Melissa McKerihan joined my staff when John Howard was elected Prime Minister. She was my media adviser during the very early days when I was the Minister for Veterans' Affairs. She was always dealing with issues from the veterans community, from members on both sides of the House and from around Australia. She was a very calm person, a wonderful person and a wonderful staffer to have.

I know that sometimes in this place we do not always record our gratitude for the wonderful staff that we have and for the people that we have behind us. Melissa was one of those people that I had behind me for so long. She had a melanoma removed from the back of her leg but, tragically, it caught up with her. Melissa at only 41 leaves a loving husband, David; two children, Hamish and Lucas; and of course her loving father, Daryl.

I say in this place, Melissa, on behalf of all the staffers—I have received a lot of messages and emails—that we are feeling for your family that you leave behind. Our sympathies go to your family on your tragic passing so early in life.

Armenian Genocide

Mr FITZGIBBON (Hunter—Chief Government Whip) (13:47): While not necessarily agreeing with every word spoken, in the short time available I want to associate myself with the theme of the speeches delivered by the members for North Sydney, Wentworth, Bennelong and Hughes during the adjournment debate on Monday evening. Each gentleman spoke with conviction about the tragic experiences of the Armenian, Assyrian and Hellenic peoples in the earlier parts of the 20th century.

I have been a student of the fate of the Armenian people in particular. We seem to spend too much time playing word games and arguing about whether what the Armenian people suffered was or was not genocide. Rather, we should collectively spend more time recognising that between 1915 and 1923 hundreds of thousands of Armenians had their lives cut short for no other reason than for their ethnicity.

The best and most effective way to heal the wounds carried still by Armenians today is to recognise and acknowledge both the events of the past and the motivations behind them. Only then will the global community collectively be able to offer the Armenian people and others sufficient empathy. And only then will the international community be able to genuinely claim an unqualified determination to identify and eradicate genocide in any and every corner of the globe.

World Dyslexia Day

Mr PYNE (Sturt—Manager of Opposition Business) (13:48): I rise to note World Dyslexia Day on 26 October 2011. Many dyslexia groups marked that day
across Australia. Most members will know that dyslexia is a neurological impairment and language based learning difficulty. I have a particular interest in dyslexia and the attempts by all governments to ameliorate the impacts of dyslexia, particularly on young people.

My father was the founding vice-president of the Specific Education Learning Difficulties Association in South Australia in the early 1970s, and was made Father of the Year in 1976 for his work with dyslexic children as an eye surgeon. My brother is dyslexic and two of my four children have dyslexia, so I have a particular interest in dyslexia.

It is a terrific thing that in the last 20 to 30 years children who might otherwise have simply been treated as difficult children have now been properly diagnosed and get the support they need from teaching staff and special education staff to be able to achieve just as much as anybody else in schooling. It is why the opposition at the last election proposed that the education tax rebate extend to all the costs associated with special education, including dyslexia, and it is why our policy also requires the state governments to come up with a nationwide definition of disabilities, including dyslexia, so that we can stop children falling between the cracks. (Time expired)

India

Mr SIDEBOTTOM (Braddon) (13:50): It is with great sadness that I have learnt four young women from my local community on the north-west coast of Tasmania were passengers in the serious train fire in the eastern state of Jharkhand, India, which was reported worldwide yesterday. The Australian High Commission in New Delhi has already been in contact with three of the women involved.

Sadly, the Australian High Commission is seeking to confirm with local authorities the circumstances of the fourth Tasmanian travelling companion, who is reported as missing since the incident occurred. We hold very grave concerns for her welfare. Two officers from the Australian High Commission are already en route to the scene to provide consular assistance to the three young women and to ascertain more details regarding their missing friend. The Department of Foreign Affairs and Trade is providing consular assistance to the families in Australia.

I have contacted each of the families to offer this government's concern and sympathy. They have already received contact and support from DFAT, the Australian High Commission and Minister Rudd's office. On behalf of this parliament and my community, I offer our deepest sympathy to these young women and their families. Our thoughts are with them at this very, very difficult time.

Telstra Business Women's Awards

Mrs GRIGGS (Solomon) (13:51): On Friday night I had the pleasure of supporting four outstanding Territory women, Estelle Cornell, Jodie Milne, Priscilla Collins and Kylie Beumer, at the 2011 Telstra Business Women's Awards. These extraordinary women were Northern Territory finalists. These annual awards recognise and uncover amazing business women who inspire others.

Long-time Territorian Estelle Cornell of Allora Gardens Nursery is proof that, if you work hard and long enough in business, eventually rewards will come. Estelle started her nursery with zero stock on two hectares of land. Ten years on, every single square metre generates income. Estelle has customers from all over Australia. Jodie Milne of Quest Palmerston Serviced Apartments and her partner opened the first
accommodation in Palmerston. Priscilla Collins, CEO of North Australian Aboriginal Justice Agency, has been inspired by her grandmother and mother to succeed. The most impressive was young business awards finalist Kylie Beumer, who is currently the only female patrol captain of the Royal Australian Navy. She spends 150 days at sea each year and she relishes her demanding leadership role and the chance to improve her mariner skills. These very impressive Territory women are an inspiration and are true leaders of the Territory community. I congratulate all four women for being national finalists and I wish them every success in their future careers.

Tasmania: Health Funding

Mr WILKIE (Denison) (13:52): Today in the Tasmanian parliament the Premier/Treasurer displayed a breathtaking lack of fiscal nous when she suggested that the $340 million I secured for the Royal Hobart Hospital will result in a commensurate reduction in GST and, by implication, that I am somehow responsible for Tasmania's dire financial circumstances.

But the facts are that GST calculations are complex and special purpose grants to any state for any project have a lesser impact on the GST carve-up and it is spread over years. No wonder the Tasmanian government welcomed the $340 million for the Royal Hobart Hospital at every opportunity and has never suggested handing it back. So, no, this $340 million will not cut $340 million from future GST allocations and, no, I am not responsible for Tasmania's budget debacle.

Frankly, the Premier should come clean and stop cherry-picking her projects. What about the $176 million for the Brighton Bypass? And is the $40 million for the Launceston General Hospital exempt? This is desperate politics from a Labor-Green government trying to deflect attention from the fact that it is gutting the public health system, sacking staff and putting Tasmanian lives at risk. Thankfully, the federal government has tied the hospital money to health spending, in effect protecting Tasmanians from their state government, which would otherwise waste the money on pet projects like racetrack resurfacing and football team sponsorship. (Time expired)

The DEPUTY SPEAKER (Hon. Peter Slipper): Before calling the honourable member for Reid, I would like to recognise the former honourable member for O'Connor who is gracing the chamber with his presence today. Welcome, Mr Tuckey.

National Disability Awards

Mr MURPHY (Reid) (13:54): Two organisations in my electorate were shortlisted for the Australian government's National Disability Awards, held in the Great Hall in this place last night. The City of Canada Bay in Drummoyne was a finalist for the local government award recognising community work that provides opportunities for full inclusion and the Touched by Olivia Foundation was a finalist for the inclusive and accessible communities award.

John Perkins and his wife, Justine, co-founded the Drummoyne based foundation in 2007. A major motivation for this was the very sad death of their eight-month daughter which gave them a greater awareness of the importance of inclusive communities that meet the different play needs of all children and their families. This organisation is determined to establish a way in which communities can meet the need for inclusive and accessible playgrounds. The first such playground was established in 2009 in Timbrell Park, Five Dock in my electorate of Reid and is called Livvi's Place. The Touched by Olivia Foundation has developed four inclusive playgrounds with two further playgrounds under construction
and a further eight planned. Accessible playgrounds allow children of all ages and abilities to play side by side. The foundation works in partnership with councils like Canada Bay and corporations to build state-of-the-art all-abilities playgrounds. The foundation was recently awarded the World Leisure Association’s international innovation award 2011 for the best playground. I say well done to John and Justine Perkins and the Mayor of the City of Canada Bay Council, Councillor Angelo Tsirekas.

Bierge, Kaleb

Mr VAN MANEN (Forde) (13:56): I rise to congratulate Kaleb Bierge, a year 9 student from Beenleigh State High School, who has become the first Australian student to receive the ASDAN Bronze Award. ASDAN is a charitable social enterprise whose mission is to create the opportunity for learners to achieve personal and social development through a structured program of awards and qualifications. This enhances their self-esteem, their aspirations and their potential to contribute to their community. It encourages the growth of their creativity, innovation, employability, self-confidence and self-worth and is designed to inspire future citizens for the 21st century.

In order for Kaleb, who is 14, to win this award, he was required to complete 60 hours of work by giving up his morning tea and lunch breaks at school and working on weekends and over his school holidays. His chosen challenges included visiting Old Beenleigh Town and reporting back, planning and preparing a healthy snack suitable for lunch, taking part in a gardening project, carrying out basic vehicle maintenance and producing an illustrated study of the life and work of an expressive artist. Kaleb has been made an ASDAN ambassador for Beenleigh State High School in recognition of his hard work and commitment. My congratulations go to Kaleb and I am sure he will be an inspiration to other students. (Time expired)

Heavy Vehicle Regulation

Ms ROWLAND (Greenway) (13:57): I rise in support of the Transport Workers Union’s safe rates campaign and reaffirm my commitment to the more than 1,000 professional truck drivers living in my electorate of Greenway. Earlier this week the safe rates summit heard from truck drivers from around Australia who told their stories about the pressures they face. According to the TWU’s safe rates survey released this week, over 40 per cent of truck drivers are forced to break fatigue regulations and a quarter have said they drive at excessive speeds in order to make deadlines—not to mention the widespread use of drugs to stay awake and the pressures to drive their heavy vehicles in a dangerous manner.

My constituents have told me of the horrible stories facing truck drivers who are forced to drive long hauls with impossible deadlines, putting their lives at risk and the lives of every other road user. By introducing a system of safe rates we can make a real impact on road fatalities and help our truck drivers to make it home to their families.

I also note the highly misinformed views of the Leader of the Nationals, who made an argument in a recent edition of Australasian Transport News which essentially disputed the link between safe rates and safe roads. What nonsense! These highly out-of-touch comments run contrary to the views of the industry, academics and the truck drivers in my electorate. The nation's roads are shared by all Australians and it is in everyone's interest to ensure better safety on our roads. I am very pleased to be part of the push to ensure safe rates for our truck drivers and I acknowledge the introduction today of the
Road Safety Remuneration Bill and thank the Minister for Transport and Infrastructure for all his hard work in this area.

**Wright Electorate: Combined Services Dinner**

**Mr BUCHHOLZ** (Wright) (13:59): I am so proud to be a member of the party which looks after regional Queensland.

*Government members interjecting—*

**Mr BUCHHOLZ:** Where is your Christmas spirit, guys? Recently I attended a combined services dinner which was hosted by my local Rotary clubs and Lions clubs. I want to acknowledge some of the wonderful people who give so generously to my community. They are Felix Grayson of Boonah Rotary Club, Andrew Bader of Boonah Lions Club, Graham Porter of Fassifern Valley Rotary Club, Lyn Hughes of Boonah Inner Wheel Club, Doreen Nason of the Boonah Hospital Auxiliary, Francis Faulkner of Boonah Quota Club, Mick Rashford of Harrisville Lions Club, Ann Andrews of Boonah Red Cross and Sel Pfeffer of Boonah Rotary Club. The spirit and the compassion that these people show in their community is very humbling.

**The SPEAKER:** The time for statements by members has expired.

**QUESTIONS WITHOUT NOTICE**

**Mining**

**Mr ABBOTT** (Warringah—Leader of the Opposition) (14:00): My question is to the Prime Minister. I remind the Prime Minister of the words of her pledge to pull the curtains back and 'let the sun shine in'. Why did she not give the parliament all the facts before trying to ram her mining tax through this parliament in the dead of night? When will she end the special arrangements and the secret deals which make Bob Brown the real Prime Minister of this country?

**Ms GILLARD** (Lalor—Prime Minister) (14:01): After a night of saying no, no, no, no to a minerals resource rent tax to ensure that all Australians can share in the opportunities that come with this resources boom, we see the Leader of the Opposition come into this place and continue his campaign of relentless negativity. If the Leader of the Opposition had worked his way through this morning, he would have seen the following: I have verified publicly that the government has decided to action a modest savings measure which we had in contemplation in the course of preparing for the Mid-Year Economic and Fiscal Outlook. The details of this modest savings measure were released this morning. They were released so that we could go through a proper process of contacting stakeholders.

But the real thing that amazes me about the Leader of the Opposition's question is the suggestion that he would be interested in anything that looked like the facts—as if the facts have ever informed a decision of the Leader of the Opposition. If he cared about the facts then he would recognise that the Australian economy is in a time of transformation when our big miners, particularly, are super-profitable. Our big miners have worked to reach an agreement with the government that they will pay more tax. Those big miners are making their profits from the minerals wealth in our ground that belongs to all Australians. During this time of our nation's development it is the right thing to do and the fair thing to do for Australians around the nation to ask those big miners to pay more tax—miners who are super-profitable—so that can be used to share the opportunities from the resources boom to bring a fair share to working people.

That fair share will come in the form of backing an increase in superannuation, better retirement incomes and a better pool of...
national savings. It will come with better investments in mining infrastructure. Mining brings benefits to communities, but it also brings strain and consequently we need more investment in infrastructure. It will share the opportunities of the mining boom by giving special tax breaks to small business—to those hardworking Australians who use their spirit of entrepreneurship to make a living for themselves and to employ others. Those Australians will enjoy an instant asset write-off of $6,500 as they invest in their businesses. At the same time, we will cut company tax for businesses that pay company tax to spread the opportunities of the mining boom.

If the Leader of the Opposition cared at all about the facts then he would not have come into this parliament in the early hours of this morning and voted no, no, no to a fair share for working Australians from the benefits of the resources boom.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:04): I have a supplementary question to the Prime Minister, Mr Speaker. Is the Prime Minister aware that the head of Xstrata said yesterday that her mining tax would cost investment and cost jobs? Is she still peddling the lie that the miners want to pay this tax?

Ms GILLARD (Lalor—Prime Minister) (14:06): I am well used to the fact that the Leader of the Opposition thinks that politics is about abusing me, not describing policies in the nation's interest. Of course, what it does is disappoint working Australians that each and every time the Leader of the Opposition is called upon to turn his mind to the national interest he just says no. As the Leader of the Opposition well knows, the government entered an agreement with Australia's biggest mining companies, through a process of consideration and work through a policy transition group involving the Minister for Resources and Energy as well as the Deputy Prime Minister. We have worked through to settle the details. We have determined that it is the right thing that super-profitable miners pay more tax. Whilst they are at this period of our nation's economic transformation and the transformation of the region in which we live where they can command superprofits, they should pay more tax so that Australians can share in the benefits of that resources boom.

I well understand that the Leader of the Opposition, if required to choose—as he was last night—between the interests of working Australians and small business entrepreneurs and businesses in other sectors outside mining and the interests of those super-profitable big miners, will tick the super-profitable big miners on every occasion. Between a working family and a big mining company, he picks the big mining company. Between the interests of a small business entrepreneur, working hard day in and day out to provide for their family and to employ other Australians, and the interests of a big mining company, he picks the big mining company. Rather than the interests of an Australian working hard so that they can have a decent retirement, he will choose the interests of the big mining company. That is what he voted for last night; that is what
every member of the coalition—with one notable absence—voted for last night. They voted for big miners who have agreed to pay more tax and to get that tax back, to the detriment of working Australians and their jobs around this nation. The Leader of the Opposition knows that they are the facts and that is where his relentless negativity has led him. He has no policies in the interests of working Australians. Whenever he is called upon he bandwagons with the big miners, as he just did in that question.

**Mining**

Ms O'NEILL (Robertson) (14:09): My question is to the Treasurer. Will the Treasurer outline for the House the importance of spreading the opportunities of the mining boom to create jobs right across our country?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:09): I thank the member for Robertson for her very important question. In the House last night we passed legislation that will stand the test of time, against the rabid objections of everyone on that side of the House. We had the foresight to seize the national interest, and the courage to act. That is what is required of government given the challenges that we face in this country and in our region.

We have seen mining profits jump something like 250 per cent in the last decade. That demands a resource rent based tax. These resources are non-renewable; they can only be sold once. Because of the mining boom and because of what is happening in the Asian century, we know that our economy is facing profound structural changes. Not everybody is in the fast lane of the mining boom. Many people in small business are being left behind. What we must do is spread the benefit of this boom to every corner of our country. That is what the government has had the foresight to do.

Over 18 months ago we moved to put in place a resource rent tax, the MRRT, so we could give a boost to small business and boost the superannuation savings of Australian workers, and so that the benefits could be spread right across our country by ensuring that the superprofits are taxed on 20 to 30 of our largest mining companies and distributed around our country. This will give small businesses that $6,500 instant asset write-off, so important to get cash flow and business investment. There is all of that, plus the need to invest in infrastructure, particularly in our mining regions and places like Mackay, Rockhampton and right up the Queensland coast, and in Western Australia, particularly up in the north-west, and of course in places like the Hunter. Investing in infrastructure in those great mining regions is very important.

But, most importantly, we are boosting the superannuation savings of 8.4 million workers. Those ships which are heading over the horizon will be contributing to the retirement savings of eight million Australian workers. We know that we have to build a national savings pool to build our nation. We know that, as a capital-hungry country, we do need to lift our national savings. What better way to build sovereign wealth funds—eight million of them—than to boost the superannuation savings of eight million workers?

We know that these two measures are opposed by those opposite. They have been captured by special interests and by vested interests—by a few large mining companies—and they are dancing to their tune. They have sold Australia short. But last night in this parliament we took the hard decisions for the future. We have a leader who is capable of taking the hard decisions. We have a leader who has foresight about what we have to do for future generations, unlike those opposite, where there is no
leadership—it is all opposition. All we get from this Leader of the Opposition is aggression, but there is no substance—none at all.

Mining

Mr HOCKEY (North Sydney) (14:13): My question is to the Treasurer. Given the number of secret deals, compromises, negotiated agreements and special arrangements that have been entered into by the government to pass its mining tax through the House of Representatives and the $3 billion hit to the revenue estimates due to increased state royalties, how does the Treasurer expect to fund the $6 billion hole he has created in the mining tax?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:13): The shadow Treasurer should not judge everybody else by his standards. He has got a $70 billion crater in his budget bottom line and he has got the hide to stand up in this House and ask us about our forward estimates. What you will see from this government, and what you will continue to see, is very strict fiscal discipline. We will bring our budget back into surplus in 2012-13 and we will give an update of our budget in the normal way through the Mid-Year Economic and Fiscal Outlook. We will do all of those things because we are serious about fiscal policy. The hide of those getting up to argue about a hole in the budget when they have a $70 billion hole in theirs just belies the fact that they have completely lost the plot when it comes to the national economy. We stand by our published estimates. They will be updated shortly and then the weight will be on the opposition to see how responsible they are.

Mining

Ms OWENS (Parramatta) (14:15): My question is to the Prime Minister. How is the government spreading the opportunities from mining the resources that Australians own?

Ms GILLARD (Lalor—Prime Minister) (14:15): I thank the member for her question and I thank her for her interest in how in this phase of our economy's transformation and change we are going to ensure that Australians around the nation get their fair share. As a Labor government when this nation was confronted by the global financial crisis, we did what needed to be done to keep Australians in jobs, because we were determined that in that phase of the nation's economy when that international threat loomed we would keep Australians working, and we are very proud of the track record of creating jobs in this country—more than 700,000 of them. We achieved that working with employers, businesses large and small, and also with the trade union movement to keep people in work.

Now, as we look at the circumstances of our economy, what we know is our nation is enjoying a resources boom, and that is a good thing. When we look at this, the Asian century, we know that the demand for our resources will be sustained over time and that the prices paid for them will be high against historic averages. In those circumstances, with a part of the economy turbocharged, with big mining companies making superprofits, many Australians are legitimately asking themselves the question, 'The resources boom is a good thing but what does it mean for me and my family?' The resources boom is a good thing now, but well into the future, in the days that lie beyond this resources boom, what will Australia do then? What will our economy look like then? These are legitimate questions being asked by Australians. In the House of Representatives in the early hours of this morning the government provided a substantial part of the answer.
The way in which we will manage this period of economic change is by having an efficient profits based tax for that section of the economy that is turbocharged and by using that to share opportunity around the country. How will those opportunities be shared? Working Australians can look forward to a better retirement as a result of this new taxation arrangement, backing in changes to superannuation from nine per cent to 12 per cent. That will mean an extra $108,000 in retirement income for a 30-year-old today. It will also mean growth in our $1.3 trillion pool of national savings and national assets so important to us during the global financial crisis. It will also mean tax relief for hardworking small business people who are taking the risks, who are doing the hard yards and who are working weekends to provide for themselves and their families and to employ other Australians. The measures will assist 2.7 million small businesses employing around five million people. At the same time, we will cut the company tax rate to share the opportunity and jobs which come with the resources boom. Because we understand that mining bring benefits but it also brings hunger for infrastructure in mining communities, we will invest $6 billion in the infrastructure the nation needs. This is the right economic policy setting for this period of our nation's growth and transformation. It is about jobs, it is about growth, it is about fairness to working Australians and it is a stark contrast to the relentless negativity, the saying of no, no, no by the opposition as they did last night when they rejected superannuation for working Australians, rejected jobs growth for working Australians and rejected growth in our national savings. (Time expired)

Taxation

Mr ABBOTT (Warringah—Leader of the Opposition) (14:19): My question is to the Prime Minister. I refer her to the $4 billion difference between revenue and spending entailed in her carbon tax and the $6 billion difference between revenue and spending in her mining tax. How is it that her government could introduce two great big new taxes and still leave the budget with a $10 billion black hole? Why should Australians have any faith in her deceptive, dysfunctional and directionless government that governs for vested interests through secret deals and special arrangements negotiated outside cabinet and passed through this parliament in the dead of night?

The SPEAKER: I call the Prime Minister.

Opposition members interjecting—

The SPEAKER: Order! Except for the fact that I had actually called the Prime Minister, given the reaction from those on my left perhaps I should have just ruled the question out of order for the amount of debate that it contained. But, having called the Prime Minister, that is an indication I have allowed the question. Those on my left should sit there silently. It would help if those on my right sat there quietly too.

Ms GILLARD (Lalor—Prime Minister) (14:21): It is another demonstration that abuse and conspiracy theories are not a substitute for policy—policies the opposition will never have because they are addicted to saying no. They are addicted to negativity. They are addicted to trashing the national interest in what they perceive to be their political interest. To the Leader of the Opposition's question I say this: it is striking me as somewhat odd that on the one hand the opposition has come into this parliament and said the minerals resource rent tax will kill the mining industry, and now the political criticism and political case of the opposition appears to be that the minerals resource rent tax is not big enough. Then, of course—
Mr Simpkins interjecting —

The SPEAKER: The member for Cowan is warned!

Ms GILLARD: from the Leader of the Opposition we have seen him tick carbon pricing, we have seen him campaign against carbon pricing—

Mrs Griggs interjecting —

The SPEAKER: The member for Solomon is warned!

Ms GILLARD: and now, apparently, his political case is that carbon pricing is not enough—a remarkable turnaround! These people are so negative they are now at war with their own case against the minerals resource rent tax and carbon pricing.

On the question of budget discipline and returning the budget to surplus, even in these economic times, where we are seeing instability in the euro zone affecting the global economy, the government is determined to bring the budget to surplus and we will be updating all of our economic figures in the Mid-Year Economic and Fiscal Outlook. I really am amazed that the Leader of the Opposition would come into this parliament and ask a question about fiscal discipline, given the recorded statement of his shadow minister for finance. The recorded statement of his shadow for finance is:

... we are saying that we need to identify up to $70 billion over the next four years if we are to get—

Ms Julie Bishop: Mr Speaker, I raise a point of order on relevance. This great big Labor line has nothing to do with the question that was asked. It was the $10 billion black hole—

The SPEAKER: The Deputy Leader of the Opposition will resume her seat. Because the question was dripping with debate does not mean that points of order can also have as much debate. As I indicated on calling the Prime Minister, this is one of those questions and answers where the gate has been opened widely on direct relevance. The Prime Minister has the call.

Ms GILLARD: Thank you very much. I would suggest to the opposition that they might use some of that energy, instead of howling abuse, to get their figures in some sort of order. The recorded statement of the shadow finance minister—

Opposition members interjecting—

Ms GILLARD: No amount of screaming actually changes this: the shadow finance minister of the opposition said: 'We are saying that we need to identify up to $70 billion of cuts.' And then on another occasion he was asked to verify that figure and he said:

No, it's not a furphy. We came out with that figure ...

The statement of the shadow minister for finance. Ever since then, the Leader of the Opposition has been seeking to mislead the Australian people and pretend that that was somehow a figure that emanated from the government or others. It is the statement of his shadow finance minister that they need to find $70 billion worth of savings. And that stands on top of the statement of the Leader of the National Party that the savings that they identified at the last election have largely evaporated. That means—

Ms Julie Bishop: Embarrassing for you!

Ms GILLARD: The Deputy Leader of the Opposition has just use the word 'embarrassing'. Yes, it is embarrassing—

Ms Julie Bishop: Embarrassing for you, sweetheart!

Ms GILLARD: that the Liberal Party has got itself into a situation where it is $70 billion behind the starting line. Before it can even get to the starting line where the government is, it needs to find $70 billion of
savings. And we know what $70 billion of savings in Liberal-speak is all about—it is all about cuts to services working families need, because this Leader of the Opposition has got a track record when it comes to cutting away services that working families need. Can I say to the opposition: rather than come and scream abuse, maybe they should start producing some savings to fill that $70 billion crater.

DISTINGUISHED VISITORS

The SPEAKER (14:27): Before calling the Leader of the Opposition, I am pleased that I had the attention of the former member for O'Connor, Mr Wilson Tuckey, who is in the third row of the gallery. He is a most welcome guest, especially when he is up there in the gallery!

Honourable members: Hear, hear!

MOTIONS

Prime Minister

Censure

Mr ABBOTT (Warringah—Leader of the Opposition) (14:27): I move:

That so much of the standing and sessional orders be suspended as would prevent the Member for Warringah from moving immediately:

That this House censures the Prime Minister for the deceptive, dysfunctional and directionless government she leads which doesn't trust the people, doesn't consult the people but which always consults Bob Brown and the Greens and is now headed for a crisis mini budget.

This year Bob Brown did the deciding and the Prime Minister delivered what he wanted. Bob Brown wanted a carbon tax, so the Prime Minister broke her solemn promise to the Australian people and hit families with the world's biggest carbon tax. Bob Brown wanted a dirty deal in the dead of night on the mining tax, so what did this Prime Minister do—the Prime Minister that has just, shamefully, scurried out of this chamber? She delivered.

And after deciding on the East Timor solution, the Manus Island solution and then the failed Malaysia people swap, what did this Prime Minister do? The Prime Minister who does not have the courage and the principle to face up to this parliament today—what did she do? She gave Bob Brown what he wanted all along: onshore processing.

This is a Prime Minister who claims that this has been the year of decision and delivery. Wrong, wrong, wrong. This has been the year of backflips and broken promises. There is the carbon tax based on a lie. There is the mining tax based on a secret deal. There is the border protection policy in an absolute shambles as the boats just keep coming day in, day out.

This is a government which illustrated in this parliament last night the totally chaotic and shambolic process that is the Gillard way of government, and that is why standing orders must be suspended. The mining tax was based on a secret deal done with the three big miners. Then more deals were cut with the various Independents. Then there was a second secret deal, done in the dead of night last night with the people who really pull the strings in this government. The Treasurer, who is sitting there at the ministerial table now, said that this is a deal which will stand the test of time. This deal did not last until breakfast time this morning. It has been changed five times and will be changed again and again as this panicked government goes to its crisis mini-budget next week.

This is a mining tax. It is a bad tax from a bad government. It is a secret tax from a bad government which is run not by its own backbench but, fundamentally, by the real Prime Minister of this country: Bob Brown.
This deal was done without any knowledge of the cabinet, without any knowledge of the ministers, without any knowledge even of the Independents—but they can speak for themselves. I say to the minister at the table: if the Independents knew anything about the deal that had been cut with the Greens, why don't they tell us what they knew? Oh, no. It was not ministers. It was not the caucus. It was not the cabinet. It was not even the Independents. No, it was just two people who knew what was really going on in this parliament last night. It is this Prime Minister and the person who pulls the strings in this government: Bob Brown.

Everything about this mining tax is bad. The first version of the mining tax would have killed the mining boom stone dead. This is the industry which saved this country from a recession, and what is the reward that this government gives this vital industry which has saved Australia from a recession, this vital industry which is essential to the prosperity which every family in this country needs and cherishes? Their reward is a great big new tax that will cost jobs and cost investment. The first version of the mining tax would have killed the goose that laid the golden egg for Australia. The second version, cobbled together in secret with three big miners who had a gun to their heads from a government which practises payback, is a version that will punish the entrepreneurial local companies that this country will rely on if the mining industry is to expand in the years ahead.

This is a government which just does not get it when it comes to the prosperity of our country. This is a government which is consistent only in its desperate scramble to survive. The carbon tax was the greatest example of deception from this government. We have a Prime Minister who said one thing to win votes before an election and did the opposite to stay in office after the election, but what was done last night was all of a piece with the carbon tax. Like the carbon tax, it was another special deal done with the Greens and the Australian parliament and the Australian people were the last people to know. We all know that the Greens hate the mining tax. We all know that the Greens are fundamentally opposed to a modern economy which depends upon mining and resources in this country for the prosperity which each Australian needs.

This is a bad tax from a bad government which just does not get the essence of a modern economy. This government does not understand that you cannot have a society—you cannot have a community—without an economy to sustain it. You cannot have a functioning economy without profitable businesses, and profitable businesses cannot be taxed as soon as they start succeeding. What this government does not understand is that the last thing you should do if you want to improve the economy of this country is penalise success. You do not penalise success if you want to improve our economy. You do not give an uncovenanted advantage to this country's competitors. Above all else, you do not speed up the slow lane of our economy by slowing down the fast lane. This is what this government fundamentally does not understand.

This government thinks that somehow you can build prosperity with new taxes. No country ever got rich by increasing taxation. No country ever built a strong economy by clobbering itself with tax after tax after tax. It is typical of this government that it cannot even get it right. It is hitting our economy with two big new taxes and in the process is opening up a $10 billion budget black hole. More taxes, even more spending, even more borrowing—that is the Labor way, and that is the way to disaster for our country.

Every time the Prime Minister got up in question time today, every time the Prime
Minister got up in question time yesterday, every minister who gets up—and let me let you in on a little secret, Mr Speaker: when the minister gets up in a few moments time, he will say, 'This is an opposition that says no to everything.' I looked at the paper yesterday, and there it is:
The Sydney Morning Herald proudly says no.
No to fear.
No to favours.
No to pulling punches.
No one person's influence.
No to agendas.
Well, I am like that—I say no to Bob Brown's influence and no to the Green agenda. I have to say I am quite happy to say no to what is destroying the prosperity of this country and I am happy to be on— (Time expired)

The SPEAKER: Is the motion seconded?

Mr HOCKEY (North Sydney) (14:37): I second the motion. I am glad the Treasurer is staying here for this debate because I think every comedian that cracks a joke should be entitled to hear whether or not the audience laughs. When the Treasurer said a little earlier today that this is a tax that will withstand the test of time, we all had a giggle. When the mining tax was originally announced it was not five months before they had to negotiate a new secret agreement with BHP, Rio and Xstrata. It did not withstand the test of time.

Then, of course, after the election there was a transitional working group, and it was revealed that the royalties were going to have to be refunded in full out of a secret deal. So the new mining tax did not withstand the test of time. Then, of course, the draft of the legislation came out, and that changed again before the legislation was introduced. That did not withstand the test of time. Then a deal was done with the members for Lyne and New England, and the tax did not withstand the test of time. A separate deal was done with the member for Denison, and the tax did not withstand the test of time.

Now, a $140 million deal has been done with the member for Melbourne, and the tax did not withstand the test of time.

After all of those compromises, totalling in excess of $13½ billion in deals, arrangements and secret negotiations, this Treasurer has the audacity to say: 'We are in it forever. This is a tax that will withstand the test of time.' I read the member for Melbourne's comments from last night very carefully. He said:
I'm very pleased that we have reached agreement with the government on a set of arrangements that will allow us to support the passage of the mining tax through the House of Representatives tonight.

We will be reserving our position in the Senate.

So the tax that is meant to withstand the test of time is not going to make it from the House of Reps to the Senate. They have spent $140 million buying off the member for Melbourne and they are going to have to spend more money with the Greens in the Senate. What a joke. This government has seen more deals than a Las Vegas croupier. This is the way they are behaving. They do deals. They do whatever it takes.

We had to drag the Labor Party to the table to reveal the overnight deal. They were not going to reveal the deal because the Greens in here—and it is light Green in here and dark Green in the Senate—said they had entered into a secret negotiation with the government and could not reveal the details. One of the reasons for that is that it was the Treasurer who said that the interest withholding tax on financial institutions was being introduced by the government so that...
major banks would have access to cheaper funding so they could offer cheaper loans to Australian households and businesses. The government expects this reform will allow such bank branches to continue their active lending to Australian businesses, including infrastructure investors, at even more competitive interest rates.

The Treasurer said that the deal with the Greens—the light Greens—to get the of the mining tax passed through this place was at a cost to lower interest rates, in his view. He sent out the Assistant Treasurer to give the bad news, to say that this is the way they are going to pay for the Greens deal to get it through the House of Representatives. So we have good cop here, bad cop there, but the police commissioner in the Senate. The police commissioner is calling the shots in the Senate—the guy that is wagging the dog. It comes back to the fundamental point: the Greens are asking for more.

We know the Greens set budget policy, because on fringe benefits tax they came up with a $970 million change to fringe benefits on cars. Now I can reveal to the House that there is a report from the Treasury that states that Senator Brown has requested costings on increasing petrol prices by CPI, amounting to over $4 billion. The last time we saw this costing by the Greens from the Treasury, it came through in budget policy. Now we know that the Greens have requested from the Treasury costings on increasing the cost of petrol for everyday Australians with a higher excise. Stop wagging the dog. Get rid of the Greens—

*Time expired*

*Mr Laming interjecting—*

**The SPEAKER:** The member for Bowman will leave the chamber for one hour under standing order 94(a).

The member for Bowman then left the chamber.
Manager of Opposition Business on the other nudging him every 10 minutes to get him to wake up, having slept through the economic stimulus plan.

But of course he has got form because he could not be bothered speaking on the minerals resource rent tax legislation. When the carbon price came to a vote in the Senate—remember the other big piece of legislation—he was on a plane—

*Mr Tony Smith interjecting—*

**The SPEAKER:** The member for Casey is warned!

**Mr ALBANESE:** to Europe where he told them that the Australian economy led by this Prime Minister and this Treasurer was the envy of the industrialised world. That is what he had to say overseas, and it stands in stark contrast to his behaviour in this House.

The fact is that this Leader of the Opposition is hoping to survive and get out of this place because he is looking forward to Christmas. He is hoping that Santa brings him a policy because what happened late yesterday in his own caucus room is that, one by one, they stood up and spoke about the National Party tail wagging the Liberal Party dog. They spoke about the pathetic failure of modern liberalism under this leader. Robert Menzies, the founder of the Liberal Party, had this to say:

In other words, on far too many questions we have found our role to be simply that of the man who says 'No.'

A visionary was Robert Menzies: 67 years ago he picked this bloke, and this is what he also said about this bloke:

There is no room in Australia for a party of reaction. There is no useful place for a policy of negation.

That is what Robert Menzies said about this person who has led the coalition of yesterday into the 'noalition' of today—the 'noalition' who have just one policy to every issue: no, no, no, no. We heard it 32 times last night, and so desperate were they that we had the unprecedented action from the opposition of moving divisions and having counts on third readings of legislation. That is how strong they were in their opposition to big miners being taxed. That is how strong they were in making sure that they go to the next election. They are going to say to the people who have had the income tax-free threshold lifted from $6,000 to $18,000 that they are going to bring it back in. They are going to put a million people back into the income tax system, the lowest paid Australians in this country. Why? So that BHP, Rio Tinto and the big miners who say they can pay more will get a tax cut. What a disgrace, and that is on top of the fact that they are going to increase company tax for Australia's 2.7 million small businesses. That is the policy that they have.

Last night we saw the farce of them having a bit of a focus group—and maybe it came through: maybe they are being a little bit too negative. 'Maybe we need to have a bit of a nuance.' So we saw the little nuance with regard to superannuation. They did not trust the shadow finance minister, so he was out of the loop. But they made an announcement about superannuation about how they were going to support it, and guess what? Last night—

*Mr Christensen interjecting—*

**The SPEAKER:** The member for Dawson is warned!

**Mr ALBANESE:** they voted against it again. They voted against the super changes last night. This is a person who was saying no in his sleep. We know that this is the case because we saw it last night. There he was asleep on the front bench. He only woke up to say no, no. It was unbelievable but that is what we saw last night for 2½ hours. This is someone who thinks that he will sleepwalk
into office. I have got news for him: the Australian people are better than that. We are a country that believes in fairness. We are a country that understands the importance of superannuation.

Mr Pyne interjecting—

The SPEAKER: The member for Sturt is warned!

Mr ALBANESE: We are a country that understands the importance of giving tax breaks to low-income earners and companies, of stimulating our economy. This is a government that is proud of the fact that we have created 770,000 jobs since we came to office, including 100,000 in the last year. But the hypocrisy: while they were out there voting against all this, this is what they say about regional infrastructure. Today's paper in Gladstone, where we have announced a fast-tracking of funding for the Calliope crossroads, had this to say about the member for Flynn:

Mr O'Dowd said the announcement was a direct result of representations by himself …

I checked the records. He has not written me a letter. He has not had a meeting. He has not picked up a phone. I know who he is vaguely but I have never had a conversation with him in my life. I do not plan to have one soon, because this is the sort of pathetic performance they have of opposing all the funding. They oppose everything, but then they try and get their snouts in the trough to get every bit of funding they can. Then they claim credit for it. We have two years to go, two years of the relentless negativity of the Leader of the Opposition. The game is up. Your backbench know it and pretty soon you will know it too.

Question put:
That the motion (Mr Abbott's) be agreed to.

The House divided. [14:57]

(The Speaker—Mr Harry Jenkins)
Wednesday, 23 November 2011  HOUSE OF REPRESENTATIVES  13617

NOES
Ferguson, MJ  Garrett, PR  Gibbons, SW  Gray, G  Griffin, AP  Hayes, CP  Jones, SP  King, CF  Livermore, KF  Macklin, JL  Melham, D  Murphy, JP  Oakeshott, RJM  O’Neill, DM  Parke, M  Plibersek, TJ  Rishworth, AL  Roxon, NL  Saffin, JA  Sidebottom, PS  Smyth, L  Swan, WM  Thomson, CR  Wilkie, AD  Zappia, A


The SPEAKER (15:01): Order! The Leader of the Opposition will resume his seat.

PERSONAL EXPLANATIONS
Mr PERRETT (Moreton) (15:02): Mr Speaker, I wish to make a personal explanation.

The SPEAKER: Does the honourable member claim to have been misrepresented?

Mr PERRETT: Yes.

The SPEAKER: Please proceed.

Mr PERRETT: Yesterday I was contacted by a member of the public who was concerned that I had misled the parliament when addressing a motion in the chamber on commemorating the Srebrenica massacre. I stated that 200,000 Bosnian Muslims had been murdered during the Yugoslav conflict between 1991 and 1995. I based this figure on International Committee of the Red Cross casualty data and earlier reports to the UN. However, I acknowledge that more recent research currently puts the total of confirmed casualties at around 110,000 people, as some bodies were buried and then dug up and reburied. I acknowledge that the total number of casualties is still in dispute but, whatever the statistics, nothing can change the horror and loss of this tragic war.

The SPEAKER: Does the honourable member claim to have been misrepresented?

Mr PERRETT: Yes, most grievously.

Mr O’DOWD: (Flynn) (15:03): Mr Speaker, I wish to make a personal explanation.

The SPEAKER: Please proceed.

Mr O’DOWD: The Minister for Infrastructure and Transport today claimed that he had not spoken to me about the Calliope crossroads, and in fact had never met me. He has a very short memory. I sat...
beside him at the opening of the Gladstone Airport, and we spoke—

Mr Ripoll: You must have made a big impression!

Mr O'DOWD: Yes, I did make a big impression—he actually borrowed my biro from me because he could not remember the name of the former member for Flynn, which was Chris Trevor, who was sitting on the other side of him. He could not remember his name, so he had to take my biro and write his name down.

Honourable members interjecting—

The SPEAKER: Order! The honourable member has explained where he has been misrepresented. He should not further debate it.

Mr O'Dowd: I would love to go on.

The SPEAKER: The member for Flynn has had a good go.

Honourable members interjecting—

The SPEAKER: Order! Would members like to fill in the half-hour that they now have by just yelling and screaming across the chamber?

AUDITOR-GENERAL’S REPORTS

Report No. 14 of 2011-12

The SPEAKER: I present the Auditor-General’s Audit report No. 14 of 2011-12 entitled Indigenous protected areas.

Ordered that the report be made a parliamentary paper.

DOCUMENTS

Presentation

Mr ALBANESE: Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings and I move:

That the House take note of the following documents:

Committee reports—Government responses to parliamentary committee reports—Response to the schedule tabled by the Speaker on 7 July 2011.


Government response to Ombudsman’s reports.

Debate adjourned.

COMMITTEES

Social Policy and Legal Affairs Committee

Membership

The SPEAKER: I have received advice from the Chief Opposition Whip, nominating members to be supplementary members of the Standing Committee on Social Policy and Legal Affairs for the purpose of the committee’s inquiry into insurance response to natural disasters.

Mr ALBANESE: by leave—I move:

That Mr Entsch and Mr Christensen be appointed supplementary members of the Standing Committee on Social Policy and Legal Affairs for the purpose of the committee’s inquiry into insurance response to natural disasters.

Question agreed to.

MATTERS OF PUBLIC IMPORTANCE

Economy

The SPEAKER: I have received a letter from the honourable member for Dunkley proposing that a definite matter of public
importance be submitted to the House for discussion, namely:

The impact of increased taxes on small business.

I call upon those members who approve of the proposed discussion to rise in their places.

More than the number of members required by the standing orders having risen in their places—

Mr BILLSON (Dunkley) (15:07): The topic today is very important: the impact of increased taxes on small business. I remind the chamber of a great quote from a great leader, Winston Churchill, who said, 'For a nation to try to tax itself into prosperity is like a man standing in a bucket trying to lift himself up by the handle.' That is the logic we have got from this government. They think that more taxes will somehow generate greater prosperity and greater small business opportunities in this country. What are the small business community asking themselves? They are asking: when will this government stop kicking small business? When will the Greens and the government alliance crossbenchers stop holding down small businesses or steadfastly looking the other way while the Gillard government gives them another kick?

We saw it last night and we got a taste of it today during question time. The Gillard government want you to believe that it is taxing big miners to share prosperity with small businesses across Australia, but they will not tell you how it was the coalition parties that last night stood up against a 25 per cent tax hike for 400,000 of Australia's smallest businesses. Last night the government moved, under the veil of the mining tax package, that it would abolish the entrepreneurs tax offset, which is a modest 25 per cent rebate for our 400,000 smallest businesses, who maximise its benefit at $50,000 of income, and it is tapered out at $75,000. So now 400,000 of our smallest businesses, which are not earning more than $75,000, are going to face a tax increase of up to 25 per cent. Who stood up for them in this chamber? The Liberal and National parties. I give credit to some of the crossbenchers who understand that small business matters, but you need to do more than just talk about it. You cannot talk a good game. It is what you do about it that counts.

