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SITTING DAYS—2012

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FORTY-THIRD PARLIAMENT
FIRST SESSION—SEVENTH PERIOD

Her Excellency Ms Quentin Bryce, Companion of the Order of Australia, Commander of the Royal Victorian Order

House of Representatives Office holders
Speaker—Ms Anna Elizabeth Burke MP
Deputy Speaker—Hon. Bruce Craig Scott MP
Second Deputy Speaker—Mr Steven Georganas MP

Members of the Speaker’s Panel—Hon. Dick Godfrey Harry Adams MP,
Mrs Yvette Maree D’Ath MP, Mr Steven Georganas MP, Ms Sharon Joy Grierson MP,
Dr Andrew Keith Leigh MP, Ms Kirsten Fiona Livermore MP,
Mr Geoffrey Raymond Lyons MP, Mr Robert George Mitchell MP, Mr John Paul Murphy MP,
Mr Robert James Murray Oakeshott MP, Ms Deborah Mary O’Neill MP,
Ms Amanda Louise Rishworth MP, Mr Michael Stuart Symon MP,
Mr Kelvin John Thomson MP, Ms Maria Vamvakinou MP,
Mr Anthony Harold Curties Windsor 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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<tbody>
<tr>
<td>Vasta, Ross Xavier</td>
<td>Bonner, QLD</td>
<td>LP</td>
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<tr>
<td>Washer, Malcolm James</td>
<td>Moore, WA</td>
<td>LP</td>
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<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>
</tr>
</tbody>
</table>

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—C Mills
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<tr>
<td>Prime Minister</td>
<td>The Hon Julia Gillard MP</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister on Digital Productivity</td>
<td>Senator the Hon Stephen Conroy</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister on Asian Century Policy</td>
<td>The Hon Greg Combet AM MP</td>
</tr>
<tr>
<td>Minister for Social Inclusion</td>
<td>The Hon Mark Butler MP</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister on Mental Health Reform</td>
<td>The Hon Mark Butler MP</td>
</tr>
<tr>
<td>Minister for the Public Service and Integrity</td>
<td>The Hon Gary Gray AO MP</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister on the Centenary of ANZAC</td>
<td>The Hon Warren Snowdon MP</td>
</tr>
<tr>
<td>Cabinet Secretary</td>
<td>The Hon Mark Dreyfus QC MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
<td>Senator the Hon Jan McLucas</td>
</tr>
<tr>
<td>Treasurer</td>
<td>The Hon Wayne Swan MP</td>
</tr>
<tr>
<td>(Deputy Prime Minister)</td>
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<tr>
<td>Minister for Financial Services and Superannuation</td>
<td>The Hon Bill Shorten MP</td>
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<tr>
<td>Assistant Treasurer</td>
<td>The Hon David Bradbury MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Treasurer</td>
<td>The Hon Bernie Ripoll MP</td>
</tr>
<tr>
<td>Minister for Tertiary Education, Skills, Science and Research</td>
<td>Senator the Hon Chris Evans</td>
</tr>
<tr>
<td>(Leader of the Government in the Senate)</td>
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<tr>
<td>Minister for Industry and Innovation</td>
<td>The Hon Greg Combet AM MP</td>
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<tr>
<td>Minister for Small Business</td>
<td>Senator the Hon Kate Lundy</td>
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<tr>
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<td>The Hon Brendan O’Connor MP</td>
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<tr>
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<td>The Hon Mark Dreyfus QC MP</td>
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<tr>
<td>Parliamentary Secretary for Higher Education and Skills</td>
<td>The Hon Sharon Bird MP</td>
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<tr>
<td>Minister for Broadband, Communications and the Digital Economy</td>
<td>Senator the Hon Stephen Conroy</td>
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<tr>
<td>(Deputy Leader of the Government in the Senate)</td>
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<tr>
<td>Minister for Regional Australia, Regional Development and Local Government</td>
<td>The Hon Simon Crean MP</td>
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<tr>
<td>Minister for the Arts</td>
<td>The Hon Simon Crean MP</td>
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<tr>
<td>Minister for Sport</td>
<td>Senator the Hon Kate Lundy</td>
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<tr>
<td>Minister for Defence</td>
<td>The Hon Stephen Smith MP</td>
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<tr>
<td>(Deputy Leader of the House)</td>
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<tr>
<td>Minister for Defence Materiel</td>
<td>The Hon Jason Clare MP</td>
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<tr>
<td>Minister for Veterans’ Affairs</td>
<td>The Hon Warren Snowdon MP</td>
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<tr>
<td>Minister for Defence Science and Personnel</td>
<td>The Hon Warren Snowdon MP</td>
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<tr>
<td>Parliamentary Secretary for Defence</td>
<td>The Hon Dr Mike Kelly AM MP</td>
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<td>Parliamentary Secretary for Defence</td>
<td>Senator the Hon David Feeney</td>
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<tr>
<td>Minister for Immigration and Citizenship</td>
<td>The Hon Chris Bowen MP</td>
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<tr>
<td>Minister for Infrastructure and Transport (Leader of the House)</td>
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<td>The Hon Nicola Roxon MP</td>
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<td>Minister Assisting on Queensland Floods Recovery</td>
<td>Senator the Hon Joe Ludwig</td>
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<tr>
<td>Minister for Families, Community Services and Indigenous Affairs</td>
<td>The Hon Jenny Macklin MP</td>
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<td>Title</td>
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<tr>
<td>Minister for Disability Reform</td>
<td>The Hon Jenny Macklin MP</td>
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<td>Minister for the Status of Women</td>
<td>The Hon Julie Collins MP</td>
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<tr>
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<tr>
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<td>Parliamentary Secretary for Pacific Island Affairs</td>
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<td>The Hon Richard Marles MP</td>
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<tr>
<td>Minister for Sustainability, Environment, Water, Population and Communities (Vice-President of the Executive Council)</td>
<td>The Hon Tony Burke MP</td>
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<tr>
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<td>Senator the Hon Don Farrell</td>
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<tr>
<td>Special Minister of State</td>
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<td>Minister for Employment and Workplace Relations</td>
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<td>Minister for Early Childhood and Childcare</td>
<td>The Hon Kate Ellis MP</td>
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<tr>
<td>Minister for Employment Participation</td>
<td>The Hon Kate Ellis MP</td>
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<tr>
<td>Minister for Indigenous Employment and Economic Development</td>
<td>The Hon Julie Collins MP</td>
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<tr>
<td>Parliamentary Secretary for School Education and Workplace Relations</td>
<td>Senator the Hon Jacinta Collins</td>
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<tr>
<td>(Manager of Government Business in the Senate)</td>
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<tr>
<td>Minister for Agriculture, Fisheries and Forestry</td>
<td>Senator the Hon Joe Ludwig</td>
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<tr>
<td>Parliamentary Secretary for Agriculture, Fisheries and Forestry</td>
<td>The Hon Sid Sidbottom MP</td>
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<tr>
<td>Minister for Resources and Energy</td>
<td>The Hon Martin Ferguson AM MP</td>
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<tr>
<td>Minister for Tourism</td>
<td>The Hon Martin Ferguson AM MP</td>
</tr>
<tr>
<td>Minister for Climate Change and Energy Efficiency</td>
<td>The Hon Greg Combet AM MP</td>
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<tr>
<td>Parliamentary Secretary for Climate Change and Energy Efficiency</td>
<td>The Hon Mark Dreyfus QC MP</td>
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<tr>
<td>Minister for Health</td>
<td>The Hon Tanya Plibersek MP</td>
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<tr>
<td>Minister for Mental Health and Ageing</td>
<td>The Hon Mark Butler MP</td>
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<tr>
<td>Minister for Indigenous Health</td>
<td>The Hon Warren Snowdon MP</td>
</tr>
<tr>
<td>Parliamentary Secretary for Health and Ageing</td>
<td>The Hon Catherine King MP</td>
</tr>
<tr>
<td>Minister for Human Services</td>
<td>Senator the Hon Kim Carr</td>
</tr>
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Each box represents a portfolio. Cabinet Ministers are shown in bold type. As a general rule, there is one department in each portfolio. However, there is a Department of Veterans’ Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases.
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<tr>
<td>Leader of the Opposition</td>
<td>The Hon Tony Abbott MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary Assisting the Leader of the Opposition</td>
<td>Senator Arthur Sinodinos</td>
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<tr>
<td>Shadow Minister for Foreign Affairs</td>
<td>The Hon Julie Bishop MP</td>
</tr>
<tr>
<td>Shadow Minister for Trade (Deputy Leader of the Opposition)</td>
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<tr>
<td>Shadow Parliamentary Secretary for International Development Assistance</td>
<td>The Hon Teresa Gambaro MP</td>
</tr>
<tr>
<td>Shadow Minister for Infrastructure and Transport (Leader of The Nationals)</td>
<td>The Hon Warren Truss MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Roads and Regional Transport</td>
<td>Mr Darren Chester MP</td>
</tr>
<tr>
<td>Shadow Minister for Employment and Workplace Relations (Leader of the Opposition in the Senate)</td>
<td>Senator the Hon Eric Abetz</td>
</tr>
<tr>
<td>Shadow Minister for Employment Participation</td>
<td>The Hon Sussan Ley MP</td>
</tr>
<tr>
<td>Shadow Attorney-General</td>
<td>Senator the Hon George Brandis SC</td>
</tr>
<tr>
<td>Shadow Minister for the Arts (Deputy Leader of the Opposition in the Senate)</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Justice, Customs and Border Protection Shadow Parliamentary Secretary to the Shadow Attorney-General</td>
<td>Mr Michael Keenan MP</td>
</tr>
<tr>
<td>Shadow Treasurer</td>
<td>The Hon Joe Hockey MP</td>
</tr>
<tr>
<td>Shadow Assistant Treasurer and Shadow Minister for Financial Services and Superannuation Sensor Mathias Cormann</td>
<td></td>
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<tr>
<td>Shadow Parliamentary Secretary for Tax Reform (Deputy Chairman, Coalition Policy Development Committee)</td>
<td>The Hon Tony Smith MP</td>
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<tr>
<td>Shadow Minister for Education, Apprenticeships and Training (Manager of Opposition Business in the House)</td>
<td>The Hon Christopher Pyne MP</td>
</tr>
<tr>
<td>Shadow Minister for Childcare and Early Childhood Learning Shadow Minister for Universities and Research Shadow Minister for Youth and Sport (Deputy Manager of Opposition Business in the House)</td>
<td>The Hon Sussan Ley MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Regional Education</td>
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<tr>
<td>Shadow Minister for Indigenous Affairs (Deputy Leader of the Nationals)</td>
<td>Senator the Hon Nigel Scullion</td>
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<tr>
<td>Shadow Minister for Indigenous Development and Employment</td>
<td>Senator Marise Payne</td>
</tr>
<tr>
<td>Shadow Minister for Regional Development, Local Government and Water (Leader of the Nationals in the Senate)</td>
<td>Senator Barnaby Joyce</td>
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<tr>
<td>Shadow Minister for Regional Development</td>
<td>The Hon Bob Baldwin MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Northern and Remote Australia</td>
<td>Senator the Hon Ian Macdonald</td>
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<tr>
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<tr>
<td>Shadow Parliamentary Secretary for Local Government</td>
<td>Mr Don Randall MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for the Murray-Darling Basin</td>
<td>Senator Simon Birmingham</td>
</tr>
<tr>
<td>Shadow Minister for Finance, Deregulation and Debt Reduction (Chairman, Coalition Policy Development Committee)</td>
<td>The Hon Andrew Robb AO MP</td>
</tr>
<tr>
<td>Shadow Special Minister of State</td>
<td>The Hon Bronwyn Bishop MP</td>
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<tr>
<td>Shadow Minister for COAG (Chairman, Scrutiny of Government Waste Committee)</td>
<td>Senator Marise Payne (Mr Jamie Briggs MP)</td>
</tr>
<tr>
<td>Shadow Minister for Energy and Resources Shadow Minister for Tourism</td>
<td>The Hon Ian Macfarlane MP</td>
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<tr>
<td>Shadow Minister for Defence Shadow Minister for Defence Science, Technology and Personnel</td>
<td>Senator the Hon David Johnston Mr Stuart Robert MP</td>
</tr>
<tr>
<td>Shadow Minister for Veterans' Affairs and Shadow Minister Assisting the Leader of the Opposition on the Centenary of ANZAC</td>
<td>Senator the Hon Michael Ronaldson</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Defence Materiel Shadow Parliamentary Secretary for the Defence Force and Defence Support</td>
<td>Senator Gary Humphries Senator the Hon Ian Macdonald</td>
</tr>
<tr>
<td>Shadow Minister for Communications and Broadband Shadow Minister for Regional Communications</td>
<td>The Hon Malcolm Turnbull Mr Luke Hartsuyker MP</td>
</tr>
<tr>
<td>Shadow Minister for Health and Ageing Shadow Minister for Ageing Shadow Minister for Mental Health Shadow Parliamentary Secretary for Primary Healthcare Shadow Parliamentary Secretary for Regional Health Services and Indigenous Health</td>
<td>The Hon Peter Dutton MP Senator Concetta Fierravanti-Wells Dr Andrew Southcott MP Dr Andrew Laming MP</td>
</tr>
<tr>
<td>Shadow Minister for Families, Housing and Human Services Shadow Minister for Seniors Shadow Minister for Disabilities, Carers and the Voluntary Sector (Manager of Opposition Business in the Senate) Shadow Minister for Housing Shadow Parliamentary Secretary for Supporting Families Shadow Parliamentary Secretary for the Status of Women</td>
<td>The Hon Kevin Andrews MP The Hon Bronwyn Bishop MP Senator Mitch Fifield Senator Marise Payne Mr Jamie Briggs Senator Michaelia Cash</td>
</tr>
<tr>
<td>Shadow Minister for Climate Action, Environment and Heritage Shadow Parliamentary Secretary for Environment Shadow Minister for Productivity and Population Shadow Minister for Immigration and Citizenship Shadow Parliamentary Secretary for Citizenship and Settlement Shadow Parliamentary Secretary for Immigration Shadow Parliamentary Secretary for Innovation, Industry, and Science</td>
<td>The Hon Greg Hunt MP Senator Simon Birmingham Mr Scott Morrison MP The Hon Teresa Ganbaro MP Senator Michaelia Cash Mrs Sophie Mirabella MP Senator the Hon Richard Colbeck</td>
</tr>
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<td>Shadow Minister for Agriculture and Food Security</td>
<td>The Hon John Cobb MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Fisheries and Forestry</td>
<td>Senator the Hon Richard Colbeck</td>
</tr>
<tr>
<td>Shadow Minister for Small Business, Competition Policy and Consumer Affairs</td>
<td>The Hon Bruce Billson MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Small Business and Fair Competition</td>
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CHAMBER
The SPEAKER (Ms Anna Burke) took the chair at 10:00, made an acknowledgement of country and read prayers.

PRIVATE MEMBERS' BUSINESS

Private Members' Motions

Reference to Federation Chamber

The SPEAKER (10:01): In accordance with standing order 41(g) and the determination of the Selection Committee, I present copies of the terms of motions for which notice has been given by the honourable members for Melbourne, La Trobe, Parkes, Chifley, Kingston and Shortland. These matters will be considered in the Federation Chamber later today.

PETITIONS

Mr MURPHY (Reid) (10:01): On behalf of the Standing Committee on Petitions, and in accordance with standing order 207, I present the following petitions:

Public Holidays

To the Honourable the Speaker and Members of the House of Representatives

This petition of certain citizens of Australia draws to the attention of the House that:

- Weekend and shift workers are disadvantaged whenever Christmas Day, Boxing Day or New Year's Day falls on a weekend and the public holiday substitutes (is moved) to the following Monday or Tuesday.
- When substitution occurs workers rostered to work on the actual special day falling on the weekend don't receive a public holiday whilst workers rostered to work on the substitute day do.
- This is unfair to weekend and shift workers.
- Some States have legislated for Christmas Day, Boxing Day and New Year's Day to be public holidays when they fall on a weekend plus provide an additional public holiday on the following Monday or Tuesday.
- Weekend and shift workers are also disadvantaged because Good Friday, Easter Saturday (in most states) and Easter Monday are public holidays but Easter Sunday (except in NSW) is not. (The NSW Parliament unanimously legislated for Easter Sunday to be a public holiday.)
- This is unfair to weekend and shift workers.
- Parliament should legislate a uniform standard across Australia.