After I did a doorstop interview highlighting this attack and tax hike on Australia's smallest businesses, the member for New England was asked about this. He was asked about my observation about the tax hike that was passed last night. Do you know what he said? He said he did not know. He had no knowledge that this tax hike was part of the package of bills last night. He had no understanding, because of the sugar-coated briefings the Gillard government provides the crossbenchers—the self-serving nonsense that carves out all the bitter things that are part of this government's agenda. He was not aware that embedded in the legislation was a tax hike for probably 1,600 or 1,700 small businesses in the member for New England's electorate. He said he was not aware of it. How could he not be aware of it? When you look at the Tax Laws Amendment (Stronger, Fairer, Simpler and Other Measures) Bill 2011, you can see that schedule 1 says it abolishes the entrepreneurs tax offset. We have raised this point over and over again in this parliament, highlighting the impact on the smallest businesses in Australia, but the member for New England said he did not know about it. You would think this article from Monday entitled 'Small business tax bomb' would be a bit of a hint. Do you reckon that would set off an 'aha' that something is going on? Apparently not.
Last night the member for New England and some of his government alliance crossbench colleagues voted with Labor to impose a tax hike of 25 per cent on Australia's smallest businesses—and that is spreading the benefits of the mining boom! It has been revealed over and over that the big miners are not likely to pay any of this mining resource rent tax increase for at least the forward estimates period. They will not be suffering. No wonder they do not think it is a bad deal. They will be immune from it because of the carve-outs and the negotiations between the Prime Minister and the mining companies that were too smart by half for this government. They will not be affected by it, but 400,000 of our smallest businesses—those microbusinesses, those women returning to the workforce, those home based businesses and those independent retailers just trying to make a go of it in a very difficult economic climate—will be copping it. They will be copping an increase of up to 25 per cent in their tax liability.

What is the government's explanation? They can go out and buy a car and get accelerated depreciation. As Barbara Gabogreca from Home Based Business Australia said, how many of these microbusinesses have a lazy $30,000 to buy a new ute? Buy a new ute, spend $30,000 of your scarce cash, and you might get about $1,800 back as a cash-flow benefit, but not in the year you spend it. You may get it in October the following year. What kind of cash-flow advantage is that? Small business is saying that that is the kind of help they can really do without—spend a lot to get a little back and then get a tax hike on the way through.

But it gets worse. That is just tax increase No. 1 that is harming small business. If you look further in the package last night, you will see the superannuation guarantee increase. There was a three per cent increase in superannuation guarantee contributions. We rightly opposed that, recognising that is a three per cent increase in payroll costs for our smallest businesses at a time when they are doing it very tough and when trading conditions are very punishing for that community. We make the point over and over again that the Henry tax review said you could achieve adequacy in retirement incomes not by increasing the employer contributions but by looking at the way goings and earnings are taxed. It is legitimate for the coalition to look at that research. But the government said, 'Employers can pay that.' Then they walk around this country with the great big Labor line, 'The mining tax will pay for it.' I have a message for the government and Labor MPs: employer funded superannuation is paid by employers. It is not paid by the mining tax; employers pay it. In a press conference today they perpetuated this line. Did you see the press conference? The Prime Minister and the Assistant Treasurer were trying to explain what was going on. The Prime Minister was asked:

You've talked about how the mining tax pays for tax issues that the government has, but who pays for the move from 9 to 12%? The 3% is paid for by employers, isn't it, or are employees forgoing wages and saving them?

Ms Gillard said, 'I'll turn to the Assistant Treasurer.' I will take a step back. The Assistant Treasurer said:

When the conservatives say that increasing superannuation from 9 to 12% over the next seven years is a cost on employers they are lying. That is what the Assistant Treasurer said in a press conference today. The coalition parties highlighted the simple, indisputable fact that employer superannuation contributions are paid for by employers, yet the Assistant Treasurer ran around saying that when making that simple, factual, uncontested
statement we are lying. We know where the nonsense is coming from. We know where the Labor line is coming from. He went on to say:

Increasing superannuation is not a cost in terms of employers because what happens is that it is offset against real wage increases.

I wonder whether the union movement is aware of that. I wonder whether the working men and women of Australia are aware that they are going to have a reduction in their take-home pay because of some arrangement about superannuation. The truth is there is no such arrangement. There is no such accord where there is a trade-off between wage increases and superannuation contributions. There is nothing of the sort. It is completely false and entirely calculated for the Assistant Treasurer to be making these statements.

I say to every small business: the next time your payroll costs go up because you are paying more superannuation contributions, just think about the Assistant Treasurer. He said that you are not really paying it after all. What is it—fuzzy money? That is the way the government goes about running the budget in this country.

But it gets worse. It is bad enough that 400,000 of Australia's smallest businesses are getting up to a 25 per cent increase in their tax and are being told that they should suck that up on the basis of 'spend a lot to get a little bit back' for some of the write-off arrangements and bring-forward benefits they were going to get anyway. They are then told that they have increasing payroll contributions for superannuation, though they are not paying that either. Somehow the tooth fairy is paying for that. The government have been spending too much time with the Greens, haven't they? That is the only explanation as to what is going on here. This kind of funny-money logic is quite remarkable.

But dig a bit deeper and go to the great big carbon tax. Colleagues, remember how there was not a dime of compensation for the small business community? Remember how, with all the carve-outs and all the compensation arrangements, small business was told to suck it up, pass it onto customers, and look after themselves as best they could? What happened during those chilly years when the government was going around telling everybody, 'The carbon tax won't hurt that much; you'll get compensated but it won't hurt that much'? This was at a time when its modelling was proved to be completely unreliable. It was understating the impact on electricity by about 60 per cent and it could not even credit some of the herculean assumptions that the world was going to come on board and that America was going to do all sorts of things. There would be a feverish market of carbon credits that would make everything so cheap you would barely notice it.

We then had the Prime Minister at a press conference in Brisbane saying that there would be a tough carbon cop on the beat. Remember that? That would be the ACCC. That tough carbon cop is going to make sure prices to consumers would not increase by more than one per cent. Is there any evidence to back up that claim? None. The macro-economic modelling is wrong but the government has not even bothered to do an analysis of the actual carbon tax impact on individual goods and services. The Prime Minister claimed that this tough carbon cop would be on the beat and that consumers could rest assured that this painful carbon tax change would only hurt a little.

Well, it got worse last week. The ACCC released the guidelines that it, as the tough carbon cop, would be implementing. Nowhere in the guidelines does it mention anything about one per cent. There is no basis for it. The Prime Minister, in a self-
serving exercise, made that up. It says that you can have a pre-Christmas sale but be very careful if you are going to have a pre-carbon-tax sale, because the ACCC might come and crack down on you. What kind of logic is that? The Prime Minister has gone out and verballed the small business community. They are terrified that this enormous tax is going to impact on their viability. Survey after survey shows that it will cost jobs, it will undermine profitability in small business, it will see people who are working have fewer hours and it will place those on the border in a very perilous state as they compete with overseas competitors who do not have a carbon tax.

According to the Prime Minister at the press conference, small businesses doing the right thing will not be putting up prices by any more than one per cent, even though there is no evidence to back that up. There is no basis in law for the role she was attributing to the ACCC. Then the ACCC said, 'Whatever statements you make, make sure you can back them up.' That is fair enough. Do you know why? Because, if you cannot back them up, you are at risk of being charged with false and misleading conduct, so it is important to back up those points. But when I look at the Prime Minister's statement, 'Businesses overwhelmingly will do the right thing and the only costs they will pass through is the less than one per cent cost of us putting a price on carbon,' we know there is no analysis to back that up. That is a prime ministerial declaration of a self-serving purpose designed to muzzle and intimidate small businesses to not pass on the true cost of the carbon tax impacts.

Then it gets worse. It is a $1.1 million fine. We cannot have pre-carbon-tax sales; otherwise you risk offending. I have a theory. When it comes to false and misleading representations about the carbon tax, I think I know who the first candidate could be for an investigation. I think it might be the Prime Minister making these claims about the role of the ACCC, unfounded in law and with no factual basis about the price impact on the costs of goods and services. If you are not happy enough with that, if that is a little too sophisticated, go back prior to the election: 'There will be no carbon tax under the government I lead.' Remember that? Remember when the Prime Minister assured people of that? So, when I look at the ACCC guidelines, acquaint myself and reassure the small business community that the government has no idea what the impact of the carbon tax will be but they are entitled to pass on the cost increases that they incur where they can substantiate them, I know who the prime candidate for an investigation into false and misleading representations about the carbon tax should be. That would be our Prime Minister.

These are three taxes hurting small businesses right across the country. This is why 300,000 jobs are being lost in small business. This is why there are 22,000 fewer small businesses. This is why the former small business minister has been shunted off to be the trade minister or is away from the small businesses that were so inflamed by his non-performance, and he has been replaced with the Marcel Marceau of the frontbench. Does anybody know who the Gillard government's small business minister is?

Opposition members: No. Who is it?

Mr BILLSON: He does not upset anybody because no-one knows who he is. But it underlines the point that, when decisions need to be made about the interests of small business—

Opposition members: Who is it? Tell us.

Mr BILLSON: No, no—it would be more publicity than Senator Sherry has had all year. I remind this parliament that the Gillard government appointed Senator
Sherry as the small business minister but he is not even in cabinet. So, when the big decisions are made and choices are evaluated about the impact of government policy on small business, who is there representing them? Nobody. I must say it is reflected in every decision they have made. When you get to ask what the Labor Party is doing for small business, it does not take long to come up with an answer. When you hear Senator Sherry and the Gillard government talking about how good they are for small business, I go back to that great philosopher, John McEnroe, who said after a bad line call at Wimbledon, 'You can't be serious.' (Time expired)

Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (15:22): I must say that at a personal level I enjoy reasonable relations with the member for Dunkley, but listening to his speech I did feel we had entered the twilight zone of politics. There are opposition members saying, 'Oh, my goodness, we'll all be ruined; the government doesn't like small business.' Weren't they here last night, when they saw some of the good changes which we have introduced to assist small business? I am fortunate to have the opportunity to go through some of the accomplishments and plans the government has to keep assisting small business, because this government understands that small business is all about people. We can respect the aspiration to be your own boss and we also understand the importance of simplicity and trying to cut red tape. For parents who have to do the paperwork on a Sunday instead of spending time with their family, that is time that can never be replaced. This is a government who understands the value and the contribution of small business to our nation. We understand the legitimate aspiration of people to accomplish more and to be their own boss.

That is why we are simplifying the tax system. We can talk about a range of those measures, but I thought I would roll off a lazy eight ways we are doing it for the benefit of the member for Dunkley. First of all—in no particular order and courtesy of what we did last night—members who voted for the minerals resource rent tax have supported an instant asset write-off, so when you need to buy that valuable refrigerator or that photocopier or that capital item, courtesy of the Gillard government, between our Clean Energy Future package and the mining tax package, the instant asset write-off will rise from $1,000 to $6½ thousand. This is real money. This government understands not the twilight zone of the opposition, but the real world. That is real money that is going to materially assist 2.7 million small businesses.

What I do not understand is why the opposition, whenever they have a chance to back the little guy over the big guy, they always pick the big guy. What is it that makes Rio Tinto, Anglo American and BHP Billiton household names in the battling Frankston suburbs which the member for Dunkley represents? Why is it that he would vote to give $11 billion back to the richest companies in the world but not provide a $6½ thousand instant asset write-off for small business. The mind boggles, but of course in the twilight zone of the opposition, anything goes.

I promised to report on several other features of what we are doing for small business, again in no particular order. Just yesterday we released a discussion paper about how we have improved the operation of trusts in Australia—660,000 of them. The only contribution I have seen from the opposition on the question of trusts came from the member for North Sydney, the current shadow Treasurer, who had a thought bubble and said we should tax trusts the
same as corporations. But don't worry: the red danger warning light went off in the opposition leader's office. They said, 'The member for North Sydney is on the loose; he's speaking first, thinking second.' Within a number of hours he had hauled down his colours and said, 'I'm very sorry, I was misquoted'—even though we all had a written copy of what he said.

There is another benefit in what we have been doing for small business. We are also changing the way the pay-as-you-go instalments operate so that small business can receive the benefit of $700 million in cash flow benefit in the 2011-12 financial year. I must also address the member for Dunkley's discussion about the entrepreneurs tax offset. The member for Dunkley is crying crocodile tears, I am afraid to report to the House, because while he quite rightly identifies that we have scrapped the entrepreneurs tax offset, which is worth $365 million over the forwards—schedule 1—we have in fact provided $2.6 billion in additional tax assistance and write-offs for small business. It does not take a Rhodes scholar to work out that when you are giving $2.6 billion to small business and you deduct the cost of the entrepreneurs tax offset of $365 million, you are still $2.3-plus billion ahead of the game.

There is another benefit in the Clean Energy Future package. We have not added any red tape to the lives of small business with that. On motor vehicles we are proposing a $5,000 instant asset write-off per vehicle. If you are a tradesperson and you buy a $33,000-plus ute you will be able to get back $1,275 in tax from that purchase. That is real money; that will assist with three weeks of shopping for a family of four. Real money.

What I do not understand is why the opposition wants to give money back to the very richest companies in Australia and not give a fair share to the whole Australian economy? Small businesses pay their taxes. They have helped pay for the roads, the education and the health care of the people of Australia, why shouldn't they and all Australians get a dividend from the richest companies making superprofits? I know that some opposite shake their heads: how can one be mean to their large, vested-interest allies? It is not us. We just want a fair share for all Australians of the mining boom.

It is very clear that we are pro-business. We are improving and reforming the future of financial advice. We have been assisting small business with our reforms to flood insurance, for instance. We are continuing to see how we can work with the retail industry to help it through very difficult times. There are very many areas we are working at. I understand the opposition's role is to be negative and say no, and even the normally avuncular member for Dunkley seems to have been infected with a little bit of the contagion of his boss's negativity.

Let us go to one of the most significant things that happened last night. We passed a bill in the House of Representatives which will increase compulsory superannuation over the next seven years from nine to 12 per cent. That is a matter of history. People in 10 or 20 years will say, 'Wasn't it far-sighted of a government to get on with increasing the compulsory savings of Australia?' I know that people do not mind, because those opposite get 15 per cent super or defined benefit plans, so they are very happy to take super and their boss, the people who pay them, are the taxpayers of Australia. They do not refund their super. They are happy to pocket it. Always back the horse called self-interest when it comes to the opposition. That is fair enough; it is a legitimate condition, and I support the condition.

Mr Billson interjecting—
Mr SHORTEN: I hear the member for Dunkley; he is obviously busily trying to remake his case. I can hear he has some concerns now through his interjections. But the reason why we are increasing super from nine to 12 per cent is that there are no free lunches when it comes to growing older.

It is a great thing that Australians are growing older—it certainly beats the alternative—but, having said that, we have to pay the bills. We can pay through the aged-care pension and lift taxes for that, but the pack of negative *Twilight Zone* dwellers opposite would say they do not want to do that. So how will we afford our retirement? It is okay for some of the lads and ladies opposite in the lap of luxury. They have their defined benefits, but how will the other Australians afford their retirement? It is true: do not take a condition which you are not willing to give to other people.

When we look at what the government has done with the mining tax, we have ensured that, if we are increasing super from nine to 12 per cent, the concessional tax benefit afforded to Australians as a result of the income which would previously have been taxed at a higher marginal rate is now taxed at only 15 per cent. That is what happens when you increase the amount of income which is concessionally taxed as opposed to taxing it at the marginal rates of taxation. That has to be paid for by someone.

What is interesting is that the opposition have had more positions on superannuation than are in the *Kama Sutra*. Initially, in 1995, the member for Warringah and current Leader of the Opposition said superannuation was a con job. More recently, the shadow Treasurer said, 'No way are we going to keep any of the things which the mining tax money is being spent on, because we are going to give the mining tax back to the big end of town.' If that is your value base, fair enough—it is an honestly held position to give it back to the richest. Their shadow Assistant Treasurer, a person who I think is of some capacity, then said at a lunch for business leaders: 'We're going to wind back the 12 per cent to nine per cent. If those scurrilous socialists across the aisle'—I do not think he said 'scurrilous socialists', although he might have thought it, but I am not a mind-reader. At the end of October or the beginning of November, he said: 'We will put our hand in the retirement savings pocket of every Australian and we will reduce super from 12 per cent to nine per cent.'

Even some supporters of the Liberal party were sufficiently aghast at the *Twilight Zone* analysis that the *Sydney Morning Herald* broke the story about what he had said. Then again there were those famous red lights which go off when an opposition coalition frontbencher says something random, planned and unsupported, and there was a meeting of the leadership of the coalition. When I say 'a meeting of the leadership', that was minus Andrew Robb, the shadow finance minister, as people could not find his phone number. The opposition said: 'We don't like nine to 12 per cent, but if it gets up we're going to keep it.'

Last Friday the Leader of the Opposition, to ingratiate himself with a group of people in the financial services sector, said, 'We're going to abstain on the vote; we're not even going to vote against it.' And we know what happened last night. They got their latest position out of the manual of backflips and they said, 'We're going to vote against it.' Last night they not only voted against increasing compulsory super from nine to 12 per cent; they actually voted against abolishing age discrimination. They voted against the idea that people over 70—

Mr Ian Macfarlane interjecting—
Mr SHORTEN: Look at it: the honourable member said we stole their idea. Not only did we not steal it but, if you have such a good idea, why is it that you have a good idea until it comes to voting on it and then you drop it? What do you stand for? You cannot be half-pregnant in this life. You either believe something or you do not. They voted against abolishing discrimination against people over the age of 70. This government had said: if you are over 70 and working, we want you to get super. I think that is a good idea. Certainly 53,000 people currently working will not be unhappy with that. We proposed that 8.4 million people should have their superannuation increased through modest increments over the next seven years to 12 per cent.

We also have proposed and voted up in the House of Reps—when I say 'we', I mean the majority of people in parliament and not the coalition, because they are always last to anything—that Australians who earn less than $37,000 a year, of whom we estimate that there are 3.6 million, will no longer have to pay 15 per cent tax on superannuation. Unlike people who earn more than $37,000 a year, their actual rate of taxation is either 15 per cent or zero. That will mean that quite a sizeable number of low-income Australians, people who work hard to earn their income but get a low income, are paying the same rate of tax on their super as they pay on the income they earn. One of the important features of superannuation in Australia is that if it is going to be compulsory it should be concessional. We propose that for 3.6 million Australians it should be compulsory, but we respect that it should be concessional. We are abolishing the tax they pay.

The opposition voted against it—mind you, half of them were asleep, although not everyone, but they were more nodding than awake. I accept that some of them might not have realised what they were doing, but there is a question for the opposition leader to answer. I know he does not like doing the tough interviews on television and the big press conferences where the gallery might ask him hard questions, but there is a rule ultimately in politics as there is in life: you can run but you cannot hide. In the court of national opinion you need to make it very clear, Mr Abbott: do you support 3.6 million—

Mr Ian Macfarlane: On a point of order, Mr Deputy Speaker, I ask the Assistant Treasurer to address members by their proper titles.

The DEPUTY SPEAKER (Hon. Peter Slipper): The member for Groom is perfectly correct and the Assistant Treasurer will observe the standing orders.

Mr SHORTEN: I ask the member for Warringah, the current holder of the Leader of the Opposition job, this: the government has supported legislation in the House of Representatives which will abolish the concessional tax paid by 3.6 million Australians who earn less than $37,000 a year, so will the Leader of the Opposition—not that he ever hangs around—do the same thing? That promise is worth $1.8 billion over the forwards. Therefore the opposition have two choices: (1) they can say they do not like the mining tax—and they have said that, but they will keep this promise and they will find the money elsewhere; (2) they can say they are not going to keep this promise. They would then reimpose a tax on 3.6 million Australians who currently, under our proposal, will no longer have to pay concessional tax on their superannuation.

As they say on the game show, it is deal or no deal, member for Warringah and Leader of the Opposition. You can run but you cannot hide. We want to support small business and we want to support all Australians by sharing a fair share of the
mining superprofits of the largest companies in Australia using non-renewable resources throughout Australia. Will you give the lowest paid Australians the tax cut in superannuation as this government is doing, or will you refuse to do it and demand that the money come back and instead give it to a few of the richest companies in the world? It would be better if it clarified your position today. (Time expired)

Mr CRAIG KELLY (Hughes) (15:37): I am pleased to speak on this most relevant and timely matter of public importance and support the comments from my good friend the member for Dunkley, who exposed the deception and fraud of this government and how it has misled small business again and again.

The DEPUTY SPEAKER (Hon. Peter Slipper): Order! The honourable member will withdraw the word 'fraud'.

Mr CRAIG KELLY: I withdraw that word. The impact of Labor's increased taxes on small business is a testimony to this government's anti-small-business agenda and this regime's four-year shameful history of waste, incompetence and deception. When we go back to 2007, when Labor first came to power, they offered so many promises from my good friend the member for Dunkley, who exposed the deception and fraud of this government and how it has misled small business again and again.

Mr CRAIG KELLY: I withdraw that word. The impact of Labor's increased taxes on small business is a testimony to this government's anti-small-business agenda and this regime's four-year shameful history of waste, incompetence and deception. When we go back to 2007, when Labor first came to power, they offered so many promises about assisting small business. But, four years later, let us have a look at the results of their unprecedented attack on the small business sector.

Under this Labor regime, 300,000 small business jobs have been lost and Labor's policies have also resulted in more than 20,000 fewer small businesses now contributing to our economy. Twenty thousand have disappeared. What an appalling and shameful record! As for this government, this Prime Minister and this Treasurer, the only successful policy they seem to have in the small business sector is making small business smaller. What an absolute disgrace! Yesterday we had the Prime Minister and this government pretending to be friends of small business. What a sham! We even had the Treasurer quoting Menzies, reminding the House that it is the Liberal Party that is the party that stands for the strivers, the planners and the ambitious small businesses. Yesterday, we had more quotes of Menzies from the Treasurer—and I just hope he will do more of these, because he would do well to learn from one of the greatest leaders in our country's history. I wonder what quotes a future Treasurer might recall of this Prime Minister 40 years from now. Perhaps it will be, 'There will be no carbon tax under the government that I lead', or maybe even better, 'The Labor Party is the party of truth-telling.' They will be the butt of jokes.

This government, a government where small business does not even have a voice at the cabinet table, will long be remembered for their policies, which have already destroyed 300,000 small business jobs and destroyed the hopes and dreams of over 20,000 small businesses. But, while this is their shameful record to date, what is the rest of the small business community experiencing currently—the ones that have survived? Just have a look at the most recent Sensis small business survey. It shows the profitability of the small business sector has hit an incredible 18-year low—that's right, an 18-year low. And the report records that small business confidence has collapsed to just 15 per cent, one of the worst results in the report's history. Growth in small business capital expenditure has fallen again sharply, to the lowest levels ever recorded by the index, and the proportion of small businesses exporting has also fallen. And there has been an almost 50 per cent increase in the numbers of small business owners that intend to either sell or close their business. They have seen the writing on the wall under
this government. They simply want to get out while they can with a shirt on their back.

We also have the latest ACCI small business survey, which has found that small business trading conditions and confidence have continued to collapse under this government and their policies with all indicators—including expected economic performance, sales revenue, employment and investment in plant and equipment—in substantial decline for the small business.

These are the sobering facts, and this is exactly the feedback that I am getting from 11,258 small businesses located in my electorate of Hughes, 97 per cent of which are truly small, family-owned businesses. The many small businesses I talk to are telling me that business conditions under this Labor government are the worst in living memory. That is the shameful record of this government to date. But the future only gets worse.

Back in 2007, the so-called 'party of truth-telling' promised that a Labor government would ease the regulatory burden on small business, and the member for Griffith stated that this was 'eating away at the entrepreneurial spirit' of the nation. But what is the record four years later? After piling new tax upon new tax and new regulation upon new regulation, a recent World Bank analysis of small business regulation has shown that Australia has gone backwards on almost every measure, with the exception of one category, the category of dealing with construction permits. We are now ranked a lowly 42nd. Who is above us? We are actually one place behind Greece, which came in 41st.

Then we have small business carrying the burden of this government’s reckless spending and putting upward pressure on interest rates. We have had the Treasurer farcically standing on the floor of this parliament talking about 'fiscal discipline'. This is the same Treasurer that has turned a $40 billion net surplus into a $100 billion-plus net deficit, which is only putting upward pressure on interest rates. It is the small business sector that carries the burden more than any other sector because of these increased interest rates. It has now been weeks since the Reserve Bank dropped interest rates by 0.25 per cent, but many small businesses out there today are still waiting for that cut to be passed on to them. That is where small business stands today under this Labor government.

And what of the future? Until the rotting carcass of this deceptive, dysfunctional and directionless government is finally dispatched to the annals of history by the voters, small business will continue to suffer. This shameful track record that I have noted comes even before small business is smashed by the insanity of the world's biggest carbon tax, a tax that the Prime Minister and Treasurer of this country promised solemnly they would not introduce. This tax is built on deception upon deception. Not being satisfied with the deception of the Prime Minister telling small business that there would be no tax under the government that she leads, the deception has continued with the latest falsehood from the government with their claim that 'small business will not be required to pay a carbon price'. But this Labor-Greens carbon tax will simply cascade through the supply chain, compounding at each stage and leaving Australia's two million small businesses and family enterprises to foot the bill with higher costs. Many small businesses already suffering the worst trading conditions in living memory have little capacity to absorb these increases. They will be caught in a vice, squeezed between spiralling costs on one hand and caught with their customers having less money in their pockets to spend on the other,
all the while dark economic clouds gathering on the international horizon. This is a recipe for disaster.

Then we have the government's plan to use the ACCC storm-troopers to silence small business by threatening to go after any small business that dares inform consumers about price increases due to the carbon tax. The threat of using the ACCC as an attack dog to prosecute small business owners who dare talk about the carbon tax is a disgrace. Small businesses face increases in electricity and will be forced to put many prices up where they can, yet they have a government that has misled them about this tax, has misled them about the effects of this tax and that is now threatening to prosecute small businesses for misleading and deceptive conduct if they merely talk about the tax.

Mr Deputy Speaker, you would think that the party that claims to be the party of truth telling would be telling the whole truth because silence by leaving out a material fact to create a false impression is nothing other than a deception. What we saw yesterday and last night during the debate on the mining tax was nothing other than a deception and a falsehood.

The DEPUTY SPEAKER: Order! The member for Hughes will not use the word 'deception'. He should withdraw that word.

Mr CRAIG KELLY: I withdraw, Mr Deputy Speaker. Buried in the mining tax was the Labor government's plans to increase taxes by 25 per cent for the 400,000 smallest businesses by removing the entrepreneurial tax offset. Not one single speaker from the government side even bothered to mention the fact that these bills contain a plan to rip $180 million off our most vulnerable small businesses. Either they did not read the legislation or they were deliberately deceptive.

Small businesses are in a perilous state in our nation. They are faced with a carbon tax. They are faced with the impost of the mining tax. We need clear policy from this government. Small businesses are suffering more than they ever have. They are facing high interest rates. We need a change of government. We need a change of policy.

(Time expired)

Mr HUSIC (Chifley—Government Whip) (15:47): I love hearing conservatives parade their friendship of small business. I love how they pretend that they are such great friends of small business. It always reminds me of that great quote from George W Bush when he lambasted the French for not having a word for 'entrepreneur'. They always make out they are the best mate of small business, but whenever they are called upon to make a decision in favour of small business, to do something when they are positioned between big business and small business, guess where they go—always for the big interest, never for the small.

Let us go through a litany of key decisions where the opposition when in government was asked to support small business but was nowhere to be seen—MIA. When the GST came in, these people who lecture us about cutting red tape, cutting bureaucracy, consigned all these small businesses to business activity statements—the thing that drives small business nuts. Small businesses still complain about it when I talk with them in the electorate of Chifley.

The member for Hughes went on with his celebrated term 'ACCC storm-troopers'. He talked about how the ACCC was being given powers to clamp down on prices and gouging that might occur with the introduction of the carbon price. Guess what! Just take the time to review recent history. Go and look at the new tax system and see what happened at the time the GST was introduced. The ACCC
was given powers to clamp down on businesses that were attempting to rip off the public and to ensure that the GST was passed through fairly. Your side of politics started it, my friend. Your side of politics did it. It was the right thing to do then just as it is the right thing to do now.

Peter Costello, the former member for Higgins, was given recommendation after recommendation on what he should do to improve the Trade Practices Act, on what should be done to protect small business from things like predatory pricing and things like creeping acquisition. 

Mr Craig Kelly interjecting—

The DEPUTY SPEAKER: The honourable member for Hughes has had an opportunity to contribute. He will be somewhat more restrained.

Mr HUSIC: The former Treasurer was given heaps of opportunity to stand up for small business that was being squeezed by creeping acquisition. It was being squeezed by big businesses pricing deliberately in a way to squeeze out small business. Did you ever stand up for small businesses and make TPA reform a priority? No, it took this government to do it. I am proud that the Parliamentary Secretary to the Treasurer was heavily involved in the formation of the Australian consumer law, the successor law to the TPA. I am proud of the fact that this government has been involved in championing small business in this way.

The member for Dunkley reached into the MPI vending machine and it was his turn today to get an MPI and talk about small business. The parliamentary secretary and I had to listen to him going on about IP Australia, about patents and about businesses being squeezed by multinationals on patents. Again, this matter has been hanging around for years. Those opposite had a chance to strengthen this and to give teeth to IP Australia. Did they do anything? No, not a zip. In the last month or so we have had the changes to the business names registration act, a great move to ensure that wherever you set up a small business in this country you do not have to wade through paperwork that might be different from state to state, with registration fees that might differ from state to state. We gave strength to the process by including ASIC as the watchdog. We have done all that. It is cooperative federalism at work, and we did it. They never did, but we did—it was done in the last month. And last night we introduced a massive shot in the arm for small business: a $6,500 instant asset tax write-off. That was delivered by a Labor government. It was never, ever given by them and was voted against by them.

They are chopping and changing on policy, one minute saying that they will oppose, for example, the superannuation changes that we have put in, then in the next minute supporting them, and then last night opposing them again. How can small business have any confidence in the member for Dunkley? The member for Dunkley was going around telling us that the world would end because of these changes to superannuation and saying that small business would suffer. Then all of a sudden, without any consultation, the Leader of the Opposition supports the changes to superannuation. What a voice for small business in the frontbench of the opposition when he cannot win on it.

Mr Bradbury: He wasn't on the phone call either.

Mr HUSIC: Yes, he wasn't on the phone call; thank you to the Parliamentary Secretary to the Treasurer for pointing that out. Again, what a great friend to small business, not even listened to by the Leader of the Opposition, and then they jump and dart round saying what they will do for small business.
They are talking down the super reform. We are creating a pool of funds in the national interest: $500 billion of investment funds that will help the economy, help us grow and help business. We have done that. Superannuation is the big reform to help the economy, but it is opposed by them. Yet again, it is Labor having to step up and provide that.

Mr McCormack: You're the government!

Mr HUSIC: Absolutely we are the government, and we use our time well in helping small business. You talk, we act. We make the decisions. We act. We help out. You sit and oppose. This is an opposition that does not know what it is going to do. For example, when we were putting through the reforms on climate change, and they had a chance to support us on the Steel Transformation Plan Bill, they said, 'We're not going to support that bill because we don't support the mining tax,' but they managed to find support for superannuation. They leave steelworkers and the steel sector hanging, but when for their own interest they have to support something they are out there doing it. No consistency, no idea, no policy, an absolute sham—they are unable on the big issues that confront this country to get their act together to work out how they are voting. And they are led by a man who did his best Captain Snooze impersonation last night: there on the front bench asleep when the big decisions are being made.

Government members interjecting—

Mr HUSIC: That is right. He is either asleep in here or he is sleeping off a bender from being in the members dining room while we are deciding what to do to save the nation as a result of the global financial crisis. We are doing a great job, because he will trawl around every place he can—

Opposition members interjecting—

Mr HUSIC: You don't like it, do you? You can't sit there in silence. Listen, the heat's going to get up a little bit more! What I love is they will go anywhere here and sap confidence out of the local economy by telling everyone how bad things, then the minute that the Leader of the Opposition can get himself on a plane overseas, where no-one is watching, he tells the rest of the world how great Australia is.

Ms Rowland interjecting—

Mr HUSIC: Exactly, he will not tell everyone how well we are doing here, but he will do it over there. When it comes to the big decisions to be made, we make them and then he goes and claims credit. He does not stand up for the decisions here. He does not do the right things.

Ms Rowland: Captain Snooze!

Mr HUSIC: Captain Snooze will go home to the motherland and tell them how great we are. It is an embarrassment, and do you know what? You can just tell the tide is rising.

Ms Rowland: The member for Higgins is onto it!

Mr HUSIC: Wow, the member for Higgins! I will give her credit. The member for Higgins is able to do something that their frontbench cannot. The member for Goldstein cannot when he has been overruled on key issues, and he is the shadow finance minister. He cannot do it, but the member for Higgins—wow! She is making it happen. They know they are in trouble. They do not have the ticker. They do not have the brains. They do not have the wherewithal. (Time expired)

The DEPUTY SPEAKER (Hon. Peter Slipper): Before I call the honourable
member for Flynn, I remind members on both sides of the chamber that it is extremely disorderly to be interjecting from outside one's seat.

Mr McCormack: Shame on you!

The DEPUTY SPEAKER: I do not need any assistance from the member for Riverina. My observation was that there were guilty parties on both sides of the chamber, including the honourable member for Herbert—he was an offender.

Mr Ewen Jones: I'm here to help!

The DEPUTY SPEAKER: The honourable member for Flynn has the call.

Mr O'DOWD (Flynn) (15:58): I rise today to talk about the difficulties facing small business in this world of increasing taxes that we live in today and to support the members for Dunkley and Hughes. Business is drowning in taxes and bureaucratic red tape. Small businesses have to contend with a lot of issues, but taxes are the forefront in terms of their survival. I refer to federal, state and local taxes. They all add to the bottom line, or detract from it, whatever the case may be, and in the last few years they have been detracting from the bottom line. Small businesses have to contend with corporate tax, land taxes, removal of the ETO, carbon cops and the ACCC, workers compensation, vehicle registration increases, workplace health and safety costs, rates, water and electricity and gas charges, insurance, payroll tax and any of the fees imposed by the federal and state governments, when they should be concentrating on market pressures, which is what being in business is all about. The types of businesses that will be sluged by a carbon tax are huge, especially in country areas. Labour costs are increasing, and small business is crying out under the weight of these taxes.

Let us go back to the start and talk about corporate tax. Not all small businesses are companies. Only one-third of businesses work under a company structure. Two-thirds work as mums and dads under their own trading name and that is about it, so they will not get a tax deduction from 30 per cent to 29 per cent. With the businesses that do work under a company structure, if they have $100,000 net profit they will save $1,000. What a deal! That will soon be swallowed up in other charges, I can tell you that.

Land tax is another issue. If you have a piece of land and the government decides to buy, rebuild or sell land adjoining your property and puts a lot of costs into that property, suddenly the value of your land goes up alongside your neighbour's land and you do not make an extra dollar but you pay land tax. This is an injustice. The removal of the enterprise tax offset has been spoken about by the members for Dunkley and Hughes, but it is a fact that this government will reap $180 million from small business.

An opposition member: That's a shame.

Mr O'DOWD: That is a shame. We do not know how this carbon cop in the ACCC is going to work; but, if they are going to impose legislation where a small business cannot put their prices above one per cent, what are we doing to small business? Do we want them to survive or do we not? I would like the government to explain how that is going to work and what power these carbon cops are going to have. As we stand now, union officials, workplace health and safety, carbon cops and every other cop can just walk into your business and walk straight over the top of you even though you own your own business. You do not own your own business. You have no control over who comes into your—

An opposition member: Red tape.
Mr O'DOWD: Yes. Workers compensation is always on the increase. I can tell you something about workers compensation. It is normally about three or four per cent; but, if you have an accident on your site, they will retrieve whatever money they spent paying the employee until you come back to that three or four per cent. But they do not give you a credit if you do not have an accident. I have been in business for 30 years. I have had one accident—and I am still paying dearly for that—but there is no credit for the other 29 years that never had an accident.

Vehicle registration is another sad story for all small business, especially truck owners. Take a B-double cattle transporting vehicle. These are real stories I tell here today. This happened at a place called Rolleston in my electorate. The whole town was flooded. They had water on the four roads going into Rolleston. He could not move his truck on the main roads for six months. He could not move his truck on the internal roads in the properties for nine months. But his registration for that vehicle was $26,000. He did not make one cent for nine months. This is what small business has to put up with.

The people in my electorate, where roads are very ordinary to say the least, have to pay a luxury tax on vehicles that are over about $69,000. They need a vehicle worth probably $80,000—for example, a Toyota LandCruiser—to get around these roads because a lesser vehicle will just fall to pieces, and yet they are hit with a luxury tax. This is not right.

Workplace health and safety have costs. This issue hits at the heart of small business. We tend to have to follow big business. As we go on, big business in the mines and in other areas of big industry around my area have a driver and a passenger in a ute. This is because, when that ute stops, they do not rely on the handbrake anymore. One person has to get out and chock the wheels. This is what is going on. This falls into a category that rubs off on small business. I witnessed myself at a hotel in Emerald that was on perfectly flat ground a car where all four wheels were chocked. So much for our handbrake system!

Rates are continuing to rise. There are not many council rates that go under CPI. Most of them are over CPI. This again reflects on the bottom line. We do not have to talk too much about water charges, electricity, gas, insurance—we know they go up every year. You can count on it. Payroll tax is a great incentive for business: if you go over a certain figure, you have to pay payroll tax. Superannuation of nine to 12 per cent comes directly out of the bottom line.

I think the Assistant Treasurer should concentrate more on a proper return from our superannuation funds. We all know that superannuation funds over the last 10 years have returned less than five per cent. For the last three years it has probably been a minus figure.

An opposition member: You get more in a bank account—or at the racecourse!

Mr O'DOWD: You do get more in a bank account and at the racecourse. Fees imposed by the federal government add to inflation. It is not small businesses putting their prices up; it is the government charges that create inflation, which then adds to the cost of the article and a lower bottom line for small business. I was in the hotel game. Since getting out of the hotel game hotels have been hit with a fee of around $15,000 in Queensland for no reason. A small hotel in a place like Walloon pays $15,000. So does the Hilton in Brisbane. How can that be?

Mr Ewen Jones: The state government needs the money—that's the reason.
The DEPUTY SPEAKER (Hon. Peter Slipper): The member for Herbert does not appear to be in his seat.

Mr O’DOWD: And there is the red tape—you have to supply statistical information to governments and, if you do not fill out the statistics when they want you to, they will ring you up and do you over.

Mr Truss: Be unkind.

Mr O’DOWD: Yes, very unkind. We have to return respectability and cut out the red tape for small business. If we want them to survive we have to set the right parameters and then let them get on with doing the business they do best. If someone wants to do the paperwork and deal with the red tape, let the bureaucrats do it.

Mr LYONS (Bass) (16:08): I rise today in the House to speak to the motion on the impact of increased taxes on small business. The Gillard Labor government understands the important contribution small businesses make to national prosperity and to supporting jobs. Small business owners take a risk in undertaking new ventures on their own. They work hard to achieve commercial success and deserve support for their entrepreneurship, which contributes so much to the economy and provides so many jobs for Australians. Federal Labor is committed to supporting Australia’s small businesses as the global economy recovers so that they can grow to their full potential and continue their immense contribution to Australian prosperity and job creation.

Last night was a big moment in Australian history. The MRRT is a great big win for small business. The government will support Australian jobs and use the mining tax to give a tax cut to every Australian small business. This will help keep unemployment low and ensure more Australians are coming home with a pay cheque every week. I am sure this move will be welcomed by the business community and by those looking for work. I look forward to talking to local businesses in my electorate about this. This builds on the Gillard Labor government’s record of creating 750,000 new jobs, low unemployment, and sound financial management.

Our tax package, funded by the proceeds of the MRRT, will give small businesses tax relief, a cash-flow boost and a strong incentive to invest in productive assets and grow jobs. From 1 July next year, small businesses will be able to claim an instant write-off of assets valued up to $6,500, boosting cash flow and removing the need to apply different depreciation schedules. The instant asset write-off is not a cap; it applies to each asset a business buys that is under $6,500.

As a big supporter of small business, I welcome the Gillard Labor government’s plan to offer a big tax cut to every small business. We are giving a big tax cut to 2.7 million small businesses—many of them struggling in our patchwork economy. The government recognises the important contribution small businesses make to national prosperity and to creating jobs—and these tax cuts will help them continue to grow and prosper.

Yet those on the other side of the chamber last night voted to rip out major tax relief for 2.7 million Australian small businesses. Mining profits have increased more than 260 per cent over the past decade. BHP’s latest annual profit of around $23 billion is almost four times the profit of the country’s former highest earners, the banks. We are giving a business tax cut to all Australian businesses, including those that are not in the mining boom fast lane. That will help keep unemployment low, which means more Australians coming home with a pay cheque to look after their families. Every cent raised through the MRRT will be returned to
business and the community through tax cuts. This is an important point that often has been lost in the heat of this debate. This is an unprecedented support package proposed by the Labor government that, if the opposition really cared about small business, they would have supported last night instead of sleeping through the whole debate.

This package comes on top of the government's other measure to allow small businesses to write off the first $5,000 on any new motor vehicle purchased from 1 July next year. This landmark tax break will have a significant impact on the cash flow of many thousands of small businesses. It will help many of them to invest in new equipment, which will help improve productivity and provide a boost to the national economy. The new arrangements will also reduce red tape for small businesses, as they will not have to deal with as many depreciation schedules or track the depreciation on so many assets.

Small businesses are the backbone of the Australian economy, providing jobs and adding to our national prosperity. Federal Labor has implemented a number of policies to help Australia's small businesses prosper. We invested $42 million in small business advice and support through small business advisory services located in suburban, rural and regional Australia. We simplified the BAS, business activity statement, and other reporting requirements for small business by implementing standard business reporting for around 70 per cent of small businesses. We created a superannuation clearing house so small businesses can pay their employees' superannuation contributions electronically to Medicare, which distributes the money to employees' chosen super funds free of charge. We helped small businesses go online by providing $14 million to 47 successful applicants to improve their e-commerce capabilities, enabling them to take up the new opportunities offered by the National Broadband Network. We established a permanent voice for small business in the ACCC, through the appointment of a new Small Business Commissioner. The Australian economy continues to outperform other advanced economies. Despite the impact of natural disasters, our economic fundamentals remain strong and our outlook is bright. The government has a clear plan to maximise the opportunities of an economy in transition.

Small businesses make a significant contribution to the Australian economy, accounting for almost half of industry employment and contributing over a third of industry value in 2009-10. We are working with them to support jobs. Small businesses are often the first to feel the effects of an economic downturn and the last to emerge. Federal Labor recognised that helping small business through the global recession was critical to the economy.

An important measure was support for local tradies and the small businesses that supply them, through the Gillard Labor government's Nation Building-Economic Stimulus Plan, for work on schools, housing, roads and local infrastructure projects. Yet those opposite turn up to the openings but vote against these jobs. They did not support business when they really needed it.

The marginal rate of tax was 67c when I started work and it is now 45c. The fact is: no-one likes paying tax, but we need revenue for services. The Liberals, when they were in power, were the highest-taxing government in Australia's history.

We are working hard on freeing up small business owners' time to allow them to get on with the job and making it easier to deal with government. With 2.4 million small businesses operating in Australia, the Gillard Labor government recognises that small
business is the backbone of the Australian economy.

Federal Labor will continue to support small business owners to ensure their entrepreneurship continues to contribute to national prosperity and job creation. That is why we have released a tax plan for our future, which will provide tax breaks and reduce red tape for all small businesses. The MRRT is a great opportunity for this country, and those opposite are on the wrong side of history.

Labor is keeping the economy strong and building a great economic future for all Australians. Only Labor has a plan to keep the whole economy strong—not just the mining sector—a modern economy ready for the future that will create new jobs and new opportunities with no person and no place left behind.

Mr HAYES (Fowler) (16:17): Like most members on this side of the House, I understand the value of small business. Ninety-seven per cent of the businesses in my electorate of Fowler qualify as small businesses—that is, 10,500 businesses. In the past a lot of these people would have been bricklayers, electricians—a whole host of things. They are required to register their business in order to maintain their employment but, nevertheless, small business and independent contractors are one of the fastest areas of growth, particularly in south-west Sydney where I come from.