We therefore ask the House to:

Amend the National Employment Standards in the Fair Work Act to include:

1. An additional public holiday (not a substitute day) on the following Monday and/or Tuesday whenever Christmas Day, Boxing Day or New Year's Day fall on a weekend.
2. Easter Sunday as a public holiday.

from 35 citizens

Marriage

To the Honourable the Speaker and Members of the House of Representatives

This petition of concerned citizens of Cowra draws to the attention of the House the need to act responsibly and truthfully on the issue of same sex "marriage".

Whether or not we acknowledge Him, God exists. By acknowledging or rejecting God there are benefits or consequences. God's laws are immutable irrevocable and to ignore or reject them will be at our nation's peril. This means no same sex "marriage" - as marriage is a holy covenant designed by God, entered into by a man a woman and their Creator.

We are already experiencing the devastating effects of family breakdown on our society. Children need both a mother and a father. As humans we have an inherent, need to know where and to whom we belong.

By not protecting God's model of marriage we are at risk of producing generations of individuals without an identity with implications not only to
psyche, but to future partners, offspring and medical care.

History has proven over centuries the devastation that occurs when any nation turns away from God.

Such an important issue with such far-reaching consequences for our society, for our very way of life must not be entrusted to the decisions of a few; it needs to go to a referendum so the people of Australia can truly have their say.

from 23 citizens

**Australian Army's History Unit**

To the Honourable the Speaker and Members of the House of Representatives

This petition of military and other Australian historians, scholars and researchers draws to the attention of the House:

The recent and ill-advised budget cuts forced upon the Australian Army's History Unit. We ask the House to note the immediate and long term effect of this decision on the army's heritage and more broadly on academic scholarship and the study and dissemination of Australian military history.

We therefore ask the House to:

Appoint an independent committee to review the decision, the advice sought and the appropriateness of the funding cuts. The Committee would recommend that the Government accept and implement its findings.

from 16 citizens

**Disability Services**

To the Honourable The Speaker and Members of the House of Representatives

This petition of concern citizen

1. **Draws to the attention of the House:**

There are disadvantaged and disabled Australians who are denied access to Employment Support Services because it is considered they are unlikely to benefit from the services. These Australians want to work but are prevented from accessing the usual employment support services for the disadvantaged and disabled.

2. **Why is it an issue?**

The current situation will mean that these disadvantaged and disabled Australians will be unable to re-enter the workforce. This means they will remain dependent upon welfare payments. This means the individual will suffer the vagaries of low income while society will be forced to support these individuals into the long term.

3. **We therefore ask the House to:**

1. Amend current legislation to allow all disadvantaged and disabled Australians to access Employment Support Services.
2. These Employment Support Services should not be restricted by the DEEWR and the DHS to the disadvantaged and disabled members of the community.
3. Raise awareness about overall contribution made from disadvantaged and disabled Australians to the society.

from 22 citizens

Petitions received.

**PETITIONS**

Responses

Mr MURPHY (Reid) (10:02):

Ministerial responses to petitions previously presented to the House have been received as follows:

**Social Security Act**

Dear Mr Murphy

Thank you for your letter of 25 June 2012 to the Minister for Human Services, Senator the Hon Kim Carr, about two petitions submitted for the consideration of the Standing Committee on Petitions regarding the assessment of income under the Social Security Act 1991. Your letter was referred to me as this matter falls within my portfolio responsibilities. I apologise for the lengthy delay in responding.

Social security policy is under ongoing review and the Australian Government welcomes input from the community. Such input forms an important part of policy design.

The first petition proposes that the income test assessment of account-based pensions should be based on application of the deeming provisions,
rather than allowing annual income to be reduced by a deductible amount based on the purchase price and the customer's life expectancy at purchase.

The current approach is designed so that the income assessed from an account-based pension does not include any return of the person's own capital over its term.

The current treatment was introduced in 1998 and ensures that similar superannuation pension streams are treated equally and consistently.

The second petition proposes assessing superannuation assets where a customer is below Age Pension age but over 55 years of age and in receipt of an income support payment for more than 39 weeks. Superannuation assets are currently exempt from the social security means test until Age Pension age.

Australia's retirement income system combines an affordable basis for generating retirement incomes with targeted support for those who most need assistance. It is based on three pillars:

• taxpayer-funded means-tested Age Pension which provides a safety net for people who are unable to support themselves fully in retirement and supplements the retirement incomes of those with lower levels or private savings;

• compulsory employer superannuation contributions through the Superannuation Guarantee, supported by generous taxation concessions; and

• voluntary private superannuation also supported by taxation concessions, and other private savings.

Superannuation assets are intended to be used in retirement to provide income, hence they are not assessed until they are cashed out, converted into an income stream, or the individual reaches Age Pension age.

Furthermore, abolishing this exemption could be a disincentive to return to work because customers would have a greater level of resources available by accessing their superannuation. Affected customers may have modest superannuation balances that would be reduced by the requirement to draw down on their superannuation assets before Age Pension age.

This would result in a lower retirement income for those customers in the future.

Thank you again for writing.

Yours sincerely

from the Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform, Ms Macklin

Health Insurance

Dear Mr Murphy

Thank you for your letter of 20 August 2012 regarding a petition from … in which Ms … requests that private health insurers be required to provide full health insurance cover with no co-payments and no 'gap' payments for patients.

Private health insurers often enter into 'gap cover arrangements' with health providers. Under such arrangements, a patient will either have no gap to pay, or they will be informed in advance about any gap. As at the end of the June 2012 quarter, 88.3% of privately insured medical services in Australia were delivered with no gap for the patient to pay, but such arrangements are optional. Policies that provide access to gap cover arrangements can be more expensive due to the higher benefit levels private health insurers are required to pay.

Private health insurers also offer policies with set co-payments. Consumers can agree to pay a limited amount for each day they are in hospital, usually for a lower premium compared to policies that do not include co-payments. Consumers are able to choose policies with or without co-payments according to their own personal circumstances.

Policy conditions vary between private health insurers and each health insurer offers a variety of policies. That is why I encourage people to be as informed as possible before taking out private health insurance cover and when changing from their existing cover.

The Private Health Insurance Ombudsman hosted website, www.privatehealth.gov.au, has a search engine that enables consumers to browse Standard information Statements for each private health insurance product available in Australia. Each Standard Information Statement shows
important price and benefit information on each private health insurance product, such as gap cover options and co-payments, so that consumers can compare and make informed choices about their private health insurance cover.

The Australian Government ensures a minimum level of cover for insured hospital treatment, by regulating the minimum benefits private health insurers must pay. However, the Government has no authority to regulate fees charged by hospitals and health practitioners. Practitioners and hospitals are encouraged to consider the personal circumstances of their patients when determining their fees. The Government must rely on the goodwill and cooperation of individual practitioners to ensure that patients receive adequate medical care without undue financial hardship. Therefore, it is important for people experiencing financial hardship to discuss their personal situation with their practitioner.

However, if as Ms … suggests the Government were to require private health insurers to meet all medical costs and to prohibit policies that allow co-payments, private health insurers would experience significantly higher outlays. Such an approach creates an environment in which there is likely to be an increase in medical and other fees. This would lead to private health insurers having to significantly increase the cost of private health insurance in order to safeguard the viability of their business and to protect their members. Any significant rise in the cost of purchasing private health insurance is of concern to the Government because this would put private health insurance out of reach of many people.

The Australian Government greatly appreciates the efforts made by people who make provision for their own health care needs through private health insurance and also recognises that unforeseen out-of-pocket expenses can add to the distress of those who suffer illness and injury.

To assist, the Government maintains the Extended Medicare Safety Net that provides additional Medicare benefits for Australian families and singles who have out-of-pocket costs for Medicare eligible out-of-hospital services once an annual threshold of out-of-pocket costs has been met. In 2012, the annual threshold for Commonwealth Concession Card holders, including those with a Pensioner Concession Card, a Health Care Card or a Commonwealth Seniors Card, and people who receive Family Tax Benefits (Part A) is $598.80. For all other singles and families the annual threshold is $1,198.

The Government also provides taxation assistance for the costs of some health expenditure that is not covered by Medicare through the net medical expenses tax offset (NMETO). For information regarding the NMETO, patients can contact the Australian Taxation Office's Personal Tax Enquiries Line on 13 28 61.

Once again, thank you for writing.

from the Minister for Health, Ms Plibersek

Fisheries

Dear Mr Murphy

Thank you for your letter of 23 August 2012 about petition no 697/1128 submitted to the Standing Committee on Petitions from concerned Australian residents about the current process of establishing marine park boundaries in Australia's Exclusive Economic Zone.

The Australian Government is committed to the development of marine reserves through the marine bioregional planning process to support the conservation and sustainable use of Australia's oceans. The Department of Sustainability, Environment, Water, Population and Communities is the lead agency on marine bioregional planning.

As the matter largely falls within the portfolio responsibilities of the Minister for Sustainability, Environment, Water, Populations and Communities, the Hon Tony Burke MP, I am forwarding the petition to him for consideration. I have enclosed my letter to Minister Burke for your information.

Thank you again for bringing the petition to my attention.

from the Minister for Agriculture, Fisheries and Forestry, Senator Ludwig
PETITIONS

Statements

Mr MURPHY (Reid) (10:03): Madam Speaker, firstly, on behalf of the Petitions Committee I wish to congratulate you on your appointment to the office of Speaker and thank you for your valued contribution as a member of the Petitions Committee until your recent high appointment.

Madam Speaker, as you know, standing order 204 is one of the primary standing orders outlining the content and format requirements of petitioning the House. Most of the conditions are quite straightforward; however, a couple of the standing order requirements cause consternation for some prospective petitioners. Today I will discuss one of these areas—paragraph (a), sub-paragraph (ii) of standing order 204—which requires that ‘a petition must refer to a matter on which the House has the power to act’.

The legislative powers and governance responsibilities of the federal parliament are limited to particular subjects as listed in sections 51 and 52 of the Australian Constitution. These sections define the legislative powers of the Commonwealth; with section 52 detailing the exclusive jurisdiction of the federal parliament.

Some of the powers of section 51 include a mixture of exclusive powers and some powers which may be exercised in conjunction with the states. For example, up until 1961 the states utilised their own individual marriage legislation. Even though the Commonwealth had the ability to enact legislation for marriage, as per section 51, it did not actually legislate until the passing of the Marriage Act in 1961. This legislation then superseded the state marriage laws because the Commonwealth exercised its power to legislate.

As you would be aware, Madam Speaker, the subject area has been a frequent topic of petitioning to this House. Commonwealth legislative power, and thus government administration of laws and development of policy, includes areas of defence, external or foreign affairs, interstate and international trade, taxation, foreign trading and financial corporations, marriage and divorce, immigration, bankruptcy, and interstate industrial conciliation and arbitration.

Over time, some matters administered by the states have formally shifted to the Commonwealth through referrals from the states. The underlying broad Commonwealth powers were created at Federation but were not utilised immediately. For example, state legislation on terrorism has been variously referred to the Commonwealth under the Criminal Code Act 1995. Again, these referred subject matters are outlined in the Australian Constitution. Section 96 of the Constitution also allows the Commonwealth to make grants of money to the states and territories, for any purpose, tied to certain conditions. For example, three subject areas which fall under state legislative responsibility—education, health and transport—are all areas where the Commonwealth has provided special purpose funding under section 96. An example of this which was a subject petitioned for and against was funding for the School Chaplaincy Program.

Although publicly available and not a long document, the Australian Constitution is quite complicated for the average Australian to interpret, so it is unsurprising that petitioners may sometimes be confused as to whether the concern of their petition is a matter for this House. Sometimes it is easy to determine whether a petition's request is a matter for the House if the request is to amend or repeal existing federal legislation. The House cannot, of course, make changes to the regulation of other jurisdictions. It may, however, influence other jurisdictions.
via tied funding or influence an outcome through COAG arrangements or via the Commonwealth's international obligations through treaties—for example, in areas of environmental protection and heritage.

Besides the extent of Commonwealth legislative powers there are other elements which may determine whether a petition request is a matter on which this House can act. For example, petitions requesting private organisations or individuals to take action are not matters on which the House can act. Organisations and individuals operating within the laws required of them can conduct their businesses and affairs as they choose. The House cannot direct them to act in a particular way. Also, petitioners cannot petition the House for investigations or rulings into criminal or civil matters; these matters, as you know, are entirely for the police and/or the courts to handle. This concept underpins the basic framework of the separation of our constitutional powers. Similarly, the House cannot action a request for the removal of a member of parliament on the desires of the petitioners. As you know, this is provided for in section 8 of the Parliamentary Privileges Act 1987.

I am aware of your distinguished service on that committee also, Madam Speaker, and that of the member for New England. Members are elected representatives and, as such, providing they are not disqualified per section (44) of the Australian Constitution, a member of parliament would only lose their seat during their term if they pass away, are absent without leave or resign. These conditions underpin the very foundations of Australia’s parliamentary democracy.

The SPEAKER: The member's time is about to expire—

Mr MURPHY: Finally, it is worth noting that petitioners may avail themselves of all the resources the committee provides to assist petitioners understand the requirements of the petitioning standing orders; however, any research into their subject matter concern, and the drafting of their petition, is entirely a matter for petitioners. Once a petition is finalised and sent to the committee it will be assessed by the committee against all the House’s petitioning requirements and, if it is compliant, it can be presented in the House. I am very sorry, Madam Speaker; I lost track of time.

DELEGATION REPORTS

Regional Australia Committee
Delegation to Canada and Mongolia

Mr WINDSOR (New England) (10:10): by leave—On behalf of the Standing Committee on Regional Australia, I wish to make a statement on the committee's visit to Canada and Mongolia as part of our inquiry into the use of fly-in fly-out workforce practices in regional Australia. This statement specifically concerns the committee's visit to Canada and Mongolia undertaken as part of the annual parliamentary delegation visit to the Asia-Pacific region. The document that I will seek leave to table shall not be considered a delegation report but rather a statement of the reasons for travel and the program of meetings undertaken. I know my colleagues the member for Capricornia and the member for Riverina wish to speak on the delegation in the Federation Chamber, and the committee will report on the findings of the delegation in its inquiry report, which I intend to table early next year.

The Regional Australia Committee is conducting an exhaustive inquiry into the use of FIFO and DIDO—fly-in fly-out and drive-in drive-out—working practices. The committee felt that it needed to undertake wider research on the issue to get more ideas about what solutions could be put in place to
support and build our regional communities. In Canada, the committee visited St Johns, Newfoundland and Labrador, and Edmonton and Fort McMurray in Alberta. I am grateful to the many local officials and industry groups who generously gave their time and knowledge to the delegation. While there is much to learn from Canada—and the committee spent quite a lot of time talking with many people who were experiencing very similar situations to some parts of Australia—the Canadians are very much looking at us as well to learn from our fly-in fly-out experience. Perhaps most tellingly, in St Johns the comment was made: 'We saw what was happening in the Pilbara and resolved that we'll do everything we can to make sure that doesn't happen here.' Provincial governments across Canada are playing catch-up with the fly-in fly-out phenomenon but are leading the expectations of companies and communities to drive a local workforce focus. One of the issues that our committee will pick up on is the experience the Canadians are having in certain parts.

The Mongolian mining industry is relatively young. We had the unique experience of touring the completed Oyu Tolgoi copper mine before the switch was flipped to start operations. This large operation will need a fly-in fly-out workforce, but the company, Rio Tinto, is prioritising building the local workforce through building a local community. Again, the government is heavily involved driving a culture of local community development.

The delegation findings prove that a balance can be found between utilising a fly-in fly-out workforce and building local, sustainable communities as long as strong leadership from all levels of government is put in place. I look forward to reporting on the full findings to the House in due course.

As I have a couple of minutes left, I would very much like to thank the committee membership and the secretariat for the work they put into the trip. I would particularly like to thank all of those people we met overseas, both in private companies and in various areas of government.

In the case of Mongolia, I would like to thank Rio Tinto in particular for giving us an insight into their workings. One of the things that is becoming very plain to members on the committee is that different companies in different parts of the world are doing different things to try and address the same issue—that of regional communities and the phenomenon of fly-in fly-out and, in some circumstances, drive-in drive-out. Even though the Canadian experience and the Mongolian experience are different, there is an enormous amount for us to learn from their experiences. I thank the Australian Consul-General, David Lawson, and his people in particular. I also thank the Mongolians who have been educated in Australia—they are known as the 'Mozzies'—for giving us some great experiences in their country. I am sure that the member for Riverina would endorse my remarks, particularly those in relation to the Mongolian people and their children, for their capacity, need and want to be educated right across the spectrum. Given the announcements by the Prime Minister in the last few days, I think Mongolia should be well placed to take advantage of some of the issues she raised. I present the statement relating to the committee delegation to Canada and Mongolia. I seek leave to table it. (Time expired)

Leave granted.

Mr WINDSOR: I move:

That the House take note of the document.

The SPEAKER: Does the member for New England seek to move a motion to
move this statement to the Federation Chamber?

Mr WINDSOR: I move:

That the order of the day be referred to the Federation Chamber for debate.

Question agreed to.

COMMITTEES
Foreign Affairs, Defence and Trade Joint Committee

Report

Mr CHAMPION (Wakefield) (10:16): On behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I present the committee's report entitled Australia's overseas representation: punching below our weight?

In accordance with standing order 39(f) the report was made a parliamentary paper.

Mr CHAMPION: This report identifies a chronic underfunding of DFAT over the last three decades which has resulted in a diplomatic network which is seriously deficient and does not reflect Australia's position within the G20 or the OECD. Australia has the smallest diplomatic network of the G20 countries and sits at 25th in comparison to the 34 countries in the OECD. Australia is clearly punching below its weight.

The committee has recommended in this report that a budget priority for overseas representation should be significantly raised because of the benefits that accrue from diplomacy.

In the medium term, Australia should substantially increase the number of its diplomatic posts by at least 20 posts to bring it level with its position in the G20 and the OECD.

In the longer term, funding to DFAT should be increased to a set percentage of gross domestic product sufficient to reflect Australia's standing as a middle power.

There appears to be no overall strategy for Australia's diplomatic engagement with the world or criteria for establishing, continuing or closing diplomatic posts. To address this deficiency, the committee has recommended that the government produce a white paper to set the agenda for Australia's whole-of-government overseas representation.

The committee has received DFAT's priorities for increasing Australia's diplomatic footprint should it receive increased funding, and a number of suggestions from interested parties for opening new diplomatic posts in particular countries. The committee, however, has restricted itself to recommending that there should be additional posts in Asia, and in particular in China and Indonesia.

The committee recognises the valuable activities undertaken abroad by Australia's representatives in promoting Australia's interests, promoting trade opportunities, and through providing consular assistance to Australians abroad.

The committee notes, however, that issues relating to the effect of recent funding cuts on overall effectiveness, resource allocation of any additional funding and the number and performance of locally engaged staff would benefit from further examination and review.

The committee has therefore recommended that there be an external review of DFAT to prepare it for the future, and hopefully the implementation of other recommendations in this report.

The committee has made a number of other recommendations, including funding the ever-increasing demand for consular services from Australians who travel abroad, in part from revenue sources such as increased passport fees and a small tiered
levy, structured to take into account those Australians who have taken out travel insurance or who have been unable to obtain travel insurance—that is, particularly, the aged. We have also recommended placing on the COAG agenda discussion of the location, coordination and effective use of state and Commonwealth overseas trade representatives. We have recommended the creation within AusAID of a mediation unit to reduce the potential need for aid and rebuilding assistance and to prevent armed conflict in the region. We have also recommended the establishment of an office of e-diplomacy within DFAT to harness the potential and deal with the challenges of e-diplomacy, particularly in the light of the constantly evolving nature of technology and, in particular, social media.

The operations of our diplomatic network are being challenged by a lack of funding, the growth and development of Australia's economy, the shift of global power towards Asia, the impact of technology and the rising importance of public diplomacy.

This report along with recent reports from the Lowy Institute and, of course, the Asian century white paper highlight the urgent need to rebuild Australia's diplomatic network and enhance our international standing.

Our diplomatic network must be resourced to grow if Australia is to punch above its weight in the world.

In conclusion, I would like to thank all those who provided submissions to the review and who provided evidence at the hearings. I particularly thank the member for Melbourne Ports for his guidance and his active participation in the committee. I also thank the members of the subcommittee and the secretariat, particularly John Carter, Peter Kakogiannis, Jessica Butler and Sonya Gaspar.

I commend the report to the House.

Dr STONE (Murray) (10:22): This report of the Joint Standing Committee on Foreign Affairs, Defence and Trade, *Australia’s overseas representation: punching below our weight?*, comes at a most opportune time, given that just this weekend the Prime Minister released the *Australia in the Asian century* white paper. Our report follows earlier inquiries which also identified chronic underfunding of our diplomatic services over a very long period of time. At the moment, DFAT manages 95 overseas posts in 77 countries. It also manages 46 consulates headed by honorary consuls. Of these, 23 are in countries with no other Australian embassies or high commissions.

We have in the past played a very important role in global diplomacy. I refer in particular to the work that was carried out in the fifties and sixties, when we were the major architects of the Antarctic Treaty System. Successive prime ministers then also played important roles in negotiating bans on mineral exploitation and on military activity in the Antarctic. We have done an enormous job in the past with the Security Council of the United Nations. It now seems that we are no longer capable of pulling the weight we should as a middle power—because we are underinvesting in our diplomatic effort. Our inquiry found that, compared with other OECD countries and the G20, Australia’s diplomatic representation footprint is amongst the smallest, ranking 25th out of 34 OECD countries. One of the ways our diplomatic posts and DFAT have tried to overcome the shortfalls in funding and in the number of posts is, increasingly, to employ locally engaged staff.

We are concerned, having talked and taken evidence about this in our inquiry, about the relative efficacy and performance of the increasing number of locally-engaged
staff who are often employed as a cost-saving measure. We believe that there should be ongoing dialogue with interested parties—for example, the Migration Institute of Australia—given that they are often made aware of issues or concerns about equitable or appropriate treatment of Australian embassy or high commission clients. We need to make sure that, if you come to an Australian embassy or high commission, you are treated in the way that Australians would expect to be treated in Australia when doing business with a public agency.

We took evidence about the sometimes competing or poorly-coordinated actions of state agents-general or other state or territory trade representatives working overseas. We have recommended that COAG discuss the location, coordination and effectiveness of this plethora of often piecemeal representation, which can confuse new markets. Some markets, indeed, are not aware of where our states are located, and, when they are told about competing products or services, this can be to the detriment of the development of our trade rather than supporting it.

Whilst we have substantially increased our foreign aid budget, and whilst this increase has bipartisan support, it has not been matched by an adequately increased capacity in Australia's network of posts to match the additional funds to ensure best value for money and adequate recognition of Australia's contribution. We need to make sure that as we are increasing this foreign aid budget—as we should and must—we at the same time overcome past problems by ensuring that AusAID, our embassies and our posts can properly manage the additional budget on the ground.

We are very concerned that a lot of our diplomats have to cover a number of countries—in Africa, in particular. We have engaged with some of our superb diplomats whose task is to try to represent Australian in five or six different countries. This is almost an impossible task. I have already mentioned that sometimes we then resort to honorary consulates, which do the best they can, but it is not the same as having Australian diplomatic missions. I commend the report to the House. It is most timely.

Mr CHAMPION (Wakefield) (10:27): I move:

That the House take note of the report.

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

Reference to Federation Chamber

Mr CHAMPION (Wakefield) (10:27): I move:

That the order of the day be referred to the Federation Chamber for debate.

Question agreed to.

Infrastructure and Communications Committee

Mr CHAMPION (Wakefield) (10:27): On behalf of the Standing Committee on Infrastructure and Communications I wish to make a statement concerning the committee's inquiry into IT pricing in Australia in order to update the House on the progress of the inquiry. Clearly the complicated issue of IT pricing in Australia balances consumers, industry, copyright holders and the good of the general economy. So far we have had 93 submissions and four supplementary submissions. In particular, there has been strong interest from consumer groups—both individuals and business—and this interest is behind the large number of submissions. Choice and Australian Communications Consumer Action Network have made strong submissions on behalf of consumers.
I had expected there to be strong interest from industry as well, and we do need evidence on the public record because it is vital for the committee to be able to form accurate conclusions, but to date the committee has received only qualified and sporadic cooperation from industry groups and major IT companies. ARIA initially declined to appear before the committee but, after requests, finally did appear on 5 October. The AIIA, which is the industry association representing IT companies, provided a submission and appeared but was unable to provide specific information on behalf of its individual members. Once it became apparent to the committee that major companies did not intend to appear before the committee and give public evidence, we did ask the AIIA to reappear on behalf of the industry; but this request was refused.

Apple made a confidential submission and provided a confidential briefing to members of the committee but have refused repeated written requests to make a public submission or to appear before the committee to give evidence. Adobe initially informed us that they would be represented through the AIIA, but, given that the AIIA’s inability to provide detailed answers to the committee’s satisfaction, we then sought further information and submissions from Adobe, which they provided on a confidential basis. They have offered to appear—but only if other companies in the sector appeared at the same time. Microsoft, to their credit, made a submission and some further supplementary submissions to the inquiry but have been unwilling to appear before the committee and have proposed alternative contributions instead.

So, to one degree or another, there has been a real unwillingness to submit evidence in public or to appear before the committee on the part of both industry associations and major companies in the area of IT. The committee detects a deep reluctance and resistance on the part of the relevant companies to discuss in public the issues that the committee is considering or to publicly defend their business models and pricing structures. The committee would, of course, be willing to hear in camera matters that were commercially sensitive—which is a common practice amongst committees—but the committee’s offer to do so has not been taken up. Rather, the industry seems to employ the tactic of giving either little or limited cooperation to the committee, particularly in public testimony. This stands in stark contrast to what has happened in other inquiries which have investigated areas of commercial sensitivity in that these inquiries received cooperation and information from industry participants. An example would be the joint select committee into the retail sector in 1999, where Woolworths appeared twice and included their CEO Roger Corbett and five other senior managers of the business. If it is good enough for an Australian company such as Woolworths to give public evidence on matters of commercial interest to them, it should be good enough for Apple and others to appear and do the same.

It is not good enough for the industry to simply stonewall the inquiry—or, for that matter, to ignore interested consumers who have a legitimate public interest in IT pricing. It would be far better for companies to defend their business model and their pricing structure in public before the committee. The committee has offered these companies more than once the chance to appear. We would give them a fair hearing; they have my public commitment on it. The companies’ failure to appear leaves the committee with an unenviable choice between compelling the attendance of individuals to give evidence and reporting without hearing in detail from industry. The
choice between one or other of these alternatives can only be averted by the IT industry's following the first rule of good public relations: always turn up and put your case.

Mr NEVILLE (Hinkler—The Nationals Deputy Whip) (10:33): I rise to support the chair of the committee as his deputy. I take us back to the referral from Senator Conroy on 18 May where he said, in the terms of reference for this committee on IT hardware and software pricing, that he wanted us to investigate:

... differences in prices of products sold in Australia compared with other markets (US, UK and Asia-Pacific) ...

He also pointed out to us that some products have been costing up to 90 per cent more in Australia than have similar products sold in the US. We were then told by Choice that they could identify a range of products for which prices were approximately 50 per cent higher in Australia than they were elsewhere. The Productivity Commission also identified that very high prices are being paid in Australia in comparison with the prices being paid in other regions.

It is obvious from the evidence we received from members of the public and people on the consumer side of this agenda that the public has had enough of this pricing, which puts Australia at a disadvantage in a whole range of areas, such as IT hardware and software and things that spin off them—music downloads and engineering, medical and educational software.

We have been told traditionally that things have to be a bit dearer in Australia because of our geographic isolation, the historically weak Australian dollar and our comparatively small population. Australia is not that geographically remote in this era of the internet and fast international aviation and communications. We certainly do not have the historically low dollar at present and our comparatively small population is one of the most IT-literate in the world.

To maintain this unfair advantage, we are told, a number of companies have played the game of selective encryption, geoblocking and geofencing to ensure that people cannot buy certain goods online and use them in Australia. That is simply unacceptable. We have been told by both sides of politics over the years that we have to accept the international price of petrol and the international price of gas and so on, and, as an obedient population, we say, 'Fair enough—that's the way business is done in the world.' But when it comes to this IT market equally we should not be put at a disadvantage. It falls to our government and the opposition to stand up against this and take a very firm stand on it.

The committee sought constructive, candid involvement from various large companies. But they have been difficult, as the chairman just pointed out. There seemed to be a reluctance from some international corporations to get involved in the inquiry, even after a number of direct requests. We feel that we have come to a point where there is obstruction, avoidance and evasion. One of the silliest ones is that, on the one hand, the industry body says they are there to represent the industry, but, when we ask them a specific question, they say they cannot possibly talk for individual members. So we have this catch 22 going on.

The ultimate sanction for this sort of thing is to invoke the committee's powers to subpoena people. I am always reluctant to do that, but I think a time comes when we should consider the sanctity of the parliament and what it is here to do. When the minister asks us to look into something and report back to this parliament and we are
deliberately frustrated, I think we need to send out a signal that we are not going to accept that and that we expect a better level of conduct from the industry.

Gambling Reform Committee

Report

Mr WILKIE (Denison) (10:38): On behalf of the Joint Select Committee on Gambling Reform, I present the committee's report, incorporating additional comments, entitled *The prevention and treatment of problem gambling*, together with the evidence received by the committee.

The committee received 60 submissions and heard from many witnesses. On the committee's behalf I thank all of those who assisted the inquiry, in particular those people who have battled gambling addiction and who bravely came forward to help us try to find a solution. I would also like to thank the committee secretariat, which did a fine job organising the inquiry and wading through an enormous amount of material.

In the first part of the report the committee's main findings centre on the need to increase the focus on the prevention of problem gambling and, in particular, the problem we have in Australia with the lack of balanced messaging on gambling and the excessive focus on personal responsibility.

The committee heard that the message of 'responsible gambling' reinforces the view that it is up to individuals to gamble responsibly and that, if they do not, there must be something wrong with them. The problem is that this can shame people into silence and create a barrier to seeking help, which may be one reason that so few people actually do seek help for a gambling problem—in fact, only eight to 17 per cent tend to seek help and, when they do so, it is only as a last resort, because they have reached crisis point. To remedy this, the committee makes a number of suggestions to improve the effectiveness of messaging, including better crafted messages, better targeted messages and tactics like changing messages frequently so they do not become stale.

The committee also heard about the need for the industry to take greater responsibility for the dangers of gambling products. For instance, in the area of staff training, the committee was concerned to hear that, despite showing obvious signs of problematic gambling in venues, none of the former problem gamblers who spoke to the committee had been approached by staff. This appears to be an admission that the current training, focused on staff interventions, is simply not working.

Although they are helpful for some gamblers, the committee also heard of the limitations and mixed experiences of self-exclusion programs. The committee heard that some programs are complex, that they require photos to be taken and that there may be a need to reapply after a period of time. Moreover, people cannot self-exclude from all venues at one time, so they may only need to travel a short distance to be able to gamble at another venue. No wonder the committee sees merit in state-wide self-exclusion programs.