One and a half thousand of these small businesses are truck drivers. They are independent contractors, owner drivers. They have set up their businesses. They have gone out like other businesspeople and borrowed capital to set up a business. I do not know if it has caught you by surprise, Mr Deputy Speaker Slipper, but it has taken a long drawn-out campaign by the Transport Workers Union and other people such as Lindsay Fox to draw attention to this particular category of small business.

I, together with other members in this place, sometimes go and visit the various truck stops we have in our electorates. I have got one down the road called Uncle Leo's. I go in there and have a cup of coffee and a sandwich with the fellas as they are negotiating a truckload of fuel to get themselves home to Queensland. They will go home to Queensland with a truckload of fuel. They are compromising everything: time and themselves with regard to their logbooks and other things. They are trying to make a quid out of their business. That is why people enter into businesses in the first place.

To date we have seen people's reluctance to grasp the significance of fair rates in the transport industry. These fair rates are not meant to apply to someone who is a day worker working for a trucking organisation; these are for the operators of small businesses.

This significant initiative was introduced by the Minister for Infrastructure and Transport today in the second reading of the road safety bill. It is designed to give these people a fighting chance at their business, to make sure they are paid fair rates. Compromise is occurring, which is affecting safety. About 250 deaths occur on the road each year involving heavy vehicles. An accident involving a heavy vehicle normally would have very significant consequences for not simply the drivers of those vehicles but also other road users.

Compromises are being made—compromises in respect of safety; compromises in respect of work practices; and compromises in respect to hours—and I have personally witnessed people negotiating a truckload of fuel to travel from Liverpool back to the Gold Coast, and that would be
the cost of freight. If you want to divide up what the cost of freight is, I think it would be pretty cheap by the end of that run.

The other major thing that these truck drivers running their businesses complain bitterly to me about—I know they are not in the aviation industry—is the slot times they are given for arriving to unload their vehicles, and that time can change. They can sit around for anything up to 10 or 14 hours waiting for their slot time, so they become a mobile storage unit. They are out there with their 16-wheelers, with their refrigerated units keeping food cold, and all the rest of it, and they are not getting paid for that. They are given their slot time to arrive. If anything, we are taking an enormous step just in that alone in respect to small business.

I know that is not the tenor of this debate, which is focusing on what is occurring in the mining industry. Although I have a connection with mining, I am at a loss over this, as are most people in my electorate who do not have any connections with mining. I have had sons do very well out of working in the mining industry. A lot of young people have seen mining as not a bad way of life: getting involved, generating a lot of income over a short time and then going into another business. That is what my son did.

Mr Dutton: They can pay more tax.

Mr Hayes: What has occurred—the member for Dickson probably agrees with this because I know his electorate well—is we have negotiated with the biggest miners in the country. They have agreed on what the figure should be. They have agreed that they need to make a greater contribution to this country. We are talking about companies that make an after-tax profit of $75 million. We are not talking about someone who has the backside falling out of their pants, struggling to get down their shovel blade down a hole to dig a little deeper. We are talking to people who are making a $75 million after-tax profit. They are the ones who are going to be required to pay. That money will give us the ability to make adjustments to help small business.

I said that 95 per cent of businesses in my electorate are small businesses. Those people can buy a vehicle, whether it is a Commodore or Ford or some other type of vehicle, and apply to have the instant asset write-off of $6,000. We have to contrast that with what the opposition did in government. They had 12 years to look at this.

I was in small business when John Howard promised to cut small business red tape by 50 per cent in the first term of his government. Instead, what did the coalition do? They saddled businesses—

Ms Brodtmann interjecting—

Mr Hayes: particularly small businesses—you are right, the member for Canberra—with GST. They certainly saddled it with a greater amount of red tape. I know the amount of work I had to do to find my way through a complex BAS. That is what they delivered to small business. They made it infinitely more difficult for small business to operate in that environment. It took Labor to make and deliver on commitments to small business. As I said at the outset, we know that the fastest growing area in our economy is small business and much of that is independent contractors. They are electricians, plumbers and bricklayers who now require an ABN to get onto various job sites—particularly in Sydney. They had to have an ABN, they had to become a small business, and that is how they got treated. Anyway, these businesses got on and I know many of them have employed apprentices locally. These businesses now have the opportunity to go out there and get that ute. They now have the opportunity to start to expand their business.
The mining tax is going to help facilitate the rise of superannuation from nine per cent to 12 per cent. That is a great dream for anybody in the workforce. I know that not many of those opposite necessarily reflect people in the workforce but we here do. We understand what it is for working people to have a sound retirement income at the end of their working lives. Moving superannuation to 12 per cent is a true Labor objective, one that we should be proud of delivering. But it does not just come, we have to make things work.

I understand it is difficult for those opposite. I understand that even as late as yesterday they were conflicted on this as part of their party room was going to support the superannuation rise. All except Andrew Robb, at least, were going to support this. They said they were going to support superannuation but they were going to oppose the mining tax. But when the legislation came here last night, I thought at best they would abstain from voting. They could not work it out. We had the Leader of the Opposition sleeping in the front row, being nudged in the ribs. We had the shadow Treasurer sitting at the table, not sure what call make. Then we had the member for Mackellar call for a division and they all voted no to superannuation. I do not know how they are going to explain that in their next round of newsletters. They opposed working Australians getting a genuine Labor objective of an adjustment to 12 per cent superannuation. *(Time expired)*

**Ms GAMBARO** (Brisbane) *(16:27)*: How refreshing. We have one member over there, the member for Fowler, who is an ex-businessperson. It is very refreshing to see. I wish more of his colleagues understood small business.

*Government members interjecting—*

*Ms GAMBARO:* No, they have two. We can count with our hands how many former small business people are on the opposite side, whereas over here we really understand what small business is about. If you have ever run a small business, which I have done in my career, you will know the government has created three taxes and increased many others. What have they done in the last few months? They have brought in a flood tax, a flood levy which will affect businesses, they have brought in a carbon tax and they have brought in a mining resource rent tax. When they are in trouble, the first thing they do is tax small business. They have their heart on their sleeve about how they are for small business and how they care about small business, but all they do is tax them to death.

Let us talk about some of these particular taxes. I am glad that the member for Fowler talked earlier about when the GST came in. One of the things that the then government did with that tax was to consult widely. I know because I was sitting on the government side of the House when it happened. We consulted widely. We funded organisations and chambers of commerce to fully inform the business community and to provide them with all the information they possibly could. Anyone running a small business knows that the last thing you do when you are in government is to put another tax on them, particularly in the economic climate that we have at the moment. I was running a retail business up until a year and a half ago, when I came back into the parliament. Can I tell you some of the things that happened in my very humble business. I was a humble fishmonger, running a humble fishmonger's business. Can I tell you what your state colleagues did to my humble business: they put up my electricity by 50 per cent. Electricity went up 50 per cent in one quarter. That is after the land tax went up, and I could go on and on and on.
Government members interjecting—

Ms GAMBARO: When I stand here and listen to the members opposite, they somehow say—and they are disingenuous in this when they say it—that small businesses do not have to pay for the super; they link it to the mining resource tax. Can I tell you that businesses pay for superannuation. I used to do the wages and I know how that works: businesses pay for superannuation. Let us put that on the table: businesses pay for superannuation. To say that businesses will not have to pay for superannuation is an absolute fallacy. With the company tax rate that is going to be reduced—they played that out—let me just put that on the table as well: most of the businesses in Australia are not incorporated, and they will not even receive the one per cent. All those opposite are doing is taxing business more and more and adding to the difficulty of running a small business.

It is absolutely extraordinary when I listen to the people opposite. They have absolutely no idea of what is involved in running a small business. The members’ contributions last night were outstanding to listen to—all this will do is increase and cause an impost to small business. When I listen to some of the members opposite talking about their consultation process, the consultations that have occurred have just been absolutely appalling. They talked to three large miners and did very little about consulting with the other members of the mining sector. They should stand condemned for their lack of consultation.

They have no idea how to run a small business; all they are doing is taxing small business out of existence. It is already a tough time at the moment. Most businesses are doing it tough. I visited a local newsagent in a neighbourhood that I did not think would have difficulty, but they are doing it tough everywhere and they are all complaining about the economic conditions. All those opposite are doing is making it harder and harder for small businesses to survive.

The DEPUTY SPEAKER (Hon. BC Scott): Order! The discussion is now concluded.

COMMITTEES

Privileges and Members’ Interests Committee

Report

Ms BURKE (Chisholm) (16:32): On behalf of the Standing Committee of Privileges and Members’ Interests I present the Draft code of conduct for members of parliament: discussion paper, November 2011.

Ordered that the report be made a parliamentary paper.

Ms BURKE: by leave—Consideration of a possible code of conduct for federal parliamentarians is not new. As noted in the discussion paper I have presented, such considerations go back as far as 1975. Since then the issue has emerged at various times but has not been brought to fruition. Most recently, the agreements for parliamentary reform that were negotiated as part of the process for formation of minority government in the 43rd Parliament made provision for the implementation of a code of conduct for federal parliamentarians. The agreements also referred to the appointment of a Parliamentary Integrity Commissioner to uphold the code.

In November 2010, the House referred an inquiry into this matter to the committee. While the committee has taken evidence from Australian and international parliamentarians who have experience with codes of conduct—and I want to thank the many people who made themselves available for this important work—it has decided not
to reach a concluded view on the merits of adopting a code of conduct, and it now presents its work on the inquiry as a discussion paper. The discussion paper addresses the terms of reference and includes a consideration of the various aspects of such a code. I do not propose to canvass all those aspects, but I would strongly suggest—and actually urge—that all members read this discussion paper to better inform themselves on the issues to do with the code of conduct. Many members of the public are under codes, and it is probably time that parliamentarians gave serious consideration to adopting what has been outlined in the discussion paper.

The only two matters I would refer to relate to the preferred view of the committee if a code of conduct is to proceed. First, the committee considers that it would be preferable for any code of conduct to be broad in nature and to reflect key principles and values as a guide to conduct, rather than being a detailed, prescriptive code. The committee has included a draft paper of possible codes in the discussion paper. Second, the committee considers that it would be preferable for any code of conduct to be adopted by resolution of the House rather than by statute. We do strongly recommend this if it were to come to pass. There was very strong evidence from both the United Kingdom House of Commons and the Canadian House of Commons that a code should be adopted by resolution. A statutory code would open up the interpretation of members' conduct to be subject to scrutiny in the courts. The committee considers it essential that the House itself retains control over its own affairs, including the conduct of its members.

With these comments, I commend the discussion paper for the consideration of members. I thank all the privileges committee members who have been involved in this discussion. We have had some full and frank discussions and I really do thank them for their input. I also would really like to thank particularly David Elder, Claressa Surtees and Laura Gillies for their phenomenal work in establishing this discussion paper. I would ask everyone to give it due consideration. I thank the House.

MINISTERIAL STATEMENTS

Foreign Aid Budget

Mr RUDD (Griffith—Minister for Foreign Affairs) (16:36): by leave—In July this year I addressed the House on Australia's new aid policy, and our efforts to position Australia as a leading, effective global aid donor. At the time, I promised to regularly update the House on the implementation of the new policy which has aid effectiveness at its core. At the end of this year's parliamentary session, it is timely that I do so today. Next week, I will attend the Global Forum on Aid Effectiveness in South Korea which will review overall effectiveness criteria for the world's total annual aid allocations to the poorest members of the international community.

Purpose of our aid policy

Australia's aid program is an integral part of our broader foreign and security policy objectives. These are to:

- maintain our national security;
- build our national prosperity; and
- act as a good international citizen in building a stable and just international rules based order. Within this framework, the fundamental purpose of Australian aid is to help people overcome poverty. This also serves Australia's national interests by promoting stability and prosperity in our region and beyond. We want to be judged not by how much we spend but by what results we produce—the number of lives we save, the number of children we
educate, the number of people we lift out of poverty.

**Why we give aid**

We give aid because it is a natural expression of Australian values. As a decent people, we believe in a fair go for all. As a people, therefore, we find it unacceptable that, as of today:

- 1.4 billion people live in extreme poverty;
- seven million children die every year from preventable causes; and
- 67 million children, including 35 million girls, do not receive basic primary level education, not even a day of it.

Poverty, left unaddressed, also causes instability. Of Australia’s 24 nearest neighbours, 22 are developing countries. We have a significant national interest in reducing poverty and promoting prosperity and stability in our region and beyond.

Effective aid delivery acts against political and religious radicalisation. It is therefore capable of reducing dangerous, irregular people movements around the world. It is also a powerful weapon against the causes of terrorism.

Effective aid, by building prosperity, also in time builds global trade, which also helps Australian trade and therefore generates jobs. Take for example Malaysia. Malaysia was once a recipient of Australian aid. Malaysia is now Australia’s 10th largest trading partner. Therefore, our aid policy is both a reflection of our interests and our values.

**Responding to global challenges**

Eradicating poverty is therefore not just the right thing to do—it is the smart thing to do. The global community committed, at the turn of the millennium, to lift one billion people out of poverty. We agreed to the Millennium Development Goals (MDGs) as the way to measure our progress. This has been a bipartisan commitment in Australia since 2000.

The truth is globally not all pledges that have been made and not all goals that have been agreed upon have been achieved. There have been successes in some areas. We are reducing poverty. School enrolments are rising. But we are struggling in other areas—regrettably on maternal health and child nutrition. The global community can, and must, do more to achieve the goals we have set ourselves. The lives of millions hang in the balance.

Yet what we see around the world is many donor countries cutting back on their aid delivery because of the ongoing flow-on effects of the global financial crisis. And—tragically—these cuts are taking place at the very time when the crisis itself has increased global need in the poorest countries. One exception is the United Kingdom where the Conservative government has committed to reaching 0.7 per cent of gross national income in 2013. Despite considerable budgetary pressure in the UK, its aid is already at 0.56 per cent of GNI—well above Australia’s. The reason for this is that the UK government have recognised overseas aid as fundamental to their national interest. As my counterpart Andrew Mitchell says, 'It's not aid from Britain; it's aid for Britain.' I agree with him entirely.

**What Australia is doing**

When we came to government Australia’s aid program was 0.28 per cent of GNI—one of the lowest levels in the OECD. Prior to the 2007 election, as Leader of the Opposition, I committed the Australian Labor Party in government to increase ODA to 0.5 per cent of GNI by 2015-16. We currently stand at approximately 0.35 per cent of GNI. This still places us in the bottom third of OECD countries. But when we reach 0.5 per cent, we will be around the
average of OECD countries. This is a goal which the opposition has subsequently formally adopted. As the Leader of the Opposition stated in a speech on 21 June 2010:

I want to make it very clear that the goal of 0.5 per cent of national income in overseas development aid is a bipartisan one.

I further thank my counterpart, the shadow minister for foreign affairs, for her strong personal leadership within the coalition where we have seen occasional attempts to break from this bipartisan position.

The government's new aid policy, An Effective Aid Program for Australia: Making a Real Difference—Delivering Real Results, launched in July 2011, commits us to deliver real and measurable results. The independent review found we had an aid program that, against any international benchmarks, was a good program but one that still could be made better. The new aid policy outlines how our future efforts will be focused on five strategic goals.

The first goal is to save lives—for example, our support to immunising children through the Global Alliance for Vaccines and Immunisation. Under the coalition government, Australia's support for GAVI in 2006 and 2007 paid for approximately 500,000 children to have vaccinations against diseases such as hepatitis B, yellow fever, meningitis and pneumonia. Building on this, the Labor government supported the immunisation of a further 1.1 million children by the end of 2010. Between 2011 and 2015 Australia alone will support the full immunisation of 7.7 million children around the world—that is, one-third of the Australian population.

Our second strategic goal is the promotion of opportunities for all—through, for example, Australia's recent commitment to the Global Partnership for Education, which will result in over two million more children enrolled and completing school. Again this is a significant, measurable change in the life prospects of young children. Strategic goal No. 3 is supporting sustainable economic development, such as helping improve employment and social protection programs, so that the poorest and most vulnerable receive the support they need—for example, in Indonesia and the Philippines benefiting 107.5 million people by 2015.

Strategic goal No. 4 is effective governance, human rights and law enforcement—for example, by providing counselling and support services to 3,734 women in Fiji subjected to violence over 2009-10 through the Fiji Women's Crisis Centre. That is good work again for Australia to be engaged in. Strategic goal No. 5 is preparing for and responding to disasters and humanitarian crises—such as our recent response to the humanitarian crisis in Libya and the ongoing drought in the Horn of Africa, where Australia, as one of the largest bilateral donors, is working with others to provide food to nearly eight million people affected by drought.

We have also committed to delivering aid efficiently and effectively. As the Brookings Institution has recently confirmed, Australia's aid administration costs are around one-third of a number of comparable donors. That is, our admin costs in the delivery of the aid portfolio programs on the ground, the actual running costs, are one-third that of other comparable donors. This is a very good achievement.

AusAID has a zero tolerance policy on fraud. The potential loss from fraud in 2010-11 is estimated to represent just 0.028 per cent of money appropriated to AusAID last financial year. As I have said elsewhere before, this is considerably lower than that which can be attributed at Centrelink. We will also continue to strengthen the overall accountability of Australia's aid program...
with the implementation of a rolling four-year cabinet review of the program's overall performance against stated objectives. Nonetheless, we believe there is still more to be done in boosting transparency and accountability for Australia's aid budget.

In July I also stated that the government would further enhance transparency. The government wants Australians to know how their tax dollars are making a real difference in the lives of people in developing countries. That is why today I am launching the new Transparency Charter. As part of this charter, AusAID has today published detailed, current information about what the aid program is delivering in Vanuatu and the Philippines. We will be making available similar information for major partner countries by early next year. Information on all programs will be in this format by the end of 2012. This is a major step forward in making it transparent to the Australian public how their dollars are being spent per program, per country, across the world.

Second, AusAID will routinely publish its internal audit reports as these audits are completed. Starting today, AusAID has published on its website internal administrative audits from four major bilateral country programs—Papua New Guinea, Vietnam, Fiji and Kiribati.

Third, AusAID is making available today strategic direction documents which outline how the aid program will work towards the five strategic goals set out in the new aid policy. These cover practical details of the sectors in which we will work, the challenges we face and what measures of success we will use. We intend to be up front with the Australian community about what has gone right, what might have gone wrong in individual programs and what needs to be improved. And we will welcome feedback from the Australian public.

I believe this is critical to building long-term consensus about an expanding Australian aid budget into the future, and to absolutely be in a position to assure the Australian public that their hard earned taxpayer dollars are being properly invested and delivering real and measurable results. I welcome this transparency initiative.

**Progress in Implementation**

We are progressing the 38 recommendations agreed or agreed in principle as part of the Independent Review of Aid Effectiveness. Of those 38 recommendations, 26 have already been implemented. One is being further considered by government. Implementation of 11 recommendations is progressing. This includes, for example, harnessing the power and innovation of Australian business. To this end, in June 2012, AusAID will hold its first annual consultative forum with Australian business. The 2011 Australian of the Year, Simon McKeon, as well as representatives from peak business groups and civil society, are helping us prepare for the forum. Its purpose is to consider how AusAID partners with the Australian business community better in delivering critical programs—for example, in such areas as microfinance.

To reiterate, Australia's aid program is a solid investment. We are achieving results. Our results and our returns are measurable. Over the last four years, Australia has:

- In Oruzgan province in Afghanistan, provided basic health and hygiene education to more than 7,900 primary school kids, 34 per cent of whom are girls.
- In East Timor, contributed to over 149,000 people gaining access to new and improved water systems.
- Worked with the government of Papua New Guinea to maintain 2,000 kilometres
of roads allowing rural populations to access basic health and education services.

- In Vietnam, provided 83 per cent of its rural population with access to clean water and 58 per cent with access to hygienic latrines by the end of 2011.

I am proud to say that Australia is on track to meet the 0.5 per cent bipartisan commitment by 2015. With this investment, we will continue to build on the gains we have made in reducing poverty and furthering Australia's national interest. As I stated earlier, it is not just the right thing to do—it is the smart thing too. It is consistent with Australia's values. It is consistent with Australia's interests.

I ask leave of the House to move a motion to enable the Deputy Leader of the Opposition to speak for 13 minutes.

Leave granted.

Mr RUDD: I move:

That so much of the standing orders be suspended as would prevent the Deputy Leader of the Opposition speaking for a period not exceeding 13 minutes.

Question agreed to.

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (16:50): At the last election the coalition announced a policy to hold an independent review into Australia's foreign aid program with a view to improving its effectiveness, to ensuring its sustainability and to addressing a number of serious problems. We had become concerned about ongoing reports of waste, mismanagement, extravagant salaries for consultants and questionable priorities in the application of the aid budget. The use of highly paid consultants had led political leaders of other countries to raise their concerns with us and one had, in fact, dubbed it 'boomerang aid' in that the benefits were largely returned to Australia by the consultancies.

Over several years, in fact, I had asked the leaders of nations in receipt of Australian aid about their impressions of its effectiveness and its delivery. While greatly appreciative of Australian support, the vast majority also raised a number of concerns including: an over-reliance on highly paid consultants; the production of elaborate and expensive feasibility studies that did not then translate into an actual project; well-meaning although naive people working to deliver the aid; a rapid turnover of staff that prevented the building and maintenance of long-term relationships; overly bureaucratic approaches that hampered effectiveness; and the aid effort spread too thinly across too many sectors.

The Australian National Audit Office reported on the foreign aid program in November 2009 and raised concerns about the heavy reliance on technical assistance which often involved highly paid consultants to provide advice and support in recipient countries. The ANAO report found almost double the proportion of the Australian aid budget was spent on consultants compared with the OECD average. It also raised concerns about the ability of AusAID to effectively manage large increases in the aid budget. That is why it was coalition policy to hold an independent inquiry into the aid budget and that is why the coalition supported the adoption by the Minister for Foreign Affairs in late 2010 of our policy to hold a review into the aid program. The report from that review was released in July this year and the review noted problems that if they were not addressed would become more serious as:

Australia's aid operation, already under strain, comes under the increased pressure of ramping up over the next five years to achieve the target of 0.5 per cent of Gross National Income. They range from lack of a unified sense of strategic purpose across government through the need to reform the government's budget processes to the
dangers of fragmentation and stretching the program too thin to the need for greater public involvement and transparency.

I do pay credit to the Minister for Foreign Affairs for taking steps to improve the program. In May 2010, the minister announced a review of technical advisers, which recommended a reduction in these positions. Further to that review, the minister also took steps to reduce the remuneration packages by imposing caps on salaries and allowances. These are important steps.

Australians are generous people and often donate large sums of money to assist those in need not only here but overseas. Millions of dollars are donated annually to various charities, including those to support disadvantaged people, medical research, communities affected by natural disaster and much more. Australians are very generous supporters of developing nations, both personally and as taxpayers through our foreign aid program. One of the key questions often asked of organisations that collect and manage funds is about the amount of money that actually gets through to those in need. Those donating money do not want an unreasonable proportion of their funds spent on administration or on things that do not deliver tangible benefits.

I have long argued that Australia’s foreign aid program must be carefully targeted to ensure that it does not damage local economies and that it does not lead to dependency but rather to self-sufficiency. The aid budget should be focused on helping people in developing nations achieve long-term and sustainable self-sufficiency. That said, the challenges in many developing countries are huge and support must be ongoing if genuine change is to be achieved. Aid for Trade, for example, is not just a concept; it can be a reality. During a recent visit to Papua New Guinea, I visited a small business in Port Moresby that used a grant from the Enterprise Challenge Fund, established by the Howard government in 2007, to purchase food processing equipment from India and set up a spice and oils export business. It supports hundreds of growers and their families and the local community. This is just one example of how an innovative approach to the provision of foreign aid can support economic development that benefits people in those countries.

Providing access to capital is ultimately a job for the private sector, but our aid program can fill a gap as the business sector in a particular country matures. Other avenues outside government channels such as churches, local community groups and non-government organisations must also be leveraged. The challenge, as the foreign minister said, is not just to spend more money but to spend it effectively. In order to achieve greater effectiveness and efficiency in our aid program there is a real need for innovative thinking, creative ideas and an openness to new approaches. This can mean building on current practices by doing the same things differently, as well as initiating and implementing entirely new approaches by doing different things. Health and medical services in developing countries, as an example, can often be difficult to deliver because of poor infrastructure and support services, particularly in remote locations. The scale of providing health services in Papua New Guinea, for example, is evidenced by the fact that it is reported that only 33 dentists are located in a nation of more than six million people, a nation that is the largest recipient of Australian aid.

An example of an innovative and effective initiative in Papua New Guinea, not funded by AusAID, is the Youth with a Mission medical ship based out of Townsville. The model of a floating, self-contained vessel overcomes many of the traditional challenges
of delivering services into remote areas, including issues relating to staff security and the accommodation of medical support. The ship is largely staffed by volunteers and operates with the support of private donations. It has sailed to 16 remote villages located in the gulf province and the volunteers have provided more than 15,000 instances of care and support during the past two years. This has included more than 2,000 dental treatments, over 1,500 services relating to eyesight, including cataract surgery, and more than 1,600 general medical treatments and thousands of educational and health support services. The overwhelming success of this vessel has led to plans for the current ship to be replaced with a much larger one from about 2015. A larger vessel would not only provide the capability for many more medical services but also mean it would be available for disaster relief in a region where cyclones and earthquakes have caused significant damage and loss of life in the past. It is a faith based organisation and it is seeking funding support from the federal government for the first time and the coalition is giving in-principle support to the proposal.

Another innovative approach in the delivery of educational services into Africa has been developed by Korean electronics company Samsung, which has built a prototype classroom out of a 12-metre shipping container. It is equipped with laptops, an electronic whiteboard, video cameras and other electronic teaching aids. Importantly, the self-contained classroom operates 100 per cent on solar power and can be delivered on the back of a truck to remote locations far from any electricity grid. The company has a goal of improving the lives of five million people in Africa by 2015.

These are just some of the hundreds of examples from around the world of organisations and individuals taking an innovative approach to the challenge of development assistance. With the ever-changing nature of the world, underpinned by technological and other developments, those who manage the delivery of Australia's aid program must remain alert to opportunities to embrace greater innovation, new ways of thinking and new approaches.

The independent review commissioned by the government produced a commendable report that included 39 recommendations for reform. I note from the foreign minister's speech that the government is progressing 38 recommendations. This is a pointed omission and of great concern. The government's response to the review seems to ignore, arguably, the most important recommendation, the 39th, which states 'the scale up of the aid program to 0.5 per cent of GNI should be subject to the progressive achievement of predetermined hurdles'. Yet the minister appears to have ignored that recommendation in his speech today. More specifically, the independent review warned that forecast increases in the aid budget are 'steep and challenging' and that strict annual performance benchmarks must be passed before AusAID receives funding increases. The report said:

It is sensible to recognise that the upward trajectory to 0.5 per cent of GNI is steep and challenging. It makes sense that budget appropriations each year be contingent on things going to plan and existing monies being spent effectively … failure to achieve a hurdle, or to fully achieve it, must have consequences. For example, the government could reduce the rate of increase or withhold all or part of the funding unless and until the hurdle is achieved.

At the time of the release of the report earlier this year I called on the foreign minister to detail the nature of the performance benchmarks that AusAID will be required to meet, how it will be measured against those benchmarks and the consequences of failure to meet its performance targets.
The ongoing failure of the minister, with the greatest respect, to respond to this clear recommendation raises questions about the government's commitment to ensuring the highest possible standards for our foreign aid program. I again request that the minister make a formal response to this recommendation, No. 39, and establish performance benchmarks for AusAID. The forecast increases in the aid budget can only be sustained if the public are convinced their funds are being used effectively, and the imposition of performance benchmarks is the most appropriate means of achieving higher levels of accountability and public consensus, according to the independent review.

My concern is that critics of the foreign aid program will use this failure as evidence of acquiescence to the problems, including endemic waste and mismanagement within the program. I note that the recommendation requiring that the major focus of the foreign aid budget remain on areas of Australia's national interest, primarily in our region, is consistent with longstanding coalition policy. Again, this raises an issue of concern about the aid program in that the government has directed a greater proportion of the funding away from our region. The coalition is concerned that the aid budget is being distorted to support the minister's personal campaign for a seat on the UN Security Council.

While there is great need in Africa and Central and South America, for there is assuredly poverty, the coalition believes that expanding into these regions at such a rapid rate risks spreading our effort too thinly. There are huge challenges in the Pacific and in Asia, where billions of people live in poverty. Many Pacific nations rank poorly on the United Nations human development index, and certainly lower than the vast majority of nations in Central and South America.

The World Bank reports that in 2009 total foreign aid flows into various regions on a per capita basis were: US$53.50, Sub-Saharan Africa; US$41.70, Middle East and North Africa; US$20.10, Europe and Central Asia; US$15.80, Latin America and Caribbean; US$9.40, South Asia; but—note this—US$5.30, East Asia and the Pacific—our region, our sphere of responsibility, the area where we can make the biggest difference. Nations with a historic responsibility for various regions are providing significant resources. It is clear that Asia and the Pacific need the clear attention of nations, including Australia, given the significantly lower flows of foreign aid per person.

I pay credit to the foreign minister for taking concerns about the aid program seriously and for taking steps to reduce waste, and for adopting coalition policy by instituting the Independent Review of Aid Effectiveness. However, I urge him to adopt all the recommendations of that review so that public confidence in the large aid program can be maintained. (Time expired)

COMMITTEES
Appropriations and Administration Committee Report

The SPEAKER (17:03): I present the House Standing Committee on Appropriations and Administration's report No. 2, Annual Report 2010-11. In doing so, I am recommending it to members. I place on record that this committee is a very important step in the life of the House. It gives for the first time a formal and representative body of members, led by the Speaker, the opportunity to look at the funding needs of the Department of the
In accordance with standing order 39(f) the report was made a parliamentary paper.

PRIVILEGE

The SPEAKER (17:03): On Tuesday—that is, yesterday—the member for Mackellar raised as a question to me whether certain statements by the Assistant Treasurer in relation to the superannuation guarantee legislation should be referred to the Committee of Privileges and Members' Interests as a possible matter of contempt of the House. This was a follow-up to an earlier matter raised by the member suggesting that the House had been deliberately misled by the Assistant Treasurer in his second reading speech on the superannuation guarantee legislation on 2 November.

On Tuesday, the member for Mackellar submitted that in relation to the superannuation guarantee legislation there were inconsistencies between the minister's second reading speech in the House, a statement on his website and a statement made on a radio program, and that the minister was trying to mislead people.

Deliberately misleading the House is one of the matters that can be found to be a contempt. While claims that members have deliberately misled the House have been raised as matters of privilege or contempt, no such matter has yet been referred to the Committee of Privileges and Members' Interests. In this case, the member for Mackellar appears to be alleging a misleading of the public more generally.

I have examined material provided by the member for Mackellar in relation to her submission to me, and the Hansard record of the occasions on which the matter has been raised in the House, including the minister's personal explanation on 3 November in response to the claim I referred to earlier.

I think this is another example of where explanations have been caught up in debating points. It would seem that an early resolution of this matter might have been assisted had the minister's personal explanation made to the House on 3 November more carefully reflected upon what had been said in his speech. This could still be rectified by the Assistant Treasurer.

Nevertheless, I would think that the occasion in the House in the early hours of this morning, when the superannuation guarantee legislation was debated and passed by the House, now puts beyond doubt the stated scope of that legislation. The member for Mackellar took that debating opportunity this morning to again make the points she had raised with me. This, I note, is consistent with remarks I have made on other occasions that such differences as these are best pursued by members using the various forms of the House available to members.

For these reasons, on the evidence available to me, it is not clear that a prima facie case has been made out such as would cause me to give precedence to a motion to refer the matter to the Committee of Privileges and Members' Interests.

Mrs BRONWYN BISHOP (Mackellar) (17:06): May I, on indulgence, thank you for your statement and just ask this simple question. The tabling speech, which is the speech of record and which a court may consider under the Acts Interpretation Act, is still wrong, and I am wondering what mechanisms we have and how that error can be corrected, because, should a court see it, it would be plain wrong.

The SPEAKER: At this point of time I have nothing further to add to my statement. If there is any necessity, I will inform the member.
BILLS

Social Security Legislation Amendment (Family Participation Measures) Bill 2011

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mrs GRIGGS (Solomon) (17:07): I rise to speak up on the Social Security Legislation Amendment (Family Participation Measures) Bill 2011. The purpose of the bill is to address two areas of concern: teenage families and jobless families. For teenage parents who live in one of the 10 identified areas of disadvantage, there will be a 3½-year trial starting on 1 January 2012, requiring those who receive parenting payments to develop and sign an Employment Pathway Plan. There will be a separate three-year trial commencing on 1 July 2012, requiring certain jobless family members who are receiving parenting payment to develop and sign an Employment Pathway Plan.

The government announced the introduction of these participation pilots for teenage parents in the 2011-12 budget and it is believed that this measure will cost in the order of $47.1 million and will be rolled out across 10 areas of high disadvantage. These areas include: Playford in South Australia; Hume and Shepparton in Victoria; Burnie in Tasmania; Bankstown, Wyong and Shellharbour in New South Wales; Rockhampton and Logan in Queensland; and Kwinana in Western Australia.

As the federal member for Solomon, I am disappointed that the Northern Territory has been overlooked. Yet again, the Northern Territory is not getting the attention it deserves and, quite frankly, I am sick and tired of the government treating the Northern Territory with contempt. Statistics from the Parliamentary Library show birth rates to teenagers in the Northern Territory are consistently higher than the national average. Fertility rates for Territory teenage girls are also among the highest in the country. This concerns me, because teenage pregnancies are usually associated with many social issues, such as higher rates of debt and lower educational levels. Being a parent can make it harder to get a job or find a job. The difficulty of juggling being a parent with school, work and family can also be a strain. Often getting child care can be difficult too because of the expense involved. These factors can often lead to parents feeling inadequate, lonely and not part of a family.

Smoking, drinking and drug use are also big factors and can also break down the relationship between the young mother and her own parents. One Australian study claims that, while 49 per cent of pregnant teenagers were living with their parents before pregnancy, only 30 per cent lived at home during the pregnancy. Stress and the realisation of becoming a young parent also cause problems and sometimes result in unwanted children and broken families. In some cases, too, the grandparents are forced to care for the children, and, with no government assistance in place to support this, how will they be supported?

Currently there are more than 11,000 teenage parents in Australia. According to the ABS, the age-specific fertility rate of women aged 15 to 19 years in the Northern Territory in 2010 was 48.1 per cent. The national average that same year was 15.5 per cent. Indigenous teenagers also have a fertility rate twice that of all teenage women in the Northern Territory. This is of great concern because, without the opportunity to complete their education, these teenagers may become trapped in a cycle of welfare dependency and could disadvantage not only themselves but also their children. Therefore,
births to Indigenous teenagers in remote and disadvantaged areas of the Territory are of great concern. According to ABS statistics, for Indigenous women in 2004 the teenage fertility rate of 71 babies per 1,000 women was more than four times the fertility rate of all teenage women—16 babies.

Because we have a much younger population than any other population in Australia, this is an ongoing challenge. Coupled with the life expectancy gap, we need to acknowledge child health and youth services in rural and remote areas of the NT to deal with sexually active teenagers. This bill will require teenage parents to enter into an Employment Pathways Plan with Centrelink once their youngest child turns six months. The aim is to re-engage them with study as early as possible to prevent their long-term disadvantage. Once their youngest child turns six months old, they will be required to attend a Centrelink appointment and will need to enter into a plan to see them resume study and develop a plan for healthy early development and education outcomes for their child.

Education and health are extremely important to me in Solomon. In fact, recently I was fortunate enough to meet members of the Top End girls academy. The girls academy initiative was created with the aim of improving educational, personal and employment outcomes for Indigenous secondary school females. The program provides a strong community with supportive programs so that all members work towards completion of year 12, employment or further education. This is one such initiative that is proving successful for young Territory women.

Ultimately, for this pilot to succeed there needs to be a focus on workforce participation and an enforcement of the obligations of the job seeker. Yet the only penalties that apply are when a job seeker fails to meet with Centrelink without a reasonable excuse. Whilst the legislation does require parents to enter into an Employment Pathway Plan to outline their employment, training and education and health outcomes for their child, there will be no requirement for them to comply with this plan and it will not be compulsory for them to commit to looking for or accepting employment or undertaking further study. Therefore, our amendment will seek to require compliance with the undertakings given in the employment pathway plan. Failure to adhere to these commitments would result in a suspension of payment. As with the teenage pilot, the jobless families trial was a commitment made in the 2011-12 budget.

The jobless families trial program targets parenting payment recipients who have been on income support for more than two years or those who are under 23 years of age, not working or studying and have a youngest child under six years of age. According to 2011 ABS statistics, more than 530,000 Australian children under 15 live with parents who do not work. Again, this can lead to serious disadvantage for the child and may ingrain a sense of welfare dependency. This also puts added pressure on housing affordability and the Northern Territory is already in the midst of a housing shortage.

Too many young families are struggling to find affordable homes and accommodation in my electorate. As a result, they are being forced to leave the Territory and seek more affordable options interstate. This is why the government should make use of the 200-plus vacant RAAF base houses sitting in Eaton rotting away. Instead, the Gillard Labor government ignores the will of the parliament. It should make these houses available to Territorians and it should do it now. Having an extra 200-plus houses available in the market would alleviate some...
of the pressure on young families in my electorate. Defence people assure me that they would love the opportunity to live in those houses. Unfortunately, the Minister for Defence Science and Personnel, Mr Snowdon, did not do what he previously agreed and that was to offer those houses to Defence families. I understand he is no longer the minister responsible for that, but I am hoping the new minister responsible will honour the will of the parliament and make those houses available.

While the Northern Territory has relatively low unemployment levels, ABS statistics reveal there are currently around 96,000 jobless couples with children as well as 210,000 single parents out of work across the nation. Indigenous children are most at risk, with more than 40 per cent living in jobless families—nearly three times the rate of other children. Parliamentary Library statistics show that the Northern Territory has the lowest rate of student participation in schooling of all states and territories. These rates are also lower for Indigenous students and students in remote and very remote areas. School attendance is closely linked to socioeconomic status, locality, Indigenous status and literacy and numeracy attainment.

The coalition supports attempts to have parents re-engage with the workforce early; however, this bill does not require parents to adhere to the commitments they make in their employment pathway plan. The coalition has concerns that this bill seeks to remove the provision for the secretary to intervene in exceptional circumstances, and that is why we will move amendments to this bill in the Senate.

Ultimately, the intention of these pilots is to increase engagement with education and employment opportunities, preventing future intergenerational unemployment and potential lifelong disadvantage. The coalition welcomes the intent of these pilots to encourage engagement; however, there are still some concerns. Whilst we acknowledge there are parents whose children are under six years of age and, as such, they should not be forced to look for a job, there should still be a recognised compliance regime. If they commit to further studies or to look for employment then they should be required to comply with these undertakings. As already indicated, the coalition supports the bill; however, we will be moving some amendments.

**Dr LEIGHT** (Fraser) (17:18): In 1981 a young woman found that she was pregnant at 16. After confirming the pregnancy and breaking the news to her mum, she attended school until the baby was nearly due. Although her mother was supportive and encouraged her to go back to school, the young woman decided it was too hard to commence year 12 with a young infant. Having already completed her year 11 studies, she eventually enrolled in a TAFE course and began a diploma in child care, part time. Now 45, with two children, she has a successful career in the early childhood sector running childcare centres in Melbourne. She also helps pregnant women who are not so lucky, in particular teenage mothers. Her daughter, now 29, is married with two children of her own. This story was told anonymously online by the woman herself to encourage teenage mothers never to give up. It shows why attaining year 12 or its equivalent is so important for teenage parents.

The number of teenage mothers in Australia has dropped significantly over recent decades. The most recent ABS data shows just four per cent of births were to teenage mothers. But the outcomes of this small group are still worrying. In the 2006 census only 17 per cent of teenage mothers completed year 12. Over 1,500 females aged
15 to 19 years were not gaining the level of education that is increasingly essential for the demands of a 21st century workforce.

In June of this year the National Centre for Vocational Education Research released a report titled From education to employment: how long does it take? The centre found that young people who do not finish year 12 take significantly longer to move into employment. The prime factor influencing the speed at which a young person obtains work after they leave the education sector was their level of education. The report also found strong gender differences. For men, those with a degree obtained work five times faster than those who did not complete year 12. For women, those with a degree obtained work eight times faster. The unequivocal message from this report is that education is vital. For a young person entering the labour market, higher levels of education lead to better wages and to getting a job faster. In a worrying statistic, about one-quarter of the young people sampled with less than a year 12 education had not obtained any work by the end of the observation period. This is a serious warning for the long-term prospects of younger Australians who do not have year 12 or its equivalent. This prognosis for the career development and income levels of those young people is grim. This bill heeds that warning and puts in place a program for teenage parents to work towards attaining year 12 or its equivalent. From 1 January 2012, teenage parents in 10 disadvantaged locations with a youngest child under six who receive parenting payment and have not completed year 12 or an equivalent qualification will be required to attend Centrelink to develop a participation plan. Under the teenage parents trial, participants will be required to undertake compulsory activities from when their child is one year old. This will give them time to settle into life with a new baby; but, equally important, they will be able to develop a plan towards gaining a good education.

Education is the best antipoverty vaccine we have yet invented. It provides the foundations from which a young person can build a life of their choosing from the career opportunities and skills development that it brings. This government gets it. We understand that education is good social policy, that unemployment is the best predictor of disadvantage and that having the skills for the jobs of the future is essential to staying out of poverty. Although it was based on children and families in the United Kingdom, a recent Four Corners program made this point. It showed the human face, the cost and devastating impact of poverty on children.

One story was of Sam, who is 11 years old and lives in Leicester with his dad and older sister. Sam's dad is unemployed and struggles with finding enough money to buy food or to operate the electricity. Their income is £70 to £80 a week, which is barely enough to buy them the basics. Often the electricity and gas run out, leaving them cold and miserable. Sam has problems with bullying and suffers from low self-esteem. He has to be careful about what he says to other students for fear he will be judged and ridiculed. As Sam said, 'People don't like you if you're poor.'

This bill puts supports in place to cut the cycle of unemployment and poverty through education. I am sure that no-one in this place wants to see any child suffer, like Sam, the indignity of poverty. A great education in Australia can see a child from Cape York go to university, become a leader in her community and eventually become Young Australian of the Year. A great education means that a child from Ilfracombe can become the first female member of the Queensland bar and our first female
Governor-General. This national parliament is itself a showcase of the opportunities that education provides to children from all corners of the nation. So many members of this House acknowledged in their first speeches that they would not be here today were it not for a great education.

The Brotherhood of St Laurence tells the story of another Sam. Forty years old, Sam has been working with the local council's road services department for the past 18 months. Now Sam's life is settled, he has safe, stable accommodation and is working towards future employment goals—but it has not always been that way. In 2009 Sam was living in a rooming house where violence was commonplace and the environment unsanitary. Through the Centre for Work and Learning at the Brotherhood of St Laurence, he was chosen to join a pre-employment training program. Sam successfully completed the training and was picked up as a trainee street cleaner with the local council. Having a steady income and taking control of his finances meant that Sam was finally able to renew his drivers licence. After he completed his traineeship he was linked to a recruitment agency used by the local council, and now enjoys a regular job. 'I really want to use my brain,' says Sam, when he is asked about his plans to work with youth and when he talks about becoming a teacher.

The other part of this bill focuses on families at risk of long-term unemployment. The aim of the jobless families trial is to break cycles of unemployment. For parents with children under school age, they will be required to develop a plan for re-entering the workforce once their youngest child starts school. Their Employment Pathway Plan can also include activities focusing on the health, wellbeing and education of their children. Because this government gets it, we are making sure children in families of risk are 'school ready' to make the most of their educational opportunities.

On a definition of poverty as households with less than 50 per cent of the median income, the OECD Family Database finds that 14 per cent of Australian children live in poverty. That is too many. This is why we are taking action with this bill and trialling these programs to support those at risk of long periods of unemployment and its lasting effects.

Recently the Economist magazine reported on the impact of unemployment in Western nations. Noting the scale of joblessness in the West, it pointed out that if all unemployed people lived in one country, it would have a population similar to that of Spain. By comparison, Australia's economy and our low levels of unemployment are the envy of other Western nations. We still have our own areas of stubbornly high unemployment, those pockets of disadvantage and of generational cycles of joblessness. For those Australians caught in those cycles of unemployment and disadvantage, or at risk of falling into those cycles, the human cost is all too real. Joblessness can lead to increases in depression, divorce, substance abuse, family breakdown and life's other troubles.

A 2007 study, 'Unemployment and Psychological Well-being', by Nick Carroll of the ANU, found that the adverse effects of unemployment on life satisfaction was large and significant. Not having a job was a much better predictor of having low life satisfaction than simply having a low income. Past unemployment also had a similar adverse effect, suggesting that unemployment had left long-term scars.

Internationally, there is substantial joblessness around the world, and we know that the longer a young person spends being unemployed, the greater that scarring effect
is. In the United States, the average period of joblessness is now up to 40 weeks—an increase from only 17 weeks four years ago. In Italy, a person who is unemployed has, on average, been jobless for more than a year. The more detached people become from the workforce, the more their skills atrophy, the more their self-esteem drops, making it harder to re-enter the labour force, particularly a labour force that is moving on. That leaves countries with lower growth rates, putting strains on public finances and on the social fabric.

It is a grim picture, but it is important to understand the full impact that long-term unemployment has on individuals, communities and nations. That is why education is so important to prepare and equip people for the workforce of tomorrow, to safeguard them against the detrimental effects of unemployment. I know the power of education and the dignity of work have been at the heart of the agenda of the Rudd and Gillard governments. This is one of the reasons that I ran for parliament and it is central to what we on this side of the House believe in. There are still too many Australians who live in circumstances of entrenched disadvantage. Too many Australian children are in families where their parents and grandparents have not known regular employment. They deserve to know the dignity of work, and they can benefit from the habits that arise from growing up in a household where an alarm clock goes off in the morning and someone goes off to a dignified job.

As the Prime Minister said in her address to the Sydney Institute earlier this year:

The party I lead is—politically, spiritually, even literally—the party of work … the party of opportunity not exclusion.

Welfare reform and workforce participation is where progressive policy and Labor values come together.

Not everyone can make it on their own. Sometimes the odds are stacked against people. We on this side of the House are committed to putting the odds back in their favour. This bill harnesses the transformative power of education to provide opportunities for some of our most disadvantaged communities. This is what a government should do and this is what this Labor government is doing.

Recently the Australian Bureau of Statistics released figures showing that in June this year there were 96,000 jobless couple families and 210,000 jobless single parent families. Of these single parent families looking for work, 23 per cent had been jobless for more than a year. For those teenage parents and families experiencing long-term unemployment in Playford, Hume, Shepparton, Burnie, Bankstown, Wyong and the other trial regions, this government knows that in this place we have a responsibility to ensure that they are part of Australia’s productivity, our economic fabric and our social wellbeing now and into the future. I commend the bill to the House.

Mr STEPHEN JONES (Throsby) (17:31): In may this year the Deputy Prime Minister and Treasurer of Australia delivered his fourth budget, and as a part of that budget he announced a $4 billion investment in skills development over the forward estimates. He did that because our government understands that over the next three years there is going to be an escalating demand for skilled workers as our economy continues to grow. At the same time, we realise that we have an obligation as a Labor government to ensure that we do not leave anybody behind as the economy and the demand for skilled workers grow.

At any point in time there are over 11,000 teenage parents on parenting payments in Australia. More than 90 per cent of these do not have a year 12 or equivalent education.
In my own electorate I see this all too often. There are suburbs where we have intergenerational unemployment where nobody within the household or family has completed a year 12 or equivalent education. This devastating combination of low education attainment and parenting responsibilities at a young age contributes to long-term unemployment and welfare dependency.

There are no easy answers in responding to this challenge, but one thing we do know is that we do not do any favours to anyone if we do not tell them the truth, and the truth, quite simply, is that there is a direct link between your educational attainment—whether you have finished high school or not—and your chances of being unemployed in your twenties and thirties. That is why this government's approach involves a combination of intensive assistance and stronger reciprocal obligations, taking a local approach to finding solutions to work and education retention.

As a government with Labor values of fairness and equity at our heart, our ministers have set about working on a range of policies to give effect to a strong social inclusion agenda. In a broad range of policy areas across many portfolios measures dealing with mental health, disability services, pension reforms, boosts to superannuation savings, paid parental leave, early childhood education, better access to university courses for low-socioeconomic students, social housing initiatives, the Closing the Gap program, our multicultural program, not to mention the Fair Work Act, our support for the equal pay case and many other measures, the measures in this bill form a part of that overall social inclusion agenda. They are core Labor values.

The bill before the House today implements the teen parents trial measure that was announced in the May budget as part of the Building Australia's Future Workforce package and is yet another important plank in the social inclusion agenda. Teen parents in 10 sites around Australia will be provided with intensive support and assistance to boost their education, job readiness and family wellbeing. I am very pleased, given the observations I have made about some of the areas within my electorate which are very similar to areas within your electorate, Mr Deputy Speaker Sidebottom, that the Shellharbour Local Government Area, a part of my electorate, has been selected as one of the 10 trial sites for the teen parent initiative. These 10 sites were chosen because they are currently areas of higher-than-average social disadvantage. Shellharbour has a higher-than-average number of people receiving income support, a higher-than-national-average number of teenage parents and lower-than-national-average levels of educational attainment for these groups.

The measures in this bill will amend the Social Security Act 1991 and the Social Security (Administration) Act 1999 to provide a clear legislative basis to implement the compulsory requirements for parents on parenting payments who are in the trials to attend Centrelink appointments for the purpose of discussing and entering into an employment pathway plan. For teenage parents there will be a 3½-year trial commencing on 1 January next year that will apply to teen parents with a youngest child under six years of age who are receiving a parenting payment, who are 19 years of age or under, who have not completed year 12 or equivalent and who reside in one of the 10 locations that I have already identified. Once the youngest child turns one they will be required to attend Centrelink to discuss and develop a participation plan that focuses on their education completion and early health.
and education outcomes for their child. They will also need to agree to comply with the plan, which will be supported by a range of extra services in those locations.

The jobless family measures will consist of a three-year trial commencing on 1 July 2012 that will apply to parenting payment recipients with a youngest child under six years of age who have been on income support for two years or more or who are under 23 years of age and are not working and/or studying and who reside in one of the 10 locations that I have already mentioned. Parents will be required to attend interviews and workshops with Centrelink, where they will develop a plan that focuses on job preparation for themselves and, again, early health and education outcomes for their child.

The amendments in this bill broaden participation requirements and compliance sanctions to parenting payment recipients with children under six who are part of the teenage parent or jobless families trials operating in 10 disadvantaged locations. The provisions in this bill will not apply to parenting payment recipients who are not part of these trials.

I am pleased to take this opportunity to note some of the developments in my own electorate in preparation for these trials. Last month I had the pleasure of welcoming the Minister for Human Services, Tanya Plibersek, to my electorate to announce that Barnardos Australia, who currently operate some successful programs on behalf of the department in Warrawong, will receive over half a million dollars in additional funding over three years to expand the highly effective Communities for Children service in the Shellharbour local government area.

I was delighted to join staff from Barnardos Australia, parents and kids at a local play group, in Hegarty Park in Albion Park, which is funded through the Communities for Children program, to share this news and discuss the program with some of the participants. On that day I had many conversations with young teen parents, many of whom are participating in one of the innovative programs run by Barnardos Australia called Talking Realities. In this program young teen mums are trained up to become mentors. They go into schools and talk to young women and men about the realities of being a teenage mum. They also have one-on-one discussions with young women who have fallen pregnant about the things that they can anticipate as their pregnancy develops and in the early years after their child is born. It is an important initiative which is about transferring life knowledge and real skills and providing mentorship and support to these young women, many of whom do not get the same sort of mentorship or support from either their school or their family.

The new funding will focus on services that support teenage parents and jobless families who are part of the teen parents trial in Shellharbour. Barnardos Australia is working with local parents to build their parenting skills and to improve children's health and early learning outcomes. Communities for Children services in other areas have helped to change the lives of parents and children—such marked improvements in children's language skills, with parents getting support to find work and with mothers getting more involved in their local community. There is no doubt that the Shellharbour community will benefit from the boost to family and children's services, as well as this new and novel approach to delivering welfare services. It is quite simply a great initiative.

The expanded program will allow Barnardos to continue the great work that they are already doing supporting families in
our community. Barnardos have delivered, through eight community partners, services and programs including food and nutrition, play activities such as circus skills, parenting support services and information DVDs, as well as a community garden.

Over the past six months, these local based initiatives have provided support to over 300 people, including 23 young parents and 600 children and young people, to help build stronger and healthier relationships while improving parenting practices and increasing children's wellbeing. They add to and help provide additional support to the requirements and reciprocal obligations contained within the legislation before the House.

While our economy is strong, we know that some areas are falling behind the rest of the country. We know that, within these areas, there are specific groups of disadvantage and that teen parents are one of these groups. High unemployment rates, low educational attainment, welfare dependency and families at risk are the characteristics of social disadvantage in our community. If you are born into disadvantage, it is tough to break out of it and to find the support and assistance tailored to your own situation and personal circumstances that will provide the hand up to help you develop and reach your potential. When you meet and talk to these young mums you understand that inside each and every one of them there is potential. We cannot give up on these people. More importantly, we cannot allow our society to give up on their children and continue the cycle of disadvantage.

Australia's remarkable economic strength and the current mining boom have afforded this country and this government the opportunity to deal with some tough issues like these pockets of social disadvantage. Labor's approach, the Labor way, is to ensure that the mining boom provides benefits for all Australians. We do not want to leave anyone behind as we reap the benefits of our good fortune from our wealth of natural resources. That is why it is vitally important that we take the opportunity in our current economic circumstances to find new ways to break the cycle of welfare dependence.

Labor's aim is to ensure that our children are not growing up in families where no parent or grandparent has ever known work, where there is no memory of a working family member within those households. We want to create a culture of work, of life fulfilment and of economic and social participation, with the benefits that flow from this. Australia has an unacceptably high number of jobless families. While Australia has relatively high workforce participation rates and low levels of unemployment, by international standards the number of jobless families is still too high. There are currently over 250,000 families with dependent children in which neither parent is working. Over half of these families have been experiencing ongoing unemployment for three years or more.

Employment is the surest path out of poverty for every member of a family. That is because kids who grow up in jobless families are more likely to be unemployed as adults. The place-based programs which are a part of this legislation take advantage of local expertise and conditions rather than relying on a one-size-fits-all model. The place-based approach uses the wisdom and strengths of local communities and allows us to target government efforts towards intergenerational challenges such as low educational attainment, welfare dependency and unemployment.

I know that within my community, which has suffered many challenges over the last 12 months, there still exists a passion to address
the issue of intergenerational unemployment and break the nexus between low educational attainment, people falling pregnant too young and having children, and dropping out of school and not completing their high school certificates. If we are able to break this nexus and re-engage these young people with education and with the workforce, we give these young families the opportunity to enjoy and connect themselves to the great opportunities that this country has to offer to everyone. I commend the legislation to the House. It is great Labor legislation. It is the sort of initiative that people expect Labor governments to undertake when we are in power.

Mr BANDT (Melbourne) (17:44): When it comes to this bill the Greens support the aim but not the approach. Accordingly, we oppose this bill and believe that it is unnecessary, ineffective, and further stigmatises young parents. It is clearly the case that nonattendance is a barrier to education and work, but we do not believe that the punitive compliance measures proposed in the bill will be effective in achieving its stated aims. It is not clear if there will be adequate protection for young parents and whether Centrelink staff will receive training on engaging with young parents.

This bill looks like many of the Welfare to Work reforms that were a hallmark of the Howard era where increasingly punitive measures were put in place. Unfortunately, the government appears to be continuing this legacy in part. The Greens opposed these Welfare to Work measures when they were proposed by the Howard government and we oppose them now.

Removing income support is not the way to encourage young parents to work. We must remove the barriers rather than seek to punish. We do not want to make life harder for people on pensions and allowances—many of them are already doing it tough. My electorate has more public housing dwellings than any other electorate in the country, and there are a very high proportion of people who are on pensions and allowances.

Although my electorate is not directly touched by the measures that have been announced in this bill, the picture that my electorate paints and that I have from engaging with the kinds of people who are referred to in this bill is that many of them are doing it tough. Many of them want to improve their situation but they face significant barriers.

It is pretty difficult, if you are a parent or a single parent of a young child, to not only look after them but try and find your way back into the workforce or education and training. What is needed is support, not the threat of a bigger stick. In other measures that have been outlined by the government elsewhere, the Greens believe that the eligibility criteria for the disability support pension, the failure to index thresholds and the failure to index supplements have negative effects.

The measures proposed by the government would, we are concerned, create even greater inequity for those on income support in Australia. There is already inequity in the levels of income support that we provide people, given the difference between pensions and allowances; however, this bill will make the inequality worse by imposing additional requirements on these very young and very vulnerable parents.

The measures proposed are disproportionate, given that only 2.5 percent of parenting payment recipients are teenagers, which equates to approximately 11,000 out of 446,000 recipients nationally. This approach is not the best way to deal with such a small and often disempowered group.
The impact of this approach on teenage parents is of particular concern. These parents are some of the most vulnerable people in our society. This approach will not help them to make their lives better but may jeopardise their welfare and that of their children.

The measures in this bill assume that parents will have secure housing arrangements and enough money for the basic necessities of life if their income is suspended. Realistically, education can only be undertaken once these basic needs are met. The Welfare Rights Network and ACOSS also expressed this view, saying:

An initiative designed to support young parents should not involve any risk of increasing levels of poverty or children being left without access to food, essential health care and shelter.

In the context of an inquiry earlier into another of the government's bills that would have had the effect of suspending or potentially cancelling payments if someone failed to attend a meeting, one of the things that became crystal clear is that neither the department nor any of the people working in the field could tell us why people were missing meetings: whether it was because they did not understand the requirements of the system, poor public transport or family needs. No-one could tell us and, before we start wielding a big stick at some of the most vulnerable parents in our community, we should first be asking: do we know why these people are missing appointments; why there is nonattendance; and what we can do to support them?

There is significant anecdotal evidence and evidence from those who work in the field that many find this system bewildering. Since the privatisation of the Job Network system, who can blame them? It often involves appointments with many different sets of people, and we are talking about people who often have low levels of education. It may well be that people do not attend these things because they do not realise that they have to or other things crop up.

One would think that, before bringing out the big stick, first of all you would try to find out and understand why people are missing appointments and why there is nonattendance and then work out what could be done to assist them. There is no need for the stick until we have tried those other measures.

What should be done instead? We must, as I have been saying, offer support, not sanctions: support in getting an education; support in learning life skills; and support in finding employment. Any measures to achieve these aims must be compatible with the child-rearing responsibilities of the people involved. These people are some of the most disenfranchised in the country. They need encouragement and incentives to assist them to re-engage with the system which will facilitate education and meaningful employment. We must cultivate young people's confidence and skills. Case management and tailored engagement participation plans can help achieve these aims, but only if they are done in a sensitive and supportive way. We need to invest further in good case management, which can be effective in helping to improve social outcomes. The Greens do not believe that spending more money on punitive compliance measures is the answer. We need to help young families by removing barriers to their participation, not erecting more. They need things like better access to child care, better access to public transport and classes that address the day-to-day difficulties these young people are facing.

All of these intersect in my electorate of Melbourne with its high amount of public housing dwellings. There are childcare
centres attached to neighbourhood houses that up until this year—with the assistance of Take a Break program funding—have run very successful occasional successful child care for many women of the kind this bill might address. These women are looking for ways to improve their education, perhaps improve their English and ultimately re-enter the workforce. Up until now, a young woman has been able to pop her kid off at the occasional childcare centres at neighbourhood houses for a couple of hours while she does a certificate II in child care or other courses or goes to a Centrelink appointment. Those are exactly the kinds of things that are being envisaged by this bill.

What is happening? Many of these centres are having to shut their doors to occasional child care from the start of next year because the sources of funding have dried up as the federal government and state government in Victoria are engaged in a stand-off. The women will no longer have access to affordable and cheap occasional child care. They will not have somewhere to drop their kids off while they engage in courses. One can see how the cycle of punishment continues if we remove the kinds of supports that are necessary and adopt a punitive approach instead of a supportive approach.

I have always been a big believer in the principle that you do not improve people's situation in life by taking their rights away. Unfortunately, that seems to be an approach that has underpinned legislation from governments on both sides of the House over recent years. We see it again with this legislation. We do not need this legislation. We do need more resources for engaging with families and young parents and we must empower them to take control of their own lives.

**Dr STONE (Murray) (17:55):** I rise to add my support to the Social Security Legislation Amendment (Family Participation Measures) Bill 2011. This bill introduces amendments to the Social Security Act 1991 and the Social Security (Administration) Act 1999 with the aim of helping teenage parents and jobless families in particular. It identifies some 10 disadvantaged locations across Australia where trials will be undertaken to see how teenagers or families without work can be assisted and supported into a new experience of jobs and, in the case of the teenagers, year 12 equivalent and ongoing education.

One of the 10 disadvantaged locations chosen is in my electorate of Murray in my Goulburn Valley communities. There we have a number of teenage parents and parents who have been jobless into the second and third—and in one case the fourth—generation. It is very difficult for a family or a young teenage parent to break the cycle of poverty, social isolation and disadvantage when she has a very difficult time raising children and when she may only be 14 or 15 years old. Gaining work in small or larger communities is not a case of what you can do but who you know. A lot of the employment that is available, particularly in regional centres, is advertised by word of mouth, by networks of friends and by family members. If you have been unemployed for generations in your family, you simply do not have those networks where the job in the shop or hospitality or the apprenticeship in the trade is made known to you.

So it is very important that we look at different ways to engage these young parents who have not achieved year 12. They need to be given a fresh start in life and new ways to deal with all of the challenges that they will face, first as parents but then as people who should be supported to become independent in their lives. When I was Minister for Workforce Participation, the coalition introduced a new measure for parenting payments that required those whose youngest
child had reached six to look for a job of at least 15 hours per week. We were aware that, in requiring changes for these parents, we had to make sure they had access to child care, that they were not going to have to travel too far to get work and that they were skilled in the area of work they were attempting to break into. There is a whole lot of special challenges for families where parents may never have worked and have no role models of people who were in employment before.

One of the issues that we confront in the Goulburn Valley is the fact that standard Australian English is not necessarily spoken in all of our families. In our Indigenous families, Aboriginal English is commonly spoken and this language is not readily accepted in some places of employment. We have a lot of non-English-speaking background families as well who came as migrants a generation before or who have come more recently as refugees. Those families, especially the teenage mothers of young children, need special language skills support.

I am very concerned that in the pilot to be undertaken in my electorate we encourage the participants to not see themselves as targeted and stigmatised as failures and therefore as special cases for potential punishment, because if their new requirements are not met their income support payments will be suspended. We want them to understand that this is an opportunity of a lifetime—that they are going to be given, hopefully, additional support to identify where their key life interests are; and, in the case of teenage parents, that they are able to go back to a form of education that fits their family responsibilities, given the age of their children and their own personal circumstances in terms of where they live, whether they are mobile and whether they can get to a TAFE or a community learning centre. We want to make sure that these young teenagers embrace this program and do not think they are being pursued but step forward and say, 'This is an opportunity.'

Mr Katter: It's very naive, what you're saying. You know it's not going to happen like that.

Dr Stone: Well, I have a great deal of experience in this area, and I have to say that there are two ways this program or trial can go. The way I support it going, and hope it will go, is for our young teenage parents to see this as an opportunity.

As I mentioned before, there can be a lot of detrimental outcomes when young teenage mothers follow in their own mothers' footsteps and have two or three children by the time they are in their early 20s but have never completed their formal secondary education. We know that those mothers with young children are more likely to never have secure housing; often, their own children become teenage parents; they often suffer more mental and physical health issues and problems during their life; and they are also more likely to be subject to domestic and other types of violence. This is just not acceptable in a country like Australia.

So I am very supportive of the Centrelink and other non-government organisations personnel who are gearing up for this trial in the Goulburn Valley. We have had a number of meetings, and I have attended as many of those as I could or my staff have attended those meetings. We have questioned our policy developers about the details of these programs. We have asked about the extent to which our young parents will be talked into doing things like financial literacy and management, and how they will be supported in their childcare needs. We have a major problem with the lack of child care in our part of the world and we have no public
transport, virtually, in most of our area, so we have to make sure that we are not putting impossible demands in front of these young parents.

We are also very concerned that the fathers of the children be engaged in these targeted programs. Quite often, the father is overlooked; it is the teenage mother with young children who is the focus of this attention. Clearly, it is the young mother who suffers the most substantial disadvantage in finishing her education and gaining work when she has those parenting responsibilities, often alone. But we need to also understand that there are many young men who are the fathers of these children who are equally disadvantaged, who have had no experience of work and who do often also want to participate as parents. They would like to be able to contribute to their children's upkeep and even, ultimately, have a long and stable relationship with the mother of their children, based on shared accommodation and a career that they can build, sometimes in small business together.

So there are a lot of potential benefits in this program. There are a lot of lessons to be learned from programs that are already in progress in other parts of the country. It will be very important that those who are a part of these trials are not stigmatised or labelled in the community as the absolute failures, or come under threat of having their welfare suspended or quarantined so that they are looked upon as 'the unlucky few'. We would like to think that the people participating will be regarded as the fortunate few who are going to be given a better chance in life.

There are an extraordinary number of teenage parents: some 11,000 are on parenting payments around Australia. Ninety per cent of these parents do not have year 12 education, which is a pretty sad indictment of our education system. It also reflects on our younger people's understanding of contraception, family planning and managing their own lives. But we know that, of those on parenting payments, there are a very significant number who struggle to find long-term employment and whose families have not had employment for generations. So, for both elements of this program—the teenage parents and the parents on parenting payments—we hope that this trial will give us new strategies and that any difficulties along the way will be quickly sorted. In my community, I commend the schools, the TAFEs and the community education centres, and I hope that those who have already stepped forward will go on to have cooperative relationships. There will be a lot of communication and sharing of information.

Obviously, the program is not targeting Indigenous parents, but we do have a big Indigenous community in my area. We want to make sure that any lessons from the early welfare-quarantining and welfare-managing programs are learned and are translated, in this case, into Victoria and Southern Australia.

I certainly wish the young families well who will be participants in this pilot in the Goulburn Valley, one of the 10 places that will be selected around Australia. I hope this family participation measures bill will be a huge step forward in removing intergenerational disadvantage, which dogs some parts of Australia more than others but has been with us in most communities for the last 200 years. I think it would be a very sad day if we walked away from our young teenage parents, if we said, 'Well, that's just their bad luck and if they've got any gumption they'll somehow pull themselves up.' It is an extraordinarily difficult task that they face in their young lives when they have one or two children, no job, very difficult or poor accommodation and very little transport...
and when there is often a great deal of stigma
attached to their circumstances.

I mentioned at the beginning the business
of language support and learning. I think that
is a critical part of this program. I am also
most concerned that these young people have
literacy and numeracy training and skills
support. Even though they may have attained
year 10 or 11 education, often their literacy
and numeracy are not adequate for them to
be able to engage in any sort of work that
requires the most basic of reading and
writing skills and general skills.

Accompanying this program, I hope we
do things as basic as helping young people
get their drivers licences and making sure
that they get birth certificates, because many
of our teenage parents, particularly our
young Indigenous parents, do not have any
papers that identify where they were born, as
found on birth certificates. They are an
essential part of Australian codification in
terms of gaining bank loans or identification
for licence or passport purposes. So
supporting them in gaining a birth certificate
is an important thing for a lot of these young
parents. I want to assure this government that
although I am an opposition member I will
be doing all I can for the teenagers and thos
on parenting payments in my community to
see that this pilot works. I will be in constant
communication with the Centrelink office
and those in FaHCSIA who are evolving this
policy and I will share with them my
observations of the special advantages or
difficulties that the program is encountering.
Let us hope that this helps usher in a new era
for some families who for generations have
done it very tough.

Mr KATTER (Kennedy) (18:08): I have
very great respect for the minister who
brought forward the Social Security
Legislation Amendment (Family
Participation Measures) Bill 2011, but I do
not have respect for the people who proposed
it to him and I do not have respect for the
government for carrying it forward. I am
very surprised at my own strength of feeling
against this bill.

I have some pet hates. One of them is
people who tell other people what to do and
who love to have power and control over
them. My experience of one of the most
dreadful shames of our nation is what I call
‘child thieving’. We stood up and had the
hypocrisy in this place to apologise for the
stolen children. According to the front page
of the Sydney Morning Herald they are being
stolen in New South Wales at three times the
rate that they were stolen in the period of the
stolen children. That is rate, not absolute
numbers. The absolute numbers are
appalling. Similarly, in Queensland, which is
reputed to be worse, they have hidden the
figures. We cannot find the figures in
Queensland of how many children are being
stolen.

When I was a state member, I saw
numerous cases of people whom I would
describe as being sick and drunk with power.
If ever I have seen a bill that will deliver
power to the middle- class self-opinionated
know-all university class this is it! And I do
not speak owing anything to anyone. I was
president of my faculty at the university, I
was president of my college, I was president
of the combined colleges council and I
served on the students union for three years,
so I would hardly suffer an inferiority
complex in that area. But having had that
confidence and having had the great
privilege, I suppose, of an education of that
quality, let me relate to you a case that I had.

This mother classically fits this mould.
She had a child in her teens, at 16 or 17. She
was not a perfect mother—she was far from
being a perfect mother—but she was a
mother. She loved her child and her child
loved her. When she fell into the hands of a social worker in Charters Towers, the social worker decided that she had mental problems and committed her to a mental institution. The terror that is out there for ordinary people. It always amazes me, this place, that I do not hear members of parliament tell these stories—don't you have any human stories that happen to you?

Let me return to the story of this poor woman. She was committed to a mental institution—they have leery names for them these days—and her little child was taken off her. Unfortunately for the social workers, the report was left—and I got hold of it. It said that the child was unhappy in the presence of the officers of the department. She was dragged away from her mother, crying her eyes out and screaming. And her mother was crying her eyes out and screaming whilst the child was dragged out by two police, who absolutely hated doing the job. They were really nice fellows. The social workers said they were doing the right thing. 'It's tough but we have to do this job.' If ever I have seen the thought police in operation it is those people, those social workers; they just love their power—sick and drunk with power.

God is good, because even though this woman had a nut case for a psychiatrist, he went on holidays and a lady psychiatrist was put in charge. She wrote: 'This woman is not now nor ever will be mentally unstable or in need of incarceration in an institution, now or in the future.' It was a scathing indictment of the psychologist, the social workers and the psychiatrist. That being the case, I immediately proceeded to go after the social workers involved in this shocking case.

The child's report said that in the presence of the social workers, the officers of the department, the child spontaneously burst out crying and hid under the bed. She got into the foster parents' bed and clung to the woman who was her foster mother for the time being. They said this was aberrant behaviour. Someone takes you—drags you—kicking and screaming away from your mother, who is bawling her eyes out and being held back by the police, and then you are sensitive towards the social worker. You are telling us in this place that these poor little mothers are going to be placed under the control of these people!

I will go on. The chief psychologist of North Queensland is a very wealthy fellow and a fellow I had very great respect for when he worked in children's services. He is one of the most excellent officers I ever worked with as a member of parliament. I rang him up concerning the woman in charge. I had said to her, 'I want the child returned to the mother,' and she said, 'No, we have to do assessments.' I said: 'There are no assessments. The child was taken because the mother was mentally unstable. It has now been determined, absolutely, that she is not mentally unstable and the social worker who deemed her to be mentally unstable has been sacked. You bundled her off as fast as you could get her out of the place. I know who was sick. It was the social worker who was sick.' So I rang this psychologist, the most eminent psychologist in North Queensland at that time. I told him that the head of the department, when I started speaking to her on the telephone and said the daughter had to be returned, hyperventilated—she could not tolerate anyone standing up to her—and had to leave the telephone. I told the young bloke who came on the phone that I wanted her back on the telephone. He said, 'I think she's a bit sick.' I will tell you how sick she was. What she did next week was return the child to the father, which was an option that was available to her, just to prove that she had the power: 'The mother does not have the power, I have the power. No member of parliament
will tell me what to do. I will return the child to the father!'  

What has happened to that mother, we do not know. What has happened to that child, we do not know. But we know very much what the psychologist told me. He said that head of the children's services area, which was operating in this case, 'is clinically sick'. I do not know the term he used, but he used technical terms. He said, 'I'll tell you her symptoms.' He told me her symptoms, and I said, 'You're dead right, she is definitely sick.'

From my experience, particularly in the field of Indigenous affairs, where I was minister for the best part of a decade, I found that when people have absolute power it corrupts them absolutely. We had a case which is very much a matter of public record in Queensland. Pattie O'Shane said there were only two ministers in Queensland history. That was effectively correct. There were two heads of the department and both were there for 44 years. I will not go into the running of the department. Suffice it to say that the struggles between me and the forces in that department are the subject of two books that are on the reading list at the university.

When I was a young man, most people of reasonable intelligence read the book 1984 and learnt about Big Brother. This book is about a society in which we are all controlled. There are very few people's names that have become part of the language. 'Darwinian' is a word that has become part of our language and, along with the spectre of Big Brother in George Orwell's book, 'Orwellian' has also become part of the lexicon of our language. Big Brother said: 'We will look after you. We will see that you are fed and clothed. We will do these things for you.'

I must relate the story of a meeting I had the very great honour of attending. At this meeting Percy Neal, the chair at Yarrabah Shire Council, said to the minister—and I am not here to denigrate people so I will not mention the minister's name—'Minister, you're familiar with the term "addiction"?' She said yes. He said, 'You would know then that the way you cure an addiction is to first admit it to it.' She said, 'Yes, of course, Percy.' She is a very well spoken woman and a very impressive woman. He said: 'Well, you see, you have an addiction. That addiction is that we blackfellas cannot look after ourselves, that we need you whitefellas to look after us. That is your addiction. You just cannot get it out of your heads that we can look after our own affairs.' And there are a lot of people in this parliament today who cannot get it out of their heads that we had to rescue that little woman, that child—that waif, trash or whatever term you might like to apply to her; you might say she is an unfortunate. Those are the sorts of terms you will use when you talk about this. But really, at the end of the day, you are now controlling that young woman's life. And it might surprise you or jade your middle- or upper-class values—

The DEPUTY SPEAKER (Mr S Sidebottom) (18:19): No, no, no, no, no. I do not have those prejudices so please do not direct those comments at me.

Mr KATTER: Mr Deputy Speaker, I would never in a million years consider you to be part of it.

The DEPUTY SPEAKER: I know, but just generalise it please.

Mr KATTER: Those people who have those attitudes shall now control the power to take away a child from a young mother. To you, they may be terrible mothers. To you, you may have to rescue the children. That was what was said in the old days of the
stolen children. They said constantly that we had to rescue the children from people and the very unacceptable way in which they were living. But I know one of these young mothers—I went out with the daughter for a tiny little while. She pulled herself up and became a fully qualified and fully trained nurse and the director of nursing in a hospital. She became a leading member in the community and married the local dentist. She was tremendously successful. But you would have placed that mother under some sort of tutelage—and I use that word with aforethought.

One of my good friends was brought up by a teenage mother, and I am sure she would have been under this tutelage. He is one of the finest men I know. His son is a doctor. He has been a great leader. He has been a foreman with the main roads department. He is a great success story. There was another case from my home town. There was a little girl who could not have possibly have had a worse upbringing. But she is a very successful mother and has a very successful family. She loved her mother, even though her mother was not a good mother. Her son played football with my son. I think in six years they did not lose a game by less than 40 points. A brilliant footballer! He is a trained electrician now with a number of kids and a very happy family. So what you might see as a woman who needs to be controlled by a social worker, some of us would see as a little hero.

Sadly, the statistics in this country show that in 10 years, when I, the first of the baby boomers, die, there will be more deaths than births in this country. Why are women not having children in this country? It is because, as my daughters have said to me, if you are a mother and you want to stay at home and look after your kids, you are regarded as a second-class citizen. You really are socially ostracised and isolated. I am proud to say that most of my daughters have become stay-at-home mothers in spite of that and in spite of the fact that they were all on very big incomes. They were very successful people and they had to sacrifice a lot of income to take that decision. In the short time left to me, I cannot help but say that there are very strong racial overtones in this bill. Putting on my blackfella hat rather than my whitefella hat, I say that I resent very, very strongly the implications of this legislation. There will be very great sorrow and pain for the little mothers, who have been great heroes as far as I am concerned but who have committed the simple sin of wanting to have a child and be a mother. For that they will be punished by being put under the control of the social workers, whose tender mercies I have outlined here tonight. They are just some of the many things that are in the files in my office. (Time expired)

Ms HALL (Shortland—Government Whip) (18:23): It is always refreshing as a member in this House to come in and hear a member speak with the sort of passion that the previous speaker spoke with. You can see that the member for Kennedy cares desperately for the young women in his electorate and that he is committed to ensuring that kids are able to stay with their mums, have a family around them and not be penalised in any way. I do not see racial overtones in the Social Security Legislation Amendment (Family Participation Measures) Bill 2011, and I would never adopt an approach which was all about using a stick and making life hard either for single parents or for people who are long-term unemployed. I do not believe that the best results are achieved by a 'stick' approach; I believe that you need to have an approach whereby you take people with you, and I can stand in this place and support this legislation.
The part of Shortland electorate that falls within the administration of Wyong Shire Council will be affected by this legislation. On first reading the legislation, I had a very similar reaction to those of the previous speaker and the member for Melbourne. But, after I looked at the details and attended some of the information sessions that were provided in my local area, I became quite excited about some of the advantages and benefits that the legislation will offer young people who are single parents and who are disadvantaged by their circumstances.

This legislation will put in place programs that will empower young people and put them in a situation where they can get the education and assistance they need. I understand the previous speaker's concerns, but there will be so many benefits associated with these programs. I commend this legislation to the House.

Question agreed to, Mr Bandt and Mr Katter dissenting.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Ms LEY (Farrer) (18:27): by leave—I move amendments (1) and (2) together as circulated in my name:

(1) Schedule 1, item 8, page 3 (line 28) to page 4 (line 12), omit the item.

(2) Schedule 1, item 9, page 4 (lines 13 to 32), omit the item.

The coalition's position is that while we support this bill and recognise that it does introduce an element of mutual obligation for the two cohorts of job seekers which it seeks to target—teenage parents and jobless families—it does not quite go far enough. We need a system that has enough clout to promote compliance, and it is for this reason that the coalition moves these amendments.

The amendments seek to ensure that, where a parent is in receipt of parenting payment and this payment was made on the basis of their eligibility for parenting payment yet they have failed to adhere to an employment pathways plan, there should be a realistic penalty. With rights come responsibilities, and we have to make this clear. We need the capacity, where there is a blatant and deliberate disregard for a job seeker's obligations, to impose a meaningful penalty. Our amendments seek to reinforce the importance of compliance in a manner which will encourage appropriate behaviour.

We certainly recognise that these are vulnerable families and that there are vulnerable children involved, and the coalition is comfortable that the necessary safeguards are in place to ensure that the welfare of children and vulnerable families will be looked after. At the same time, we do need an, if you like, reserve power to enforce compliance and to explain to those involved in the trials, particularly the jobless families, 'This is serious business—we expect you to turn up, we expect you to enter into an undertaking and we expect you to follow through to the best of your ability even while we recognise the difficult circumstances that you face.' I commend the amendments to the House.

Mr BOWEN (McMahon—Minister for Immigration and Citizenship) (18:29): The government will not be supporting the opposition amendments. We believe this bill already strikes the right balance between creating opportunities for teen parents and jobless families to access services that will assist them to finish their education and enter the workforce and requiring responsibility through the threat of income support suspension.

Anything further than the proposed bill before the House, we believe, would be too
harsh. The government also opposes the amendments because formal interviews with teen parents will occur only every six months and therefore a penalty amount might become very large over a period of time. Teen parents are already a vulnerable customer group and already have complex and multiple barriers, such as the risk of homelessness, few life skills and small resources to draw upon in many instances.

The purpose of the trial is to provide assistance and support to families, not to further entrench them in financial difficulties. It is important to note that these arrangements are a trial and that most of the teen parents in the trial will not have had any requirement to do the activities before now. In addition, it is important to note that not all teen parents will be in the trial so that imposing a threat of debt on some parents but not others does not raise equity concerns. For those reasons we continue to commend the bill to the House and oppose the opposition's amendments.

Question negatived.

Bill agreed to.

Third Reading

Mr BOWEN: by leave—I move:
That this bill be now read a third time.
Question agreed to.

Bill read a third time.

Building and Construction Industry Improvement Amendment (Transition to Fair Work) Bill 2011

Debate resumed on the motion:
That this bill be now read a second time.

Ms LEY (Farrer) (18:33): I am pleased to speak on the Building and Construction Industry Improvement Amendment (Transition to Fair Work) Bill 2011. I would like to make some preliminary remarks about the state of small business and the circumstances that they face in the context of the current regulatory environment. Our shadow minister for small business, the member for Dunkley, spoke earlier in the House and, I think, reflected incredibly well the environment in which small business operates and the difficulties that it faces.

This particular bill, the Building and Construction Industry Improvement Amendment (Transition to Fair Work) Bill 2011, creates a strong but fair set of compliance arrangements for the building and construction industry. It implements the following reforms: it abolishes the Office of the Australian Building and Construction Commissioner and it creates a new agency, the Office of the Fair Work Building Industry Inspectorate, to regulate the building and construction industry; it removes the existing building industry-specific laws that provide higher penalties for building industry participants for breaches of industrial law and broader circumstances under which industrial action attracts penalties; and it includes a capacity for the director of the building inspectorate to obtain an examination notice authorising the use of powers to compulsorily obtain information, including through requiring a person to attend an examination and answer questions, or documents from a person who the director believes has information or documents relevant to an investigation.

The bill introduces the following safeguards in relation to the use of the power to compulsorily obtain information or documents: use of the powers is dependent upon a presidential member of the Administrative Appeals Tribunal being satisfied that a case has been made for their use and issuing an examination notice; persons summoned to interview may be represented by a lawyer of their choice, and their rights to refuse to disclose information on the grounds of legal professional privilege.
and public interest immunity will be recognised; people summoned for examination will be reimbursed for their reasonable expenses, including reasonable legal expenses; all examinations will be videotaped and undertaken by the director or an SES officer; the Commonwealth Ombudsman will monitor and review all examinations and provide reports for the parliament on the exercise of this power; and the powers will be subject to a three-year sunset clause. The decision on whether the coercive powers will be extended after three years following a review of their use and ongoing need. The bill creates an office of the independent assessor, who on application from stakeholders may make a determination that the examination notice powers will not apply to a particular project. It does not affect the provisions that establish the Office of the Federal Safety Commissioner and its related OH&S accreditation scheme.

The coalition strongly oppose the Building and Construction Industry Improvement Amendment (Transition to Fair Work) Bill because we believe that every Australian, whether they be an employer or an employee, deserves to be able to go to their workplace and operate in an environment where basic law and order is enforced. Every Australian has that right. This bill abolishes the body that ensures that law and order is enforced in the building and construction industry. It strips away the protections for workers to work in a safe and lawful environment. The replacement agency will be a toothless tiger that will again encourage a mentality of lawlessness, violence and thuggery. The Australian Building and Construction Commission has done a stellar job in addressing the concerns highlighted in the Cole royal commission. Rampant lawlessness, violence and intimidation were commonplace on building sites across this country. In total the Cole report catalogued more than 100 different types of unlawful conduct in that sector. In the interim, the Building Industry Taskforce was established until the creation of the Australian Building and Construction Commission in 2005. The ABCC was granted the powers that it needed to be the tough cop on the beat, working towards changing the lawless culture that was so prevalent in many of the work sites across Australia. It has also, very importantly, resulted in a significant reduction in the number of days lost to industrial action. For the workers in the building and construction industry it has resulted in real wage increases of more than 15 per cent.

If we are to flashback to the Cole royal commission we are again reminded of the pervasive culture of lawlessness that was rife within this industry at the time. Cole came up with more than 100 examples of the lawlessness that occurs. I would like to remind the House of some of the case studies he presented. He talked about a Japanese company called Saizeriya. They wanted to establish new facilities in Victoria. It is generally acknowledged that it is in Victoria and Western Australia that the militant construction unions are at their worst. After some discussion with the state Labor government in Victoria, Saizeriya decided to make a massive investment in food processing infrastructure. They were going to invest in the first instance $40 million. This project would have created 100 jobs locally and about 500 full-time jobs on an ongoing basis, with experts predicting that the indirect flow-on effects from the establishment of new facilities would create up to 3,000 additional jobs. Saizeriya's long-term plan was to open a new facility every five years. They wanted to invest more than $200 million over a 20-year period.

But the second they started work on their first site the Victorian Trades Hall Council
and the militant unions started their normal campaign of work bans, boycotts, contractor restrictions, strikes—the sorts of behaviour I outlined earlier. They did this in support of union demands that three workers who were not needed on the project but who were members of the union be employed, that arrangements be made for employees from an asphaltling company to be dual ticketed, that a barbecue lunch be provided on site at Easter 2001, and that the company agree to provide a DVD to be raffled at the barbecue, with the proceeds to be paid to the CFMEU fighting fund to support its opposition to the work of the Cole royal commission.

The union's demands were clearly ludicrous, but because those demands were not met this union went about disrupting the project and ensuring that it could not go ahead in a timely manner. As a result, the first plant, which was due to open in early 2002, was not completed until June 2003. After completion of the first stage and because this company had found it so difficult, the company decided to pull the plug on any further investment. So the $200 million and the 3,000 jobs that would have come into the Australian economy were pulled because the company found it far too hard to do business in Australia because of the unions and the poor industrial relations climate that existed. Here we have a significant investment threatened by the blatant bullying of the CFMEU. The company even considered moving its business to New Zealand as a result. The militant unionism that cause so much havoc and destruction pre-Cole is likely to reignite.

As I stated previously, it is in Victoria and Western Australia that you see these militant construction unions at their worst. The Cole royal commission outlined the case of Dependable Roofing. The situation was that a contractor had engaged Dependable Roofing, which was not on the union's list of approved companies, to perform work. The CFMEU, led by Joe McDonald, raided the site. This is the same Joe McDonald who is trying to get back onto work sites, claiming he is a changed man. They hunted down the employees of Dependable Roofing who were at the time working on a scissor lift some 6½ metres off the ground. The CFMEU raided the site and hunted down employees of this contractor, which was not a union approved contractor. This happened in the last decade; it is not ancient history. This union official is still causing trouble and he is still the lead union official for the CFMEU in Western Australia at this moment. He hunted down the employees. The raiders surrounded the scissor lift and prevented it from being moved. They then turned off the central control unit of the elevated platform and removed the keys so that these workers were stuck 6½ metres in the air and could not get down.

After stranding the workers up in the air the union then claimed it was a safety issue. When Dependable's workers finally were able to get down from the lift they were so intimidated by the raiders that they were forced to retreat into their site office. During that time one worker was assaulted by Joe McDonald and others were surrounded, abused, threatened and told to get off the site. When in the site office, which was a demountable, a temporary arrangement, the raiders bashed and kicked the side of the office and eventually lifted that site office from its mounts and pushed it over—with the people trapped inside.