The committee heard from a number of treatment providers in clinical and non-clinical settings as well as support groups and was able to consider a range of possible improvements to the current system from the perspective of those working in the sector. For instance, the committee is attracted to the concept of integrated treatment services to deal with the complications with comorbid conditions, to the need to integrate awareness of gambling addiction across the wider health profession to ensure better referral pathways and to improvements to qualifications and training.
Finally, as with its previous inquiries, gambling research and data collection was highlighted to the committee. Areas requiring attention include: a much better evidence base and the importance of independent research and transparency of funding.

There are two chapters of additional comments. There is one by me in which I outline my concerns with the current state of gambling reform and the very real likelihood of no reform because of the Greens' unwillingness to compromise. Again I call on the Greens to understand the importance of establishing the precedent of the value of this to future and more substantial reform, and again I call on the government to table its reforms and to use the parliament as the place to argue for them and to fight for support, as it seems it is prepared to do with the wheat bill.

There is also a chapter by Senators Xenophon, Di Natale, Madigan and me outlining areas where we think the committee report does not go far enough—in particular, the need for a legislated duty of care. Frankly, despite all the claims from the industry about staff training and wanting to assist problem gamblers, the committee heard repeatedly from problem gamblers who gambled at the same venues for extended periods—sometimes years—and who were known to staff but never approached about their excessive gambling. Putting a legal onus on venues to protect such people would, we believe, go a long way to cleaning up an industry more beholden to its commercial self-interest than to the public interest. I commend the report to the House.

In accordance with standing order 39(f) the report was made a parliamentary paper.

Ms BRODTMANN (Canberra) (10:43): As the Deputy Chair of the Parliamentary Joint Select Committee on Gambling Reform I have the pleasure to speak on the tabling of the committee's third report today. The focus of the reports is the prevention and treatment of problem gambling.

The government takes seriously the need to address problem gambling in Australia. This committee's report recommends a number of ways to continue to improve prevention measures and treatment services in Australia, recognising that there is no single solution to address problem gambling.

I draw the House's attention to the committee's view, set out in the early part of the report, that a public health approach to tackling problem gambling is needed. A public health approach aims to prevent problems arising from gambling. It involves the promotion of community and individual wellbeing, including alternatives to gambling behaviour—for example, through information and awareness campaigns. A public health framework also takes the focus off individual personal responsibility, which can be stigmatising, and broadens responsibility for preventing program gambling across the community and industry.

To help drive a public health approach to gambling, the committee recommends prioritising gambling research under the banner of health research. This could be done by designating gambling as a National Health Priority Area under the National Health and Medical Research Council, and as an 'associated priority goal' under the Australian Research Council.

The first part of the report looks at prevention measures to reduce the rate of problem gambling. The committee heard about the mixed messages being broadcast to the community about gambling. Currently, it is promoted by the industry as a harmless form of entertainment but this is not
balanced by clear information about the possible risks. Changing public attitudes to gambling is important. Current messages around 'responsible gambling' reinforce the idea that the individual alone is responsible if a gambling problem develops and that they have only themselves to blame. The committee heard throughout the inquiry that this creates shame and stigma, which then becomes a huge barrier to seeking help for problem gambling. People tend to seek help only as a last resort and feel discouraged from seeking help early. Witnesses provided a number of suggestions about how to improve the messages used in social marketing initiatives—including campaigns, education initiatives and professional training—to address stigma and stereotypes.

The second part of the report considers what measures the gambling industry can take to minimise the harm gambling can cause. The committee heard about the need for the industry to take greater responsibility for the dangers of gambling products, like poker machines. It was concerning to hear that despite showing obvious signs of problematic gambling in venues, none of the problem gamblers who spoke to the committee had been approached by staff. The committee suggests some measures to improve staff training and also recommends strengthening self-exclusion programs to assist problem gamblers. The committee also supports legislation for the forfeiture of prizes by those who are self-excluded, as recommended by the Productivity Commission, to act as a deterrent to breaching self-exclusion agreements.

The final part of the report looks at models of treatment for problem gambling. The committee was pleased to hear from a number of gambling treatment services across Australia who provided details of their work. It was heartening to hear about effective treatment services for those afflicted by gambling problems, including flexible models of help and treatment like online and phone counselling.

Services for culturally and linguistically diverse groups are also available for problem gambling and the committee was glad to hear of the existence of targeted information resources and treatment services for people in these groups, who may already be experiencing social vulnerability.

The committee also heard a number of suggestions from those in the gambling treatment sector about ways to improve treatment systems. For example, the need for integrated treatment services to deal with the complications of treating people with co-morbid conditions, like mental illness or drug and alcohol issues, was raised with the committee. The committee also recommends ways to embed awareness of gambling addiction across the broader health profession in order to ensure better referral pathways between health services.

The report concludes with a chapter on gambling research and data collection challenges, an area where there are still serious deficiencies and gaps. The evidence base for gambling treatment services and evaluation methods are also covered.

Since becoming deputy chair of this committee in April 2012, I have learned a great deal about problem gambling and it is a privilege to see the tabling of the committee's third report. I want to thank the member for Denison for very capably chairing the committee and for running this inquiry very smoothly. I also want to thank the secretariat for their commitment and professionalism.

The DEPUTY SPEAKER (Ms K Livermore): Order! The time allotted for consideration of committee and delegations reports has expired. Does the member for Denison wish to move a motion in
connection with the report to enable it to be debated on a future occasion.

Mr WILKIE (Denison) (10:49): 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.

Reference to Federation Chamber
Mr WILKIE (Denison) (10:49): I move:
That the order of the day be referred to the Federation Chamber for debate.
Question agreed to.

BILLS
Fair Indexation of Military Superannuation Entitlements Bill 2012
First Reading
Bill and explanatory memorandum presented by Mr Katter.

Mr KATTER (Kennedy) (10:49): War comes on very unpredictably. There was a man called Chamberlain who walked into the British parliament and announced, 'We don't have anything to worry about because we have peace in our time,' and he waved a letter around that he had got from another man called Mr Adolf Hitler, saying that he had no designs upon Europe and there was nothing to worry about. There was no effort made to increase the military budget or the military preparedness of Great Britain. If my memory serves me correctly, within a year or a year and half of that statement, Britain lost her entire army at Dunkirk, in the sense that the personnel got home, but they were not to take their rifles. Most of them swam or waded out from the beach. They took the bolts of their rifles with them. All of the tanks, artillery pieces and rifles were left behind, and Britain was left without an army to protect itself. It had a very great navy but no army.

In Australia, in this parliament, in this place, Mr Curtin got up and said that he was wonderfully pleased and we should not involve ourselves in any wars in Europe, we had nothing to worry about and European wars did not concern us, and he stridently spoke out against any increases in the military budget. The government believed and assured the people of Australia that we did not have anything to worry about. There was nothing pending and there was no necessity to increase military spending. Both sides agreed that there was no problem.

Within two years, Brigadier General Mackay presented to the cabinet of Australia a paper in which he said: 'We can't possibly defend Australia. All we can defend is the narrow coastline stretching from Brisbane to Sydney and Melbourne and across to Adelaide.' It was not a Brisbane line; the whole of Australia was handed over except the small area that was all that the tiny little army and security services that we had could defend. Then General Blamey, the commander of the Australian forces, said that if the Japanese took Port Moresby—and they were two weeks away from taking Port Moresby; 15,000 had landed at Rabaul—we had 3,000 militia in battalions who were unfit and untrained and had virtually no machine guns at all to stop them. If they took Port Moresby, there would be no way of stopping them from invading Australia.

In preparation for that invasion, something like 50 or 60 sorties and bombings of Darwin took place. Horn Island was bombed. Bamaga was bombed. Townsville was bombed. Cairns was bombed. Kalumburu was bombed. Some 72 ships off the Australian coastline were sunk in preparation for the invasion. Newcastle and Sydney both
had bombs dropped upon them, albeit only one or two.

So war comes on very quickly, and we must call upon our security forces, our Army, Navy and Air Force, to defend us. Even when the war broke out, we did not worry much in Australia because Britain said she would come over and save us if anything happened over here, not that anything was likely to happen over here. The Americans stood between Australia and Japan. If the worst came to the worst, the Americans would save us. Quite frankly, neither of them saved us. The Battle of Milne Bay and the Battle of Kokoda were fought by Australians, preventing the Japanese from taking Port Moresby, and it was only the Australians that prevented the taking of Port Moresby.

The Fair Indexation of Military Superannuation Entitlements Bill 2012 is to look after our soldiers. It is an expression from the Parliament of Australia, representing the people of Australia, that we appreciate what you do.

We appreciate that, if you are in the services now, you will almost certainly be sent to Afghanistan at some time and that, if you are sent to Afghanistan, you have a one in 400 or one in 500 chance of dying. According to the newspaper reports—I have not checked them—39 deaths have taken place in Afghanistan. Those of us who attend the funerals of the people from our areas—as I attended the funeral of Ben Chuck, a commando, in Yungaburra—will never forget them.

Yet we say to our troops: 'You are substandard. You do not deserve the same arrangements as other pensioners. You do not deserve the arrangements we in this parliament enjoy.' Our remuneration is tied to average weekly earnings and our pensions are tied to whichever is the better deal out of average weekly earnings and the CPI. But these men who risk their lives for their country are confined to the CPI. Don't you think that they are being told that we do not care about them—that they are expendable? Could there be a worse message to send to the parents and relatives of Ben Chuck and all the other Ben Chucks?

We are fighting wars. I was handed a rifle when I was 18 years of age. I heard John F. Kennedy and I thought we were all going to go to war—as did everyone in my senior class at Mt Carmel School after hearing him speak on that famous day. But then it blew over and the world was gay and happy—because there was not going to be any war. But, 18 months later, I was carrying a rifle and I had to give three telephone numbers to my commanding officer. I was on 24-hour call to go and fight in Indonesia. That war was about protecting our oil pipeline.

There is a bit of get even and get square about the war in Afghanistan—and we do not blame the Americans for that. They are fully entitled to get square. But ultimately, in my opinion, the war in Afghanistan is about protecting their oil pipeline. I think you have to fight a war to protect your oil pipeline. But I plead with people in this place to understand that, if you want to fight a war to protect an oil pipeline, don't you think the people in the Indonesian archipelago might get a bit upset when we cut off their food pipeline—when we sink the little boats they sail out here to try to catch fish to keep their families alive?

We are also fighting to protect the American alliance—and, quite frankly, we would ultimately have been invaded if it had not been for the Americans. Everybody knows that. We also provide peacekeeping forces—and we all want to make our contribution so that we do not see a repeat of the terrible things which have occurred in the
past. An example of what can happen if you do not have a peacekeeping force is what happened in the Boer War. The British—and very sadly and to the shame of this nation, we were in there too—starved 26,000 women and children to death in the camps. They did so as government policy. If there had been a peacekeeping force to stop those greedy people like Cecil Rhodes, Barney Barnato and NM Rothschild, that concentration camp incident may not have occurred—and if that had not occurred, I do not think there would have been a First World War. There was no way the Germans were going to allow that to go unpunished. On their belts, it said, 'God is with us.' As a result of the Boer War, to some degree they were dead right—that God was with them. I speak not to condemn my own forces. I am very proud and honoured to sit under the portrait on my wall of Albert Anthony Henley, my great-grandfather's brother, who died at Gallipoli.

We are moving today that our servicemen and women get the same deal as everyone else in Australia. I cannot see how anyone on either side of this parliament can hold their head up straight or look a soldier or an ex-soldier in the eye unless they support this proposal.

We do not do this to blow our own trumpet. We would have been most happy for the government or the opposition to have moved this. I am quite sure the crossbenchers will very strongly support this bill. It will be voted upon and we hope that everyone votes for it. We very strongly commend the bill to the House.

Bill read a first time.

**The DEPUTY SPEAKER (Ms K Livermore):** In accordance with standing order 41, the second reading will be made an order of the day for the next sitting.

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**National Electricity Bill 2012**

**First Reading**

Bill and explanatory memorandum presented by Mr Oakeshott.

**Mr Oakeshott (Lyne) (11:00):** I have just handed over the largest private member's bill ever presented to this Commonwealth parliament. The National Electricity Bill 2012 invites the parliament to end the greatest market failure in Australia today—a regulatory rort and rip-off that since 2009 has cost electricity consumers $3 billion, as identified by the ACCC commissioner last week. Of this $3 billion, $1.9 billion has been transferred from the pockets of New South Wales electricity consumers to the pockets of the state government alone, costing the average customer somewhere around $100 extra each year. This is not spending on new poles or wires or better reliability; it is just extra dividends to the state governments around Australia. Under the definitions of the *Macquarie Dictionary*, this is both a 'rip-off' and a 'rort'. Unfortunately, the current national electricity law cannot be amended by the Australian parliament. This private member's bill asks the House to consider that and change it.

The national electricity law is a uniform national law but only by virtue of the adoption of a South Australian act in other states and territories. The National Electricity (South Australia) Act 1996 has been adopted by other states and territories, forming the national electricity market. The purpose of this bill is to adopt in so far as practicable the existing national electricity law to make the national electricity law an act of the Commonwealth. This bill incorporates as far as possible the existing Australian Energy Market Act 2004; this bill adopts as far as possible the Australian Energy Market Commission Establishment
Act 2004, which is also a South Australian Act, to make the commission a statutory body of the Commonwealth.

I have brought this bill before the House because there is a widespread consensus that the electricity sector has experienced a profound regulatory failure when it comes to network prices. That is the view not only of the majority of Australian consumers, households and business; it is now quite clearly the view of the major independent regulatory bodies in Australia—whether it is the Productivity Commission, the ACCC or state based organisations like the Independent Pricing and Regulatory Tribunal of New South Wales.

The national electricity law contains the national electricity objective—defined in the explanatory memorandum and quoted in there as essentially seeking to balance investment with consumer prices. But in recent years that balance in the national electricity objective has been utterly lost. In a further red herring, governments, even today through COAG, are failing to deliver the national electricity objective. Some state energy ministers are now blaming the Australian Energy Regulator or the ACCC, despite detailed independent reviews that prove them wrong. At best, first ministers at the moment are only going as far as acknowledging the problem. Again in the explanatory memorandum to the bill there is a quote from the communeque from the COAG meeting of 25 July, stating that COAG gets the problem without actually starting to resolve it. The Prime Minister is also quoted in the explanatory memorandum, from 7 August this year, stating the problem and threatening to use a big stick if required. This is the opportunity to use the big stick. As well in the explanatory memorandum I have quoted the Leader of the Opposition saying that in his view it is all Julia Gillard's fault because the federal government has the regulatory power on pricing approvals.

While the sentiment would support this bill being approved by the House, currently that is not correct because these are uniform state laws which, if we want to change anything, have to go through every single state parliament for any single amendment to try to get better outcomes from the national electricity objective. I have put both of those in the explanatory memorandum to, hopefully, have both party rooms consider the positions of their leaders in, hopefully, supporting the intent and objective of this bill. Likewise, in the explanatory memorandum I have quoted the Productivity Commission of only 18 October 2012 where they quite clearly identify the problem that we need to deal with as the Australian parliament. One quote in particular I want to put on the record:

Quite apart from the continued parochial mix of costly state-based regulations, the AER claims that the national regime is flawed too, and has led to inflated costs of capital and created incentives for inefficient investment, with flow-on price effects.

Flow-on price effects equal $3 billion out of the pockets of consumers for no added benefit in the delivery of electricity in Australia today. The fact is the overall network price regulation scheme has been established by federal, state and territory governments on a mixed multilateral and unilateral basis. The rip-off of the moment which needs to be fixed, however, is that the national electricity law is a creature of state parliaments themselves. It is simply not possible at the moment for this Commonwealth parliament to unilaterally correct or amend these regulatory failures under the current state based laws. As it is now clear that the national electricity law, a creature of state parliaments, is itself a chief cause of the regulatory failure we have seen
in recent years, I ask this House to take a lead on this issue.

The national electricity law specifically establishes a framework for merits reviews of decisions made by the Australian Energy Regulator. In the explanatory memorandum, I quote the New South Wales IPART in that regard, identifying $1.9 billion in New South Wales alone in the last three to five years where this failure has, in my view, ripped off consumers. I also quote the ACCC commissioner about the merits review process and the cherry-picking of one or two issues without any consideration of the overall impact on customers.