Yet this is the type of behaviour that we could well see again with the abolition of the ABCC. We have already seen union heavies flex their muscles on the Westgate Bridge, albeit without the guts to actually show their faces hiding under balaclavas. There have been allegations of bikies being paid money to attend protests. There have been attacks
on the private homes of supervisors. There has been damage to vehicles. There have been bricks thrown through windows with death threats. Ultimately, police have been called in to protect workers who just wanted to go onto that site and do their job. All of this has happened within the last 12 months. Now we find this government is going to abolish the one body that has the powers to control that sort of behaviour.

The Cole royal commission also found that payments had been made to the CFMEU in Western Australia of over $1½ million for so-called casual tickets, which is basically money paid in return for industrial peace on sites where all workers are not members of the union. The Cole commission found that of the $1½ million that had been paid they could trace less than $500,000. So $1 million of this money paid to the CFMEU has just disappeared.

It is interesting that the Labor Party members here seem to think that this is all made up. They might want to go back and refer to the Cole royal commission. Apparently they will not believe that members of the CFMEU would behave in this way. It is only that sort of denial that could lead you to support this ludicrous bill that abolishes the body that controls this sort of behaviour. There are significant problems with this legislation that we are opposing here today as the opposition. Despite the rhetoric of the Minister for Tertiary Education, Skills, Jobs and Workplace Relations that it maintains a tough cop on the beat—and this is another great example of the minister's cliches; saying 'tough cop on the beat' but sadly it does not mean anything—this bill removes the independence of the building inspector and it ties up a watchdog in red tape. It actually has a sunset clause for the abolition of the powers that the new body has to do its job properly. Most ludicrously, it contains provisions that switch off the powers that the new inspectorate within Fair Work Australia has to enforce law. That seems to me to be an extraordinary thing to contain within Commonwealth legislation. If there are laws that are established so that an independent body can do its job and you can apply to have those laws switched off, why would you need those laws switched off? That is unclear to me. Of course, what will happen is that this will become part of negotiations. The unions will demand that these powers be switched off for any particular site and therefore they can return to their bad old ways without the fear of having a policeman on the beat who has the power to draw them into line.

This bill also reduces penalties for unlawful behaviour within the industry by two-thirds. It narrows the definition of industrial action and it removes provisions that stand against coercion and undue pressure being put within that industry. It is not just the opposition that is appalled at what is happening here. With the exception of the militant unions, which are going to be given carte blanche to return to their bad old ways through this bill, all of the stakeholders within the industry are publicly on the record opposing what is happening.

AMMA have supported some aspects of the bill, but their overall impression is:
… the effect of the Bill will be to disarm the tough cop and tie up the building industry watchdog in red tape; …

Master Builders Australia said that the government must reconsider the bill and not proceed with its passage, and that the bill is potentially disastrous for the building and construction industry. Ai Group, perhaps one of the government's more favoured business groups, have said that cultural change has not been achieved within the industry. They have raised concerns about the proposed switch-off provisions, about the five-year
sunset clause and about the watering down of penalties by two-thirds. They are also concerned about the lack of independence of the proposed inspectorate. The Civil Contractors Federation has echoed the concerns of Ai Group, as has the Business Council of Australia. They have said that they want the bill delayed and that they are opposed to having switch-off provisions within the bill—provisions which are, quite frankly, ludicrous. The Air Conditioning and Mechanical Contractors Association oppose the bill. They say that this bill will result in:

... a significant diminution of the powers of the “cop on the beat”—

and that—

... there is likely to be a return to a level of unlawful behaviour on construction sites that prompted the actions that were taken by the government in 2002 to curtail such behaviour.

These are the bodies that actually represent people who are engaged in this industry on a day-to-day basis, and they are saying that the passage of this bill will result in a return to those bad old days within the building and construction industry. Finally, the Chamber of Commerce and Industry Western Australia, a body that knows all too well the behaviour of the CFMEU in WA, say:

Removal or weakening of such power is expected to encourage union lawlessness.

So there we have it. All of the organisations representing people who actually operate within the industry say that the passage of this bill is going to result in a return to lawlessness within the building and construction industry—a return to the practices which, I have reminded the House, were exposed by the Cole royal commission and that led to the establishment of the ABCC. It was established with the powers that it needs to maintain law and order within the industry, with all the resulting good that that has done for the Australian economy as a whole—not just for the building and construction industry.

Nobody should be fooled by Labor’s spin on this particular issue. This bill fulfils the long and oft-stated goal of the militant construction unions to abolish the ABCC; it is replaced by a toothless tiger that does not have the powers to do the job properly. In a tough industry, the new body is going to be weak and it is not going to have the ability to do what it is supposed to do. The opposition will oppose this legislation at every step of the way, because every Australian employer and every Australian employee deserves to be able to work in a culture that is free of lawlessness, free of thuggery and free of intimidation. They should expect that they will be able to go to work in the building and construction industry and have the same law and order that every Australian worker expects when they get up in the morning and go about their lawful business.

So let us just go over the facts here again. By keeping disputes to a minimum the ABCC has helped to increase productivity and lower construction costs around Australia while ensuring safe and harmonious working environments for workers. The protection provided by the ABCC for workers and the productivity that comes as a result were put in place as a direct result of the royal commission, but once again this arrogant government thinks it knows best and will unravel a proven and workable solution on the basis of ideology, exactly like they did on border protection.

With the ABCC, we have seen an increase in productivity by 10 per cent, an annual economic welfare gain of $5.5 billion per year, lower inflation, increased GDP and the lowest levels of working days lost in the building and construction industry in history. Labor’s weakening of the ABCC has already seen working days lost skyrocket to 44 days lost per thousand employees within the
building and construction sector—the highest level since 2005. And the Wonthaggi debacle has already given us a glimpse of what is in store.

This bill will strip away the protections that workers in the industry enjoy and roll out the red carpet to union militancy. Make no mistake: this bill will mean unrest on building and construction sites right around Australia and a return to the 1970s, with the union thugs in charge of what gets built and when depending on the size of the bribe. By caving in to the demands of the 'I'm all right, Jack' militants within the union movement, who wish to water down the powers of the industrial watchdog, Labor has abandoned the interests of workers, productivity and the economy. This bill should be opposed and Labor's attempts to abolish the ABCC should be seen for what they are.

Ms BRODTMANN (Canberra) (18:50): I am always bemused when the member for Farrer speaks. I am usually on after her and it is always an apocalyptic vision of what is going to happen as a result of legislation that is introduced by the government. The last time I followed her in a speech I think she was suggesting that public servants were going to be scuba diving in Lake Burley Griffin during their lunch breaks. I find that quite extraordinary, given that the winters in Canberra are not terribly conducive to scuba diving for about seven months of the year. Now I would just like to calm things down a bit and suggest to those here tonight that the world is not going to end and that the apocalypse is not coming.

I rise this evening to speak on the Building and Construction Industry Improvement Amendment (Transition to Fair Work) Bill 2011. This is the second time this legislation has been presented to the House, being first presented in 2009 but lapsing upon the prorogation of parliament before the last election. It is a bill that brings to completion the commitment of the Gillard Labor government to abolish the Australian Building and Construction Commission and to restore fairness to Australia's industrial relations system. Industrial relations and how it is legislated have been some of the greatest ongoing political and philosophical debates in Australian history. These debates stretch all the way back to Federation and beyond. These debates sit at the very core of the Labor Party. Some of the first legislation in Australia's parliament was on this very issue. I am thinking here mainly about the Conciliation and Arbitration Act 1904, which to me underscores that industrial relations underpins Australia as a nation and underpins Australia's history as a nation.

The Labor Party was born out of the labour movement in the late 19th century and its fight to ensure that all workers are given rights. The origins of our party lie in our belief that there is a clear distinction between worthwhile employment and the indentured servitude and poor working conditions that were the norm in the 19th century—conditions that, sadly, for too many around the world continue to this day. Indeed, there can be no greater distinction between us on this side of the House and those opposite than the difference on the issue of industrial relations, because we believe that workers should be treated with dignity and given every opportunity to thrive on the fruits of their labour and those opposite believe that workers are not to be trusted—they will go scuba diving in their lunchbreak—and that employers should be given free rein to treat them as they will, stripping entitlements and employment protections. We believe that employers and workers can reach mutually beneficial agreements and harmonious working conditions given the right framework. Those opposite believe that workers and their unions are fundamentally
corrupt—and we heard those views from the member for Farrer tonight—and are merely out to drive the economy into ruin, so they attempt to drive them out rather than work with them toward mutual goals.

There can be no greater evidence of these distinctions than the actions taken by those opposite when in government. The Howard government consistently, year after year, opposed submissions that would see increases to the minimum wages and conditions of Australia's most vulnerable workers. The Howard government tried for decades to remove protections from unfair dismissal and finally succeeded with that goal with the implementation of that purely ideological piece of legislation Work Choices—and some of its chief architects still sit opposite today. That legislation stripped not only unfair dismissal protections but penalty rates and many of the rights that working Australians had struggled for, had fought for, for decades. Those opposite were apparently surprised when it left working Australians vulnerable and worse off. This was either a stunning admission of the naivety of the Howard government or just a plain misleading statement about what they knew was going to happen.

The Howard government's ideological obsession with industrial relations culminated not only in Work Choices but also in the creation of the ABCC. I understand that there were significant problems specific to the building industry. The government has always maintained that there are unique challenges for both employers and employees in that industry. This is why we support a construction industry regulator to ensure compliance with the law from all parties in the construction industry. However, the difference between us and those opposite is that we want to ensure that there is a strong regulator to resolve these issues and that the rights of people in the construction industry are not needlessly or capriciously eroded. We believe in getting the balance right. In contrast, those opposite could not help themselves when they heard of problems in the construction industry. It was like a red rag to a bull. They rushed in and used it as an excuse to impose an ideologically driven agenda to remove the rights of workers. This was the difference of approach taken to the 2007 election, and it is clear which approach was endorsed by the community.

The new regulator, which this legislation establishes, will operate in accordance with community expectations for a fair and just workplace relations system—the message on those expectations was very clearly sent in the 2007 election. The regulator will operate within the current fair work system. Specifically, this bill abolishes the Office of the Australian Building and Construction Commissioner and creates the new agency of the Fair Work Building Industry Inspectorate. This legislation will also remove the building industry specific laws that implement harsher penalties for breaches of law by those in the construction industry and remove the broader circumstances under which industrial action would attract penalties. It will also include the capacity for the director of the building inspectorate to obtain a notice authorising the use of powers to compulsorily obtain information and for the examination of witnesses. I understand that this power was one of the most controversial aspects of ABCC. However, I understand and accept the view of Justice Wilcox when he reviewed the ABCC and concluded that there is still a role for these powers, although from my reading he was not convinced that these powers would need to be permanent.

I note that he also recommended that there be strong safeguards on the use of such powers, which he noted were not included in
the original legislation. Specifically, this legislation places a number of new safeguards on the use of this power. This legislation states that the power can only be used upon a presidential member of the Administrative Appeals Tribunal being satisfied that a case has been made for its use. It will allow people summoned to be represented by a lawyer and recognise their right to not disclose information on the grounds of legal privilege or public interest immunity. These people will also be reimbursed for reasonable expenses and legal costs incurred by their summons. All examinations will be videotaped and the Commonwealth Ombudsman will monitor and review all examinations and provide a report to parliament on the exercise of this power.

Finally, this legislation places a three-year sunset clause on this power and necessitates that before it can be continued there must be a review of its use and further need. As Minister Crean pointed out in his own speech on this legislation, there has been a decline in the use of this power as a result of better process from the ABCC. This reduction has, in the opinion of the ABCC, not reduced the effectiveness of its investigations. To me, all of this points towards the eventual removal of this power on the basis that it is no longer necessary.

This legislation restores balance, it restores fairness and it restores natural justice to those engaged in the construction industry. It will ensure that the construction industry continues to play its important role on the national economy and that all stakeholders operate within the law for the mutual benefit of workers, employers and all Australians. I support this legislation and commend it to the House.

Debate interrupted.

ADJOURNMENT

The DEPUTY SPEAKER (Hon. Peter Slipper): Order! It being 7 pm I propose the question:

That the House do now adjourn.

Petition: Australian Broadcasting Corporation

Ms O'DWYER (Higgins) (19:00): I rise to table a petition that clearly resonates deeply within the Australian community. This is evident by the number of signatures that we received—over 37,374— with thousands more still coming in, which will be presented next year. Lawn bowls plays a vital role in the community, especially in our rural communities. It allows people of all ages to remain active in both a social and competitive environment. A healthy body and mind lead to a healthy life.

It should be noted that lawn bowls does not appeal just to senior members of our community. A Sunday afternoon at the local lawn bowls club is fast becoming a social and cultural norm for generation X and Y. Since the advent of the Active After-school Communities program under the coalition government and sports minister Senator the Hon. Rod Kemp, the passion for lawn bowls has also been ignited in many schoolchildren.

Lawn bowls is not only one of the highest participation sports in the country, with over 800,000 people participating each year, but also one of the most viewed sports. The Moama International Tri Series on 28 May 2011 was viewed by around 500,000 people nationally. More than 200,000 people view bowls each week on the ABC. These viewer numbers do not warrant its cancellation after 30 years of very solid results. In my view the ABC’s decision to cancel bowls runs contrary to its obligations under the charter.
Two months ago, as a director of Bowls Australia, I helped launch this important petition to get bowls back on the ABC at my local club, the Malvern Bowling Club, with my friend and colleague the Hon. Bronwyn Bishop, shadow minister for seniors, and also with the Chairman of Bowls Australia, Joe Aarons OAM, and CEO Neil Dalrymple. We were joined by Commonwealth bronze medal champion Barrie Lester, who, at age 29, recounted to us the story of how his interest in the sport of lawn bowls was born out of watching it on the ABC. This is just further evidence of the importance of broadcasting lawn bowls on free-to-air TV if we want to encourage the next generation of champions in this country.

Before I hand over to my colleague Bronwyn Bishop to speak about the importance of the ABC charter, I present these 37,374 signatures in this petition to the House.

The petition read as follows—

To the Honourable The Speaker and Members of the House of Representatives

This petition of Australian citizens draws the attention of the House to the Australian Broadcasting Corporation's decision to cancel its broadcasting of lawn bowls on free-to-air television.

- The ABC has a Charter set out in section 6 of the Australian Broadcasting Corporation Act 1983 that states it should broadcast programs that contribute to a sense of national identity and inform and entertain, and reflect the cultural diversity of the Australian community and further requires it to provide a balance between wide appeal and specialised broadcasting programs.
- Lawn bowls is one of the highest participation sports in Australia with around 800,000 people playing lawn bowls each year.
- 66% of participants in the sport are over the age of 60 but it appeals across generations with many younger people participating socially in the sport, as well as children participating through structured programs such as the Australian Sports Commission's Active After Schools Program.
- Bowling clubs are an important part of the Australian community, particularly in rural and regional Australia.
- Over 300,000 people nationally on average view the bowls broadcast each week, increasing to just under 500,000 people for major tournaments.
- The broadcast of lawn bowls on free-to-air TV not only provides a service to existing members but promotes and profiles lawn bowls to prospective participants.

We ask that the House support the immediate reinstatement of lawn bowls on the ABC.

from 37,374 citizens

Petition received.

Petition: Australian Broadcasting Corporation

Mrs BRONWYN BISHOP (Mackellar) (19:03): The member for Higgins and I are sharing this five-minute spot because we engaged in this joint venture to present these 37,000 signatures, and they are just for starters as they are still coming in. There are another 5,000 signatures for the next time we bring a bunch along. In my own electorate there are 1,200 that came in, and that number is growing.

The point is that the ABC has a voluntary charter. Section 6 of the act says that the ABC should broadcast:

… programs that contribute to a sense of national identity and inform and entertain, and reflect the cultural diversity of, the Australian community …

Getting rid of bowls off the ABC will mean that the ABC will not be fulfilling its charter. This is a very serious issue, because it is obliged under the charter to pay attention to the fact that there is no other channel broadcasting lawn bowls, yet 800,000 people are participants in this sport. It is one of the largest participating sports in Australia.
When I looked at the charter of the ABC, of course, I looked at it in the sense that it is not binding on the ABC. It is not something they have to comply with; it is something that they are meant to be guided by. I think this begs the question: are we moving to a time when the ABC needs to have a binding charter, where it must honour its obligations to let all sections of the community have exposure in the sense that their sport or their cultural activity is something that otherwise would not share in that broadcasting medium?

We heard the story of the young player who was a bronze medal winner, who told us that he had become interested in lawn bowls because he had watched it on the ABC. I subsequently found this was not an uncommon story. There is enjoyment for young people and we now have after-school programs where young people are engaging in bowls and enjoying the sport. They may grow up to become participating and competing members, which means it is one of those sports where everybody can compete. Young and old together can be part of the same team or they can be competing against each other. It is one of those sports that truly unite people in a common activity.

For that reason we simply say to the ABC, 'You must put lawn bowls back on the television.' It has been there for 30 years. At the end of that to get a letter to say, 'By the way, we think we've had enough of you; we're not going to have you anymore,' just will not do. It was a curt and discourteous letter and the attitude to lawn bowls is also discourteous. More particularly, it is a breach of that charter and we must see lawn bowls come back to the screen.

**Petition: Importation of Primates**

**Mr SYMON (Deakin) (19:06):** I present to the House a petition signed by 10,364 petitioners that requests that the House take action to impose an immediate ban on the importation of primates to Australia for research purposes. This petition was considered by the Standing Committee on Petitions on 12 October this year and has been certified as being in accordance with the standing orders as per the letter issued by the committee secretariat on that date.

Ms Helen Marsten, the CEO of Humane Research Australia, met with me on 7 September at my office in Mitcham to discuss their call to end the importation of primates into Australia for the purposes of medical and scientific research. Humane Research Australia has advised me that Australia is already home to three government funded primate-breeding facilities. These are the National Marmoset and Macaque facilities at Churchill in Victoria and the National Baboon Facility in Sydney, all of which breed animals specifically for the purpose of being used in research. The concern of the petitioners is that since the year 2000, despite the local facilities, eight permits have been granted to import primates into Australia for research.

Data obtained from the Convention on the International Trade in Endangered Species, also known as CITES, to which Australia is a signatory, showed that in the period 2000-2009 a total of 324 pigtail macaques were imported from Indonesia for research purposes. Pigtail macaques are classified under appendix II of CITES, meaning 'although not necessarily now threatened with extinction may become so unless trade in specimens of such species is subject to strict regulation in order to avoid utilization incompatible with their survival'.

In April 2009, the British Union Against Vivisection published a report on its undercover investigation titled *Indonesia: the trade in primates for research*. The BUAV believes that there is
misrepresentation of the source of the many thousands of macaques who are exported from the so-called ‘breeding islands’, such as Tinjil, a facility owned by Bogor Agricultural University and which has been identified as the source of Australia’s imported monkeys. The CITES Management Authority in Indonesia considers ‘island breeding’ to be just another type of breeding operation and therefore exempts these macaques as 'animals born in captivity' rather than 'wild caught'.

Humane Research Australia has real concerns as to whether the export of primates from Tinjil Island is a breach of Indonesia’s ban on the export of wild-caught primates for research and Australia’s ban on the export of wild-caught primates for research. Humane Research Australia also advises that *Macaca Nemestrina*, pigtail macaques, the species which Australia has imported from Indonesia, is now subject to an import suspension in the EU, as in the view of their scientific research group the off-take of this species took place in a manner that would be harmful for the survival to the population of that species in the wild. In light of these concerns, Humane Research Australia considers it to be unethical and irresponsible to continue to allow the importation of these animals for research purposes, particularly as they are already bred within Australia.

The policy of the National Health and Medical Research Council on the care and use of non-human primates for scientific purposes governs the importation of primates into Australia for the purposes of scientific and medical research. The policy states:

Non-human primates imported from overseas must not be taken from wild populations and must be accompanied by documentation to certify their status.

Humane Research Australia believes that there is considerable evidence that primates imported to Australia from Indonesia are taken from wild populations.

This petition is calling for a complete ban on importations on the grounds of these concerns and the fact that Australia’s local breeding facilities can supply primates for research.

Humane Research Australia make the point that a ban on primate importation would end the suffering of individual animals being captured and transported to Australia and would send an important message to the international community that Australia does not partake in or support the unethical trade in primates for research. I present the petition to the House.

*The petition read as follows—*

To the Honourable The Speaker and Members of the House of Representatives

This Petition of certain residents of Australia points out to the House that, despite the existence of three primate breeding facilities in Australia (objectionable in itself), primates are still being imported for research purposes.

Overseas organizations have uncovered horrific accounts of many animals being wild caught, and even those purpose-bred for research suffer the distress of long air journeys around the world.

Your petitioners therefore request the House to impose an immediate ban on the importation of primates to Australia for research purposes.

from 10,364 citizens

Petition received.

**Berowra Electorate: Pennant Hills Road**

Mr RUDDOCK (Berowra) (19:10): This week I listened again to the Minister for Transport and Infrastructure, the member for Grayndler, speaking about the dangers on some of our highways and drawing attention particularly to large vehicles that are often on highways and the need to carefully identify the potential risk to other users of the roads. It prompted me to recall that perhaps the
most dangerous area in Australia for accidents involving major transport vehicles is in fact the missing link in our national highway system—Pennant Hills Road between West Pennant Hills and Wahroonga. It is a six-lane highway, but it has all the B-doubles, all the heavy transport, that might move between Sydney and Brisbane and between Melbourne and Newcastle, mixed in with peak-hour traffic—perhaps commuters coming from the Central Coast of New South Wales wanting to access the city of Sydney—and local parents taking their children to school.

I say to myself, and I hope it is not an ominous warning, that one of the most horrific accidents that could occur might well be possible on Pennant Hills Road. It is essentially a narrow six-lane highway intersected with major traffic thoroughfares, with elderly pensioners driving their cars on outings mixed in with speeding commercial traffic wanting to get from one major centre to another. It is a potential disaster waiting to happen. It is not as if it has been unknown. People come to me and say, 'I was driving from Canberra to Newcastle and it is a major freeway all the way from Canberra until I get to West Pennant Hills, and then there is a series of traffic lights—probably 14 or 15 of them—and major shopping centres, and then I am on a freeway again north of Sydney heading towards Newcastle. That is our national highway.' People talk about the national highway, they see it as a national highway, but they say, 'When you get to Sydney it is not quite clear where the national highway is.' I drove from Sydney to Canberra for the last sittings and I had to drive back. As I came back into Sydney on the Hume Highway, just before hitting the M7 I noticed a sign that made it very clear that if you were on the Hume Highway heading to Brisbane or Newcastle you took the M7 heading towards the F3. There was no mistake about the signage. I live in Pennant Hills. My office is in an office block on Pennant Hills Road. Each time I walk along the road I notice a sign thanking the federal government for giving some money towards resheeting parts of Pennant Hills Road as part of a national roads program. I say to myself: how can people be in denial that when you get to Sydney you have four major thoroughfares—the M7, the Cumberland Highway, Woodville Road and Silverwater Road—and they take traffic on a total of 12 or 16 lanes to West Pennant Hills, and from there it is all aggregated into this major disaster? That is my concern, and I come to this adjournment debate tonight to plead again with this government. The money is needed to plan for this road to ensure that Infrastructure Australia consider what needs to be done to remedy this major defect in our national road system. Once again I ask the minister to listen to this message. (Time expired)

Mobile Phone Services

Dr LEIGH (Fraser) (19:15): I rise to speak on the unnecessary complexity of mobile phone plans in Australia. According to the 2009-10 report of the Australian Communications and Media Authority, 15 million Australians use a mobile phone. Thirty-seven per cent of Australian adults use a mobile phone as their main form of communication. Mobile phones are an integral part of life for many of us. They help us stay connected while travelling, simplify the process of meeting a friend on the weekend, make it easier for tradespeople to do their jobs and allow parents to keep tabs on their teenagers. The mobile phone is a great piece of technology, yet the process of choosing a mobile phone plan is currently Byzantine.

I recall moving back from the United States to Australia in 2004. In the US,
choosing a mobile phone plan is simple: you pick a handset and choose the number of minutes per month—500, 1,000 or unlimited minutes each month. The choice is simple, and you can readily compare across mobile phone carriers. Having lived in the US for four years, nothing had prepared me for the complexity of Australian mobile phone plans. First, you have to choose from among a plethora of handsets. Then you have to choose your cap. The cap is expressed in dollars, but of course that does not mean anything because it depends on how much each call costs. If you tell me that I have $50 for calls, that is twice as much calling time if calls cost 50c a minute as if they cost a dollar a minute.

Again, it is not easy to figure out how much a call costs. With many carriers there is a flag-fall charge, meaning that the first minute carries a different price from subsequent minutes. Sometimes it is cheaper to call people whose mobile phones are on the same network. Some carriers have lower off-peak charges. Calls to landlines are often priced differently from calls made to other mobiles. For voicemail, some plans charge for leaving messages, some for retrieving messages and some for neither. So, if you want to know how much your month's calls will cost, you need to be thinking about how often you call landlines, how often you call mobiles, which carriers your friends use, what time of day you make your calls and how many voicemail messages you expect to receive. Are you confused? I know I am. If you have an ABN, you are eligible to buy a phone on a business plan, which for many people just introduces another layer of complexity. If you are a tradesperson, you now have to compare the personal plans and the business plans. And did I mention that you can choose a prepaid or a postpaid plan?

So in 2004, when my wife arrived here a couple of weeks after me, she could not work out why, although I had been in the country for two weeks, I still had not been able to choose a mobile phone plan. But it has only gotten more complicated since then. Many US mobile phone contracts provide unlimited data downloads. But an Australian mobile phone buyer has to decide how much data they want to download. Then they have to look at the excess fees for going over that cap. Sometimes products such as Twitter, Facebook or Myspace will be excluded, or off-peak data charges will be lower. Text messages are charged differently again. And don't get me started on the exorbitant cost of data roaming if you decide to use your mobile phone to check email overseas.

I defy anyone to sit down with the contracts for half a dozen mobile phone carriers, each offering a handful of plans, and choose the one that best suits their needs. The complexity of Australian mobile phone plans most harms people with low levels of financial literacy. Complexity hurts the poor, new migrants and the elderly. In this sense, unnecessary complexity operates like a regressive tax.

Labor has always stood on the side of consumers. The Gillard government has taken steps to improve consumer rights—providing simpler information to credit card and home loan customers, and standardising terms in insurance contracts. Under the new Australian Consumer Law, consumer guarantees are enforceable as statutory rights, while unfair contract terms can be declared void if they cause a significant imbalance. This allows the regulator potentially to work with mobile phone carriers to deal with unfair contract terms. I pay tribute to the Parliamentary Secretary to the Treasurer, David Bradbury, for his work on improving consumer protection in Australia. But I think it is also important that mobile phone companies recognise their
responsibility to customers and start offering a simpler product.

Mining

Mr CHRISTENSEN (Dawson) (19:20): I rise to highlight the importance of northern Australia, and the resource boom going on within it, to our country's current economic prosperity. In doing so, I also draw attention to a wide range of issues that are emerging from the boom in northern Australia and a bold idea that will address those issues. The boom creates a cash bonanza for both state and territory governments through royalties, and now for the federal government through the mining tax. But let us not forget that this boom makes and will make significant contributions to government coffers through income tax, through GST, through the carbon tax and through fuel tax.

All the taxes that apply to an economy are boosted when the economy is booming. The mining boom is benefiting regional Australia, but there are some impediments to continued growth and development and harmony in regional Australia. I would like to highlight some of those issues that are developing, some just beginning and some already out of hand. The labour shortage is already very much evident in mining regions. Businesses outside the resources boom cannot afford the salaries needed to compete for labour. An Access Economics study released yesterday forecast 66 mining projects creating 40,000 new jobs between now and 2020. The same report also showed that 35,000 non-resource jobs would be vacant in two years. Recent reports in the media include: plans for fly in fly out, or FIFO, policing; talk of FIFO retail and bank workers; claims of FIFO workers already at fast food outlets like KFC at Mount Isa; and rental costs of $1,800 to $3,400 per week for basic homes in places like Moranbah. In regional Queensland, in areas where the resource sector is booming, costs of living have moved beyond the ridiculous and no-one but miners can afford to live there, including people providing essential services.

That is one issue. Let us look at another: our old friend red tape and its new companion, green tape. To open a new mine and the required infrastructure takes 3,104 permits and approvals, according to Gina Rinehart, Chairman of Hancock Prospecting Group. That is just on a mine site. Many other major job-creating development projects also face similar green and red tape. Such red and green tape only makes Australia less attractive to investment in the resource industry and other industries. Make no mistake: the resources sector is a competitive global industry and global mining companies take these regulations into consideration. Other factors they take into consideration are also starting to tip the balance out of our nation's favour. The carbon tax and the mining tax are costs that our global competitive competitors do not have to pay, which means there will be higher returns on investments in other countries.

There may be a solution to all of these problems, or at least a mechanism for solutions, in the development of a separate economic zone for Northern Australia. This is not a call for a separate state—although many North Queenslanders want that—but the establishment of a special economic zone to allow more effective control of growth and a better means of maintaining communities, services, and standards of living. Northern Australia contains half the land mass of the nation but less than five per cent of the population. It is also home to most of the resources sector. Regulation, programs, funding and incentives can be applied within this economic zone to make it more attractive to both population and
investment. Innovative strategies applied to the zone could create a better balance of work, opportunity, population and services. The concept is a zone extending from south of Bowen in North Queensland—or it could be lower, I think—to south of Port Hedland in WA, capturing most of North Queensland, the entirety of the Northern Territory, and the northern half of WA.

To encourage economic development within that special economic zone, financial incentives would have to be offered: for example, zonal rebates on personal income tax, the abolition of payroll tax and stamp duty, and the effective abolition of fringe benefits tax and fuel excise through rebates. A new agreement between the states, the Territory, the Commonwealth and local governments could also be brought in to remove double-layers of onerous regulations on job-creating projects, and the success of 457 visas and similar schemes in meeting labour demands shows that a similar, dedicated scheme could pay dividends in the north. I think this is a big idea that needs to be discussed more and more. (Time expired)

Jones, Mr Barry

Mr BYRNE (Holt) (19:25): I rise this evening to mark the passing of an important person in the life of Cranbourne, Barry Jones, the former President and Vice President of the Cranbourne RSL, and to celebrate his life and his contribution to the lives of many veterans in our region.

Barry served in the reserves at the Monash University Regiment for over 14 years before playing a substantial role at the Cranbourne RSL since 1988. According to Cranbourne RSL receptionist Anne O'Sullivan, Barry Jones's support for and involvement with staff at the Cranbourne RSL were highly valued and his regular accessibility and support for the members were deeply valued. Barry always adhered to the RSL protocol and kept the RSL principles alive. During his tenure as both President and Vice President of the Cranbourne RSL he played an important role in the recent merger of the Cranbourne and Dandenong RSL sub-branches in 2009, which led to a substantial increase in the services provided to local RSL members. Barry also organised Cranbourne RSL open days to attract new members so they could reach their goal of 2,000 members. Barry also led efforts at the Cranbourne RSL with its development to modernise its facilities in Cranbourne. Barry was also heavily involved in the Cranbourne RSL Bowls Club, and many members were grateful for his efforts in assisting the club in upgrading the bowling greens. Barry was a long-term member of the club and made an enormous contribution in growing the club and allowing it to thrive.

Close friend Denny van Maanenberg and colleagues at the Cranbourne RSL and the Casey Regional Veterans Welfare Centre praised his achievements, including helping to organise the 90th anniversary of the Cranbourne RSL and the 60th anniversary of victory in the Pacific. Denny also noted that he and Barry attended many aged-care facilities, local schools and other community groups to conduct presentations and educate students and people on the meaning of Anzac Day, Remembrance Day, Vietnam Veterans Day and other significant events in Australia's military history. In the words of Denny:

Barry was always willing to assist and ensure that the Cranbourne RSL always looked after its members first. He was a great supporter of our welfare and pension work and many local veterans are now better off due to Barry's unconditional support.

Denny also noted that Barry over the last 15 years had played a role, along with many
others, in organising Anzac Day and Remembrance Day ceremonies in Cranbourne—and they are very, very well attended. Denny, who is the secretary of the Vietnam Veterans Motorcycle Club, Gippsland Chapter, was also proud of Barry's efforts in allowing the chapter to ride their motorbikes in the annual Anzac Day march down the main street of Cranbourne, a tradition that started in 2004 and has continued ever since. According to Denny, Barry also supported the chapter's work with the veterans at the club's drop-in centre at Longwarry North. Barry was responsible for securing computers and printers for veterans' use, and they are still being utilised today.

Denny first met Barry at the Cranbourne RSL some eight to nine years ago, but throughout their friendship Denny always saw him as a gentleman. According to Denny:

Even though his health was failing, he still had nothing but kind words for those around him. I am indeed saddened by his loss. Lest we forget.

Prior to his work at the Cranbourne RSL, Barry worked at a concrete grooving firm for over 20 years. Through his work as a concrete grooving expert at this firm, he had the opportunity to work on some major international projects in Hong Kong, Japan and Malaysia, as well as domestic projects in Hobart and in Melbourne such as the initial West Gate Bridge construction and reconstruction of the Port Melbourne Pier. Barry's funeral service took place earlier today in Cranbourne and from all reports it was a great send off for him. There was a large guard of honour from the Clyde Fire Brigade, the Cranbourne RSL Bowls Club and from the Cranbourne RSL and members who served with him from the Monash University Regiment. Many attendees commented on the fact that he was a die-hard Collingwood fan—that is a very good thing—and that he was fortunate to see them win another premiership in 2010. Attendees also paid tribute to his down-to-earth nature.

To Barry's wife, Carole Jones, his children, Michelle, Amanda and Caryn, grandchild, Tayler, and son in laws, Tony and Kevin, I wish to express my sincere condolences for your loss. I hope in some way this speech will appropriately acknowledge Barry's substantial contribution to the community and encourage others to volunteer their time with local community organisations in order to help others. On a more personal note, I valued my time with Barry. I found him to be an absolute gentleman. He was a man who embodied what it meant to be a member of the RSL. He worked passionately and tirelessly for his members. He will be very sincerely missed.

Solomon Electorate

Mrs GRIGGS (Solomon) (19:31): I wish to talk about more government inaction and how Territorians have been let down yet again. I am disappointed and saddened by the lack of attention to our health system. Unfortunately, I am still waiting for a meeting with the Minister for Health and Ageing, Ms Roxon, regarding the $5 million that was taken away from the Northern Territory only to be given to a Labor seat to help fund the Redcliffe GP superclinic. This money was originally allocated to Darwin, so it should have been returned. It is absolutely unacceptable to withdraw it and it should go to other important health priorities that desperately need funding. And how rude is Minister Roxon! She has not even bothered to respond to my request for a meeting to discuss the issue—a request I sent to her last month. Instead, she has somehow found the time to meet her Territory Labor colleague the Minister for Health, Kon Vatskalis, in Melbourne. How interesting!

I met with a group of doctors the other day. This dedicated group of doctors have
almost finished building a bulk-billing private practice in the northern suburbs—a practice they have established with their own money. In fact, it is due to open next month. I am not sure why the government still insists that it needs to spend money to build a new GP superclinic in the northern suburbs when this one is almost already completed and it did not require any government funding. These doctors saved their own money and pooled it to provide a service to Territorians. In fact, they advised me that they met with the Territory health minister earlier in the year to let him know of their intention to build a bulk-billing GP practice in the northern suburbs. They said the minister could not offer any support at all. Interestingly, this is the same minister who now declares that he has secured funding from Minister Roxon for a GP superclinic in Darwin. And he has secured a deal with a provider. What happened to the tender process? It all sounds a bit rushed and a bit dodgy to me. Close attention will need to be paid to what money this tricky Labor government is going to give to its Labor mates in the Territory.

I would also like to share some success from my constituents. I acknowledge and congratulate Ryan and Nathan Morris of Jingli BMX Club who were representing the Northern Territory in the 2011 Victoria BMX championships in Shepparton. Ryan will now be going off to Victoria in 2012, and that is even after he experienced some difficulty on his third straight—but he had a great comeback. Nathan should also be acknowledged for making the semi-finals and now knows what to work on before contesting the South Australian championships next year.

Preparation for the national titles, however, would have probably been better for this pair and other Territory BMX competitors had there been an all-weather BMX track in Darwin, as promised by the Gillard Labor government at the last election. Despite asking the government several times about this commitment, there is still no movement. Unfortunately, there has been no progress on this promise and it is disadvantaging our talented Territory riders at the national level. This is a shame.

Finally, a Darwin portrait has caused a little bit of controversy in recent times. Last year, artist Catherine Paton was commissioned by Somerville Community Services to paint a portrait of their beloved namesake Margaret Somerville to enter in the Portrait of a Senior Territorian Art Award. As reported in the Northern Territory News, Ms Somerville led Indigenous women and children to safety when it seemed the Japanese were invading Northern Australia during World War II. She is now 99 and living in a seniors home in Sydney. Unfortunately, the painting was barred from the competition because the Speaker of the Northern Territory Legislative Assembly, Jane Aagaard, said someone who had lived in the Northern Territory for only 19 of her 99 years could not be considered a Territorian.

I have lived in the Northern Territory all my life and the amazing achievements of Margaret Somerville exemplify her significant and valuable contribution to the Territory. I took it upon myself to conduct a straw poll on this issue and everyone agreed that her legacy should live on for all Territorians to recognise. If Margaret Somerville does not match the criteria of making a significant contribution to our Territory community, then I do not know who does. As far as I am concerned, Margaret Somerville is indeed an outstanding Territorian.
Gillard Government

Mr LAURIE FERGUSON (Werriwa) (19:36): At the outset, I disassociate myself from the vicious attack on the member for Solomon recently made by the former Chief Minister of the Northern Territory, Marshall Perron. Turning to the issue of the moment, this weekend I will be attending two functions in connection with floods in totally separate parts of the world, El Salvador and Cambodia. Those floods, recent coverage of the Bangkok floods, ABC coverage this year of moves to perhaps abandon the Cartier Islands and move people to Papua New Guinea and speculation about the future of Kiribati certainly drive to the fore the monumental effort of this government over the past year in carbon action. We know that this world is very imperilled at the moment. We know that most members of this parliament on both sides, quite frankly, understand the man-made contribution to climate change. It is of central importance that this country has pressed ahead on these matters, at the same time ensuring a future for the industries this country will be moving to in the long term.

In reviewing the year, we see a government that has brought in Australia's first national paid parental leave; has increased the childcare rebate from 30 to 50 per cent; has worked on the beginnings of a national disability insurance scheme; has engineered the biggest boost to pensions in Australia's history, with the maximum rate increasing over the last two years by around $148; is rolling out an affordable high-speed broadband network; is putting more than $2.2 billion into the long-neglected area of mental health; is establishing trade training centres; and has creating more than three-quarters of a million jobs, including nearly 100,000 in the last year. That is on a national scale, but in our electorates we see the same kind of action.

In my electorate, in 58 schools there have been 138 projects driven through by this government in cooperation with the state government. I have been to 28 openings at schools ranging from the 130-year-old Glenfield Primary School to Ajuga College, established in the last few years. Today I noted that students from Macarthur Adventist school were here in the parliament. They have also been recipients of the efforts by this government aimed at ensuring that people were kept in employment, that apprentices and trainees could finish their periods with employers, that building materials companies remained operating, that building companies did not collapse, and that people could go into shops and spend money that they had in their pockets. In my electorate the projects included 14 multipurpose halls, with 12 completed as of 31 August, 11 libraries, 17 outdoor learning areas and three new science centres—and the openings roll on. For instance, last Friday I attended a fete and the concurrent opening of four new classrooms at Glenwood Public School.

We have also seen the continuation of a number of other measures in the electorate, including diagnostic imaging coming to Campbeltown Hospital. The complaint of the Liberal member in the area was that it is going to take some while to get approval for it to be used for public patients. Quite frankly, let us worry about the fact that they did not have diagnostic testing for a decade, rather than imperfections of what has actually been delivered. Another measure is the widening of the Brooks Road to Narellan Road section of the F5. Another issue that matters to some extent in my electorate relates to problems with anti-dumping provisions. I have been acting with Viridian Glass and other companies about this and I am pleased to see that the government has finally got around to doing something
effectively with regard to anti-dumping measures for this country.

In contrast, we have an opposition which opposed the stimulus payments to protect jobs and keep people in employment, opposed Medicare Locals, was critical of superclinics, doubted the value of ending state-federal rivalry in the health system, opposed trade training centres and was against apprenticeships. And the nadir of this opposition was reached this morning with the performance of its deputy leader on Fran Kelly's program, when we heard a kind of schoolgirl, toilet innuendo against the Prime Minister. The opposition has sought to denigrate people on a personal basis, most particularly the Prime Minister. I remember when people complained about Prime Minister Keating. Quite frankly, that was a Sunday school picnic compared to this kind of denigration of people in public life. But the Leader of the Opposition has got form on this. We all remember the republic convention and how it became a referendum about politicians and trusting them. (Time expired)

Mining

Mr IRONS (Swan) (19:41): As a Western Australian member in this place, and I see my WA colleague the member for Tangney here too, we know that in the early hours of this morning the government did a secret deal with the Greens which allowed the passage of the mining tax which will affect all Western Australians. We know it was a secret because the member for Melbourne this morning told journalists that Bob Brown had been forced to sign a confidentiality agreement before passing the tax. I think it says a lot about this government that it would try to hide the deal with the Greens by making them sign a confidentiality agreement.

This is not the first time that this government has been secretive about its mining tax legislation. That began weeks before the last election, when the government did a deal with the three big miners, who dumped on the rest of their industry by agreeing to a tax-free 10-year deal. We are fortunate in this parliament to have a Senate Select Committee on Scrutiny of New Taxes, and it is with interest that I note its report of 29 June 2011 into the mining tax. I commend the work of the committee and in particular their investigation into the effect of the tax on Western Australia. The report states:

Since the announcement of the Gillard Government's mining tax deal, various Senate Committees and the Senate itself sought access, again and again, to information about where the mining tax revenue was expected to come from ...

For more than nine months the government refused to release any information in response to those requests. The government completely ignored them and continued to keep the information secret. This is even though David Parker, the then Executive Director of the Department of Treasury's Revenue Group, had given evidence to the Senate Fuel and Energy Committee back in July 2010 that it would not be a difficult piece of analysis to perform.

Eventually some information was released by the Treasury under Freedom of Information. It took a freedom of information request to find out this information. Once the information was revealed, it became very clear that this was a tax on Western Australia. It revealed that, at the time the Gillard government entered the deal, it expected more than 80 per cent of the revenue from the mining tax to come from Western Australia. Eighty per cent! Instead of calling it the mining tax, they should have called it the Western Australian tax.

No wonder the Prime Minister did not reveal this information to the Western Australian people prior to the last election.
No wonder we had to wait months and months for freedom of information requests to reveal these details. No wonder the Premier of Western Australia, Colin Barnett, is strongly opposed to this tax. It threatens many jobs and investments in Western Australia.

When Kevin Rudd, as the then Prime Minister, announced the Henry tax review he argued that it was a once in a generation opportunity for root and branch reform of our tax system to make it simpler and fairer. Instead, what we have ended up with is a multibillion dollar ad hoc and lazy tax grab which makes our tax system manifestly more complex and less fair. When Kevin Rudd gave a thinly veiled threat to the mining industry two years ago in the Great Hall, it was obviously not just a threat from him but from the Labor government. It has now been carried out.

Perhaps one of the most significant concerns raised about the mining tax is that it will widen the deficit. Alarmingly, the mining tax package will significantly worsen Australia's structural budget deficit over time, with Labor's related proposals underfunded beyond the forward estimates. The decision to link a highly volatile and downward-trending revenue stream to the increasing costs of a number of related proposals is a recipe for another Labor Party fiscal policy disaster. Over the forward estimates the tax package will cost Australia's mining sector over $11 billion and will worsen the budget position by over $6 billion. This comes on top of the carbon tax, which will add another $4 billion to the budget deficit. Only Labor could introduce two new taxes that both substantially worsen the budget position, but this is systematic of a government that needed to do over $13.5 billion of deals with taxpayers' money to get the mining tax through.

Adding a new tax on profits from iron ore and coal production on top of the existing royalty and company tax arrangements is more distorting of the status quo and should not be supported. That was also the clear view supported by a broad cross-section of eminent economists who gave evidence before the Senate committee, including two who had previously signed a letter in favour of a resource rent tax.

The Gillard mining tax not only creates distortions; it divides Australia. The government has divided the mining industry by giving the three biggest miners the exclusive opportunity to help design the tax while all their competitors were locked out of that process. Smaller and mid-tier mining companies feel understandably aggrieved that the proposed mining tax will make it harder for them to compete with those big multinational, multicommodity companies. They also divided Australia by exclusively targeting resource-rich states with the new Canberra tax grab. Resource-rich states rely to a large degree on revenue from mining royalties to help fund important services like health, law and order, education and transport where other states rely to a larger degree on revenue from gambling taxes.

The Gillard government never did its homework. It never engaged with state and territory governments before signing the mining tax deal, and this new tax should be condemned.

**Education**

Ms HALL (Shortland—Government Whip) (19:46): As we draw towards the end of the parliamentary year I find myself reflecting on what has been achieved by the government over the last 12 months—or a little longer. I would have to say that I am really proud to be a member of the government that has delivered so much to the Australian people.
My first thoughts go to what has been delivered to all our students attending schools within my electorate. Shortland electorate is an area that had been neglected under the previous government. There had been minimal investment by the previous government—by that I mean the previous Howard government—in schools in my area, as with just about every other form of infrastructure or program. In Shortland electorate a very innovative program was undertaken on the Central Coast. Instead of one central Australian technical college, the technical college was devolved to the local high schools. That, along with trade training centres being put into those high schools and funded by the federal government, makes available to students attending those schools really high-quality vocational education which they can incorporate into their education.

There have been many more apprenticeships available to young people in my area, and they have benefited from the programs of this government. There has been increased funding for universities, and I would have to say that the computers in schools program has been very much welcomed by all the schools. The education tax refund is something that the parents of students attending schools in Shortland electorate have been thrilled to see implemented.

Compare that to what the opposition would do if they came to power—heaven forbid. They would abolish the trade training centres program, something that really benefits my students in very spread out areas. There would be fewer apprentices. They would fail to help reform and develop those disadvantaged schools—of which I have a number in my electorate—and schools that benefit from the National Partnership funding. They would abolish the computers in schools program, which has been very popular with the high schools in Shortland electorate.

The difference between this side of the House and the other side of the House is that one side delivers and one side says no and takes away from the community, delivering to its friends in big business as we saw last night in this House when the opposition voted no 32 times and no to delivering tax cuts to small businesses, more super for Australian workers and money for better roads and bridges. It really shows the difference.

Some of the other benefits that have flowed through the Shortland electorate include the $2 million Lake Macquarie City Council received from the federal government to build the stage of the Fernleigh Track from Redhead to Belmont. Prior to that they received funding to take the track from Whitebridge through to Redhead. The previous Howard government refused to give money to the council to complete this program.

One thing I forgot to mention was the excitement in my schools about the Building the Education Revolution Program, where each and every school has welcomed the money that has been spent on them by the federal government. Under the Labor government we have had a drop in unemployment within Shortland electorate. Overall, it has demonstrated that, if you want good economic management, if you want good programs, if you want paid parental leave, you vote for a Labor government. A Labor government delivers while the opposition, the Liberals, take away and say no. (Time expired)

**Uranium Exports**

Dr JENSEN (Tangney) (19:51): I wish to congratulate the Prime Minister on her decision to pursue sales of uranium to India. Welcome to the 21st century, Prime
Minister, and to a policy that was introduced by the Howard government years ago, only to be rescinded by the member for Griffith. Naysayers from the Left of the Labor Party and, unsurprisingly, all of the Greens Party, reject the sales because India is not a signatory to the Nuclear Non-Proliferation Treaty, or NNPT.

But, if they continue to proffer the merits of a clean energy future, Labor and the Greens cannot afford to cross the Prime Minister on this issue. India needs electricity to liberate some 400 million of its citizens from poverty. If the Greens have the trillions need to build solar farms and wind turbines, I am sure Delhi officials will be on the first carbon-neutral plane available to meet with Senator Brown and his brigade. As it stands, coal is the only other viable energy source for India. If we continue to block uranium supplies to India, they will simply pump more of that supposedly climate-changing carbon dioxide into the atmosphere.

Perhaps it is an opportune time to examine the history of the Nuclear Non-Proliferation Treaty and the implications that holds for Australia today and into the future. The NNPT came into effect in 1970, in a simpler time with regard to nuclear diplomacy. Signatories included the nuclear weapon states, the US, the USSR—which is now Russia—China, France and the UK, who also happen to be the five permanent members of the UN Security Council, harking back to the end of the Second World War.

The NNPT addresses three major areas. The first is non-proliferation, which is the part of the treaty most often referred to. This provision means signatories agree that the only nations allowed to possess nuclear weapons are the five nuclear weapon states. No other states can procure nuclear weapons capabilities or sell any material to a nation attempting to procure such a capability. The second and third parts of the NNPT are not as well known and are often conveniently forgotten for the benefit of ideological arguments used to prevent sales to nations such as India.

The second part relates to disarmament, where signatories agree to reduce and eventually eradicate their weapons capability. With China expanding and modernising its nuclear arsenal, one would question the commitment of the nuclear weapon states to their own treaty. Additionally, Iran, also a signatory, is working very closely with another rogue state, North Korea, on the development of nuclear weapons and ballistic missile technology. Yet Iran is a nation that many on Labor's Left would apparently be prepared to sell uranium to simply because they are a signatory to the NNPT. China and Iran proliferate despite having signed the non-proliferation treaty; India abides by the treaty but is not a signatory. Australia rewards dishonest states and punishes a democracy that plays by the rules.

The third part relates to the peaceful use of nuclear power, and the sale of nuclear-power-generation technology to signatory states. China and Russia have a highly questionable record when it comes to the sale of nuclear weapon capabilities to other nations. This is in stark contrast to India, who, by all accounts, has an exemplary record in this regard, apart from the acquisition of a nuclear weapons capability for its own defence needs. In addition, of all known nuclear-weapons-capable nations, India stands alone in explicitly ruling out the first use of nuclear weapons.

The left hand of the Labor Party does not know what its far-left hand is doing. It is irresponsible for the Prime Minister to workshop this foreign affairs decision in the
public sphere to see whether it will float or sink with voting Australia. If the Prime Minister manages to push this policy through Labor's conference she has the legislative get-out-of-jail-free card of no nuclear power in Australia. But, if uranium is too dangerous for personal consumption, how can we morally sell it to anyone else?

Western Australia: Goods and Services Tax

Mr CROOK (O'Connor) (19:56): Western Australia continues to be ripped-off by this federal government. Last night was further testimony to this. The issue of GST relativities is one I have raised in this House before; however, it is very timely that this issue is raised again before my private member's motion to establish a floor on the GST relativities is voted on in the House tomorrow.

For those not familiar with my motion, I seek to implement a 75 per cent floor on GST relativities for all states and territories. The motion is essential not just for the economic future of WA but to provide economic stability for any state or territory which may find itself in a situation similar to WA's in coming years. Currently, the state of Western Australia receives a lower proportion of GST return per capita than any other state or territory since the GST was introduced. Currently, WA receives around 72 per cent of GST relativities, while no other state or territory receives less than 91 per cent. In coming years, WA Treasury has predicted this GST return will fall even further, reaching a relativity of just 33 per cent by 2014-15. Without a GST floor, WA is set to lose out on around $4 billion in GST grants by 2014-15.

Two weeks ago, the state parliament sent a clear message to Canberra in support of a better deal. The WA state parliament voted unanimously to support my private member's motion to implement a floor on GST relativities. This motion was moved by the Leader of The Nationals WA, the Hon. Brendon Grylls, and supported by the WA Treasurer, the Hon. Christian Porter, and the WA Leader of the Opposition, the Hon. Eric Ripper. The WA state parliament has sent a resounding message to Canberra. Western Australia has had enough of being ripped off by the federal government. We are calling on the federal government and the federal representatives for Western Australia to take action in the best interests of our state. I quote the Leader of The Nationals WA, The Hon. Brendon Grylls:

I think that no-one would disagree that this is the most critical issue facing Western Australia, Western Australia's economic prosperity, and the nation's economic prosperity …

It should be clear to this House just how vital WA's resources sector is to the rest of the nation.

In the early hours of this morning, the minerals resource rent tax was passed by this House. It is estimated that 80 per cent of the revenue raised by this tax will be sourced from WA's resources sector. WA's resources sector drives the national economy, but the burden of providing the crucial infrastructure needed to support this expansion is exhausting the state's capacity. Without a floor in the GST, we will have no choice but to wind back infrastructure investment in Western Australia. The nation's economy needs WA to ramp up its economic investment because that will lead to an increase in exports, which is what makes our nation's economy strong. Yet the current GST formula will see revenue to Western Australia decrease and the state's ability to stimulate private sector investment diminish.

The Treasurer of WA, the Hon. Christian Porter, refers to the issue of GST returns as 'the economic fight of WA's life'. The state parliament has sent a clear message to this
House that they recognise the vital importance of establishing a floor on GST returns. The WA Labor Party, Liberal Party and Nationals are all in agreement that my motion to establish a floor on GST returns is truly in the best interests of the state and the best interests of our nation.

When it comes time to vote on my private member's motion to deliver a floor on GST relativities to all states and territories, I hope to see all Western Australian members of this parliament lend their support to this motion.

The SPEAKER: Order! It being 8 pm, the debate is interrupted.

House adjourned at 20:00

NOTICES

The following notice(s) were given:

Mr SHORTEN: to present a Bill for an Act to amend the law in relation to financial products, and for related purposes.

Mr ALBANESE: to move:

That standing order 31 (automatic adjournment of the House) and standing order 33 (limit on business) be suspended for the sitting on Thursday, 24 November 2011.

Mr GRAY: to move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Development and construction of housing for the Department of Defence at Ermington, NSW.

Mr GRAY: to move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Development and construction of housing for the Department of Defence at Rasmussen, Townsville, Queensland.

Mr CHESTER: That the Environment Protection and Biodiversity Conservation Amendment Regulations 2011 (No. 1), as contained in the Select Legislative Instrument 2011 No. 191, and made under the Environment Protection and Biodiversity Conservation Act 1999, be disallowed.

Mr BANDT: to present a Bill for an Act to amend the Fair Work Act 2009, and for related purposes
Wednesday, 23 November 2011

The DEPUTY SPEAKER (Hon. Peter Slipper) took the chair at 09:32

CONSTITUENCY STATEMENTS

Queensland

Mr BRUCE SCOTT (Maranoa—Second Deputy Speaker) (09:32): I rise to discuss the reluctance of Labor, whether state or federal, to invest in regional Queensland ahead of one of the biggest resource booms that Queensland and our nation have ever seen. The Surat and Galilee basins, both within the boundaries of Maranoa, are a significant boost to the economy and we will potentially see a massive boost in population growth. A Deloitte Access Economics report, the 2020 growth outlook study into the state's minerals and energy sector, reveals that the Surat basin—that is, Dalby, Miles, Chinchilla, Roma and Wandoan—will need some 5,500 new resource sector workers by 2020, not to mention the population boost that will be necessary to staff the supporting industries. Also, forward projections found that the figure of 5,500 would at least triple when support workers are counted, and 55 per cent of the workforce is expected to comprise non-resident workers. That brings in the question of fly in, fly out workers.

What have the state and federal Labor governments done to prepare for this growth? With more than half the workforce expected to live outside of the resource communities, how will people be encouraged to relocate to the region? Where is the investment in the liveability of our region to attract young families into the community so that they can have the same support that you would expect in the capital cities—or indeed on the Sunshine Coast, where you live, Mr Deputy Speaker?

Our roads are in a terrible state of repair. We are still waiting for the second range crossing to be constructed, and yet every day the volume of traffic is increasing exponentially to bring in the materials to build the mining infrastructure. But we are not seeing the other elements being developed: the liveability of our communities and the road infrastructure.

Where is the investment in the community services? In the Galilee Basin, for instance, Barcaldine does not have a day care centre, which is essential if young families are going to be attracted to a community. As we know, both parents these days are more likely to work. So if they cannot have these facilities in their communities the young families leave the west—and yet this is where the great wealth of our community is being generated.

Speaking with local medical centres it is easy to see how the growth in the resources sector is impacting on our health services. In fact, some people in parts of the Maranoa electorate have a rate of preventable mortality of 1.8 to two times the norm. This figure is from a recent study. That is an appalling situation because of the lack of access to these services. I have heard reports recently from medical centres in Dalby that new patients are waiting up to eight weeks to see a doctor. This has serious flow-on effects, because new patients presenting with urgent medical problems have to be seen by doctors at the hospital where services are already stretched. It is time that the Labor government invested money from royalties in the resource sector in the liveability of our communities. (Time expired)
Hindmarsh Electorate: Glenelg Historical Society

Mr GEORGANAS (Hindmarsh) (09:36): Last Saturday I had the pleasure of attending a wonderful function, the Grand Claremont Garden Party, run by the newly formed Glenelg Historical Society in my electorate. Claremont House is a historic house in Glenelg and is currently owned by Thelma, who very warmly opened her house to the society and all the invited guests for this wonderful garden party. His Excellency the Governor of South Australia attended the function and it was truly a great occasion. I congratulate the society on this wonderful event.

The Glenelg Historical Society is run by its president, Ms Jan Smith, and has been set up to engage community interest and to help cultivate a philanthropic attitude towards Glenelg's history and built heritage. Its objectives include:

Promoting the protection and preservation of buildings, works, movable cultural heritage and sites of historical significance in the precinct of Glenelg together with the commissioning of historical research and historical discourse.

Encouraging increased community interest, education and involvement in Glenelg's history.

Assisting in the collection, recording, preservation and public display of works, movable cultural heritage including source material and artefacts of all kinds relating to local history.

As the Glenelg Historical Society says:

Glenelg has always enjoyed a tourism focus on its historic origins, but an active community history association can ensure the continuing importance of heritage and history in an era of changing dynamics.

And I think this is indeed an important and worthwhile cause. Jan has been an avid campaigner on issues of historical significance for Glenelg for quite some time now. Just recently, the society successfully lobbied the City of Holdfast Bay Council for the return of the 1929-built H class 'red rattler' tram to its historic home in Glenelg. Tram 361 was gifted to the City of Holdfast Bay Council by the state government in 2006 and it has been stored at the St Kilda Tramway Museum in recent years. It is now set to have a new home, which the society has worked hard to ensure, in the heart of Glenelg.

I am delighted to be able to support the society's work. I know that they have also applied to become an organisation eligible for deductible gift recipient status and that the department is currently considering that application. I look forward to the minister's response and to working with the Glenelg Historical Society in the future towards the preservation and celebration of our collective heritage.

The society does some great work in the area. For example, it is an extraordinary fact that the great racehorse Phar Lap rode on that tram that is being brought back to Glenelg as the Morphettville racecourse is very close by. (Time expired)

Farrer Electorate

Ms LEY (Farrer) (09:39): As the parliamentary year comes to a close I wish to highlight the mood from my electorate of Farrer during this past 12 months. It was around this time a year ago that my region emerged from 10 long years of devastating drought. The rains came back, the soil renewed, abundant wildlife returned and hope was restored. So 2011 should have been a year of rejoicing, a year of renewal. How did this government respond? After a decade of struggle, farmers battered from the long dry were immediately cut off from the vital
exceptional circumstances lifeline. Those who had made the decision that their time might have been up on the land were then left high and dry as the agriculture minister bungled the farm exit grant scheme. Those who stayed watched in horror his handling of the live export fiasco. Others were told the Asian honeybee was not a threat—another 'oops' moment for this bungling agriculture minister. Those who received too much rain in the south were told by the federal Attorney-General that they were not quite flooded enough to receive direct emergency relief.

In my communities local clubs were told they will have to find hundreds of thousands of dollars to alter their poker machines so an estimated one per cent of the population can take their problem gambling somewhere else. In fact, we do not believe that changing poker machines and investing in new machines is actually going to address problem gamblers at all. Students, doctors and social services in Farrer were then stumped by this government's manipulative costcutting use of the inner and outer regional classification map.

We come to the Murray-Darling Basin Plan, a document drafted 12 months ago, which was purportedly constructed at arm's length from the water minister and the tentacles of this new green-eyed paradigm in which we are living. Instead, what we were served effectively took a sledgehammer to the nation's premier food bowl. When pushed on why the devastating flow-on effect on jobs in local communities up and down the basin had not been considered, the water minister then sacked and scapegoated the Murray-Darling Basin chair and put in a new one. He ordered a parliamentary inquiry and then ignored the findings. He promised a transparent process would follow but this actually meant having the revised plan leaked before it is even officially released. He promised real community consultation, yet as I stand here today there has been nothing organised and nothing announced. This is not good enough. So much so that in Deniliquin, one of the communities in my electorate heavily if not completely reliant on the outcome of this revised draft plan for its future, has offered to pay for the authority, the minister or indeed anyone they can get to come and tell them face-to-face what is going on.

The year 2011 should have been a year of hope, opportunity and reward. Instead it is clear evidence that we are all being forced to pay under Labor.

**Makin Electorate: Concept2Creation**

Mr ZAPPIA (Makin) (09:42): On Wednesday, 9 November I attended the seventh annual Concept2Creation expo held at the Golden Grove Recreation and Arts Centre. The Concept2Creation initiative is a secondary school program which began in 2005 and is now being delivered in 36 schools across South Australia, with almost 3,000 students participating. The program is spearheaded by the Northern Advanced Manufacturing Industry Group and provides students with insight into the important role that mathematics, science and technology have to play in their future and in advanced manufacturing. The program is making a real difference in student attitude and choices is and proving to be invaluable in the development of young people's application of advanced technical skills, workplace understanding, employability and entrepreneurial skills.

At the expo students from 26 schools, including Para Hills, Bankside Park, Valley View, Salisbury East, the Heights high schools and Tyndale Christian School, all from the Makin electorate, displayed their designs and models of inventions they had conceived. The Concept2Creation program is supported by the South Australian government, major SA
advanced manufacturing industries, TAFE, the university sector and the high schools involved. The expo was opened by the South Australian Governor and Patron of Concept2Creation, His Excellency Rear Admiral Kevin Scarce, and attended by education and industry representatives and state minister in South Australia Tom Kenyon.

Advanced manufacturing is an area where Australia can successfully compete with other countries. It presents Australia with extraordinary opportunities by developing and manufacturing new technological products and building on the existing opportunities presented through the defence and manufacturing sector in South Australia. Bringing this potential for career opportunities into our schools has been an overwhelming success both in terms of the schools now participating and the level of interest from amongst the students. It has also resulted in new maths and science facilities being established in many high schools across South Australia because of the importance of these subjects in career opportunities for young people.

The range of ideas and creations on display at each of the expos never ceases to amaze me and highlights the extraordinary skills and abilities that exist in young people. I particularly congratulate Valley View Secondary School and Endeavour College, two of the participating schools from my local area, for winning the key awards on the day. I also congratulate all of the schools who participated in the Concept2Creation expo and each of the students who were involved in the design and construction of all the exhibits and inventions on display on the day. Finally, I acknowledge the work of Bernie Fitzsimons, the General Manager of the Northern Advanced Manufacturing Industry Group, who has been the driver of the Concept2Creation program and who has worked tirelessly to make the program a success.

**Marriage Celebrants**

Mr RANDALL (Canning) (09:45): I wish to bring to the attention of the House another case where this Gillard Labor government has successfully alienated a group of Australian people trying to go about their business and provide a function for our community, which now has been severely hampered. I raise the issue of marriage celebrants, or celebrants in general. Last week I visited Sylvia Watts, a registered celebrant in my electorate at Lake Clifton. She needed me to visit her because she was extremely upset and alarmed by the fact that, when coming to power, this government decided that, rather than continue to manage and control the number of celebrants in Australia, they would open the gates. Opening the gates and allowing as many celebrants to be registered and in a position to perform their functions has meant that it is open slather. As a result many people are putting out their shingle as a celebrant, generally marriage celebrants, and that has undercut and undermined those who have done so over a number of years.

This needs to be put in context. Many of the people who decide to become celebrants are generally those who have retired or who have more time to spend providing this function. The real effect of opening the gates and allowing so many celebrants into the industry is that it has diluted the ability of celebrants to earn a reasonable income. In the case of Sylvia Watts, she explained to me that she gets three or four weddings a year and quite often $600 or $700 is the fee. The problem is that there was no fee before, but there is now a $600 fee. So, if you are a marriage celebrant and the first thing you have to do now is to provide $600 to register, that takes out one of the few functions you get per year.
This fee—after, I understand, there having been no fee—is is to monitor and manage the number of celebrants in the industry. So the government have created a problem and then put in a tax—and this is really a tax—to manage the number of celebrants in the industry. They have not even gone to the celebrants to see how they are going. The celebrants were not consulted. The government are talking about continuing to monitor the progress of the celebrants in the industry but they do not even get to them to do this function.

My point is that here again is a problem of the government's own making. It has successfully alienated so many other people in the industry when there was no need to. The fact is, we have had the issue of the live cattle trade and all the other things they have done to people in this sector. This is just another case of bloody-mindedness that has caused the destruction of a decent industry. (Time expired)

Lyne Electorate: Employment

Mr OAKESHOTT (Lyne) (09:48): I rise to talk about jobs on the mid North Coast, and I am pleased to report that, in the six-year history of the Lyne electorate, we now have the lowest unemployment rate ever recorded on the mid North Coast, of 5.9 per cent. That is a significant result, particularly when compared to historic differences between state and national averages and local averages where there has normally been a margin of about two per cent between local figures and national figures. In the local mythology you normally add about five per cent for youth unemployment and another five per cent for Indigenous unemployment. We are now having a real and substantial crack at dealing with the too-hard basket of entrenched generational unemployment. I am very pleased to report to the House that we now have the lowest recorded figure for unemployment on the mid-North Coast. We have a difference of less than one per cent between local figures and national figures. That difference has been reduced since 2008 from about 2½ per cent to, now, below one per cent, and I look forward to reducing unemployment further. We have a regional employment plan which has about 17 stakeholders involved in dealing with generational unemployment rather than allowing it to remain in the too-hard basket.

An aged care plan is now in place to deal with the ageing bubble coming through and the associated workforce requirements. Last week we announced funding of $100,000 and the appointment of Jill Simmons to run the manufacturing cluster of the major manufacturing businesses on the mid-North Coast in getting organised. We have now appointed two education, jobs and skills coordinators for the mid-North Coast. It continues to be a priority employment region, and local employment coordinators Renee Hawkins and Mark Almond are doing a lot of coordination work on the ground. The two job expos in Port Macquarie and Taree over the last 18 months have successfully put over 400 people into work. I was pleased last week to announce Port Macquarie's next jobs expo for 17 February next year.

This is a concerted push to take the issue of generational unemployment out of the too-hard basket, and I am pleased that through the ABS figures we are now starting to see results. The work will continue, and, whilst national economies fluctuate, the key figure is the difference between, on the one hand, local unemployment averages and, on the other hand, state and national unemployment averages. I am very pleased to report to the House that for the first time ever we have reduced the difference to below one per cent.
Mr CHRISTENSEN (Dawson) (09:51): I rise to highlight a serious problem in my electorate of Dawson—a serious problem, in fact, for the entire country. It is that this government, the government of this democratic country, simply refuses to listen to the people. It does not seek the opinions of people, does not listen to the opinions of people and goes out of its way to silence the opinions of the people. There is no better example of this than the debate that occurred on the toxic carbon tax. But the people did have their say—or, at least, the people of my electorate of Dawson had their say, because I gave them that opportunity. This is what they said: ‘We hate the carbon tax.’

Last month I sent to every home in the electorate a carbon tax ballot with the simple question: 'Do you support the Gillard Labor government's carbon tax? Tick yes or tick no.' There was no argument presented for or against, just the question. A lot of the ballots came back with comments written on them, which were mostly along the lines of, 'We may not be able to stop it, but thank you for at least letting us have our say.' A staggering 6,010 people who are on the electoral roll in Dawson returned the ballot. The result was a resounding 94.1 per cent of people voting against the carbon tax.

You might think that the result is due to the fact that Mackay's economy is reliant on the coalmining industry, and Mackay is the centre of Dawson. Yes, the result for Mackay itself was high—94.4 per cent opposed the tax—but in the Townsville part of my electorate the result was also high: 90.9 per cent were opposed to the carbon tax. The result for the Burdekin, a sugar producing region, was that a whopping 96.7 per cent were opposed. What about the Whitsundays, a region dependent on tourism with the Great Barrier Reef, islands and the Conway National Park? Even there, 93.1 per cent of people were opposed to the carbon tax.

So, wherever you go in North Queensland, they hate the carbon tax, and they were trying to tell the government that. Yet the Minister for Regional Australia wrote a piece in the national press telling us all that they love this tax in the regions—and that was after he had visited Mackay and got the message there. What an absolute joke!

I went looking for a demographic that liked the carbon tax, and I could not find one. Ninety-four per cent of men were against it; 94.2 per cent of women were against it; 93.5 per cent of the young, those aged 18 to 40, were opposed to it; 93.5 per cent of the old, those aged 61 to 70, were opposed to it; and, among those aged 70 to 100, 95 per cent were opposed to it.

What do the Laborites out there in the community—the few who are left—say that about the ballot? They reckon it is not a true representation. A total of 6,010 people responded, and that is about six times the sample size that is taken in national polls for the entire country, yet still the government refused to listen to what the Australian people had to say. But soon they will be forced to listen, because, come polling day, the people will be heard.

Ms PARKE (Fremantle) (09:54): In eleven days time the City of Fremantle will play host to the 2011 International Sailing Federation, ISAF, Sailing World Championships, known as Perth 2011.

Perth 2011 runs from 3 December to 18 December and will see the world's most accomplished sailors compete for a place in the 2012 London Olympic Games. Seventy-five
per cent of the national participants who will be competing at the London Olympics will be chosen on the basis of their team's performance throughout the duration of the ISAF event. More than 1,400 sailors and 850 boats from 80 nations will be in attendance, along with tens of thousands of support crew, families, media and spectators.

I know that the Fremantle and wider Western Australian community is very much looking forward to being host of this event. It is a role we love; we take pride and pleasure in sharing with visitors from all over the world our beautiful environment, our diverse culture, our Indigenous heritage and of course the famous wind known as the Fremantle doctor. This sailing extravaganza represents an excellent opportunity for the Western Australian tourism industry, at a time when the high Australian dollar has put pressure on that important industry. Perth 2011 is set to be as beneficial for Fremantle and WA's reputation as a tourist destination as the America's Cup was in 1987. The Australian government recognised the significance of Perth 2011 and the positive impact it could have on Fremantle and Western Australia and has invested over $8 million to support the event and secure its success.

I would like to make special mention of 1983 America's Cup crew member and project manager John Longley, who has been vital in the development of Perth 2011 in his role as event director. I say thank you to John and his team for all their effort and hard work. Special attention should also be given to the Fremantle, East Fremantle, Royal Perth, South Perth, Hillary's, Mounts Bay, and Royal Freshwater yacht and sailing clubs, which are providing the 160 official boats required to run the event. In March this year Royal Perth Yacht Club staged a successful trial regatta in Fremantle's inner harbour attracting a large crowd of spectators and onlookers.

The Australian government also funded the Emerging Nations Program, a series of intensive training programs leading up to Perth 2011 designed to improve the skills of young sailors from emerging nations such as Moldova, India, Serbia, Mexico and the Philippines. Over the last 12 months the City of Fremantle has been working closely with the state and federal government to prepare for the tens of thousands of visitors who will pass through Fremantle for the two weeks of the event. The 'Worlds Village' is the centrepiece of Perth 2011, located in Fremantle's famous fishing boat harbour. The village will host competitor activities, cultural events, live music and a big screen displaying live coverage of all races. Many constituents have said they feel the same buzz in the air as when the Australian Kookaburra III defended the America's Cup against the American Stars & Stripes 87 in 1987.

Perth 2011 represents a wonderful opportunity for sailing in Australia and to showcase the magnificent multicultural port city of Fremantle to the world. I congratulate the Perth 2011 team, the City of Fremantle, the state and federal governments and everyone involved in bringing this world-class event to fruition.

**Solomon Electorate: Dementia**

Mrs GRIGGS (Solomon) (09:58): Dementia is the third-largest killer of Australians today. It is anticipated that by the year 2015 there will be one million Australians suffering from this disease. This figure does not include the family and friends who also suffer as a result of this cruel and incurable disease. In the Northern Territory, Alzheimer’s disease and dementia play a devastating role, especially in the Indigenous communities.
Indigenous people are between and four and five times more likely to have Alzheimer’s disease than non-Indigenous people. The prevalence of this disease combined with the poor state of health care is having a devastating impact on communities and rural areas across Australia, particularly in my electorate.

People with Alzheimer’s disease often require a high level of constant care and, unfortunately, this burden is often left to family members. Eighty per cent of care for Alzheimer’s and dementia sufferers is provided by family members. In Australia, there are over one million Australians who care for a person with dementia. Many of these carers receive no funded services.

Access Economics predicted that dementia will create the biggest single strain on the hospital and residential aged care budget in years to come. By the 2060s, spending on dementia is set to outstrip any other health condition. It is projected to be $83 billion and will represent 11 per cent of the entire hospital and residential aged care sector spending. According to Aged Care Alliance, aged-care reform that does not have a strong focus on dementia will not be successful. Dementia can no longer be considered an issue affecting only a small population of older adults in aged care; rather, it must be at the core of both residential and community aged-care service provision.

It has recently been reported to me that in my electorate Alzheimer's patients at the Royal Darwin Hospital stay in a constant-care ward, Ward 7C. This ward is filled with beds separated by blinds and curtains and is closed off from the rest of the hospital. It is really not an appropriate place or suitable for people with Alzheimer's, who often also have other mental health issues. If a patient wants to leave the ward they must be escorted by a family member, friend or staff member, which also puts additional stress on the staff. I understand that some of these patients have actually stayed in the ward for over a year. This in itself places a huge burden on an already stretched health service, not to mention the pressure on the staff and the families.

This disease is no longer a problem just for older Australians. Early-onset Alzheimer’s and dementia are becoming more common. We do not have the facilities or understanding in the community to properly deal with this emerging issue. There needs to be appropriate funding and this government, in my view, is not taking the issue seriously enough. I have been asked to be a champion of Alzheimer’s, and that is what I am doing. I will raise awareness and bring it to the attention of this House. (Time expired)

Cancer Council: Redcliffe Relay for Life

Mrs D’ATH (Petrie) (10:01): I rise to speak on a wonderful Cancer Council initiative: the Relay for Life. For the fourth year running I have entered a team in the Redcliffe Relay for Life, on 5 and 6 November. My team is called the Petrie Possums. We go out for the full 18 hours and walk around the field to raise money and support the Cancer Council in the important work that it does.

This year the Redcliffe Relay for Life raised $20,452. I am pleased to say that the Petrie Possums were again the largest fundraisers. This year we raised $7,660. I want to acknowledge all of the people who supported the fundraising for the event: the Australian Workers Union; Dean Wells, the state member for Murrumba; Rod Chiapello, owner of Bracken Ridge McDonalds; a couple of my local federal colleagues who supported me;
Workplace Solutions; the Redcliffe Environmental Forum; the Redcliffe Leagues Club; Helen Marie Butler, who works for Suncorp at Kippa Ring and who has come onto my team for the last three years and individually raised $850 for the event; Lions Kippa Ring; Rotary Sunrise Redcliffe; and Shane Newcombe. I thank these people, who are my largest sponsors, but also every person who stepped up and supported this event.

This is an extremely important event—one of the largest fundraising events for the Cancer Council around the country. These events happen all over states all throughout the year. They are fantastic events. It is tiring. I went 36 hours without sleep. Every muscle in my body ached for days. My feet were extremely sore. But every minute was worth it, because I know personally two people who have lost their lives to cancer in the last 12 months and many others who have been getting treatment this year but have so far been winning the fight. I myself had to take a month off last December to recover from laser surgery to remove a skin cancer on my nose. I know that if you are not vigilant these things can become a lot more serious. We need to make sure we are getting check-ups, and we need to make sure that we act quickly, because the survival rates are now a lot better—but there are too many people being diagnosed with cancer. That is why events like this are so important.

I thank Neville Cullen from the Redcliffe RSL, the chair of the Redcliffe Relay for Life committee; Regyn Fitzpatrick, the entertainment coordinator; and Kate White, the Cancer Council coordinator for this event. It was a great event. We are already planning for next year. It is so important that we raise money for research but also support people going through treatment.

The DEPUTY SPEAKER: I thank the honourable member. In accordance with standing order 193 the time for members' constituency statements has concluded.

BILLS

Business Names Registration (Application of Consequential Amendments) Bill 2011

Second Reading

Mr BRADBURY (Lindsay—Parliamentary Secretary to the Treasurer) (10:04): I present the explanatory memorandum to this bill and I move:

That this bill be now read a second time.

The Business Names Registration (Application of Consequential Amendments) Bill 2011 supports a package of related bills already passed by the Parliament. The package comprises the Business Names Registration Bill 2011, the Business Names Registration (Transitional and Consequential Provisions) Bill 2011 and the Business Names Registration (Fees) Bill 2011. This package of legislation which was passed by the Parliament on 13 October 2011, along with subordinate legislation, will create a National Business Names Registration System.

The Business Names Registration (Application of Consequential Amendments) Bill 2011 will clarify the application of the consequential amendments to other Commonwealth Acts that were included in the Business Names Registration (Transitional and Consequential Provisions) Bill 2011. The Business Names Registration (Transitional and Consequential Provisions) Bill 2011 has been drafted such that currently both the transitional and most of the
consequential amendments commence on the same day, prior to the commencement of the National Business Names Registration System. However the policy intention is for most of the consequential amendments to commence on the day that the national system commences. This bill clarifies that the consequential amendments to most other Commonwealth Acts will not apply until the national Business Names Registration System commences.

Currently businesses need to register their names in each state and territory in which they trade. The proposed national registration system to be administered by the Australian Securities and Investments Commission will mean businesses will pay one fee to register nationally, using an online application process. An entity carrying on a business in Australia using a name other than its own will be required to register with ASIC. This will enable the identification of the entity behind the business name. The Commonwealth has no power to regulate all business names registrations in Australia therefore the establishment of a national Business Names Registration System and the legislation which underpins it relies on a referral of constitutional powers from the states to the Commonwealth. The states therefore must enact referral legislation to give effect to the national registration system. The Commonwealth legislation is drafted in such a way that the national system cannot commence if any state does not refer or adopt the legislation. Two states, Tasmania and New South Wales, have already enacted their referral legislation. Queensland has also passed its referral legislation. The new national registration system will commence after all states refer business names powers to the Commonwealth or adopt the Commonwealth legislation. It is envisaged that states will have completed this process by March 2012 and the national registration system will commence by the end of May 2012. It is important that the Business Names Registration (Application of Consequential Amendments) Bill is enacted before the end of March 2012 to ensure a smooth transition to the new system can be achieved. Full details are contained in the explanatory memoranda.

Mr BILLSON (Dunkley) (10:08): Thank you to my colleague the Parliamentary Secretary for an absolutely compelling case as to why the parliament should support this bill. There is nothing worse than consequential provisions that kick in before the consequence to which they relate has actually been achieved. The bill has identified a changeover date when a number of Commonwealth laws dealing with the tax system, the ANL Act, the Bank Integration Act, the Corporations Aboriginal and Torres Strait Islander Act, Financial Transaction Reports Corporations Act, the Defence Service Home Act, Olympic Insignia Protection Act, Wine Australia Corporation Act and the Qantas Sale Act. There is no point in having all of those provisions activated prior to the national registration system actually commencing. We were alerted to this issue and had some good discussions with the responsible minister to not impede the passage of the legislation through both houses of parliament with the understanding that this amending provision would be coming through. The coalition is very supportive of this bill. It tidies up a technicality that needs to be tidied up so there is synchronicity with the changeover—that the changeover date sees the national business name system activated and then all of these other changes are brought into effect to coincide with that date. This whole idea about national business names registration is something the coalition supports. When we were talking about the substantive bill I pointed to the work that was instigated back in 2006-07 by the then coalition government and it is good to see that things are being moved along by the current government.
I will briefly touch on a couple of other points I raised in my contribution. I would put this under the watching brief that the coalition has on the implementation of the national business names system. There were a couple of issues that we know—

Mr Husic interjecting—

Mr BILLSON: Thank you, Government Whip?

Mr Husic: Yes.

Mr BILLSON: I want to get the title right; I do not want to be discourteous. Thank you, Government Whip, for that encouragement. There are a couple of things that I think all stakeholders in this process were interested in, including the merging of state based business names registration into a national system. I am sure the parliamentary secretary would be aware of the potential for overlap there and the bill provides for geographical identifiers to be attached to names after that transition so that no one is disadvantaged. There is also some work to be done on a determination about certain names that would not be permissible and how potential conflicts or near-identical names would be handled. That work is ongoing but it certainly is an area that all stakeholders are interested in and will keep a watching brief on.

The other things I touched on briefly were the interplay between this system, domain names and trademarks, and how having some synchronisation with those various intellectual property and commercial identifier systems with the business names was a smart move. We hope that goes well. I know a number of us would like the domain name system to go back the other way and check with business names, to reduce the risk of ambush marketing but we have not quite got to that point yet because there are a whole lot of interjurisdictional issues there that I am sure the parliament will need to turn its mind to down the track, when it becomes more of a commercial concern.

I also touched on the issue of the ABN. You would be aware from your extensive parliamentary career, Deputy Speaker Slipper, that the ABN is not required by all persons involved in carrying out commerce in Australia. Certain thresholds for turnover and the nature of the business were factors that decided whether or not you needed an ABN. That was thought to be appropriate at the time but under the business names national framework an ABN is essential, otherwise you cannot get a business name. So whereas once microbusinesses might not have needed an ABN now they will need to, as not having an ABN will inhibit someone getting a registered business name and, under this law, to trade without a registered name is a strict liability offence. So now, all of a sudden, the ABN becomes a fundamental issue.

I am alerted to ongoing concerns about the government's hostile disposition towards independent contractors. We have seen a number of examples where the government is making it quite difficult for independent contractors to carry out their legitimate contribution to our economy. In fact, there was another episode earlier this morning with the abolition of the entrepreneur tax offset. One of the spurious rationales given for that was that it would help delineate between independent contractors and traditional employees. They question implied is: why should an independent contractor, a self-employed person, get that very modest tax incentive whereas an employee may not? The answer is: the employee can go to the employer and talk about how things are going and not be completely consumed by the success, fate or otherwise of the enterprise within which they carry out their work. For an independent
contractor, a self-employed person, that is their worry, directly. They are the ones who sit up at night wondering when the revenue is going to come in.

There was a modest incentive of a 25 per cent tax offset for small businesses—whatever their structure—for income levels up to $50,000 and then that 25 per cent tapered down to nothing at $75,000. Again, the rationale, as spurious as it is, was that this somehow clouded the issue. This is part of a coordinated and calculated campaign to make independent contractors feel as if they are some blight on our economy, that self-employment is somehow an illegitimate way of pursuing a livelihood. I stand steadfastly opposed to that assertion that keeps rearing its head through the Gillard Labor government. A hope at some point the Labor Party takes account of the Prime Minister's Chifley address where she talked about the ambitions of working men and women and how being your own boss and starting your own business was a legitimate ambition for working men and women—a motive, an inspiration I can well relate to and my community can well relate to. It would be nice to see some policy consequence to those fine words, because to this point we have not seen that.

In closing, I did touch on the interplay between some intellectual property issues—the trademark registration process and business names—and I alluded to a local business person caught in a David and Goliath sort of arm wrestle with a global company who has decided that the business name they have been operating under for some years—Global Gas, which deals with issues of measurement and verification of energy and gas, is somehow infringing against Global GAP. The irony is that 'GAP' as near as it is—yes, it is three letters and two of them happen to be 'G' and 'A', and there is a difference at the end—but the 'GAP' is actually an acronym for an agricultural certification known as 'good agricultural practice'.

This operation is born out of Europe. It was previously known as Europe GAP. It started in 1997 and was designed to give retailers confidence that food that was being purchased was being farmed and processed in a way that minimised detrimental environmental impact. Good stuff—no problem with that. But to then say that Global GAP, being a private sector body that sets voluntary standards for the certification of production processes of agriculture, including aquaculture, for products around the world to help consumers and retailers somehow is being infringed upon by a Mornington Peninsula-based company dealing with the measurement of gas is, I find, quite offensive.

What has been brought to this task and what is yet another example of the David and Goliath battle that so many small businesses face is that they have been slapped with a good, weighty volume as to why they are offending the intellectual property rights of an agricultural certification outfit in Europe which has no crossover in terms of markets, no risk of confusion. In fact, 'Gas' is a proper noun and GAP in this context is an acronym. It is really quite spurious. A multinational is slapping down a small business and using their commercial weight and the legal tools to the disadvantage of that small business that has a legitimate right to access the name that they have been trading under for many years.

Here is an example of where intellectual property intersects with business names, and I touched earlier on the domain name area. I am pleased that this national business registration process has an eye to those issues—although, if you feel you are being infringed upon, it is still up to you to fight the good fight and find all the lawyers and the cash. And you are still potentially vulnerable to this kind of quite predatory behaviour of frightening a small business out of a legitimate name that they have every right to use for some spurious argument that
was presented in a nice, meaty folder by a very, very reputable law firm. But the money you spend does not equate with the strength of your argument. I hope Mr Sokol gets a fair go, as IP Australia considers this issue. I urge them to consider this application on its merits. The two business names at question present some superficial similarities, but that does not amount to a risk of confusion, commercial detriment or an infringement on intellectual property, as the enterprises, industries, markets, customers and services provided are distinctly different. Gee, I hope Global Gas gets a fair go. The coalition supports these amendments and hopes the national business name registration system rolls out quite well.

Mr Husic (Chifley—Government Whip) (10:19): If will start with a startling claim: I often enjoy listening to the speeches from the member for Dunkley. I would enjoy them more if they had some connection to reality. We did have a number of spurious claims that were being made in that contribution, which started well and then just diverted into a direct lift out of 'Conspiracy News dotcom', making all sorts of suggestions about whether or not we had taken a position that was opposed to the role of independent contractors in the small-business sector. For a lot of these small businesses it has been liberating to be able to have the opportunity to set their own businesses up and control the way they operate in our modern economy. We have been strong supporters of providing the means and the wherewithal for independent contractors to exist. These contractors had a hard enough time—given that those opposite, when in government, refused to provide the proper and adequate support to the Trade Practices Act in dealing with a range of different issues, from creeping acquisitions through to predatory pricing. Predatory pricing in particular is of deep concern to small business but was not acted upon by the other side.

They talk about support for small business but they introduced the GST. This is something that even today causes small businesses to scratch their heads in frustration—MYOB, putting in the BAS statements and the red tape that comes with it. That was brought upon them by that side of politics, which claims it has the interests of small business at heart. They talk about IP issues, for example. I actually agree with the member for Dunkley. I think IP issues are a big way multinationals try to stifle the creativity of small Australian firms. It is a serious issue, but it is not something that has cropped up overnight.

In fact, I recall that a small business in New South Wales, my home state, was being pursued by a US firm over, of all things, a claim to patent the name 'Ugg Boot', which we are all familiar with; we know it is an Australian icon, and it has taken off, particularly in the US. This firm had attempted to muscle out a New South Wales business by using the patent system or the trading system to force them out of using the name. This occurred during the period of the Howard government in which representations had been made to IP Australia to move quickly on this and deal with it. They had the power to fix this, but they did not. Again, they failed to stand up for small business, which they claim is their bread-and-butter constituency. They failed to stand up for them on trade practices, they failed to stand up for them on red tape and they failed to stand up for them on trademarks and patents.