The head of the ACCC is telling us that a flaw in the national electricity law has already cost consumers $3 billion—about $100 a year per household or business. Likewise, the Productivity Commission is reporting that we need to do more to place emphasis on the national electricity objective as the guiding principle for decisions in any merits review process. We cannot do that now with the current structures of the law and the regulatory environment. We need to take a lead in allowing the national electricity law to truly be a national law over which this parliament has some command and control.

This bill, if passed, will remove a serious conflict of interest. Several states and territories own and receive revenue from electricity network monopolies while retaining a determinative role over the legislation governing reviews of network price determinations. These state governments, like New South Wales in my view and I hope in the view of many, have a severe conflict of interest. You only have to look on the public record at the New South Wales government's budget statement of this year to see that it shows that dividends from its state-owned electricity network monopolies will climb from $639 million last year to $901 million this year—a 41 per cent increase in one year alone. Other states like Queensland, Tasmania and Western Australia have decided to forgo such increases but the New South Wales government continues to demand extra dividends from every power consumer in the state. Under the guise of a $15 rebate for pensioners, about $100 has been taken at the same time due to the ongoing structural failure.

Those extra dividends are a direct result of the regulatory flaw specifically identified by the New South Wales IPART, the Productivity Commission and the ACCC. The government of New South Wales, my state, has been the only winner from a flawed regulatory regime and continues to accept almost $2 billion from that flaw. It is a flaw that today we need to take the opportunity to correct if we are genuinely acting in the best interests of delivering on the national electricity objective and on behalf of consumers feeling enormous pressure at the moment with the failed pricing regime. I do not believe that the state governments can fix this. I do not believe that COAG, with the vested interests attached to COAG, can fix this. This parliament can fix it by passing this bill. I therefore commend the bill to the House.

Bill read a first time.

The DEPUTY SPEAKER (Ms K Livermore): In accordance with standing order 41, the second reading will be made an order of the day for the next sitting.

Public Interest Disclosure (Whistleblower Protection) Bill 2012
First Reading

Bill and explanatory memorandum presented by Mr Wilkie.
Mr WILKIE (Denison) (11:11): The Public Interest Disclosure (Whistleblower Protection) Bill 2012 aims to strengthen public integrity by encouraging and facilitating the disclosure of corruption, maladministration and other wrongdoing in the Commonwealth public sector. It will do so by providing protection for public officials to make such disclosures.

Public interest disclosure legislation—whistleblowing legislation, if you like—dates from 1978 in the United States, while in Australia the first was in 1990, with Queensland's original interim legislation. At the Commonwealth level, comprehensive legislation was first recommended by the Liberal chaired Senate Select Committee on Public Interest Whistleblowing in 1994, but it had always been left to the minor parties to roll their sleeves up and try to progress real reform—in particular, the bills introduced unsuccessfully by the Greens in 1993 and by the Democrats in 2002 and then in 2007.

Regrettably, though, these were all false starts, and it was not until the election of Kevin Rudd as Prime Minister, with Senator John Faulkner as Special Minister of State, that the prospect genuinely hardened of us finally seeing Commonwealth whistleblower legislation enacted, even more so when the Prime Minister's 2007 commitment was reinforced in 2009 by the parliamentary committee chaired by Mark Dreyfus, now a parliamentary secretary, which provided a detailed and bipartisan blueprint for Commonwealth legislation. The 2010 federal election offered more good news, this time in the Gillard government's agreements with the Greens, along with the members for Lyne and New England and with me, to promote open and accountable government and to improve the processes and integrity of the parliament.

But alas, so far, all of this has come to nothing, even though the promise of whistleblowing legislation is clearly another test of whether or not the government can be believed when it says it will do things, a test it stands to fail unless it immediately either presents its own legislation, as good or better than this private member's bill, or gets behind this bill. It is also a test of the Liberal-Nationals coalition's continuing commitment to strengthening public integrity, since it was the Liberal government in New South Wales in 1994, the Liberal and National parties in Queensland in 2006 and the Liberal government in Western Australia in 2010 which drove important whistleblowing reforms in those jurisdictions.

More broadly, there is the international test. The government committed in 2010 to have whistleblowing legislation in place by the end of 2012 when it signed on to the G20 Anti-Corruption Action Plan. By supporting this bill, which is consistent with all its own commitments, Australia can deliver on that promise on time and show that it is once again leading the world in best practice public integrity measures. Heaven knows we need them.

This bill, if enacted, will get things back on track. It would realise the aspirations of Liberal, Greens and Democrats senators and deliver on the promises of this and the previous Labor governments. It would also deliver on our G20 commitment. And, most importantly, it would genuinely strengthen public integrity.

In essence, this bill would give virtually all federal public officials protection, including a variety of persons either currently or previously employed by, contracted by, exercising a power of or performing a function of an agency. Importantly, especially in the current
political climate, a public official is defined in the bill to include senators, members of the House of Representatives and persons employed under the Members of Parliament (Staff) Act 1984. Such officials may report a broad range of disclosable conduct and, in particular, corrupt conduct carried out by any public official or agency or by any person in relation to a public official or agency, serious and substantial maladministration, misuse of public money or public property, danger to public health, danger to the environment or detrimental action towards anyone as a result of a public interest disclosure.

Disclosures may be made orally or in writing, anonymously if need be, and regardless of whether or not the official asserts that the disclosure is made under the protection of the act. Quite simply, so long as a public official honestly believes on reasonable grounds that the information disclosed demonstrates disclosable conduct, or where the information disclosed does tend to demonstrate disclosable conduct, regardless of the belief of the public official making the public interest disclosure, he or she is covered by this bill. What is not covered, and obviously nor should it be, is if the person making the disclosure knows the information is false, misleading or vexatious, if the information relates entirely to a policy disagreement regarding public expenditure or if it relates entirely to judicial or tribunal matters specifically excluded by the bill.

This bill seeks to normalise public interest disclosures by putting in place culture changing structures and processes. For instance, disclosure officers must be appointed and disclosures must be investigated. Known or suspected offences must be referred to the Australian Federal Police. Oversight is to rest with the Commonwealth Ombudsman and with the Inspector-General of Intelligence and Security.

Importantly, this bill gives a public official the right to approach a journalist to publicise their concern in circumstances where this is justified—for instance, when they have made a public interest disclosure and the disclosure officer or another relevant person, depending on the circumstances, has refused or failed to receive the disclosure; in some circumstances when an investigating entity has refused or failed to investigate the disclosure; or in various other reasonable circumstances, including when the disclosure has been investigated but no action is taken and there remains clear evidence demonstrating that one or more instances of the disclosable conduct mentioned in the disclosure has occurred.

Moreover, a public official may in extreme circumstances go directly to the media if he or she honestly believes on reasonable grounds that they have information that tends to show disclosable conduct and there exists a significant risk of detrimental action to themselves or someone else if a disclosure is made through the normal channels—in other words, if the public official has good reason to think it would be unreasonable in all the circumstances for the disclosure to be made through normal channels.

Whistleblowers—in other words, those professional people who take a stand and speak truth to power—are every bit as crucial to a healthy democracy as an independent media and judiciary. But whistleblowers are too often left with an unbearable personal cost, as they lose their jobs, their friends and family, their minds and sometimes even their lives. It is beyond time we gave them the protection they need and deserve. As recommended by the Dreyfus committee, this bill requires public agencies to prevent reprisals from being taken and creates robust compensation mechanisms, mirroring those which have
been working well in the United Kingdom for over 10 years now, by ensuring access to appropriate and affordable remedies under our own Fair Work Act.

There is nothing radical about any of this and no good reason why the government or opposition would oppose it. Every state and territory now has whistleblowing legislation and it is only at the Commonwealth level a yawning gap remains. All of the parties have said they support remediying this, and just in recent weeks here in the Australian Capital Territory very good legislation has been enacted by a Labor government with the support of all parties. That legislation is very similar to the bill I am tabling today.

Yes, governments do not like whistleblowers shining a light on incompetence and misconduct and, yes, oppositions know they will one day be governments and do not want to create future problems for themselves and, yes, there are sure to be some senior bureaucrats who do not like the look of this and who want to keep talking about it seemingly forever. It is no wonder the government's public interest disclosure bill is rumoured to have reached draft No. 80 or 90 or some such figure. But it is way beyond time for this government to honour its promise—made repeatedly—to deliver best practice whistleblowing legislation. If it will not, the community should ask: what is the government trying to hide? If it will not, I suggest it is time for the opposition to step up to the plate and do the government's job by supporting this bill.

In closing, I acknowledge and thank AJ Brown, professor of public law at Griffith University and a director of Transparency International Australia, for his assistance in the development of this bill. No-one has done more than Professor Brown to improve public integrity in Australia and he deserves the nation's gratitude. I also thank the Blueprint for Free Speech organisation for its role in helping research and advise on parts of the bill. I commend the bill to the House.

Bill read a first time.

The DEPUTY SPEAKER (Ms K Livermore): In accordance with standing order 41, the second reading will be made an order of the day for the next sitting.

Public Interest Disclosure (Whistleblower Protection) (Consequential Amendments) Bill 2012

First Reading

Bill and explanatory memorandum presented by Mr Wilkie.

Mr WILKIE (Denison) (11:21): The Public Interest Disclosure (Whistleblower Protection) (Consequential Amendments) Bill 2012 contains amendments to legislation to facilitate the introduction of the Public Interest Disclosure (Whistleblower Protection) Bill 2012. The acts amended by the consequential amendments bill are the Fair Work Act 2009, the Ombudsman Act 1976, the Parliamentary Service Act 1999 and the Public Service Act 1999. None of these amendments make any substantive changes to the law and are purely administrative.

Bill read a first time.

The DEPUTY SPEAKER: In accordance with standing order 41, the second reading will be made an order of the day for the next sitting.

PRIVATE MEMBERS' BUSINESS

Disability Services

Mr NEUMANN (Blair) (11:23): I move:

That this House:

(1) recognises that the rate of employment for people with disability in Australia is significantly less than people without disability;
(2) commends the efforts taken so far by disability advocates and a number of big and small businesses that are working to remedy this concerning trend;

(3) acknowledges the significant economic and productivity benefits of having in work, more Australians with disability; and

(4) calls on the Government to:

(a) engage with the Australian Securities Exchange (ASX) about the merits of the ASX extending its Corporate Governance Principles and Recommendations to require reporting on the employment of people with disability; and

(b) explore ways to ensure companies employing more than 100 employees report on their efforts to employ more people with disability.

The DEPUTY SPEAKER: Is there a seconder for the motion?

Mr Hayes: I second the motion.

Mr NEUMANN: In 1949, at the Australian Labor Party National Conference, then Prime Minister Ben Chifley said:

The success of the Labor Party at the next election depends, entirely, as it always has done, on the people who work.

His words still resonate decades later. Ben Chifley put into words what those on this side of politics have always believed in: the value of work. He verbalised our core values in that wonderful speech about 'the light on the hill', the great objective, and he talked about the Labor Party and the labour movement giving people a helping hand. Our strength on this side of politics comes from those people who have worked, who do work and who want to work. Now, more than ever, this nation needs a healthy, highly educated, creative workforce. We need to encourage men and women to work, for we believe that everyone has a right to work, regardless of their gender, race, postcode or disability. As a nation we have gone a long way, but there is much more to be done.

Among the OECD countries, Australia is ranked 13th out of 19 in employment rates for people with a disability. A study conducted by Deloitte Access Economics in 2011 on the economic benefits of employing people with disabilities suggests that closing the gap between the labour-market participation rates and unemployment rates of people with and without disability by even just one third would result in a cumulative $43-billion increase in Australia's GDP over the next decade in real dollar terms. The Survey of Disability, Ageing and Carers conducted by the ABS in 2009 showed the labour participation rate for people with disability aged 15 to 64 was 54.3 per cent, compared to 82.8 per cent for people without disability, and that rate largely remained unchanged from 1993 to 2006. In my home state of Queensland, the participation rate for people with disability in the workforce is even lower: it is 48.3 per cent. We are, as a nation, wrestling with the challenges of skill shortages, and we have a vastly untapped potential group of employees here.

We are passionate on this side of politics about getting people into jobs—maximising the capacity of those with disability who are willing and able to work—and I commend organisations like Centrelink, Disability Employment Services and Job Services Australia; Disability Employment Services are doing a good job in that regard. And we are supporting those on disability support pensions to work up to 30 hours a week without their payments being suspended or cancelled, subject to an income test.

In my electorate, the electorate of Blair, based on Ipswich in the Somerset region, we have about 4,000 people on a disability support pension. Recently, at a carers event, I advised Carers Queensland and those who were there that we have 4,313 carers who do wonderful work and contribute to part of the $40 billion nationally of unfunded assistance
and care that is given each year—great people in our community who are great advocates for people with a disability, like Peter and Linda Tully, associated with Queenslanders with Disability Network; the Endeavour Foundation; MACH 1; Uniting Church care; WorkVentures; CODI; Focal Extended and others in my electorate.

But we need to tap the potential of those job seekers who have not been targeted so far. We are putting lots of effort in, and we are determined to take action to address workforce shortages and increase the employment of people with disability. The $2,000 Supported Wage System employer payment is available to employers who employed someone with disability for a minimum of 15 hours a week for over six months. But we recognise there are unconscious, systematic biases in the labour market against those people with disability. Even well-intentioned people can succumb to stereotypes. I commend the Minister for Employment and Workplace Relations who has been a passionate advocate for disability employment along with the National Disability Insurance Scheme. As a government, we care that people with impairment are not getting first-class outcomes often, experiencing what Minister Shorten described as a ‘jobs apartheid’ in an otherwise great country.

Last Friday I held a DisabiliTEA outside my office in the Brassall Shopping Centre. Australians are generous by nature, and I was really chuffed and really touched by the support from local small businesses, who donated prizes and other sorts of assistance for people there with disability. It is often the small business people who really care and show their concern and communitarian spirit in what they do. But I believe we can all do better, and I believe large corporations ought to set the standard.

One of the options we need to discuss in this country is having Australian companies who employ more than 100 people report on how many employees with disability are on their payrolls. It is a simple, practical and relatively easy step towards equality in the workforce.

We need to engage with the Australian stock exchange to tackle a range of corporate biases. For instance, about 90 per cent of the boards of the ASX top 200 companies are full of men. We have relatively little ethnic diversity in our boards, and I would not hazard a guess about how many people with disability are on those boards either. Hiring people with disability is good for corporate Australia and it is good for the national bottom line. People with disability represent a massive untapped talent, particularly as the labour force shrinks with an ageing population.

I urge Minister Shorten to take further steps in relation to this. I know that he, along with Minister Ellis, has written to the ASX governing council seeking support in amending its Corporate Governance Principles and Recommendations to require reporting on employment of people with disability. Members in this chamber will no doubt be aware of the inclusion of recommendations about diversity, particularly gender diversity, in the Corporate Governance Principles and Recommendations and the positive effect that has had in promoting gender equity in key business and governance issues—but not enough yet, as the figures clearly show, with too few women on those boards. Extending the ASX Corporate Governance Principles and Recommendations would assist, as it has done and will continue to do in relation to gender diversity, and I think it would represent an important step towards promoting cultural change and improving
employment outcomes for people with disability.

But we also need direct action from government. I know that Labor governments undertake the tough task with respect to this, and we are setting up a National Disability Insurance Scheme. We put a billion dollars in the last budget towards launch sites in five states and territories but sadly, tragically and shamefully, not one in Queensland, my home state, because of the attitude taken by the LNP state government in Queensland.

On 3 December this year, I will hold my annual Blair Disability Links, an event that brings together disability service providers, including employers and those people who assist people who are suffering from disability—mental challenges, physical challenges and the like—to get jobs, into one place in a mini expo. We will launch again our Blair Disability Links booklet, which is like a one-stop shop, a little white pages or yellow pages for people. We give out literally hundreds and hundreds of those booklets all the time. They are probably the thing that gets picked up most at the mobile offices I have around Ipswich and the Somerset region. We will launch a fresh copy of that. I urge all those people who might be listening to contact my office—particularly Kylie Stoneman, who is doing a terrific job in my office organising that. We provide information in our community to help those people to get jobs, particularly in the many small businesses, because 96 per cent of people in the Ipswich and West Moreton region are employed in small businesses.