This week we have seen, as a result of late consideration by the parliament—into about three o'clock this morning—11 bills passed to give effect to the minerals resource rent tax. This will provide 2.7 million businesses with a huge shot in the arm—a $6,500 instant tax write-off. A few weeks ago I conducted 10 mobile offices in my electorate of Chifley. I went out and took the opportunity to speak to small businesses, to ask them how they were going
and what they were facing. And they were interested to know what was being done for them. It is with huge pride that I can say that, as a result of a significant reform in the form of the minerals resource rent tax, the wealth under the ground that is owned by Australians is going to be shared above ground. These arrangements not only will mean a great deal to the other side of the country but will also benefit businesses across the eastern seaboard and across all parts of this country. It is a big deal.

For example, a cafe owner told me that when his refrigerated sandwich bar broke down he was faced with a choice: either find $5,000 out of his own funds or try to claim it from insurance. The prospect of increased premiums was something he did not cherish, and he had to pay out of his own funds to deal with that repair. These are the types of things small businesses will be able to get assistance with from 1 July next year as a result of the deliberations of the parliament last night and the moves made by this government to ensure that the benefits of the mining boom spread.

The DEPUTY SPEAKER: Perhaps I could draw to the attention of the Government Whip that we are not debating the bills that were voted on earlier this morning. We are in fact debating the Business Names Registration (Application of Consequential Amendments) Bill 2011.

Mr HUSIC: We were not, actually.

The DEPUTY SPEAKER: Consequential amendments.

Mr HUSIC: At any rate, I certainly accept what has been said. I am proud of the things we have done for small business, and this reform, Mr Deputy Speaker, is another element of that reform process. We have a multiplicity of registration systems within this country and we are trying to ensure that there is a uniform system in place. I am particularly pleased about the involvement of ASIC and having registration and oversight through ASIC. That is an important measure that gives a great degree of confidence to small business.

I referred earlier to independent contractors and small businesses that set up, particularly in this day and age where there is a lot more freedom for people to do that. Importantly, as a result of what we are doing in another reform, the National Broadband Network, people will be able to trade in other parts of the country and the world more easily, but they will not want to wade through the red tape of business registration. We have made that uniform.

I certainly commend the states that have worked with the federal government. As the parliamentary secretary indicated earlier, there needs to be a referral process. These powers do not exist themselves in the hands of the federal government so it did require cooperative federalism to ensure that, as the parliamentary secretary said in his second reading speech, by May next year this system will take effect.

The amendments before the House will ensure that, as a result of the broader legislation which gives effect to these reforms and which was passed in October this year, when the system does kick in things will be harmonised and start at the same time. It is a common-sense proposition that, if you trade in this country, particularly with the ability to trade across borders and being able to reach out and collaborate with people in different parts of the country, you should not have to wade through paperwork in order to set up your business elsewhere. I am sure that small businesses will welcome the fact that they will be able to set
up small business concerns and know that in one part of the country the process will be the same as exists in the other parts.

Tasmania and New South Wales have already signed up and other states will be ready to sign up by March. By May this system will kick in and will provide tangible benefits to small business. It is a demonstration of how cooperative federalism can deliver in a significant way for the economy. I commend this very sensible set of amendments and the overall reform. If you will excuse my enthusiasm, Mr Deputy Speaker, I think a lot of good things are being done for small business in this country by this government. This is another step along that path and I certainly commend the legislation to the House.

Ms BRODTMANN (Canberra) (10:28): It is a great pleasure to speak again on this bill, with the amendments included. As a former small business owner of 10 years I know the benefits and joys of being in business, but I also know that it can be onerous at times, particularly with red tape and regulation. Prior to this bill being introduced, each state and territory had a different requirement for businesses to register. In this era of federalism, under a national system in Australia, it is completely ludicrous that any business, particularly small and micro businesses, should have to incur the cost of registering their business name in each state and territory, particularly given that the costs vary in each state and territory. The cost in Canberra was, I think, $130 to get my business registered for five years or something, and in Victoria it was $70 for three years. It is not just the difference in the cost between the states and territories; it is also the difference in the time span in terms of how long you have the business registration name. The difficulty with that too is that you have to be constantly aware of when these things expire as well as try to find this extra money—another imposition on business. As my colleague has mentioned, this government has done a great deal for small business and this is another way of harmonising and reducing the burden of red tape for small business. I do commend the government for introducing a range of measures to harmonise the management of businesses in Australia, and this is one of them.

The purpose of this bill is to clarify that the consequential amendments to other Commonwealth acts made under the Business Names Registration Bill will not apply until the National Business Names Registration System commences. The legislation was drafted so that most of the consequential amendments will commence on the same day prior to the commencement of the National Business Names Registration System. The policy intention is for most of the consequential amendments to commence on the day that the national system commences, with the transitional provisions commencing earlier. The consequential amendments are to a number of other Commonwealth acts that commence around two months before the commencement of the National Business Names Registration System. Given that these amendments give effect to activities under the national system, it would be impractical for them to commence before the system actually begins.

The application bill has been drafted as a separate bill dealing with the application of provisions rather than attempting to amend the commencement table in the transitional bill. The new application provisions are set out in a separate piece of legislation rather than in the transitional bill itself. They do not directly amend the text of the transitional bill but just clarify when and how certain provisions in that bill will apply.

We as a government are very keen to ensure that businesses—small businesses, micro businesses—can succeed. We have introduced a range of measures that will reduce company
tax and provide small businesses with instant asset write-offs and improve the amount that they can actually write off over a tax year. This is just another measure that will reduce regulation and red tape for businesses. It will make it easier for Australians to succeed in business, to manage their business, to administer their business and, hopefully, to increase their productivity and the success of their business. I commend this bill. It is in the tradition of Labor reform in the small business sector and the micro business sector. As I said, having had my own small business, it can become pretty tiresome filling out endless forms, and having to do it in each state and territory in order to run a business across the nation—to trade in different parts of the nation—is completely ludicrous. I welcome this bill and the amendments to it.

Mr BRADBURY (Lindsay—Parliamentary Secretary to the Treasurer) (10:33): I would like to take this opportunity to thank all of those members who have contributed to the debate, particularly those who are still in the chamber—the member for Chifley and also the member for Canberra. I note that the House always welcomes the opportunity to hear from the member for Canberra because she is someone who not only has a strong commitment to small business but also brings to this debate the insights that one would expect from someone who has run and owned her own small business. This comes through in the quality of the insights that she is always able to provide.

This bill supports a package of three bills, already passed by the parliament, which establish a National Business Names Registration System. The bill makes some small technical changes concerning the application of consequential amendments to 10 Commonwealth acts. However, it is part of a much larger initiative being implemented under the Council of Australian Governments seamless national economy reform agenda.

Fragmented and inconsistent regulation across Australia makes it harder to do business and adds to the compliance burden for business. The existing approach to registering business names reflects this. A National Business Names Registration System will make a practical difference for businesses right around Australia.

Businesses using a trading name and operating across state and territory boundaries will no longer have to register a business name in every state and territory they operate in. Businesses operating in only one state or territory will also benefit, with a three-year registration fee of around $70, compared to fees of $160 for a new registration in New South Wales and $255.60 in Queensland. All businesses using a trading name will also benefit from the streamlined online business name application process, which will make applying for a business name a faster and easier process.

Combined with related initiatives such as the Australian Business Licence Information Service and the Australian business account, the National Business Names Registration System is estimated to provide benefits of $1.5 billion over eight years to business, government and consumers. The Australian Business Licence Information Service, a new whole-of-government online service, will deliver information about licences, registrations, permits and assistance to business from all levels of government. Such customised information about regulatory requirements will simplify the process of starting a business and save existing businesses valuable time. The Australian business account will be an online account for managing ongoing business interactions with all levels of government. The account will help businesses take control of their regulatory activities online 24 hours a day,
seven days a week, and save time through prefiling and submitting forms online where available. Businesses will be able to access key registrations, monitor their compliance requirements and subscribe to regulatory change notifications, business development opportunities and other important information.

The states must enact referral legislation to give effect to the national business names registration system, and so far referral legislation has been passed by the parliaments of Tasmania, New South Wales and Queensland. Legislation is also currently before the Victorian parliament, with South Australia and Western Australia set to introduce legislation shortly.

All jurisdictions have worked hard to deliver a national business names registration system, and the Australian government would like to take this opportunity to thank state and territory governments and their officials for their commitment to this important reform. Depending on the passage of referral legislation through remaining state parliaments, the national system will start at the end of May 2012. Once it is operational, I know businesses across Australia will appreciate the time and money saved by this important reform.

I thank members of the contributions they have made to this debate on the Business Names Registration (Application of Consequential Amendments) Bill 2011 and I commend the bill to the House.

Question agreed to.

Bill read a second time.

Ordered that this bill be reported to the House without amendment.

BUSINESS

Rearrangement

Mr HUSIC: I move:
That government business order of the day No. 1 be postponed to a later hour this day.

Question agreed to.

COMMITTEES

Australian Commission for Law Enforcement Integrity Committee
Report

Debate resumed on the motion:
That the House take note of the report.

Mr SIMPKINS (Cowan) (10:39): I welcome the opportunity today to speak on the Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity report, Inquiry into integrity testing. I note that other members of the committee are also present, so I will not take too much time today. With my background—a couple of years in the Federal Police and, after that, in the military police—matters to do with law enforcement have always been of great interest to me. When I look back on my time in the Federal Police in particular I can say that I certainly never saw any form of corruption. There was a time when I was working briefly in the AFP drug squad in Sydney when there were comments made about making sure that desks were cleared when particular officers of the New South Police were coming into the building for a meeting, so I suspect that there were issues with
corruption in New South Wales, particularly at that point in time—this was in 1986 and 1987. But in my time in the Australian Federal Police I never saw any problems. Even to this day, when you look at the law enforcement organisations within the Commonwealth—and I refer to the AFP, the Australian Crime Commission and Customs—there is reason for all of us to have great confidence in the professionalism and standards in all cases in those organisations.

That is not to say that we should not be prepared. That is where we are at with regards to the matter of integrity testing. I will take one definition of ‘integrity testing’ from the report, the one from the Attorney-General's Department:

... integrity testing refers to the act of covertly placing an officer in a simulated situation designed to test whether they will respond in a manner that is illegal, unethical or otherwise in contravention of the required standard of integrity. The test must provide the subject with an equal opportunity to pass or fail the test. Depending on its severity, the consequences of failing integrity tests can include disciplinary action, termination of employment or criminal charges.

Integrity testing has a fairly brief history, first occurring, according to information received, in the 1970s in the New York Police Department.

In the submissions and evidence, there was a bit of a tendency for the focus to be on some very low-level aspects of integrity testing. The classic scenario—and I will apply this to the ACT, although obviously, as I said before, I have complete confidence in the AFP and the ACT branch of the AFP—is that of a lost wallet being handed in to a particular officer and checking to see whether that officer follows correct procedures. That was a classic integrity test—the baseline integrity test. But it was my view, and the committee truly embraced this as we moved through, that in the Commonwealth environment there is access to information that can be of great value through these law enforcement agencies—the AFP, the Crime Commission and Customs. This might be information about criminal matters or a range of other things. Criminal organisations such as bikie gangs would see great value in trying to subvert an officer of the crown within one of these agencies to try and acquire information from them. It is particularly in the area of information security that integrity testing is going to be required in the future. Any person who has the opportunity to access information should have their integrity tested.

When I was in the Australian Federal Police working in Western Australia a number of officers of the WA police came to grief, you might say, professionally because they would use the police computer system to access the licence information of ordinary members of the public. This was very low-level stuff. As I heard it and as it was reported at the time, it sometimes involved looking up the address of an attractive driver who had been pulled over. Nevertheless, there were very poor standards there. That is the thin end of the wedge in terms of information control and integrity and the need for measures to be in place to assess the risks and to assess individuals. I am sure that others will speak this morning as well on the difference between targeted and random integrity testing. As a committee, we were very fond of the notion of targeted integrity testing, which is when there is reason to look at a person's behaviour and to place in front of them opportunities to make a positive or a negative decision. Targeted integrity testing is certainly what the committee is most keen on. Recommendation 3, in fact, is that integrity testing needs to be available to those agencies that come under ACLEI's responsibility—the AFP, the Crime Commission and Customs. Those organisations need to have access to integrity testing.
I have spoken a little bit about the report. I would like to finish by reiterating that I have great confidence in the professional standards of the AFP, the Crime Commission and Customs and in the ability of ACLEI to control and to be appropriately involved in integrity testing on behalf of and together with those agencies. I do not think that we have a significant problem in this country. But the reality is that, where there is information about crimes, drugs, the government and defence contracts there will always be the opportunity for someone to make money by acquiring it. People will always try to reach out to officers of the Commonwealth to try to subvert them and get them to acquire information for them. That is why we need to have these integrity testing measures in place to make sure that action can be taken when there is suspicion. I endorse the report. The members of the committee have gotten it right with this most excellent report.

Mr HAYES (Fowler) (10:47): Most members of this place are aware that before coming here I spent many years representing police officers within various Australian police jurisdictions. One of the things that I know is that police and law enforcement officers take the issues of integrity and honesty very seriously. I acknowledge that the member for Cowan was a police officer with both the Australian Federal Police and the military police. As he said, there have been issues in various police jurisdictions. Some of those issues were particularly brought to light by a New South Wales inquiry of 1987 that I remember very well, the Wood royal commission. That went out and used various measures in pursuing its investigations into corruption within the New South Wales Police Force.

History is often rewritten a little. In terms of that measure of corruption, it was largely contained in that particular instance to essentially one command that was operating at that stage in and about Kings Cross. That gave rise to various things, including the current popularity of the term 'underbelly'. Having worked for a long time with police officers and having grown up in a police family, I know the mindset of the police. I have interviewed police on many occasions, including police giving evidence in witness boxes. I have many times put the question directly to them as to why they chose to join the police force, knowing the rigours of the occupation and knowing all the restrictions that it puts on not only your professional but your private life. Invariably what comes back to me is that they chose to join the police to make a difference. It was the case then and in the very modern world now, when there is clearly a far more professional base to policing, it is the case too.

The other thing I would like to talk about is that the issue of serious and organised crime was put on the agenda by the then Prime Minister, Kevin Rudd, in 2008 in his National Security Statement. He elevated organised crime to be up there with terrorism. Organised crime, it was said at that stage, was costing this country between $10 billion and $15 billion a year and certainly was impacting very much on communities. Maybe some did not appreciate it because the effects do not necessarily directly impact on various members of the community, but nevertheless the community is footing the bill for those things.

Sitting suspended from 10:51 to 10:56

Mr HAYES: As I was saying, the issue of serious and organised crime was put on the national agenda by the Prime Minister's National Security Statement in 2008. What followed from that? We took various measures—some people might refer to them as draconian measures—to fight terrorism, to ensure that the Australian people would be safe, as far as possible, from a terrorist act in this country impacting on our community. Organised crime
was seen for the first time as an issue of national security, and various pieces of legislation were also developed to give enhanced powers to law enforcement.

Some of these matters have been on hand for some time, but we gave bodies such as the National Crime Authority, which subsequently became the Australian Crime Commission, extraordinary powers—the powers of a standing royal commission. I referred a little earlier to the Wood royal commission, which was a very powerful commission into policing in New South Wales. There have been many inquiries into other police agencies or law enforcement agencies, but what we established in this instance was the ability to use coercive powers to attack serious and organised crime. For the first time, you could be called before this organisation—the NCA, now the ACC—and questioned. Now there is no right to silence; trying to exercise that would simply see you incarcerated until you decided to cooperate. Some would refer to these powers as draconian; many lawyers do. But they were made to give law enforcement the ability to actually fight serious and organised crime. And it is not just the Australian Crime Commission; it is the Australian Federal Police as well, and Customs.

What goes with these increases in power is the need for us to ensure that power is not being abused, and that, as far as possible, we can assure the Australian public that these agencies are free from corruption. To that end, we established the Australian Commission for Law Enforcement Integrity, which oversees the Australian Crime Commission and its activities, as well as, more recently, the Australian Federal Police and the activities of Australian Customs and border control. These are areas where we do need to ensure that the powers are not being abused. Where we have increased officers' powers we must ensure they are being used as intended—to protect our community.

I know the notion of integrity testing is challenging for some. But, having been around police circles for a long while, I know that whether it is specifically referred to or not it is certain that most police internal standards agencies—whether by design or by the way they construe their operations—would certainly be out there to weed out what they might refer to as 'bad apples' in their organisation. That has probably gone on for a long time. Many of these activities may have been considered illegal in themselves. For instance, setting an officer up by constructing a situation which could invoke an illegal activity such as taking of property might be construed by the courts as entrapment. Maybe in policing circles that might have been considered at one point in time as a fair effort to ensure the integrity of those officers who are operating within a particular command.

Various changes have been made, and certainly many of the state and territory jurisdictions have had integrity testing in operation now for some time, and that has been based on intelligence gathering. It has not been like the 'New York experience', as some have referred to it as, where these things occurred randomly—perhaps a wallet is dropped to see how an officer may react, et cetera. That is using a very crude example, I suppose. Most agencies have developed an ability to ensure, on the basis of intelligence, a mechanism to test officers' integrity by a specifically designed police operation. This is something that is relatively new for the Committee on the Australian Commission for Law Enforcement Integrity to consider. As a consequence, we took evidence from each of the various policing agencies around the county to establish what was occurring—maybe not necessarily specifically provided for in various legislation but what was actually occurring in contemporary policing to ensure the
integrity of police, and through that the community. The inquiry was initiated in July of last year. To that extent is was a relatively short inquiry, one which gave us the opportunity to take on board the evidence of the respective jurisdictions and those professional standards agencies within those jurisdictions with the responsibility of looking after professional standards within their commands.

The recommendations which have already been cited by the member for Fremantle when she delivered her report to parliament are not designed to be an impediment to policing; they are certainly designed to be a measure to ensure as far as possible that law enforcement, particularly under the Australian jurisdiction, that being the Australian Federal Police, the Australian Crime Commission and Customs agencies, are free from corrupt activity. We recommend in our report that this not be simply developed as a routine or ad hoc position to be adopted. It should be provided as a measure which is based on intelligence. Where police internal standards may suspect an officer then they will have the ability to construct a situation to test the integrity of an officer or group of officers. We have set guidelines for how that would occur. One of the things that we have required in respect of those integrity operations is that the Commissioner for Law Enforcement Integrity must be advised formally of the operation being considered and also the results of its deployment.

In this respect, we see the Commissioner for Law Enforcement Integrity being another check and balance, not only protecting the integrity of those organisations but ensuring that we operate integrity testing throughout those jurisdictions in a way that respects the intention of the provisions recommended to government. We also recommend that various pieces of legislation be amended to ensure that controlled operations can take place without jeopardising the legal status of officers, particularly those officers in the Professional Standards Command, who are undertaking these operations such that their activities do not constitute them committing an offence.

I would like to reiterate that this has all been developed with a view to ensuring the utmost integrity of our law enforcement agencies so we can assure the community that, as far as possible, the agencies will remain, as they are now, virtually corruption free. We will do everything that we can to support the work of police internal professional standards, which, by the way, also has a direct relationship, albeit at the moment not a formal relationship, with the Commissioner for Law Enforcement Integrity. Enhancing that can only be good for professional policing and can only be good for the community.

As I say, I have spent many years representing police in most Australian police jurisdictions. I know from my ongoing contact with them that they do not see this as an impediment to them and they certainly do not see this as a slight to the integrity of their members. They do see this as a further reinforcement that we are working to ensure the ongoing corruption-free nature of policing. After all, I do not see that we are going to be winding back police powers; if anything, it will be the opposite. In order to protect and enhance community safety, I am sure greater powers will be given to policing over time. Every time we do that, we must ensure the appropriate checks and balances are in place. (Time expired)

Mr ZAPPIA (Makin) (11:08): I take this brief opportunity to also speak on the Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity inquiry into integrity testing. Other speakers, I believe, have quite adequately covered the
inquiry and the recommendations that came from it, but I will make some brief comments about it. I begin by saying that the committee inquired into the possible introduction of a law enforcement integrity testing framework at the Commonwealth level. It did so noting that similar processes were already available to state jurisdictions here in Australia, as well as in some of the overseas jurisdictions such as New York, London and Hong Kong. I would also say from the very outset that the report should not in any way be interpreted as a negative reflection on the professionalism and integrity of our law enforcement officers throughout the country.

The inquiry commenced, as the member for Fowler just pointed out, in July this year, although I understand some previous comments were made about integrity testing in a report of the committee in early 2010, but at that time I do not think the matter was proceeded with. I want to point out the terms of reference for the inquiry. The committee resolved to consider:

(a) the various integrity testing models, including the advantages and disadvantages of random and targeted integrity testing, effectiveness as a corruption deterrent, and possible entrapment issues;

(b) the legislative and administrative framework required to underpin an integrity testing regime;

(c) the Commonwealth agencies to whom an integrity testing regime could apply;

(d) the potential role of the Australian Commission for Law Enforcement Integrity in integrity testing; and

(e) any other relevant matters.

All of those matters were adequately covered in the inquiry, even though it was a relatively short inquiry. It was interesting to hear the diverse views of the various agencies that made representations to the committee. It is certainly the case that there was no uniform view across all the agencies that made representations and who appeared as witnesses before the committee. I believe there was a majority view that integrity testing is something that should be considered at Commonwealth level, given that it already exists at state level.

The member for Fowler raised a couple of matters that I also want to discuss. He quite properly referred to the issue of entrapment, which is an issue that has been dealt with in the courts. Entrapment was a particular issue that caused concern to some of the people who made submissions to the committee. In the course of the integrity testing, if an activity is carried out that may be interpreted as entrapment, that would not only cause problems within the agency from where the particular officer came, but there is also the possibility that the process that was used to test the integrity of the person concerned could be challenged in court. As I said, that was a matter that was looked at by one of the courts at one point in time. I understand the concerns that have been raised with respect to this. However, it is one of the methods that is often used in integrity testing in other jurisdictions, and I believe that, if used in an appropriate way, it would perhaps enable the necessary authorities to carry out the testing that is required.

One of the other concerns that was raised about integrity testing across jurisdictions is cost. It is a relevant factor and should be taken into account. However, given the importance of the work that is being proposed, I believe that the issue of cost should not be used as a reason to not go ahead with integrity testing.

The last point I want to comment on is the one that I referred to in my opening remarks—that is, integrity testing is carried out in other jurisdictions even here in Australia but not at
Commonwealth government level. I believe that there is no reason to argue that, if it applies in one jurisdiction, it should not apply in another. In fact, we have some Commonwealth government agencies that do some very important work. Within those agencies, the community has every right to feel absolutely confident that the work is being carried out in the most professional way and that the integrity of those officers is not in any way in question. Applying the integrity-testing framework to those jurisdictions, I believe, will provide the Australian community with that level of confidence. The suggestion and recommendation of the committee is that integrity testing commence within those agencies that come under the jurisdiction of the Australian Commission for Law Enforcement Integrity—and that would be a good way to get the process up and running.

I want to commend the other members of the committee that were part of the process that we are now reporting on. Regrettably, I was not able to get to many of the committee meetings. I commend in particular the chair of the committee, the member for Fremantle, who spoke on this matter in the House on Monday. I thank the staff who assisted the committee in its work and all of those agencies who made submissions to the committee and who gave evidence before the committee. I believe that anyone who heard their presentations would have very much appreciated the insight they brought to this process and, in all cases, the professionalism with which they approached the question that was before the committee. I commend the report to the House.

Debate adjourned.

Infrastructure and Communications Committee

Report

Debate resumed on the motion:

That the House take note of the report.

Mrs PRENTICE (Ryan) (11:16): This inquiry into cabin crew ratios on Australian aircraft was about safety. It was not an inquiry into minimum standards; it was not an inquiry into employment in the sector; it was not an inquiry into commercial imperatives and cost pressures in the aviation industry; and it was not an inquiry into other safety aspects of airlines and terminal security. The committee's terms of reference were quite clear; they included the role of cabin crew in managing passenger safety and security. The committee's first recommendation calls on the Civil Aviation Safety Authority and the Office of Transport Safety to work together to determine an appropriate cabin crew ratio for Australian domestic flights. Australia has an enviable record of safety, and I found it quite ingenuous of some witnesses to claim that a ratio of one to 50 is world's best practice. It may be the world's accepted practice, or indeed the current world standard, but I cannot accept that having fewer flight attendants makes it safer. Indeed, I am quite concerned by claims by the airlines that they actually rely on passengers to assist in times of a crisis.

Whilst there is no doubt an expectation that some passengers can and may assist at the time of an incident, the make-up of passengers varies considerably from flight to flight. Since this inquiry began, I have from time to time questioned passengers sitting in the exit rows. According to some evidence we received, these passengers are seated in this location because they have been identified as passengers who will assist in times of an emergency. However, an older woman who was seated in this row on one of my flights advised me that she had
actually paid extra for her seat, which she had booked in advance, because she liked more room. When I asked her whether she thought she could open the emergency door and assist other passengers, she said she would probably need someone else's assistance to open the door, and that if there was an emergency she intended to be one of the first off the plane and had no desire to assist others. In fact it was submitted to the inquiry that there are different types of doors and without training 'most people' would have difficulty. Even last Sunday on my flight to Canberra, the flight attendants were most concerned to find that a handicapped person had been seated in the exit row.

Indeed, while airlines believe their planes are safer and require fewer flight attendants, from my own personal observations there can be no doubt that, if anything, passengers have become more difficult and demanding. I found it inappropriate that CASA granted exemptions to the one to 36 rule on the basis of manufacturer's certifications and claims by aircraft companies such as Boeing and Airbus that their modern aircraft were designed and certified to operate safely with a ratio of one to 50. Those who do not take into consideration the human element do so at their own peril. These days we see many more elderly passengers flying than previously and passengers who do not speak English. There are many more young children and unaccompanied children, and also passengers with a disability and those who need a wheelchair. As well, we often have only one adult with several young children. On a recent flight to Perth, just in the rows around where I was seated there was one family of two adults and three children occupying only four seats, and another family group of a mother with three young children occupying only three seats. If you listen to the airline representatives they would have you believe that other passengers can be relied on to assist in times of an emergency. Now, that flight was particularly full, with nearly 250 passengers. It was fortunate that we did have flight attendants in the ratio of one to 36, because, if that plane had experienced an emergency, we would have needed at least one flight attendant for each of the exits as well as calling on passengers to assist. I still cannot see how they would have evacuated everyone in a reasonable time.

While most passengers will act with the best of intentions, that is not to say that they are not much more likely to get it wrong than a trained flight attendant—even if it is for the right reason—and in fact endanger other passengers. Who can forget the incident at a major international airport where the passenger in the exit row, having carefully listened to the flight attendant's instructions, then decided to open the emergency door just to check it was working properly. This caused major disruption and more than six hours delay to the flight. CASA admitted that Boeing and Airbus had increasingly 'put some dependence on able bodied passengers being able to assist in the evacuation' in their claims that fewer flight attendants are needed.

We also need to consider the cabin crew ratios in terms of assistance from other crew members. Before 9-11 it was not uncommon for the captain to walk down the plane, and he or the flight engineer could be relied on to assist the cabin crew with difficult and/or unruly passengers. Now the cockpit door is locked and crews no longer include a flight engineer, who, as one witness said, was 'replaced by a computer'. So, already, in times of an emergency, there are less professional airline staff on board than in previous years. And, on top of that, in recent weeks we have heard that the sky marshal program is to be wound back.
I was very impressed with the evidence presented by the Flight Attendants Association of
Australia as well as Ms Beverley Maunsell's submission and, in particular, airline safety
adviser Mr Ken Lewis. I only regret that the TWU chose that particular session to raise other
issues about airport security which, although important, were not part of our terms of
reference. This reduced the time we had to hear Mr Lewis's expert evidence and discuss other
relevant aspects.

Flight attendants are trained for emergency situations. They are trained to assist passengers
and identify in advance those who may need assistance and those who may cause trouble. I
understand Qantas flight attendants have specific training sessions twice a year. No matter
how well intentioned a passenger may be, they cannot provide the same level of assistance in
an emergency. We all hope that we will never have to put the cabin crew ratios to the test in
real life, but an ounce of prevention is worth a pound of cure.

I wish to place on record my appreciation to the committee secretariat and in particular
Julia Morris and James Nelson and their team for their professional support and assistance. As
the report quotes from Beverley Maunsell's submission, 'You cannot separate occupational
safety, operational safety and security, because they are all so intertwined.' As
recommendation 7 states:

The 1:36 cabin crew ratio should be retained until such time that it can be demonstrated that a
change to any other ratio in Australia will not result in reduced levels of safety or security.

Mr SYMON (Deakin) (11:24): As a member of the House of Representatives Standing
Committee on Infrastructure and Communications, I am pleased that this report has now been
tabled and I definitely speak in support of its recommendations. I certainly agree with the
contribution from the member for Ryan. This was a particularly interesting inquiry, and I
found that the further we went into the inquiry the more I went searching for information,
because it actually came across as something that was happening right now, a real-life
situation. In particular, I will talk about recommendation Nos 6 and 7, which refer to the one
to 36 ratio of cabin crew that Australia currently has. I have no doubt that when it comes to
cabin crew ratios Australia leads the world.

I think it is also important to say that at the inquiry not one piece of evidence was presented
that proved that a ratio of one cabin crew to 50 passenger seats was safer than Australia's
current ratio of one cabin crew to 36 passengers. Although there were such claims in
submissions from various airlines and CASA, no one was able to provide this proof to the
committee.

We then heard lots of stories about world's best practice and various other things. At the
time I found a rather interesting article in the Courier Mail of 30 May by Robert MacDonald.
The article is titled 'Practice may make perfect, but calling it world's best is meaningless'. In
the article—and I will only quote a few sections—he said it is time to call an end to world's
best practice. He went on to say:

The airlines argue the present ratio of one crew member for every 36 passengers should be increased to
a ratio of 1:50 on the basis, in summary, of world's best practice.

He then said:

How can that be, at least if you are a passenger? How can reducing staff numbers possibly be an
improvement in the current state of affairs?
He then said:
The Australian and International Airline Pilots Association takes some exception to these arguments: "What this term means is not explained. There is no documentation to suggest that transition to the new ratio actually enhances aviation safety and therefore 'world's best practice' cannot be in relation to safety outcomes."

As noted in the report, proposals to change the one to 36 cabin crew ratio have been dealt with by the parliament and its committees previously. On each occasion the change to the one to 50 ratio was not accepted. Of great concern to me was CASA's granting of exemptions to the one to 36 cabin crew ratio, despite the previously expressed views of parliament over many years. These exemptions continue today. There are at least 12 exemptions currently operating to this ratio; for airlines such as Qantas, Jetstar, Virgin, Sunstate, Cobham, Air North, Alliance, Tiger, Strategic and Skywest. This practice of granting exemptions is widespread. The more I read and heard about this issue, the greater my concerns became that the proposed change in ratios, and the existing exemptions, may not be as safe as what should be there in the current one to 36 ratio.

The committee had three public hearings and we had some very knowledgeable witnesses at each of the three public hearings. As the member for Ryan said, one of our regrets was that we ran out of time. We could have spent a lot more time talking to some of these witnesses about their knowledge of the situation. They brought some great experience along to the committee. I would like to refer to some of those committee hearings. The first one was in Sydney on 19 May this year. We received a submission from Ms Beverley Maunsell and on reading it we saw that it was in a private capacity but when we delved a bit further we found she had been trained by Qantas as an air safety investigator. She believed at the time of her departure from Qantas that she was the only cabin safety specialist employed by an airline in the world. She went on to say that she presumed she was still probably the only one to hold that position.

To have someone like that present to the committee gave us a great opportunity to really flesh out some of the questions that had been asked of both CASA and the airlines. As the member for Ryan said, the changing mix of passengers on airlines to me presented a great concern. Many of us in this place use airlines very frequently and we do see a lot of what happens around us. Over the many years I have been flying I have seen an increase in the number of children, an increase in the number of passengers with disabilities and even an increase in the number of passengers who need wheelchairs to get on and off planes. This seems to be happening more and more. Around holiday time the number of children on planes is huge. That of course comes down in many cases to cheaper fares. These days it can be cheaper to fly the family interstate than in previous times, when people might have driven. I asked Ms Maunsell at the 19 May public hearing about her observations over the years of the change in the number or percentage of passengers with a disability and the number of unaccompanied children on planes. She replied:

Not personally. I know that there are a lot more people with disabilities travelling. There are a lot more people with disabilities in the general day-to-day meeting with people now. The flight attendants association would most probably be best to tell you this.

She then said, 'I certainly would not want to be on one of the flights up to Coolangatta in the school holidays!' which did reinforce my own particular view of that.
There was also another hearing on 25 May, in Canberra, and we had the Flight Attendants Association come along to that. We took evidence from Ms Jo-Ann Davidson of the association, who told us:

The current exemption for the Jetstar Airbus A321 aircraft within the Qantas group has removed the cabin crew member responsible for the forward right primary floor level exit. Given the exemption, there is only one cabin crew member responsible for the two forward emergency exit doors.

That then leads back into the problem that the member for Ryan described. How does someone who has not been trained and so does not understand how to operate a piece of equipment even in relaxed circumstances then go on to perform that action, and succeed in doing it first time, in an emergency? I cannot see from any background of training how that can be achieved. I asked later on in that hearing:

… how hard is it to open an aircraft door and what sort of training is required for someone who has no knowledge to be able to do that?

Ms Carol Locket replied:

Cabin crew are trained extensively to open aircraft doors. They are certified by CASA through emergency procedures, either every six months or every 12 months. Technique is quite important in that there are certain types of doors where it would not matter how hard you pushed them; if you have not put the handle to the correct position in the first place, they will not open.

I then asked:

Therefore, a passenger with absolutely no training, if called upon in any situation to be able to do that—what chance do you think they would have of being successful in that operation?

Ms Locket replied:

I would say that they would have a very reduced chance of opening that successfully.

I think that is a real concern for anyone who travels on an airline in Australia or with those sorts of rules anywhere in the world. We take safety, especially in Australian airlines, as a right, and we should. There is certainly a very good record in this country. And I do not see any case for undermining our safety record just on the basis of airline manufacturers' calculations on how their planes could be used. Australia does have the worldwide reputation of having a safe airline industry.

There are many, many other things that came up through the course of the inquiry. Our third hearing was in Canberra on 1 June. Many of the same people came back to the inquiry, because it was a follow-up public hearing. At that hearing I asked questions about the capacity of passengers to understand what was required of them in case of an emergency evacuation if they had to operate the door themselves. I asked this question of John McCormick, the Director of Aviation Safety at CASA. I asked particularly how it could be done, because I still did not get a proper understanding of how someone who had had a card waved in their face could then perform that action. It was not a straight answer, I must say. We just could not really get to the admission that a trained person would do the job better than an untrained person. But it was clear to me—and other committee members will speak for themselves—that in an emergency situation I would much rather be in the hands of a trained professional than a conscripted volunteer, who might have absolutely no idea of what they had been called upon to do. We also discussed airline evacuation tests, whether they had actually been done and what the results were. We came across some rather disturbing evidence there too, because these were not full evacuations; they were only partial and they
were pre-notified. People were put on and told what was going to happen. Furthermore, in relation to the passengers, Mr McCormick said at the 1 June hearing:
They are all able-bodied, I will say that, but there has to be a certain percentage above a certain age, there has to be some that are above 60 years of age, they have to have two dolls to represent infants—they are not counted under two years of age in the seat count.

Mr SYMON: Dolls are rather compliant, aren't they? Infants are not.

Mr McCormick: Quite correct.

That goes back to the contribution of the member for Ryan, who said that the mix of passengers on planes is not reflected in a theoretical piece of paper that was written up in the early seventies—or before that, in many cases, as the committee heard. The reality of what is there now needs to be reflected. Everyone knows that there are many, many people on planes who simply are not able—or in some cases not willing—to perform those functions. Again, those functions need to go back to a trained professional.

That was taken up by many members of the committee and asked several times of several people who came to present evidence to us. I left each and every one of those public hearings unsatisfied that a change to the ratio of cabin crew to passengers in Australia would be for the better for the Australian public. The committee has now considered and tabled the report, and nothing since those public hearings has caused me to change my mind on that. I am certain that when it comes to world's best practice, however it is described, Australia is at that level. It is actually up to the rest of the world to catch up to us. I thank the House.

Mr McCORMACK (Riverina) (11:37): The October 2011 report of the House of Representatives Standing Committee on Infrastructure and Communications on cabin crew ratios on Australian aircraft could not have been more aptly titled: Finding the right balance. The committee had been asked to consider a question of public policy, raising issues of public safety, security and cost. Within the committee's terms of reference, the report has certainly found the right balance. That question is whether the legal minimum requirement for the number of cabin crew in certain passenger aircraft should be a ratio of one to 50 or one to 36. Australia currently has the ratio of one crew member to 36 passengers. This requirement has remained unchanged since 1960. Whilst it is unclear exactly why this ratio was adopted, Qantas believes the one to 36 requirement was introduced to ensure that the Fokker F27 aircraft had two cabin crew members. The one to 36 requirement is unique to Australia and is the most rigid in the world.

In February 2010, the Civil Aviation Safety Authority, CASA, issued a notice of proposed rule-making on cabin crew ratios, which proposed an amendment to a civil aviation order to permit aircraft operators to assign cabin crew according to a ratio of one crew member to a maximum of 50 passenger seats for aircraft fitted with between 36 and 216 seats. For international flights operating via Asia or the Pacific, the one to 36 requirement applies for the entire journey, not just the segment operating out of Australia. For co-share flights, the cabin crew requirements are those of the major airline's home country.

It should be noted that Australia does accept that the one to 50 requirement meets appropriate safety standards. Planes manufactured in the United States of America must meet Federal Aviation Administration regulations to be certified. This requires that a full evacuation of the aircraft can be undertaken in 90 seconds using the one to 50 cabin crew ratio. This process acknowledges that a seat ratio of one to 50 offers acceptable safety
standards by approving the aircraft to operate in Australia. However, when operating in Australia the plane requires a passenger ratio of one to 36. In practice, this means that a cabin crew of five is required rather than four. By changing to the international standard ratio, costs will be lowered in what is only a small bit of good news for regional Australian airlines, which in July 2012 will be facing three major issues which will only cost them more. The impact of the carbon tax on the aviation industry is of serious concern. The aviation excuse for domestic fuel use will be increased as part of the Labor government's carbon tax regime. In the first year alone, 6c a litre will be added to the cost of aviation kerosene, and just over 5c a litre will be added to the cost of avgas—and it just goes up and up from there.

The aviation industry has already made significant gains in becoming more efficient and reducing fuel usage. That is to be expected, as it is in the industry's commercial interest to decrease costs while at the same time maintaining safety. That is what the Finding the right balance report is all about, and it is a key factor of it. For an industry that cannot readily reduce fuel use any further in the absence of new technologies and is already struggling to cope with higher costs and very minimal margins, the introduction of a carbon tax is a new and serious impediment that has the potential to wipe out some operators.

The carbon tax is not Labor's only attack on the regional airline sector. The en route navigation charges rebate scheme for regional airlines is a $6 million per year program. It will be axed from 1 July next year, the same date the carbon tax comes into effect. It is yet another cost that will make even more regional air service operations more marginal. It is frustrating to hear some policy makers say that a change in government policy will add only a few dollars to the cost of a ticket from one airport to another. The route viability calculations are more complicated than that. If it were as simple as adding a few dollars to a ticket, companies would have already done that to increase profits for their shareholders and expand their business.

The coalition is committed to working with the aviation industry to ensure that the policy settings are right to guarantee the ongoing viability of the industry. Further, changes to regional aviation security have the potential to have a major cost impact on smaller carriers as regional airports try to pass on the cost of essential capital upgrades. These changes have been brought forward and will also come into effect from 1 July 2012. I note that the government has provided funding of up to $650,000 for each airport that is required to introduce screening. However, I understand that preliminary figures indicate that this will be woefully inadequate to cover the upgrade costs in airports. In some cases, the capital cost of the required upgrade will be several million dollars—not to mention ongoing operating costs of about $1 million per year. Some small airports with regular public transport services will have to add hundreds of dollars to the cost of air tickets if they hope to achieve cost recovery.

This certainly is of great concern to me and the people in my electorate, as one of the finest airlines in regional Australia—Regional Express—is homed in Wagga Wagga. It is the main operator for flying for most of my region. Rex has its roots firmly in the bush and in country Australia. Its tagline boldly affirms, 'Our heart is in the country.' Rex believes that the bush needs and deserves a quality air service that provides good connectivity with capital cities at affordable prices—and certainly the company does that. However, this Labor-Greens alliance is constantly throwing out challenges that affect Rex's margins, which affects the way Rex does its business. But, like all regional people and organisations, Rex will not be discouraged.
Regional people are very resilient people, as I am sure the member for Gippsland would agree.

When it comes to aviation, nothing is more important than safety. Certainly this report indicates that safety is paramount. Australia has very high aviation standards. I have to say that the government recently funded a very good instrument landing system at Wagga Wagga Airport, and I commend that initiative. An instrument landing system is essentially a ground based approach system that provides precision guidance to an aircraft approaching and landing on a runway. It uses a combination of radio signals to enable a safe landing during meteorological conditions such as low cloud or reduced visibility due to fog or rain. The Wagga Wagga ILS is a key component in the success of aviation education and training within the region. However, the Wagga Wagga ILS also provides significant safety and operational benefits for the airport, coupled with significant economic benefits and job creation for the entire region. Perhaps even more importantly, however, the Wagga Wagga ILS provides an opportunity for the commercial pilots of the future to be trained at an airport, a regional airport, which boasts the latest technology of category 1 ILS equipment, without the need to fly further afield to gain access to an ILS.

Building on these strengths, aviation related education and training in Wagga Wagga has grown in response to industry needs. The emergence of a strategic partnership-based skills network between Wagga Wagga City Council, Regional Development Australia, federal government agencies, tertiary education institutions, industry skills councils and the private sector will continue promoting and growing Wagga Wagga's advantages in aviation education and training—which is known by some there as 'the Wagga Wagga initiative'.

The installation of the Wagga Wagga ILS was completed on 16 December 2010. Construction included the installation of a localiser antennae array, near-field monitor and equipment building at the 05 end of runway 05/23 and a glide path antennae, earth mat and equipment building at the 23 runway end. Power and communications cabling was installed from the air traffic control tower for both the localiser and glide path installations, which required several under bores including both runways, the parallel taxiway and a road. There was also a need to construct a permanent diversion of the airport perimeter road and installation of drainage culverts.

The opening was a grand occasion for Wagga Wagga. I welcomed the input of the Department of Regional Australia, Regional Development and Local Government into that whole process. The minister, Simon Crean, sent his representative, Gordon McCormick, there. He was certainly very much welcomed and the minister's input was noted by me on that occasion.

The Rex pilot academy is another wonderful institution that Wagga Wagga has, and is very lucky to have. It was officially completed in May 2010, although training had started in July 2009. Regional Express is Australia's largest independent regional airline, operating a fleet of more than 40 Saab 340 aircraft on some 1,300 weekly flights to 35 destinations throughout New South Wales, Victoria, South Australia, Queensland and Tasmania. Wagga Wagga was carefully selected as the site for the Australian Airline Pilot Academy as it possesses ideal training conditions not found anywhere else in Australia. The Wagga Wagga flying training area is one of the largest in Australia and encompasses an area of approximately 540 square nautical miles with an aerobatic area of approximately 90 square nautical miles. As I said,
Wagga Wagga is also one of the few regional airports in Australia equipped with an instrument landing system. The latest graduation from the Australian Airline Pilot Academy was conducted just last Friday, with eight graduates getting their wings. They will be very much welcomed into aviation circles and certainly they will go on to bigger and better things.

I commend this report to the House, especially the final recommendation, No. 7:

That the 1:36 ratio be retained until such a time that it can be demonstrated that a change to a 1:50 cabin crew ratio in Australia will not result in reduced levels of safety or security.

As I said before, safety is paramount in aviation, and may that long continue.