But corporate Australia have to make some tough decisions. They need to get on board in relation to this issue. It is no good just mouthing the words; they have to put them into action on disability. I know that privately and personally some of those company boards and directors are supportive of the National Disability Insurance Scheme, and they have said so, but there is a difficult road ahead. The Labor Party is the party of reform, particularly in social and economic spheres. We are building the National Disability Insurance Scheme, but it is time for the big end of town, corporate Australia, the multinationals and the banks, to also get on board. This motion brings it to their attention because they need to consult broadly. I commend to the government to work on this, because people with disability and their carers and representatives are asking for this. I think this motion will bring to national attention this issue, important as it is.

Mr McCormack (Riverina) (11:33): I rise to speak on this motion put forward by the member for Blair. I encourage him not to politicise this debate. It is all well and good to say that people on his side of parliament support a National Disability Insurance Scheme and support people with disabilities in employment opportunities. Certainly those wonderful measures are also supported by those on this side of the House and, dare I say, on the crossbenches too, because people with disabilities need all the support they can get. The chairman and life member of Kurrajong Waratah, a disability service organisation in Wagga Wagga, Michael Kennedy OAM, in his chairman's report delivered at the annual meeting on 17 October, said, 'It has been said that the measure of a civilised society is the way in which it looks after its most disadvantaged and vulnerable community members.' Certainly all of us in this parliament, in this place, should be well aware of that absolute necessity to look after those most vulnerable members of society.

All across Australians head to work every day. However, for some Australians their disability acts as a barrier to finding
employment despite their desire to have a job. Disability Employment Australia states that of the one in five Australians of working age with a disability only 53 per cent participate in the workforce, compared with 81 per cent for people without a disability.

Disabilities are not always obvious and in many people you may not even be aware the person is disabled because the disability is not visible. The Australian Bureau of Statistics, Disability, Ageing and Carers Australia: Summary of Findings, found that 86 per cent of people with a disability experience limitations in core activities, including mobility and communication; almost 84 per cent have a physical condition, which can range from being confined to a wheelchair to having epilepsy or to suffering from AIDS; 11.3 per cent have mental and behavioural disorders; and, 4.8 per cent have intellectual and developmental disorders.

The most significant barriers to work for people with disabilities still appear to be stereotypical attitudes about what people with a disability can or cannot do. It is these attitudes which organisations across Australia are helping to break down, to assist disabled people into the workforce and, in the process, helping to increase productivity throughout Australia. Contrary to what may be believed, people with disabilities take fewer days off, take fewer sick leave days and tend to stay in jobs longer than other workers. Furthermore, people with disabilities also have fewer compensation incidents and accidents at work compared to other employees.

The Australian Network on Disability outlines the principles of employment as being the same for people with a disability as for those without disability, with the main focus on the skills, talents and capabilities the person with a disability can bring to the workplace. Many disabled people hold qualifications and do not require assistance in seeking employment. Businesses are employing people with disabilities because they are the best person for the job based on their skill set, not because they are disabled.

For people who require assistance to gain employment, Australia is abundant with organisations willing and able to assist them to find a job which suits their needs. Australian Disability Employment Services currently assists approximately 140,000 individuals with a disability to gain and maintain employment in the labour market. This assistance is offered at almost 2,000 sites across Australia, with 224 providers operating the Disability Employment Services program.

Kurrajong Waratah, an organisation based in Wagga Wagga but which has operations right throughout the Riverina, provides services to children and adults with disabilities and support for their parents and carers in the Riverina-Murray region. Within the organisation, Work Solutions, a specialist recruitment and training agency, assists people with disabilities who find gaining employment and transition into the workplace difficult. There is a competitive labour market in the Riverina-Murray region and Work Solutions has broken into the market and found employment for people who have a disability. Kurrajong Waratah currently supports 268 people with a disability who have found employment in the region. Of these people, 37 per cent are employed in process work, 30 per cent in retail and 15 per in hospitality.

In addition to finding people employment, Work Solutions also assists those with a disability to gain the skills required to enter the workforce through vocational training and by employing 151 people with disabilities in business areas operated by Kurrajong Waratah, which includes Waratah
Industries, Kurrajong Small Business Services and Kurrajong Recyclers. These businesses all provide professional services in the Riverina and I know the recyclers, particularly the e-waste recyclers, do a fantastic job around the region and are always prompt at collecting the recycling from every house in Wagga Wagga and certainly from my electorate office in Wagga Wagga.

Work Solutions also assists school leavers with a disability through the New South Wales government's Post School programs, which helps students transition from a school environment to the workplace. In the Kurrajong Waratah 2011-12 annual report, Crispin Lowe, the manager of Work Solutions, noted the great demand for the post school employment program. Schools leavers from Wagga Wagga, Leeton, Narrandera, Griffith, Temora and Deniliquin all started work placements in the community during the year.

Also based in Wagga Wagga is The Leisure Company, a not-for-profit organisation which provides recreation, work and life skill opportunities for people with disabilities in Wagga Wagga and the surrounding centres.

One of the programs run by The Leisure Company is the Transition to Work Program for school leavers which aims to develop living, educational, prevocational and recreational skills. These are all skills which can be carried over into the workplace. This is a fantastic program allowing young adults with a disability to develop practical skills to help them gain employment.

A PricewaterhouseCoopers report published in November last year found people with a disability are half as likely to be employed as people without a disability. Where the Organisation for Economic Cooperation and Development average is 60 per cent, Australia ranks 21st out of 29 nations in the OECD. Whilst the National Disability Insurance Scheme would not be a magical fix for the problems in the system, it would assist in getting greater acceptance of disabled persons in the workplace. Rather poignantly, PricewaterhouseCoopers government sector leader Chris Bennett said: It's clear the current system is broken big time. When you see Australia sitting last in OECD rankings on poverty for people with disabilities, it's just wrong. If we were sitting that low in the rankings in cricket or rugby Australians wouldn't countenance it.

The NDIS has the potential to support an additional 370,000 people with disabilities in the workforce by 2050. The coalition believes that the full implementation of an NDIS would be nothing short of a new deal for people with disabilities and their carers.

As the Productivity Commission recognised, this will require a high level of consultation and attention to detail which cannot be rushed into without risks to the scheme's subsequent success. We believe the commission's timetable is achievable with prudent government and good economic management. Launch sites are important, but the Labor government is yet to commit to the scheme over the long term. The only mention of the NDIS in the midyear economic and fiscal outlook is that it is a priority for the government over the medium term. The government must say whether it is committed to a full NDIS by the Productivity Commission's target date of 2018-19.

I am proud to say that I was the first federal parliamentarian in New South Wales to sign up to the NDIS: Every Australian Counts campaign. I stand by and support my comment that all Australians feel the need to have control of their own lives and it is incumbent upon the Commonwealth government to provide this freedom. I do not need any convincing this program needs my
support. This comment extends to people with a disability who wish to have a job and contribute to the workforce, like every other Australian who wishes to have control over this aspect of their life. I commended the efforts taken so far by businesses which are employing people with disabilities and the work of advocates and organisations which assist people with a disability into the workforce on a daily basis.

Last Friday I attended a DisabiliTEA morning tea at Griffith which was arranged by Councillor Anne Napoli, whose son Patrick has a disability. She is a wonderful advocate for people with disabilities, certainly in the western Riverina. I look forward to continuing to work with Anne in the future to achieve better outcomes for people with disabilities in the region.

Finally, I will conclude with some remarks by Mr Kennedy of Kurrajong Waratah, who says:

It has been a remarkable achievement to reach this point from the release of the Productivity Commission's report and findings and recommendations for a NDIS in 2011.

... ... ...

Kurrajong Waratah's supportive and flexible relationships with people with a disability and their parent/carers will, under an NDIS, need to become stronger as they become not our 'clients' but our 'customers'.

He said that the NDIS is fully supported by Kurrajong Waratah and it looks forward to working with government into the future to make sure it is achievable for the benefit of people with a disability.

Ms SAFFIN (Page) (11:43): I speak in strong support of the honourable member for Blair's motion and commend him for bringing it to the House. I will associate myself with his contribution about, among other things, the NDIS and the Labor Party being the party of reform.

What I want to speak about in speaking in support of the motion is a particular program and project taking place in my seat of Page but more broadly across the North Coast area. That is the Disability Employment Broker program. It is a program designed to better help people with disabilities get jobs, help get them in the workforce and help maintain them in the workforce.

It is a program that can fund up to 10 Disability Employment Broker projects across Australia. It is a modest amount of money—$1 million in the 2012-13 budget—but with the potential to achieve significant outcomes. It has been introduced as part of Building Australia's Future Workforce package and that brings a lot of benefits with it. The Disability Employment Broker brings all aspects together—employee support, employer support, enhanced engagement with the employer—and looks at all industry sectors to see where it is easier to have people placed and where there is greater potential for ongoing employment, rather than short-term jobs.

I am pleased to say that TAFE New South Wales through its North Coast Institute was successful in its tender to undertake one of the brokering employment partnerships and training projects. That project commenced in September this year and will be completed in June next year. The project will cover the Northern Rivers and mid-North Coast areas and it will prioritise and target growing industries—retail, accommodation, food services, health and other industries that are experiencing skills shortages. They are industries that are quite significant and already established in the footprint where the project will take place. I was really pleased to see that the North Coast Institute of TAFE got the project, because I know that they have the specialised units, the skills and the commitment and they have set up a really nice style of management for this project.
They are quite excited. I commend them for putting it forward. They will use a tripartite partnership model to broker the employment outcomes—which for the person wanting a job is a job. They will work with employer groups and Disability Employment Services, with TAFE as the architect and the lead of the project. They will engage with business networks, chambers of commerce, the Business Women's Networks and other industry in our area.

Part of the project will be about employment sustainability training. They are able to deliver that and work with employers on that. Another part of the project is working with employers to enhance their ability to manage people with disabilities in the workplace. Some of the job candidates will be provided with pre-vocational skills training and that will be designed and supported in partnership between North Coast Institute of TAFE and the providers and employers. It will help to create employment pathways, because sometimes it is really difficult to find which way to go. I am pleased to say that there is a project team, and the local employment coordinator from Building Australia's Future Workforce, who is from the North Coast, is on that with a range of other people with particular skills and expertise. It is a really good project for a small amount of money—about $130,000—and it will help about 20 people and it will help them long term.

Mr Wyatt (Hasluck) (11:48): I rise to speak on the motion put forward by the member for Blair, Mr Neumann. This is an issue that I take particular interest in and I thank the member for raising a matter of such importance. In my electorate I regularly meet with a group of parents and caregivers of people with a disability so that I can better understand the challenges that having a disability or having a loved one with a disability can present. These meetings give members of the community a chance to discuss what daily life involves for their family and how their circumstances could be improved. Many things have been achieved through this group, and one issue that has been brought to my attention is how much red tape people with a permanent disability have to go through to prove that they have a disability year after year. The process is time-consuming, disruptive and frustrating.

One of my aspirations as a member of parliament is to see government departments imposing less red tape when dealing with people with a disability. I now have a greater understanding of the need for reform in this area through my experiences with the group of parents and caregivers. I would like to join the member for Blair in commending disability advocates and businesses employing people with a disability. In my electorate of Hasluck, I am fortunate enough to represent many members of the community who are part of such organisations. I am particularly proud to have a member of Disability Advocacy Network Australia in my electorate, and Midland Information, Debt and Legal Advocacy Service Inc., also affectionately known as MIDLAS, in the community.

I would like to congratulate Maria and the team at Friendship Cafe in my electorate on the work they do for the community of Hasluck, where they provide employment pathways and training to young adults with disabilities. The cafe is an excellent example of including and empowering people with a disability, and I hope to see many more initiatives like this in the future. I was honoured to be at the opening of the Friendship Cafe, and I would like to thank the staff for the excellent work that they do.

There are many other wonderful community organisations in Hasluck that I deal with regularly, including the Hills...
Community Support Group and the Foothills Information and Referral Service. Of course, more work needs to be done. In the 2009 Bureau of Statistics' Survey of Disability, Ageing and Carers, 78.6 per cent of people without a disability aged 15 to 64 were employed, compared to just 50 per cent of people with a disability.

The group of parents and caregivers that I meet with are always very honest in communicating with me about the challenges they face, and I always appreciate their input. I remember hearing at one particular meeting how parents of school-leaving-age children with a disability were worried about whether or not their children would be able to go on to higher learning. Members of the group were also worried about whether or not their children would be able to find employment and fit in at a workplace.

I believe it is important for us as members of parliament to look at more effective approaches to creating pathways for people with a disability from school to higher education to employment. It is also important that we encourage the general public to give opportunities to people with a disability and to engage them in the workplace. I want to congratulate all businesses that are currently employing people with a disability. Having a job creates not only financial benefits for people with a disability but also a sense of independence, purpose and pride. I encourage more businesses to offer this sense of reward, along with the many benefits of employment, to people with disabilities in our community. In particular, I would like to see a reality check done on the businesses who have the capacity to provide such employment pathways. A particular young lady at a forum addressed the issue of her concern and then burst into tears because she had been applying for a job in a secretarial role but had not been successful. Even though there are job related services to support people with disabilities, she was unsuccessful. At the moment I am working with a couple of companies, hoping to find her a permanent job. The heartache of her circumstances is that her mother is dying of cancer and she has no father to care for her once her mother dies. So she is extremely worried about her own future.

There are many others who would be in similar circumstances, and I would hope that, within the industry and business sectors, there is compassionate consideration of giving people with disability real jobs that provide them with a pathway that is both rich and meaningful, and will enable them to enjoy a fulfilling life. I support the sentiments of the member for Blair and his motion.

Mr BANDT (Melbourne) (11:54): I rise to support the member for Blair's motion. It is a timely motion and, in fact, one that is well overdue. I have met with representatives from various organisations, both legal services and advocacy organisations, advocating for the particular position and needs of people with disabilities who are seeking employment. I must admit that I was shocked to learn of the very low proportion of people with disabilities currently in full-time and meaningful employment, but I was more shocked to learn that there were not any strong national strategies in place to change this.

One of the things that could have been done as a minimum for some time, and this motion does allude to it, is starting to set targets, or at least reporting targets, within public services and elsewhere for the employment of people with disabilities. Much is made by both the current government and previous governments when it comes to attacking welfare payments about the need to move people into meaningful employment, but one can only have the stick
the government is ready and willing to wield the axe and to rewrite the disability support pension impairment tables, for example, and to look at things that can be done to save money, yet there is not a corresponding national strategy for employment of people with disabilities. That is something that needs to change. We also need a national strategy for the employment of people who are underrepresented coming here from CALD communities and from other backgrounds as well.

I do commend the member for Blair for moving his motion, but there is much more that the government could be doing if it was serious about this issue, and it is time to take public service employment strategies and procurement policies much more seriously.

The DEPUTY SPEAKER (Ms O'Neill): Order! The time allotted for this debate has expired. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting.

BILLS

Judges and Governors-General Legislation Amendment (Family Law) Bill 2012

Social Security Legislation Amendment (Fair Incentives to Work) Bill 2012

Environment Protection and Biodiversity Conservation Amendment (Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development) Bill 2012

Messages from the Governor-General reported informing the House of assent to the bills.
Law Enforcement Integrity Legislation Amendment Bill 2012
Reference to Federation Chamber

Mr FITZGIBBON (Hunter—Chief Government Whip) (11:59): by leave—I move:
That the Law Enforcement Integrity Legislation Amendment Bill 2012 be referred to the Federation Chamber for further consideration.

Question agreed to.

Crimes Legislation Amendment (Serious Drugs, Identity Crime and Other Measures) Bill 2012
Freedom of Information Amendment (Parliamentary Budget Office) Bill 2012

Report from Committee

Mr PERRETT (Moreton) (11:59): On behalf of the Standing Committee on Social Policy and Legal Affairs, I seek leave to make a statement on the Crimes Legislation Amendment (Serious Drugs, Identity Crime and Other Measures) Bill 2012 and the Freedom of Information Amendment (Parliamentary Budget Office) Bill 2012, in discharge of the committee's requirement to provide an advisory report on the bills, and to present a copy of my statement.

Leave granted.

Mr PERRETT: The Social Policy and Legal Affairs Committee considers it has made a valuable contribution in examining several bills over the course of this parliament. The committee supports the opportunity for House committees to scrutinise bills and on several previous occasions has made comment aiming to improve the process of referral and opportunities for committees to add value to bill scrutiny. Accordingly, the committee takes the opportunity to register its concern regarding the appropriateness of the committees to which certain bills have been referred. If the aim of a referral is to ensure that genuine and effective scrutiny is given to a bill then this committee respectfully suggests that the process of determining the most appropriate committee to scrutinise a bill lacks rigour and sufficient understanding of the various committees and their functions.

The committee is anxious to ensure that the process of bills referrals operates effectively and that the Selection Committee has the most accurate advice to hand when determining the appropriate committee to which to refer a bill for scrutiny. Regrettfully, this does not appear to be the case at all times, as demonstrated by the referral of these two bills to the Social Policy and Legal Affairs Committee—namely, the Freedom of Information Amendment (Parliamentary Budget Office) Bill 2012 and the Crimes Legislation Amendment (Serious Drugs, Identity Crime and Other Measures) Bill 2012.

The Freedom of Information Amendment (Parliamentary Budget Office) Bill 2012 seeks to confirm that documents and requests of the Parliamentary Budget Office, the PBO, which may be held elsewhere are exempt from the Freedom of Information Act in line with the exemptions already provided to the PBO. The PBO was incorporated in legislation through a recent amendment to the Parliamentary Services Act 1999, which designates the Joint Standing Committee of Public Accounts and Audit as the oversight body. This oversight role of the public accounts committee includes considering the operations and resources of the PBO in reporting to parliament on relevant matters relating to the PBO. As such, the Social Policy and Legal Affairs Committee considers that it is more appropriate for the designated oversight public accounts committee to inquire into
this bill which affects the operation of the PBO in relation to freedom of information.

Similarly, the areas referred for scrutiny in the Crimes Legislation Amendment (Serious Drugs, Identity Crime and Other Measures) Bill 2012 are within the oversight of another committee. The Selection Committee referral for this bill specifically requests scrutiny of the creation of new offences in the bill. These new offences are outlined in schedule 2 of the bill as the use of the internet or mobile phones to procure identity information or book travel under false identities.

The Joint Select Committee on Cyber-Safety was established in the 43rd Parliament by a resolution of appointment tasking it with inquiring into and reporting on cybersafety threats, including identity theft and Australian and international safeguards and responses. The cybersafety committee was formed in this parliament specifically in order to inquire into issues around cybersafety, including identity crime. I know that because I am on that committee. Accordingly, it is the view of the Social Policy and Legal Affairs Committee that the cybersafety committee would be better placed to conduct an inquiry into this bill given its expertise in this area.

In addition, the committee notes that both bills have been referred to the Senate Legal and Constitutional Affairs Legislation Committee, which is due to report on 19 November. Should the House seek further scrutiny of the bills, it is suggested that they be referred to the committees with oversight of these matters.

BILLS

Superannuation Auditor Registration Imposition Bill 2012

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr BILLSON (Dunkley) (12:04): I rise to speak on the government's Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012 and Superannuation Auditor Registration Imposition Bill 2012.

The Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012 contains a range of measures implementing various changes to superannuation and income tax acts. The first schedule of this bill seeks to reinstate capital gains tax temporary loss relief and asset rollover for complying superannuation funds, other than self-managed superannuation funds, and approved deposit funds seeking to merge. These changes will see loss relief applied to transfers and from pool superannuation trusts and life insurance companies, as well as superannuation funds and approved deposit funds. This loss relief will be welcomed by some in the superannuation sector who missed the window when the opportunity for this relief was first granted in 2008 following the impact of the global financial crisis on equity markets and the impact that in turn had on the superannuation sector. The coalition supported the tax relief for merging super funds at the time as a sensible measure to ensure otherwise sensible mergers of superannuation funds were not prevented by taxation considerations. This bill seeks to again implement this measure on a temporary basis, this time for mergers that occur on or after 1 October 2011 and before 2 July 2017. The coalition is supportive of this measure and understands the importance this has for the sector.
Schedule 2 of the Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012 seeks to introduce a new registration regime for auditors of self-managed superannuation funds, SMSFs. While the government's Superannuation Auditor Registration Imposition Bill 2012 establishes the framework of the new registration regime for SMSF auditors, some of the detail has been left to regulations. The coalition will be moving an amendment to excise schedule 2 from the Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012. The coalition will be doing this on the grounds that we believe these provisions are yet another example of onerous regulation from a government addicted to applying red tape to the financial sector. No argument or evidence has been advanced by the government that current regulatory arrangements involving the tax office, the Tax Practitioners Board and the accounting professional bodies are failing or in some way deficient. I can state, however, that the coalition will not oppose this bill if our amendments are unsuccessful. We are doing this because we understand it is important to reinstate capital gains tax temporary loss relief and asset rollover for complying superannuation funds—and we would like to see these measures pass the parliament. The coalition will, however, use this opportunity to express our disappointment yet again at this government for the onerous regulatory impost it continues to impose on the superannuation sector.

The Superannuation Auditor Registration Imposition Bill 2012 establishes the framework of the new registration regime for SMSF auditors, although some of the detail has been left to regulations. The bill lists a raft of new regulatory compliance measures on the sector such as the compulsory registration of self-managed superannuation fund auditor and the professional development requirements that will have to be met by self-managed superannuation fund auditors. Not only does the Superannuation Auditor Registration Imposition Bill 2012 set out a raft of new regulatory requirements but also it imposes a variety of new fees. One such detail is the fees to be charged. The legislation before the House seeks to allow a new application fee for registration as an approved SMSF auditor to be paid by the applicant; a new fee will be payable when an applicant is undertaking a competency examination; when a statement is made to ASIC in accordance with this new legislation a new fee will be payable, with a further fee payable if this statement was given one month after it fell due; and, a fee is also required to be paid when a person provides a change in particulars to ASIC in accordance with the legislation, with a further fee payable if this is given one month after such changes.

Under this new regime these fees are expected to not exceed a maximum of $1,000; however, there is no detail in the legislation, as it has been left to regulation. But there was a clue in the second reading speech from the Minister for Financial Services and Superannuation and the Minister for Workplace Relations. He indicated that self-managed superannuation fund orders will be subjected to a $100 initial registration fee for an online application, a $100 fee to take a competency exam in addition to a $50 fee for an annual statement to ASIC.

According to the regulatory impact statement, SMSF trustees will be subject to an approximate $14 increase in their SMSF levy, which will be paid annually. But how can those impacted by this legislation trust that the government will not increase these fees and charges, in light of what was handed
down in MYEFO only last week? The government's early MYEFO, the one it handed down to avoid disclosing the true state of mining tax revenues, revealed a detraining budget position—yet, again the government chose to hit the self-managed superannuation sector by smacking it with higher fees. The increase to the SMSF fund levy from $191 to $259 will hit 480,000 self-managed superannuation funds and will raise $320 million over the forward estimates. This raid was also so the government could bolster its bottom line. Over half of the government's promised surplus in 2012-13 will be achieved through ripping even more money out of the superannuation system, a system already undermined by Labor's consistent tax grabs since coming to power.

As stated previously, the coalition will be opposing measures which impose further onerous regulatory requirements on self-managed superannuation funds. Schedule 3 of the Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012 aims to expand the reporting obligations for superannuation providers. Currently, a superannuation provider is only required to report about individual accounts if they have received contributions throughout the year and either the superannuation interest is held at the end of the period or the member received a benefit during the period. Effectively, no statement is requirement for inactive superannuation accounts. Under the revised reporting obligations funds will be required to provide statements for all members, both active and inactive. This is to support the implement the Stronger Future package, in particular the measures designed to facilitate consolidation of superannuation funds and accounts. The first member statements are due out by October 2013.

The changes contained within schedule 4 of the Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012 seek to amend the Superannuation Industry (Supervision) Act 1993 and the Retirement Savings Account Act 1997 to improve the linking of tax file numbers to superannuation accounts with the intended purpose of making them less likely to become inactive. These changes will enable the commissioner to keep a register containing information necessary to facilitate the transmission of information and electronic payments, and allow the commissioner to require information from an employer to determine whether regulations and standards are being met. The commissioner may disclose a member's tax file number to a superannuation fund only when the member has quoted their TFN in another superannuation fund with which they have an account. Trustees of eligible superannuation entities will check the tax file number with the commission to ensure accurate information is being recorded, along with employers checking employees' tax file numbers. It should be noted that any member of a superannuation fund is not legally required to quote their tax file number. This legislation does not change that.

As stated at the outset on this debate on the bill, the coalition supports measures within the Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012 which seek to reinstate capital gains tax temporary loss relief and asset rollover for complying superannuation funds other than self-managed superannuation funds and for approved deposit funds seeking to merge. This measure will be welcome by those in the market who did not take advantage of this opportunity when it was originally offered back in 2008, during the heights of the global financial crisis. The coalition supports this measure.
However, as I have stated, the coalition does not approve of the additional regulatory burdens and fees that schedule 2 of the Superannuation Laws Amendment (Capital Gains Tax Relief And Other Efficiency Measures) Bill 2012 and the Superannuation Auditor Registration Imposition Bill 2012, imposed on the self-managed superannuation fund sector—particularly in light of the light of the increase charges the government handed down in it rushed MYEFO last week. The coalition will move detailed amendments to excise schedule 2 from the Superannuation Laws Amendment (Capital Gains Tax Relief And Other Efficiency Measures) Bill 2012. If our amendments are unsuccessful then the coalition will not oppose this bill or the Superannuation Auditor Registration Imposition Bill 2012.

Ms ROWLAND (Greenway) (12:15): I am very pleased to support the Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012 and the Superannuation Auditor Registration Imposition Bill 2012. These bills demonstrate the commitment of the government to increase the efficiency and effectiveness of the Australian superannuation system. The measures in these bills further the efforts of the government in its Stronger Super reform activities, about which I will say more in a moment. Australians can be confident that this Gillard Labor government is acting decisively in the present to ensure that every Australian can retire with dignity in the future.

I note the argument of the previous speaker, the member for Dunkley, that there was no evidence for the need to include provisions requiring further audit regulation. I suggest he take a look at the detailed findings of the Cooper Review into the Governance, Efficiency, Structure and Operation of Australia's Superannuation System and its specific consideration of these provisions. At page 16 of the Self-managed Super Solutions report, dated 29 April 2010, the Cooper review stated:

Submissions consistently supported the view that it was not the level of trustee knowledge, or compliance activity that needed to be increased; rather it was the qualifications, competency and professional standards of SMSF service providers. The theme of raising standards reverberated across all stakeholders groups (members, auditors, accountants, administrators and industry associations).

The Panel believes that the SMSF sector should be serviced by providers who are required to attain and maintain a minimum level of SMSF competency. Minimum standards would be aimed at greater consistency among service providers. More importantly, it would provide members with greater protection and reduce the risk of inappropriate advice.

So it is far from being something that was not carefully considered and based on evidence. Maybe in his own time the shadow minister can pick up and read the rest of the Cooper review. The provisions that the member specifically attacked are about increasing the integrity and probity of the explosion in the growth of SMSFs. By definition, self-managed super funds are those with four or less members. In Australia, there is over $400 billion in assets under self-management, which is about a third of total superannuation assets. SMSFs are promoted by entities such as accountants and financial planners, and in some cases the SMSF option may be ill-suited to a person or to a person's specific situation.

Given the exponential growth of SMSFs—which are regulated by the ATO and not APRA—it is important to have confidence in the audit process. I think it would be a good thing under the proposed reforms that a trustee must have an audit by an approved SMSF auditor. By any objective measure, it is better than having an
accountant doing the books who is also signing off on the audit side. The clear intention arising from the recommendations in the Cooper review is to improve the integrity and probity of the process, enabling funds to do best what they are designed to do, which is to generate retirement savings and not lead to circumstances such as those experienced by victims of the Trio or Storm incidents.

I know from discussions with the sector that cases abound, for example in agribusiness schemes being promoted to SMSFs, where funds are ill-suited to the risks involved, and beneficiaries then wonder why they lose money. The predictable arguments of overregulation are not based in fact, are not based on inquiry, and in fact have no relevance to what we are discussing here today. Unfortunately that is not anything new—and I refer to some recent commentary on superannuation issues. Following the government's Mid-Year Economic and Fiscal Outlook, announced last week, the member for North Sydney made a number of outrageous statements suggesting that Australians with superannuation accounts that were dormant for 12 months would have their superannuation transferred to the ATO as lost accounts. He told Alan Jones on 2GB:

If your kids go overseas for 12 months or you're unemployed for 12 months and you don't access your superannuation account, then it's going to the tax office.

These statements are a total misrepresentation of the government's MYEFO measure in this area. Whether it is the result of intent or ignorance I do not know. Both the minister's press release and the MYEFO document make it perfectly clear that it is only the accounts of unidentifiable members that will be transferred to the ATO after 12 months of inactivity. If your contact details are known to the super fund, this measure has no impact on you whatsoever.

It is absurd for the shadow Treasurer to repeatedly misrepresent the truth of this very important government measure. Of course, the member for North Sydney forgets that lost superannuation accounts can be claimed at any time through the ATO's SuperSeeker website. Furthermore, the relatively small number of Australians who will be impacted by this change will be better off in many instances. That is because they will not have their retirement savings chewed away by fees and costs charged by superannuation funds.

If the member for North Sydney were so concerned about the entitlements of Australians, what prompted him in April this year to tell the Institute of Economic Affairs in London that the entitlement mentality was over and that bestowing entitlements on people placed future economic stability at risk? The hypocrisy of the member for North Sydney is staggering for those of us on this side of the House. His contribution to the debate in this area has been typical of the misinformation and false commentary that they have given on this government's important superannuation reform agenda.

As I mentioned earlier, the government is proud of its commitment to improving the Australian superannuation system and responding to industry needs. It is no secret that the rationale for reinstating the taxation relief foreshadowed in the Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012, which I will refer to as the super CGT bill, is connected to the government's Stronger Super reform agenda. That agenda encourages increased size and scale of superannuation funds to provide a range of benefits to members, including enhanced product features, lower fees and greater
potential for better investment returns from a larger pool of assets.

I have been fortunate to have had many discussions with members of the superannuation industry on this issue. A recurring theme with industry leaders is that tax considerations rank high for trustees of superannuation funds who are considering a merger. The value of a member's superannuation interest may include the tax benefit of unrealised net capital losses or revenue losses. In the absence of the optional loss relief and asset rollover contained in the super CGT bill, a merger may lead to a reduction in the value of the member's superannuation interest. In turn this can often act as a severe shackle on trustees of superannuation funds who are considering the merits of merging with one another. In fact, the trustees may decide to reject a merger proposal where there is a significant negative impact on member accounts.

The relief provided in the super CGT bill removes the obstacle to eligible funds merging that would otherwise exist because of the extinguishment of the tax losses. I note that the measures are designed to operate in respect of mergers that occur on or after 1 October 2011 and before 2 July 2017. These measures have been welcomed by the superannuation industry and there are some very recent examples of the benefits they will bring to the industry. Only last week two well-known industry funds—Asset Super and CareSuper—merged to create a fund with more than $6.5 billion under management and almost 270,000 members. In a press release dated 12 October 2012 from leading national law firm Corrs Chambers Westgarth, the legal counsel for Asset Super noted:

There is a great deal of merger activity in the superannuation industry at the moment and this is another example of the trend towards industry consolidation.