Mr HUSIC (Chifley—Government Whip) (11:48): I appreciate the opportunity in the parliament to be able to participate in a range of standing committees. They provide breadth in terms of the scope of policy that you get to look at, the types of issues that confront the general public and legislation that is being considered before the House. These are things that you would not necessarily look into, have experience in or need to investigate, but as a result of this experience you do build a greater understanding of issues in various industry sectors.

Being involved in the House of Representatives Standing Committee on Infrastructure and Communications, which prepared this report, was very illuminating on a number of levels. In particular, when you consider the serious public safety issues that are covered by this report, you get a greater appreciation of what is at stake and what needs to occur in the way of reform. We had the opportunity to be involved in this inquiry from March following a referral to us by the Minister for Infrastructure and Transport. It is worth noting that cabin crew ratios in this country have been a matter under regular consideration from time to time, sometimes prompted by unfortunate incidents that have required governments of both political parties to take action to clearly outline their policy position on this issue. The term 'cabin crew ratios' effectively refers to the minimum number of cabin crew members or flight attendants needed on an aircraft as a proportion of the number of passengers or passenger seats, depending on the context. This is important because many people would consider that it is the passenger seats or the passengers themselves who have bearing on what is required, from a safety perspective.

More than anything else, the issue of safety was the critical focus of the committee. This was not an issue of whether or not there would be passenger amenity or comfort, though these are important factors on flights. The necessity of the ratio in its most important element refers to the issue of being able to evacuate passengers quickly in the unfortunate event of an emergency requiring quick evacuation.

Currently, the ratio on single aisled aircraft with 36 to 216 seats is one crew member to 36 passengers. An aircraft with more than 216 seats, or with twin aisles, would require a minimum of one crew member for each floor-level exit. It is believed the origins of it are connected with the introduction of the Fokker F27 Friendship in the fifties. We discovered through the course of the inquiry that this has been a longstanding ratio. But what also became apparent of the ratio is that no-one could point to a legislative instrument or requirement—something that existed in a tangible form to say, 'This is what we followed when.' It has become part of the accepted operating procedures or has been worked towards over many years.
There have been attempts to water down the ratio. But there was a well-publicised security incident—and the report picks up on this—on a QantasLink flight from Melbourne to Launceston in 2003, as a result of which the then transport minister, the Hon. John Anderson MP, took quick steps to rule out any change. He was asked by then opposition leader Simon Crean, in light of the events, to confirm whether or not CASA was considering changing regulations to permit fewer flight attendants after being lobbied by the airlines to do so as a cost-saving measure. Mr Anderson was asked whether he would rule that out. He did, categorically—on the spot.

I mention it because this move, this public position, back in 2003, was a clear expression by both sides of the House. The then opposition, the current government, had spoken out on this matter and had expressed its view that these ratios should not change. The then government took a similar position, clearly signalling to the regulator, to the airlines, that the ratio, as it stood at that time—the one in 36 ratio, which is currently being discussed before the House—should stand. There was no equivocation.

What has occurred in the meantime is that, in effect, we have had airlines lobby the regulator to change the position through exemptions. I will discuss this later on. The argument for the change was that there was established what is referred to as 'world's best practice' that would have diluted the ratios. It became apparent that the Qantas Group argued that a one in 50 ratio constituted world's best practice, but this was criticised by the Australian airline pilots association who said that there was no documentation to suggest that one in 50 enhanced safety. This is entirely relevant here. There clearly needs to be an evidence based approach or some sort of evidence that can demonstrate that changing these ratios enhances safety, and there is not. It can be argued by the airlines that this does not exist with one in 36, but it can also be argued that there is nothing to suggest one in 50. Some people, and certainly the airlines looking at the manufacturers, claim that there are processes whereby this has been tested out and the one to 50 deemed to be a safe operating mechanism. Their view is that the manufacturers themselves, as a result of the regulators in the states requiring it, set a test and that we should follow—that is, just because a regulator in another jurisdiction, in another part of the world, deems it okay, we should just carte blanche accept that that regulation should suit here. I do not for a moment disparage the view—and I think it needs to be clear—that when regulation works elsewhere and there are things that can be learnt from those experiences in our own backyard we should by all means do it.

But when it comes to safety I think there is a greater expectation that local regulators will go the extra step to assure themselves about safety when there is any move to change regulations. From a public perception it can water down safety. That is what would be weighing on the minds of a lot of passengers if they were asked whether they would be comfortable about going from a one to 36 ration to one in 50. Passengers want to be assured that safety is protected. In my personal view, not enough has been done to demonstrate that.

John McCormick, from CASA, explained to the committee his view that he was not convinced that one in 36 provides a higher standard of safety than one to 50. But he said:

I agree with you that there is absolutely no reason why Australia cannot have a higher safety standard in some areas, or any area, for that matter. We should have the best safety that we can, commensurate with commercial reality and what the level is.
I accept that this can cut either way. This reference to the term 'commercial reality' would make people take a step back and reconsider. Obviously, you do not want to do something that is so above and beyond that it places significant commercial pressure on the operators. At the same time, people do not want to have their safety compromised, or to have the perception that their safety is being compromised, in pursuit of lower costs. From my perspective, it seemed odd that the airlines were arguing that this was not about cost. They said world best practice would allow for them to go to one to 50, but when asked what restoring the one to 36 ratio would do, they instantly reacted on the basis that it would add to cost. So I think they need to be a lot more transparent about what motive exists, from their perspective, for advocating a watered down ratio.

In terms of this point about the one to 50, what became clear was that exemptions were being granted by CASA to go to the one to 50 ratio despite the fact that, as I said earlier, back in 2003 the then Howard government, via its minister, had expressed a firm view that it would not entertain any watering down of the ratio. This position was supported and advanced by the current government when it was then in opposition. It was clear that both sides of politics took the view that the ratio should not be diminished. However, CASA, as a result of lobbying by the airlines, watered down this ratio through these exemptions and in effect created a new standard. When parliament caught up to the fact that this had occurred, its ability to take a position on it was limited. However, fortunately we have had this reference to the committee and we have been able to investigate it. But one thing that has become clear is that, if both sides of parliament have indicated a clear policy position, regulators should not be entitled to in effect defy the expressed will of the government or the opposition in the parliament about what is to be expected, particularly with something as important to safety.

As I have said before, on this issue there needs to be a focus on evidence. It is important to note that it has been admitted that the evacuation demonstrations that are used to establish the ratio are partial. That is what the report refers to. It says that a partial evacuation demonstration requires that part of an aircraft is populated with passengers, crew are placed on board, 50 per cent of the doors are made available and the lights are switched off to replicate a possible evacuation scenario. Passengers and crew are not to be aware ahead of time of which doors are unavailable, and the airline—and by that I mean the manufacturer—is requested to demonstrate that the aircraft can be evacuated safely within 90 seconds. For safety purposes, the passengers disembark via stairs. In this controlled environment you do not use the slides, the reason being that in that controlled demonstration use of the slides present an OH&S risk. But this is the very risk that we are trying to investigate through the manufacturer’s demonstration of the ability to crew aircraft to ensure that there can be safe evacuation. It has been pointed out that the demonstrations have a pass-fail criteria and that some of the operators had failed at two attempts and had had to wait several months after a full investigation of the unsatisfactory result to then try again before the demonstration has been deemed successful.

Further, what is of concern to me is what I would describe as risk shift—that is, the assumption that, for example, passengers will share a greater burden of both security and evacuation assistance. By security, I mean that there is an expectation that passengers will keep an eye out for what in their own view presents a security risk and that they may intervene or assist in times of evacuation. Obviously, people by their nature will attempt to
help people in distress or need. However, in these circumstances it is incumbent on the
operator to not make that assumption—that, as a bare minimum, they will have levels of
crewing that can ensure safe evacuation. They should not build into that the expectation that
passengers will by their very nature assist in evacuation.

There was, from my point of view, certainly a concern throughout the course of this inquiry
that there will be an unsaid expectation that passengers will assist in times of evacuation,
when in actual fact there will be people of various requirements in terms of their physical
capabilities who will need more assistance, specialised assistance and that not every member
of the public will be able to necessarily help: the disabled, the elderly and people who have
mobility issues. I certainly think that the airlines are expecting too much.

I would make two points: one, that the airlines have gone behind the back of the parliament
to reach this revised ratio and, two, that they are not being transparent with customers about
that. Finally, the regulator, despite the expressed will of the parliament, has set, in effect, a
new standard, and certainly the recommendations in this report require something that is
better, something that is more transparent and something that involves the public but,
importantly, is much more evidence based than what occurs at the current time.

Mr FLETCHER (Bradfield) (12:03): I disagree with the views that have been expressed
by the member for Chifley and with the report of the committee. In my view, the inquiry has
offered no satisfactory basis for Australia persisting with a one-to-36-cabin crew ratio when a
one-to-50 ratio is recommended by major aircraft manufacturers Boeing and Airbus, and is
the regulatory requirement in the United States, Europe and other jurisdictions.

The member for Chifley spoke about reaching a decision based on an assessment of the
evidence and that is a good principle. I think all of us on the committee have a very strong
incentive to be satisfied as to matters of aviation safety and security. In this business, we
spend as much time in aircraft as people in just about any other occupation. Therefore, we all
have a very strong interest in getting the best possible aviation safety and security outcomes.
That was certainly very much at the top of my mind as I considered the evidence before the
committee. In my assessment, the right way to frame the question which faced this inquiry
was to ask whether there is any good reason for the cabin crew ratio used in Australia
to diverge from the one-to-50 ratio, which is used in other developed nations and recommended
by the aircraft manufacturers. In thinking about this question it is also relevant that the
Commonwealth specialist regulator in this area—the Civil Aviation Safety Authority—
proposes a one to 50 ratio. It is relevant that single-aisle aircraft in the relevant size range,
such as the Airbus A320 and the Boeing 737, are designed on the basis of a one to 50 ratio.
And it is relevant that in the US and Europe—and, in fact, in all International Civil Aviation
Organisation jurisdictions except Australia and Canada—one to 50 is the ratio used.

Let me be absolutely clear: if there is persuasive evidence that countries which use the one
to 50 ratio have inferior aviation safety or security outcomes to those in Australia or if there is
any tangible evidence that Australia's use, to date, of the one to 36 ratio has delivered tangible
and practical benefits for safety or security, then we should have no hesitation in continuing to
apply the one to 36 ratio. In my view, however, if there is no such evidence, we should adopt
the international practice of the one to 50 ratio.

As I weighed up the evidence it was clear to me that the committee received no persuasive
evidence that using the one to 50 ratio produces inferior safety or security outcomes. At the
outset let us recognise that Australia has very high aviation safety standards. And that reflects many different factors, including maintenance practices, pilot training and quality, aircraft age and quality, air traffic control systems and weather. The number of cabin crew is one factor in a complex mix. It will be relevant in some situations, particularly where there is an accident which requires a rapid evacuation.

The committee asked the regulator—the Civil Aviation Safety Authority—whether there is evidence, to its knowledge, of systematic differences between aviation safety in Australia and other countries due to the different cabin crew ratios. In its submission and the evidence to the inquiry the authority noted that it had not been able to find any evidence and it had no knowledge of any accident or incident investigation in a country that uses the one to 50 ratio that has recommended an increase in the cabin crew ratio. CASA noted that it is not aware of any studies into cabin safety that have recommended an increase in the cabin crew ratio. It noted the absence, to its knowledge, of any evidence supporting a link between the Australian requirement for one cabin attendant to 36 passengers and Australia's aviation safety record. And it noted the absence, to its knowledge, of any situation where it has been demonstrated that the effective management of an event was enhanced as a consequence of the cabin crew ratio on that flight being one to 36.

I take from that—consistent with the principle rightly advanced by the member for Chifley that we ought to adopt an evidence based approach—that an evidence based approach does not provide support for Australia diverging from the ratio recommended by manufacturers and the ratio used in most comparable jurisdictions of one to 50. Of course, as has been noted, since 2006 CASA has given exemptions to a number of operators, allowing them to operate using the one to 50 ratio—so this is not merely a hypothetical matter; we actually have evidence of the practice in Australia—and we received no persuasive evidence, based upon that practice having been in place for the last five years, of any materially adverse safety consequences. One of the other issues that were thrown into the terms of reference for this review was aviation security. In answer to the question of whether it was correct that the aviation security considerations do not assist us and do not point in either direction—that is to say, do not point in favour of either one to 36 or one to 50—the advice from the senior officer of the Office of Transport Security who appeared before the committee was as follows: 'On the evidence that is available, that would be a fair assessment.' In my view, therefore—based upon the evidence that I had the opportunity to hear and to read as a member of the committee—it is clear that there is no persuasive basis for concluding that the use of a one to 50 ratio delivers any inferior safety outcome as compared to a one to 36 ratio.

There were a range of other arguments put to the committee and for completeness they ought to be addressed here. The first argument put as to why we ought to maintain the one to 36 ratio was because that is the ratio that Australia has historically had. I do not think that that is a very good argument. I do not think that it is a very good argument to say, 'We've always had one to 36 so we should maintain one to 36.' In my perception, that was the subtext of some of what was argued. But it is a poor basis for reaching a conclusion on this important question of public safety and security.

We then heard a range of arguments from the Transport Workers Union and the Flight Attendants Association of Australia. I am mystified as to why the Transport Workers Union was even called to appear before this committee. When the Secretary of the Transport...
Workers Union, Mr Tony Sheldon, appeared before the committee, I sought some guidance from him as to the particular expertise or competence that the Transport Workers Union might have on matters of aviation safety and security. I asked what role the members of the Transport Workers Union perform on an aircraft and Mr Sheldon, under questioning, conceded that there are no TWU members who have any in-flight role. It is therefore quite unclear to me why the committee heard from the Transport Workers Union.

Any citizen and any group or association is welcome to put submissions to parliamentary committees—of course they are, and that is to be encouraged. But the question is whether the views of the Transport Workers Union are infused with any particular expertise. My conclusion on this matter is that they are not and I can only speculate as to the arcane arrangements and relationships between the Australian Labor Party and the Transport Workers Union that led to us hearing such extensive evidence from the Transport Workers Union.

We also heard from the Flight Attendants Association of Australia. I acknowledge that the Flight Attendants Association presented arguments based on safety and security considerations. As I noted in my minority report, I found those arguments less persuasive than the evidence provided on the same points by the Civil Aviation Safety Authority and the Office of Transport Security.

There is one other issue that I would like to address before I conclude my remarks on this important topic, and that is the question of whether it is a bad thing that the airlines, in seeking this change, were motivated by the fact that it would deliver cost savings if the regulations were changed so that they were required to comply with a cabin crew ratio of one to 50 rather than the previous requirement of a ratio of one to 36. The majority report, at paragraph 1.71, speaks of the ‘challenges in assessing operators’ motivations in seeking exemptions to the one to 36 ratio’. It notes that the operators agreed that their motivation had been primarily for cost reasons. This is presented in the majority report as if it is in some way prima facie evidence of guilt. The paragraph seems to suggest that it is in some way a matter for concern that operators have been motivated by cost savings. Let me make it clear that I disagree. Safety must be the primary objective. Operators must not do anything that compromises safety. Safety is an absolute good in the conducting of an airline business. However, if cost savings can be obtained without compromising safety then I see no objection at all to operators pursuing cost savings. This is a question to be assessed on the evidence. Does the adoption of a one to 50 ratio rather than a one to 36 ratio cause detriment to safety and security? In the absence of evidence that it does then I for one see nothing inherently wrong with the pursuit of cost savings.

Let me make the point that if cost savings are obtained from this measure or indeed from anything else—and again emphasising that the absolute objective must be safety and that savings should be only sought and obtained if safety is not compromised—then among the benefits that might follow are lower airfares, making it affordable for more Australians to fly. It is possible that cost savings might improve the break-even economics of particular routes to particular destinations, particularly in rural and remote areas. It therefore might allow services that would not otherwise be possible. The other possibility is that the cost savings obtained by changing the cabin crew ratio might be used to fund other initiatives that have a greater safety
and security benefit than is gained from diverging from the international standard ratio of one to 50 by continuing to use the once-off and stand-alone Australian ratio of one to 36.

This is an important question of public safety and security. It is a question that should be assessed based upon the evidence. I am pleased to say that all sides are in agreement on that proposition. Where we are in disagreement is on the conclusions to be drawn from the evidence. As I heard the evidence and as I read the submissions and in the questions that I asked of witnesses, the test that I sought to apply was whether there is any persuasive evidence that countries that use the internationally standard of one to 50 have inferior aviation safety or security outcomes compared to those in Australia or, conversely, evidence that Australia's use to date of the one to 36 ratio has delivered tangible, practical benefits for safety and security. I found no such evidence. On that basis, I was very comfortable in concluding—as somebody who spends quite a lot of time on aircraft—that Australia should move to adopting the international standard of a one to 50 ratio.

Debate adjourned.

ADJOURNMENT

Mr HUSIC: I move:

That the Main Committee do now adjourn.

Chifley Electorate: Education

Mr HUSIC (Chifley—Government Whip) (12:18): I want to take this opportunity to discuss the huge investment that has occurred in the Chifley electorate—and no doubt in electorates across the country—in the education area and in particular within primary schools. I am particularly proud—and I mentioned my support of this early on in the first speech that I made to the nation's parliament—of Building the Education Revolution, which was a key component of the government's economic stimulus plan. That involved 24,000 projects delivered over four years. It supported jobs in local communities such as mine and benefited about 9,000 schools Australia wide. Through the program, we invested $16.2 billion in schools across the country for minor infrastructure and refurbishment projects and for major new infrastructure projects in primary schools and to build new or refurbish science and language centres in secondary schools. It is something that I am particularly proud of.

In the last few weeks, I have been able to visit quite a number of schools. They include St John Vianney's Primary School at Doonside; Crawford Public School, also at Doonside; Walters Road Public School, Blacktown; Quakers Hill Public School; Marayong Heights Public School, and both St Patrick's Primary School and St Michael's Primary School—all in the electorate of Chifley. That has been in the last eight weeks. I estimate that within the Chifley electorate about $65 million has been invested in the improvement of schools in our area.

As I have previously informed the House, the Chifley electorate is a young electorate. About 30 per cent of the people who reside within the electorate of Chifley are under the age of 19. Education is a key, critical priority. Keeping students in school for longer, improving retention rates and helping build the personal bank of skills that young people in Chifley have are all absolutely important. I am also delighted to see the development of trade training centres. I had the great pleasure of visiting the Loyola Trade Training Centre, with principal Rob Laidler being able to take me on a tour of the facility, which provides automotive,
electrical, hospital and hairdressing training among a range of different things for which apprenticeships will be provided to young people in the Mount Druitt area. It is something which I am especially delighted with, given the investment in their skills and the investment in the neighbourhoods in our area. This trade training centre will be officially opened next year.

We have also had the Tyndale Trade Training Centre opened earlier in the year, the first one that was opened in the Chifley electorate and particularly focusing on hospitality training. I was especially pleased to be taken on a tour by principal Jack Joyce, someone who is a very enthusiastic, very committed and very capable administrator, someone who really drove that project. This will be followed up by trade training centres to be opened in Doonside and Evans, which will see a collaboration between those two schools. I was especially pleased to see what is going on there. In particular, at Doonside the metal manufacturing trade training centre will be a huge asset.

A lot of the schools have been present in our area for a significant period of time. Quakers Hill, in particular, have been there for nearly a hundred years and they are about to celebrate their centenary in about two years time. The schools do need renovations. Changing demands require new facilities. We have seen new classrooms, new halls and new equipment. This is investment, as I have described at the actual openings themselves, in our neighbourhoods, because the young people that are being trained in those facilities will go on to stay in our neighbourhoods and help our communities in years to come. Giving them quality facilities is an absolute priority, and I am very proud of that investment that we have made in their future.

I do want to take the time to congratulate the principals, the teachers, the staff, the builders and the architects, who have all spent so much time on these projects and have invested so much effort to make sure they work. They have all said to us that they welcome the investment. Also, I extend my deepest gratitude to the teachers who dedicate so much of themselves to the future of young people in the Chifley electorate. They are an absolute credit to our community, and I thank them for everything that they have done. This program has been an outstanding success and has been welcomed across Chifley.

Gambling

Mr FLETCHER (Bradfield) (12:23): Licensed clubs pay a vibrant part in the fabric of Australian communities and my electorate of Bradfield is no exception. One of the key clubs in my electorate is the Asquith Leagues Club. This is an important local institution. It has approximately 7,000 members and employs 70 staff. The club provides many facilities for its community, events, activities and entertainment as well as food and beverages. It also provides valuable support for community events and organisations. Indeed, I have been pleased to hold several of my own community meetings at the club.

As in similar clubs and pubs around Australia, poker machines are one form of the entertainment options provided by the Asquith Leagues Club. This is an activity that the government's proposed mandatory pre-commitment for poker machines seeks to curtail. This is a move that hundreds of thousands, if not millions, of Australia's recreational gamblers strongly oppose.

Members of the Asquith Leagues Club have lent their voice to this chorus of concern by way of a petition that was recently presented to me at the club opposing the reform. It is a
petition with approximately 460 signatures. It notes that ordinary Australians who want to gamble responsibly should not be treated as problem gamblers. I endorse the sentiments of these members of the Asquith Leagues Club and others who have signed this petition. There is a balancing act in this debate. There are of course, let us acknowledge, problem gamblers in Australia, and there should be appropriate measures to protect their interests. According to the Productivity Commission, less than one per cent of Australians are problem gamblers. A further 1.7 per cent of the population are at moderate risk from gambling. On the other hand, Australians should be able to participate in activities they find enjoyable sources of recreation, including gambling, without undue interference by the state. So the goal should be for responsible policymakers to balance the need to appropriately protect and support those who have a problem against the freedom that adult citizens should have to gamble responsibly if they choose to do so.

I am sorry to say that the government's proposal for precommitment in order to play poker machines does not strike the right balance. Effective policy should target those who are specifically impacted rather than all poker machine players. What the government proposes will require registration, the issuing of a card and the need for a player to set their betting limit. This will be a cumbersome and time-consuming process. Further, this proposed reform concerns one form of gambling only. The likelihood is that this regulatory measure will simply involve problem punters moving to other forms of gambling, such as online gambling, wagering and non-poker casino games. This is a measure which would deliver a very slight and incremental benefit when compared to its administrative complexity and cost. As we know, it is a piecemeal proposal which stems from a political fix, namely, a Faustian pact between Julia Gillard and the member for Denison to secure numbers for a minority government.

The coalition believes that a more holistic approach is needed. To that end, in November 2011 we released a policy discussion paper on gambling reform. That discussion paper covered all types of gambling, including the fast growing area of online gambling. The paper presents a number of policy options on which we seek community and industry comment. Amongst the options in the paper are: a national voluntary precommitment program, more and better targeted counselling and support services, prohibiting betting firms offering credit to gamblers, and prohibiting the promotion of live odds during the live broadcast of a sporting event. The coalition will consider a better way forward than the limited and politically motivated approach of the government and we will do so bearing in mind the concerns of members of the Asquith Leagues Club and clubs around the country.

**Gippsland Electorate: Carbon Pricing**

Mr CHESTER (Gippsland) (12:29): I fear that the Latrobe Valley is about to pay a very heavy price for the Labor Party's deal with the Greens to deliver a carbon tax that will not change the temperature of the planet but will cost jobs and drive up the cost of living, particularly in regional communities. I have spoken many times in this place about the issues confronting the Latrobe Valley, which I believe to be one of the adversely affected parts of the nation, particularly with its dependence on jobs in the power generation industry along with manufacturing, small business in many forms, and the agricultural sector. I have highlighted my concerns in this place, and until recently my concerns appear to have fallen on deaf ears. Finally, some senior ministers are engaging with my community. We have had the
Minister for Regional Australia, Regional Development and Local Government; the Minister for Climate Change and Energy Efficiency; and the Minister for Resources and Energy visiting the Latrobe Valley in recent weeks. I am heartened by their interest but we are still waiting for some concrete results. In reading their comments in the media and looking through the transcripts of speeches that they have made, it is apparent to me that this government does not have a firm plan for the future of the Latrobe Valley or for the management of the risks associated with the introduction of a carbon tax. The people of the Latrobe Valley deserve more than rhetoric and motherhood statements. It is this government's policy, which is being driven by the Greens, which will undermine the regional economy of Gippsland and the Latrobe Valley. This government has a responsibility to invest in my region to minimise the impacts of its carbon tax. Quite frankly, as it stands today, the government is all over the place in terms of its response to the Latrobe Valley and the public comments that have been made by ministers. Just last week Minister Ferguson either backed away from the government's plans to shut down 2,000 megawatts of coal-fired power or he simply tried to talk down the asking price. This is what he told the Latrobe Valley Express newspaper:

There is no open cheque-book or bottomless pit. We have a bundle of money that is known to me, my department and the government and if people think they are going to push us over the edge financially, then it's not on. We are not handing out like lollies.

He claimed the much-touted government commitment to remove 2,000 megawatts of coal-fired electricity generation by 2020 was not an ironclad guarantee but was instead an ambition to reach up to. That will be news to the Australian Greens, who have pushed this government into this position where it wants to retire these power generating assets.

In any case, it is simply illogical to shut down a viable power station asset like Hazelwood when Victoria needs the base load supply which will not come from wind energy or household solar panels. We are going to be faced with the situation where taxpayers are going to be hit three times under this government's scheme: they will pay for the power station to close; they will pay for the increased cost of electricity; and they will pay with their jobs in the Latrobe Valley. There are 580 direct jobs in the Hazelwood power station at risk. You may be able to compensate the power station owners for their assets, but no compensation will be adequate for a Latrobe Valley worker who is forced out of work and may be forced to leave our region to get another job.

Time is against me when it comes to running through all the other inconsistencies in this government's approach to Latrobe Valley, but the bottom line is that this government does not have a plan and is talking a lot without committing any funding to the region. In terms of the promised $200 million structural adjustment package, which is to be spread right throughout regional Australia, there is no guarantee whatsoever that the Latrobe Valley will receive a major portion of these funds. All we have been told so far is to make submissions and you can compete with the other regions.

You will have to excuse my cynicism, but we did not have any success whatsoever with that process under the first round of the RDA program. On the one hand we have Minister Ferguson and others saying we need to diversify into other areas such as the growing aeronautic industry in the Latrobe Valley, but on the other hand the federal government refused to provide a single cent to help upgrade the Latrobe Valley aerodrome, which is home
to GippsAero, Australia's only manufacturer of commercial aircraft. This is a project that has enjoyed bipartisan support in the sense that the local Labor Party hierarchy is backing it. The Latrobe City Council has committed funding to it and so has the Victorian state coalition.

As I have said right throughout this debate in relation to the carbon tax, the Latrobe Valley is at the pointy end of this issue. For my community it is about jobs; it is about our children's futures; and it is about the key industries, like power generation and manufacturing and small business and the agricultural sector. This government has failed to deliver a plan to assist the Latrobe Valley and it has failed to even undertake the most basic modelling to measure the social and economic impacts of the policy. We have already seen a drop in confidence in the community as a result of the government uncertainty and the pressure being placed on it by the Australian Greens. Right now it is even harder for the small business sector and Apprenticeships Group Australia to find placements for young apprentices seeking training opportunities in my region.

I would like to end on a more positive note. Minister Crean has given the best indication that he understands that there is going to need to be a whole-of-government approach and to take in a whole range of issues in terms of health needs, education needs, transport and other issues. I do encourage the minister to take that holistic approach to the issues facing the Latrobe Valley. I understand he is working with his state counterpart, Minister Peter Ryan, and I am optimistic that between the two of them they will be able to come up with a plan that benefits our region. It is incumbent upon this government to recognise that it is its policies which are causing the damage in the Latrobe Valley and it has a responsibility to deliver on the ground. (Time expired)

Shortland Electorate: Belmont Neighbourhood Centre

Ms HALL (Shortland—Government Whip) (12: 33): It is with great pleasure that I rise in the House today to share with this chamber the achievements of the Belmont Neighbourhood Centre. Belmont Neighbourhood Centre is a model for how a neighbourhood centre should be run. It has the support of the whole community and it is an integral part of the community. It is well run with a fantastic management board. The centre manager, Sheena Harvey, is an outstanding manager.

Belmont Neighbourhood Centre has been operating for 21 years. Needless to say, a neighbourhood centre does not operate for that long and have the support of the community unless it is absolutely doing things the right way. It also has a community garden that has been operating for 19 years. If you drive by you can see the vegetables and the men working in the garden. It really is fantastic. The centre runs Tai Chi programs. A playgroup operates there five days a week. It has a toy library. It is an outreach for low-interest loans. It provides counselling. And, if you are feeling a bit stressed or your back is hurting, you can go there for massage. Somebody there even does reflexology.

But the jewel in the crown of the neighbourhood centre is their men's shed. It received funding from the federal government through the Jobs Fund, in round 1, of $200,000. My office has worked closely with them during this development period. I pay particular credit to one member of my staff, Mark Raper, who has worked with the men and the centre to ensure they got the men's shed they wanted. I attended the inaugural meeting and it had support right from the start. The men's shed now has 57 members. It operates five days a week. When the shed was built, the builder only built the shell and then walked away. I was talking to Sheena
and she said that, at first, she was quite worried about the fact that they only had the shell. But the men moved in, they fitted it out and they actually built their own shed. So the shed the men have at the Belmont Neighbourhood Centre was funded by the federal government but all the men who were involved in it were integral to its planning the whole way through. They built their own shed. That is what a shed should be about.

As well as the standard activities that the men's shed has and the work they do there, they are actually making some tables for the Tai Chi group. They have a couple of contacts in the community. Belmont Chamber of Commerce has given them a contract to water all the pot plants on the streets in Belmont. The simple fact that Belmont Chamber of Commerce has approached the men's shed shows their acceptance within the community. They have also been sanding outside equipment for Jewells Public School and making rolling pins for Blacksmith Public School. So you have the community coming to the shed and the shed going to the community. Integrated with that are all the other activities that take place in a men's shed. I know some of the men who attend the shed. It is about more than just going along and building; it is about companionship and getting together with other men and doing the types of things that men enjoy doing.

I congratulate the Belmont Neighbourhood Centre and I look forward to attending the official opening of the men's shed on Saturday, at 12 o'clock.

**Barker Electorate: Roads to Recovery**

Mr SECKER (Barker—Opposition Whip) (12:38): I would like to tell the House about a brilliant program that I am passionate about and that I want to see continued into the future. I am talking about the Roads to Recovery program. This program was introduced by the Howard government in 2000 and provided direct funding to local governments for the building and maintenance of local roads. The program is widely liked by councils. In fact, most, if not all, councils in my electorate would say that Roads to Recovery has been an absolute saviour to them.

For regional people, such as all the people residing in the seat of Barker, Roads to Recovery has meant that they can use roads that were in an appalling condition previously and, in many cases, they can drive down them every day without the hassles they used to have. Many councils were struggling to keep up the maintenance, meaning the roads were deteriorating over time. On many country roads it is not just cars that have to drive down them; it is school buses, trucks and, in many cases, milk trucks. Milk trucks are not small vehicles and they need to reach the dairy farms every day, wherever they may be—and a lot are on roads that were not in the best condition, as you can imagine. Another problem was getting school buses down those roads. Well, Roads to Recovery has helped that enormously.

Last week I was pleased to be in Mount Gambier in my electorate and pleased to have the Leader of the National Party, Warren Truss, there as well. Warren Truss very much understands how important Roads to Recovery is and he has been committed to the program for a long time, as I have. I am very pleased that the coalition is committed to continuing the program past its 2014 deadline, something the Labor government has not been forthcoming on.

We all know that Labor is not a friend of regional Australia, despite what some members on the other side would have you believe—and nor are the Independents, who were wolves
dressed up as lambs during the election. They are not friends of regional Australia at all. If they were they would have acted quickly on issues such as youth allowance and the carbon tax—issues that will put a dagger to the heart of regional Australia.

So the coalition has yet again come up with the goods for regional Australia and is committed to keeping this fantastic program. Councils all around the seat of Barker were pleased to hear this. In fact, last week more than 320 local government delegates from across Australia waved placards calling for the government to commit more funding for community-owned road networks. This happened in Mount Gambier, during a three-day major national roads congress that the seat of Barker was pleased to host.

Each year 1,500 people die on Australian roads and 30,000 people are hospitalised. Keeping the roads maintained is a large part of keeping our roads safe. The Independent member for New England was due to attend but used the Obama visit as a reason to withdraw. But that did not stop me or the Leader of the National Party, Warren Truss, from attending. Indeed, it did not stop Senator Barnaby Joyce from attending.

During my visit I met with a local government mayor who is hugely supportive of Roads to Recovery. And he is not alone; another local mayor in the area called for Roads to Recovery to be permanent. That is how important this program is. I believe councils do the best they can, but they need extra help. So I commend the coalition for staying committed to this vital program.

I am proud of the part I played in the formation of the Roads to Recovery program. In my first term as the member for Barker, the standing committee I was on heard evidence from the Australian Local Government Association that local roads were not keeping up with simple maintenance, let alone sealing the roads that needed sealing. This evidence was so powerful certain recommendations were made and that was the birth of the Roads to Recovery program.

One of the brilliant things about the Roads to Recovery program is that, through all the time that they have spent billions of dollars on local roads, this was done and administered by only two public servants. That is all it took, because we trusted local government to do the right thing. They did the right thing and they fixed up the roads. They spent the money where it was meant to be spent—no wastage.

**Law Enforcement**

**Mr HAYES** (Fowler) (12:44): In September and October this year I took the opportunity to visit a number of law enforcement jurisdictions overseas as part of my study leave entitlement, and I would like to table a copy of my study leave report, which I would like to speak to. In applying for my study leave to the Special Minister of State I mentioned the inquiry that was currently underway by the Parliamentary Joint Committee on Law Enforcement. As chair of that committee, I saw an opportunity to further extend some of the information gathering in respect to the inquiry by undertaking the study leave. I asked every member of the law enforcement committee, as well as the Joint Committee on Law Enforcement Integrity, if they were able to join me. I was also directly approached by the Australian Crime Commission and the Australian Federal Police to form a delegation to travel overseas. Mrs Kim Ulrick from the Australian Crime Commission and Commander Ian McCartney of the Australian Federal Police joined with me in my visit to the UK, Ireland,
Italy and France to gain a better understanding of how relevant agencies in these jurisdictions deal with proceeds of crime matters and also the recovery of unexplained wealth from serious and organised criminals.

The objectives of the delegation were to consider ways to improve existing unexplained wealth legislation and arrangements in order to maximise the opportunity to counter serious and organised crime in Australia in light of international best practice. The visit reinforced the need for the Australian government to vigorously pursue stronger unexplained wealth legislation and demonstrated that the direction Australia has started to take in this respect has been the right one. As you are aware, Madam Deputy Speaker, organised crime is about money. The cost of organised crime to the Australian community is estimated at up to $15 billion annually, with around $6 billion going offshore each year. Making organised criminals account for their criminal and unexplained wealth is the major focus of the inquiry undertaken by the Joint Committee on Law Enforcement and is therefore considered a vital tool for law enforcement agencies in Australia to disrupt and dismantle organised criminal organisations.

It is clear from the organisations and jurisdictions visited by the Australian delegation that the most effective way to attack organised crime is to attack criminal profits. Many of the organisations visited by the delegation, such as the Serious and Organised Crime Agency in the UK, City of London Police, Derbyshire Constabulary, the Department for Home Office and the Metropolitan Police, cited examples where organised criminals would go to great lengths, including opting for jail time, to avoid relinquishing their assets, criminal profits and consequently their lifestyle. Globally, contemporary methods of policing are focusing very much on unexplained wealth as being a vehicle by which law enforcement can attack criminal organisations with a view to disrupting their businesses by making it more difficult to reinvest in criminal enterprise, and thus protecting the community from crime being recommitted.

While there have been moves towards requiring organised criminals to explain wealth that does not match their legitimate earnings, many agencies visited by the delegation faced a range of challenges relating to this approach, including the need to link to a predicate offence or waiting for a conviction to be recorded before being able to apply for unexplained wealth to be explained to a court.

In the limited time I have available I would like to thank all those people who helped to make this a valuable opportunity for the law enforcement committee and myself, particularly Mrs Kim Ulrick, Commander Ian McCartney, AFP liaison officers Kieran Miller and Ric Cummins, the AFP's Jonathan Eyres at Interpol and Sue Spencer from the AFP Canberra office, who did a fantastic job in coordinating my visit and making sure that we gained significant evidence to present to my committee. (Time expired)

Solomon Electorate: Kiwanis Clubs

Mrs GRIGGS (Solomon) (12:49): The other night I had the pleasure of attending a combined Kiwanis Club dinner, and 2011 is a significant year for the three Kiwanis clubs in my electorate. The Darwin branch of Kiwanis celebrates the 40th anniversary of its existence in the Top End and the Casuarina Kiwanis club celebrates its 30th anniversary. The Casuarina Kiwanis club has special significance for me as I became a member of it many years ago. In fact, I was their first-ever female member. My membership was supported by a past district governor, Mr Frank Fotiades. Frank was recognised earlier this year for his significant contribution to the Darwin community through his work in Kiwanis. The third club is the
Palmerston and Rural branch of Kiwanis, which celebrates its 26th anniversary. This club is very active around the city of Palmerston.

The work that these three clubs have provided to the Darwin and Palmerston communities over the last 40 years is extraordinary. They have provided hundreds and thousands of man-hours and tens of thousands of dollars to various community groups. Kiwanis clubs have supported various Red Cross doorknock appeals and many sausage sizzles and barbecues in my electorate. In the eighties and nineties they were involved in catering for concerts, which included the Eurogliders, Johnny Farnham, Jimmy Barnes, Tina Turner and Dire Straits. Each year they support the Darwin Christmas Association’s Carols by Candlelight. They have provided TVs to the hospice at the Royal Darwin Hospital and each year you can count on Kiwanis clubs to run various Australia Day events.

Globally, Kiwanis clubs have launched the Eliminate Project, which plans to eradicate maternal and neonatal tetanus around the world by 2015—a very ambitious target indeed. I would like to acknowledge the following dedicated Kiwanis members who have undertaken hundreds and hundreds of hours of community service across my electorate. I would like to thank them on behalf of Darwin and Palmerston residents for their effort in making our community a better place. These fine members are Frank Fotiades, George Loch, Trevor Tschirpig, Maggie Schoenfisch, Phil and Anne Hedger, Noel Land, Jan Fliss, Robin Burnup, Leslie Allaway, Maurie and Bev Johnson, Tony Schelling, Tony Prentice, Ray Willoughby, Wolf Lake, Bob Kirby—the person who got me involved in Kiwanis—Ollie and Michelle Henderson and the late Chris Clayton.

Madam Deputy Speaker D’Ath, with what time I have left, I would like to make you aware that many of my constituents tell me that they are doing it tough. Regular families are really doing it tough. The household belts have yet again been tightened, and it is our small businesses and retail shops that are suffering. The small businesses are, as you know, the backbone of the Australian economy, and they are really hurting. This is largely as a result of Labor’s mismanagement and their tax and spend mentality, implementing imposts like the carbon tax and the mining tax and their knee-jerk reaction to the ban on live exports. They have all contributed to people doing it tough in my electorate.

Families in my electorate are still suffering as a result of the housing crisis—something that this government could have done something about by simply making the 206 vacant RAAF Base Darwin houses available for use. Instead, it has chosen to defy the will of the parliament by ignoring my private member’s motion which called on the government to make use of the RAAF base houses and not to let them rot away. Shame on this terrible Labor government for wasting such valuable taxpayer funded resources. I am really disappointed with Minister Snowdon, a fellow Territorian. He had the opportunity when he was the minister to do something about it, but he did not. He ignored Territorians. Shame also on the Territory Labor Henderson government for being complicit in such wasteful behaviour. They could be lobbying this government on behalf of Territorians, but what they are doing—as they always do—is what the Gillard government Labor government tells them to do. Shame on them.

Housing is not the only thing that this government has let Territorians down on. There has been inaction on the health system. I am still waiting for Minister Roxon to call me regarding the $5 million that was taken away from the Territory, only to be given to a GP superclinic in
Redcliffe—something that you, Madam Deputy Speaker, might be familiar with. Interestingly, though, I met with a group of local doctors the other day—a dedicated group of doctors—who have almost finished building a bulk-billing private practice in the northern suburbs. We are not sure why the government needs to spend more money on building GP superclinics when we have the private sector doing it without any government funding at all. These guys advised me that they met with the Territory health minister earlier this year to let him know of their intention to build a bulk-billing GP practice in the suburbs, and they said the minister could not offer them any support at all. (Time expired)

Shortland Electorate: Marine Rescue Lake Macquarie

Ms HALL (Shortland—Government Whip) (12:54): On Saturday, 29 October I attended the open day of Marine Rescue Lake Macquarie, an organisation of vital importance to the electorate I represent in this parliament. My electorate is situated on the shores of both the Pacific Ocean and Lake Macquarie, and one of the activities which an enormous number of people involve themselves in is recreational boating. Marine Rescue Lake Macquarie is the organisation which keeps people safe when they are out on the lake or the ocean.

Marine Rescue Lake Macquarie has a very interesting story, because it is only a very new organisation. I went to its annual open day this year. I think I have been to four of its open days in total, but the organisation as such is only new. It was formed by the amalgamation of the Australian Volunteer Coastguards Swansea and the Royal Volunteer Coastal Patrol, two very dedicated organisations which were very independent and were unique. One looked after people from the channel out into the ocean and the other looked after people within the lake.

These two organisations have come together to form Marine Rescue Lake Macquarie, and anyone who has been involved with an amalgamation knows that an amalgamation is very difficult. When organisations have been operating for a long time, they have their own culture, their own training programs and their own membership, so an amalgamation requires that the organisations involved put away what they have had in the past and come together. This has been a very successful amalgamation. There were some teething problems along the way, but they have been sorted out, and now the two groups have come together as one.

They now look after the safety of boats on the lake—they share that responsibility. They have two bases. One is at Swansea Heads and the other is on the shores of Lake Macquarie, so they are in a really good position to give very good service to the people of Lake Macquarie and the people who come to visit our area. During the Christmas break, many tourists come to the area to enjoy our wonderful aquatic facilities—the lake and the ocean—and they can be confident that their safety is ensured by Marine Rescue Lake Macquarie.

In addition to their primary role of ensuring safety at sea, Marine Rescue Lake Macquarie provide education—boat licence courses, marine radio courses, meteorology and much, much more—to the boating public. Marine Rescue Lake Macquarie are available 24 hours a day, seven days a week. That means they have to have a considerable volunteer base to draw on, and there is always somebody there to fill a spot on the roster, because these volunteers are dedicated to ensuring the safety of everybody who boats on Lake Macquarie or off the coast. The organisation’s area of operations extends from Norah Head in the south to, I think, Port Stephens in the north, so it is a very wide area and there is some crossover.
Marine Rescue Lake Macquarie also hold fishing competitions and other little competitions to encourage people—and young people in particular—to be aware of their activities. I congratulate Marine Rescue Lake Macquarie on their successful amalgamation. I thank them on behalf of every person I represent in this parliament for the fine work they do in keeping our waterways safe.

Main Committee adjourned at 12:59
QUESTIONS IN WRITING
Solar Energy
(Question No. 653)

Mr Fletcher asked the Minister for Resources and Energy, in writing, on 11 October 2011:

Are any electricity companies experiencing difficulties in dealing with electricity being fed into the grid from home solar panels; if so, what is the nature of the difficulties.

Mr Martin Ferguson: The answer to the honourable member's question is as follows:

The Government is aware of media reports that some electricity distribution companies have expressed concerns about high concentrations of photovoltaic systems connecting to distribution grids.

A concentration of solar photovoltaic systems can impact the ability of distribution companies to manage network voltage. A range of technical options are available to distribution companies to manage network voltage and any other impacts of solar photovoltaic deployment related to power supply quality.

Distribution companies operate within national energy laws and rules. Should distribution companies find barriers in the rules to delivering efficient management of issues that might arise from photovoltaic systems, the Australian Energy Market Commission rule making process provides an avenue for network businesses to propose rule changes.