A key factor in the transaction was the availability of CGT relief for super fund mergers. The Government’s proposal to extend the availability of the CGT relief was critical in terms of enabling the merger to proceed. In a joint release, dated 31 August 2012, from Asset Super and CareSuper regarding the merger, Julie Lander, CEO of CareSuper, commented:

... the estimated cost savings from merging are more than 15% per year just on business as usual activities. Looking ahead, further savings will be achieved with only one fund, rather than two, undertaking the significant amount of work needed to meet the new Stronger Super requirements.

The super CGT bill demonstrates this government’s commitment to greater efficiency in the superannuation industry by providing for a reinstatement of the tax relief that the industry has been calling for. I am delighted to be part of a government that delivers such meaningful legislative responses to industry need.

I would now like to make some brief comments in relation to schedule 2 of the CGT bill and the Superannuation Auditor Registration Imposition Bill 2012. They contain initiatives which are largely designed to introduce a new registration regime for auditors of SMSFs, or self-managed superannuation funds. APRA’s latest quarterly superannuation performance statistics noted that at 30 June 2012 there were 478,263 SMSFs in Australia, compared to 442,987 as at 30 June 2011. The APRA statistics also revealed that these SMSFs have a total of $439 billion in assets under management, accounting for 31.3 per cent of all superannuation assets in Australia. So there are clearly a huge number of SMSFs in Australia, and their numbers are growing at an exponential rate. Ensuring their compliance with superannuation and tax laws and the accuracy of their financial
statements is vitally important to the industry and this government.

As I mentioned earlier, the Cooper review identified a number of issues in the existing SMSF scheme for auditors. These issues include the lack of SMSF auditor independence, with a number of approved auditors also acting as the SMSFs' accountants, as I mentioned earlier; differences in minimum competency standards for approved auditors; and differences in the enforcement actions applicable to approved auditors. Consequently, the Cooper review made a number of recommendations to address these issues, including that ASIC be appointed the registration body for SMSF approved auditors, be responsible for determining eligibility requirements and setting competency standards, and determine and take appropriate enforcement action with the assistance of the ATO.

Schedule 2 of the CGT bill and the Superannuation Auditor Registration Imposition Bill 2012 implement the government's response to these recommendations in relation to auditor registration and independence. In essence, we have embraced the recommendations of the Cooper review in respect of SMSF auditor registration and independence. The government's objective in doing so is to raise the standard of SMSF audit competency and ensure there is a minimum set of standards that applies equally across the SMSF sector.

Those opposite may argue—as they have, indeed—that these are heavy burdens to place on the SMSF sector. The government flatly rejects such arguments. Given the size of the SMSF sector in the superannuation industry as reflected in the APRA data I referred to, it is critical to ensure that SMSF auditors are preparing high-quality audits and that any rogue elements of the sector are weeded out through appropriate enforcement action. Streamlining and strengthening superannuation are important matters for this government and feature strongly as part of our broader Stronger Super reform agenda.

There are several benefits associated with these bills. In the time available to me, I have sought to highlight some of them. It is evident that many working Australians will receive a tangible benefit from the measures being implemented by the passage of these bills. These actions are also a genuine reminder of the government's continued commitment to policy delivery and achieving its vision for the future of Australia in this regard. These bills are also another strong example of the government listening to the needs of the superannuation industry and responding to important policy issues rather than peddling untruths and seeking to alarm Australians about their superannuation savings, as some of those opposite have become accustomed to.

The superannuation framework under this Labor government has enabled Australia to amass a national savings pool in excess of $1.4 trillion, with estimates that this will grow to over $6 trillion by 2037. At a time when we all understand that we have an ageing population and the need to boost our national savings now, it is imperative for the reforms contained in bills such as these to be implemented in full. I urge all members to support these important reforms.

The DEPUTY SPEAKER (Ms O'Neill): Before the debate is resumed on the Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012, I remind the House that it has been agreed that a general debate be allowed covering this bill and the Superannuation Auditor Registration Imposition Bill 2012.
Mr BUCHHOLZ (Wright) (12:28): I rise to speak on the Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012 and the Superannuation Auditor Registration Imposition Bill 2012, which are currently before the House. The former bill provides capital gains tax relief for the merger of superannuation funds; introduces a new registration regime for auditors and self-managed superannuation funds; expands reporting obligations for superannuation providers; and introduces new information exchange provisions for superannuation, particularly regarding the use of tax file numbers. The Superannuation Auditor Registration Imposition Bill 2012 establishes the framework for a new registration regime for SMSF auditors.

As I am sure many members of this House will be aware, self-managed superannuation funds are the largest sector in the superannuation industry, worth $400 billion. Members of these funds are advised by a range of experts, including lawyers, financial planners and accountants. The 11,000 or so SMSF auditors play a vital role in maintaining the integrity of a major sector of the superannuation system.

I cannot emphasise enough how important it is to those on this side of the House to ensure that this legislation is spot on the mark. The many people in my electorate who will be affected by this legislation will be bitterly disappointed. There are numerous self-funded retirees in my electorate of Wright and these additional changes to their superannuation make it harder and costlier for them to manage their retirement and thereby reduce the burden on the public purse. This is simply another demonstration that this Labor government has no economic strategy and will always put its own political survival ahead of the national interest. I cannot support imposing more red tape—this bill is a classic example of that.

This legislation is another grab which will affect the people who can least afford it. I do not have a self-managed super fund but a number of people in my electorate do. It disheartens me when they bring their statements to my office. The value of their funds is rapidly deteriorating. Early in 2007, the Labor government promised one in, one out, where every new regulation would be matched by repealing another piece of legislation or regulation. Latest figures show that since 2008 the Labor Party has introduced 18,089 new regulations and repealed 86—so 18,000 in and 86 out—an average of 11 new regulations added every single day since this government has come to power.

The first part of this bill looks at capital gains tax and how it affects those who choose to merge their funds from one to another. Let me state for the record that no problem has been identified that will be solved by these new requirements. It will merely make it more costly for Australians who wish to manage their own super fund to do so.

It is well known that the coalition supports Australians who want to look after their own retirement. However this Labor government just looks on superannuation—particularly for those who manage their own super fund—as a source of tax revenue. There is a constant battle to fiddle the books, for Labor to get their hands into the pockets of mums and dads and into the funds of businesses in order to hang onto some type of political credibility and a wafer-thin surplus.

As many in this House will know, capital gains tax can be a barrier to the merging of superannuation funds. This is because whenever superannuation funds merge this will typically trigger a capital gains tax
event, which leads to neither capital gains nor losses being applied to assets being transferred. When a merger takes place and the assets have been transferred, the merged fund is typically wound up. However, when the merged fund comes to an end, any previous capital or revenue losses that exist at that time will be forgone. The coalition supports that particular measure.

Due to the prevailing economic and financial market conditions in late 2008, a temporary taxation relief measure was passed in the form of 'loss relief' and 'asset rollover' to assist the superannuation industry and, through the industry, relevant fund members. However, the relief provided was limited to 1 October 2011.

At the time, those on this side of the House supported the tax relief for merging super funds as a sensible measure to ensure otherwise sensible mergers of superannuation funds were not prevented based on taxation considerations. That is because the coalition supports Australians who want to look after their own retirement. We will always support those Australians who want to do more to prepare for their own retirement.

This current bill is again, temporary; this time for mergers that occur on or after 1 October 2011 and before 2 July 2017—and it has been made clear that the coalition support capital gains relief for merging superannuation funds.

The next part of the bill introduces new registration regimes for auditors and self-managed superannuation funds. The recent super system review recommended that the Australian Securities and Investment Commission be appointed as the registration body for self-managed super funds approved auditors. The review found that not all approved auditors are subject to the same minimum competency standards nor are they subject to the same enforcement actions.

As some background information, the practical experience that regulation will require at least 300 hours in auditing in the self-managed super funds in three years, immediately before applying for registration with the Australian Security and Investment Commission. An approved self-managed superannuation fund auditor will also need to undertake at least 120 hours of continuing professional development training every three years. This training must include 30 hours of training about superannuation, of which eight hours of training is SMSF auditing.

There are many other facts that I could add here, but I feel it is important to voice issues currently in this bill. Since 2008 Labor has added 18,089 regulations to the books. Back in 2007, the Labor government had promised that it would make no changes to superannuation laws—"not one jot, not one tittle". That was the quote from back in 2007 that there would be no changes. However, that promise has been broken now on nine occasions so far, generating a total $7.8 billion in additional revenue. So here we have a government saying one thing and doing another. The Achilles heel of this government will always be the Prime Minister, four days before the election, standing and saying that 'there will be no carbon tax under a government I lead.' And, of course, there were the Treasurer's comments that it is hysterical that somehow we are moving towards a carbon tax. This is just another piece of legislation where the government have said one thing and done another.

These changes are undermining the Australian people's confidence in the superannuation system, lowering the of contributions and consequently the level of
savings available in their retirement. Voluntary superannuation contributions are down significantly in the context of a challenging market environment. It must be disheartening for people to receive their superannuation statements and see on those self-managed super funds that the value of those assets—through no fault of the own, but through world market pressures. It would be an enormous burden on families and retirees as they sit there and work out how are they going to survive in retirement and have this additional burden of knowing that there are additional costs that this government intend to apply to their savings. The last thing we need is more Labor taxes on voluntary savings making a bad situation even worse.

This bill also aims to expand the existing reporting obligations for superannuation providers. And yet again, we have a government doing everything it can to try and prevent the inevitable failure. A superannuation provider is currently only required to report about individual accounts, if they have received contributions throughout the year, and either the superannuation interest is held at the end of the period or the member received a benefit during the period. Effectively, no statement is required for inactive superannuation accounts. However, under the revised reporting obligations funds will be required to provide statements for all members, both active and inactive. This is to support the implementation of the Stronger Super package, in particular the measures designed to facilitate consolidation of superannuation funds and accounts.

Thankfully, I can report back to my constituents in Wright that the Coalition Deregulation Taskforce will continue to consult businesses and community organisations around the country looking to cut red-tape. The coalition has a clear road map for real deregulation by cutting $1 billion worth of red-tape out of the system. This is headed up by our Senator Arthur Sinodinos. He has been tasked with chopping out $1 billion worth of red tape—and I suggest that that task will not be too hard.

The last part of this bill amends the Superannuation Industry Supervision Act 1993 and the Retirement Savings Account Act 1997 to improve the linking of tax file numbers to superannuation accounts thereby, the government claims, making accounts less likely to become inactive. The changes are another example of the red tape that is so very typical of this Labor government. It is well known to those on this side of the House that Labor has a terrible track record when it comes to decreasing red tape. Red tape does nothing to help the Australian people achieve a self-funded retirement.

In conclusion, it is obvious to those on this side of the House that every time Labor increases taxes on Australian super savers it reduces the incentive for people to do the right thing by saving for and achieving a self-funded retirement. Labor have an addiction to wasteful spending and instead of standing up for Australians doing the right thing by saving for their retirement, this government is hard at work making sure that money goes down the drain. This is a government who just do not know how to manage money and how to live within its means, which is why it has to keep making adjustments to its fiscal policies.

We need a government that will encourage mums and dads, students and young working class Australians to save so they can enjoy a comfortable retirement. Importantly, we need a government that spends less and lives within its means, and therefore can tax less, and that is focused on growing our productivity and our economy more strongly. Stronger growth would not
only increase our prosperity; it would also improve superannuation returns and would lead to increased government revenue without the need for all these new and increased Labor Party taxes.

We will be moving an amendment in relation to schedule 2, and I commend that amendment to the House.

Mr HARTSUYKER (Cowper) (12:41): I welcome the opportunity to speak on the Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012 and the Superannuation Auditor Registration Imposition Bill 2012. The coalition takes the issue of superannuation very seriously. It is vital for the retirement of countless millions of Australians that we have a superannuation industry that can meet the needs of an ageing population. We see investment returns challenged by a range of factors such as the global financial crisis and falling profits for a range of companies, so in recent time superannuation returns have been challenged but it is well known that you cannot look at the issue of superannuation returns over the short term. Superannuation is a lifelong investment, and if we can encourage young people to put more money into super at a young age, we can certainly ensure that Australians in their retirement years will have a much higher standard of living.

Unfortunately it is very difficult to get that message through to young people at the age of 18 or 20 or 25 or whatever—retirement at the age of 65 seems a long way off. I think one of the challenges that we as legislators have, and the industry itself has, is to communicate to young people the benefits of investment in superannuation and the importance of investing at a young age. The dollar that is put in at an early stage in a worker's life yields a much higher return on retirement than dollars put in later in a person's life. The impact of compounding is immense. One of the key issues in ensuring that people have a comfortable retirement is that the dollars be put in as early as possible so that when the person comes to retire their superannuation balance is such that they are able to have the sort of retirement they want and expect.

I turn to the legislation. Schedule 1 to the Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012 reinstates the temporary loss relief and asset rollover in division 310 of the Income Tax Assessment Act 1997, with the following modifications: firstly, there will be an optimal asset rollover for capital gains and revenue gains; secondly, losses that are transferred to the receiving entity will be treated as having been made in the income year that they were transferred; and, thirdly, self-managed superannuation funds will be excluded.

Point 1.2 states:

The loss relief and asset roll-over removes income tax impediments to mergers between complying superannuation funds by permitting the roll-over of both revenue gains or losses and capital gains or losses. This loss relief will be available for complying superannuation funds (other than self-managed … funds) and approved deposits funds … that merge with a complying superannuation fund with five or more members.

Point 1.3 states:

All references in this chapter are to the ITAA 1997 unless otherwise specified.

The context of these amendments is very important, because the capital gains tax is the primary code for calculating capital gains or losses of complying superannuation funds. There are certain gains and losses that are treated on the revenue account, such as those from a debenture stock or bond with regard to the relevant section here, which is section 295-85. The explanatory memorandum also notes:
The transfer of assets from one superannuation fund to another, under a merger between the two funds, will typically trigger CGT event A1 (about disposals of a CGT asset—section 104-10 of the ITAA 1997) or may trigger CGT event E2 (about transferring a CGT asset to a trust—section 104-60 of the ITAA 1997). Therefore, the asset transfer will lead to the realisation of capital gains and/or capital losses for the transferring fund. Following this asset transfer and the transfer of members’ accounts to the receiving fund, the transferring fund will typically be wound up.

I note that the member for Throsby is in the chamber and is very keen to contribute in this debate. I would say that I reaffirm the coalition’s belief that superannuation is a very important vehicle that should be supported. I note the fact that the coalition proposes some amendments to this legislation, and I certainly look forward to further contributions from members in this House in the ongoing debate.

Mr STEPHEN JONES (Throsby) (12:47): I start by thanking the member for Cowper for both his contribution and his cooperation in this debate. The Stronger Super reforms introduced by this government are about improving the adequacy, the equity and the transparency of Australia’s superannuation systems. These reforms underpin one of the most important Labor reforms, the introduction of our system of compulsory superannuation. This package of bills before the House today—the Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012 and the Superannuation Auditor Registration Imposition Bill 2012—is part of the Stronger Super reform process, and these new measures will further strengthen Australia’s superannuation framework that has so well served working Australians in their retirement years. The government has, indeed, attempted to extend our early and revolutionary introduction of occupational superannuation during the period of the Hawke and Keating governments by introducing legislation to shift the compulsory contribution from nine to 12 per cent over a staggered period to ensure that future generations of Australians will have a more adequate retirement income.

Australia has high levels of national savings and even higher levels of national investment—that is to say, there is a gap between our level of savings and our level of investment. Compulsory superannuation, quite simply, is an important mechanism for closing that gap. Australian superannuation savings are currently worth around $1.4 trillion and are expected to reach $6 trillion by June 2035. For that reason, it is important that governance of superannuation is effective and is of the highest prudential standard.

I now turn to expand on some of the measures within these bills. The first measure, as set out in schedule 1, will remove income tax impediments to superannuation fund mergers by providing loss relief and asset rollover of both revenue gains or losses and capital gains or losses. The rationale for this amendment flows from the government’s Stronger Super reforms, which have, quite simply, put pressure on superannuation funds to improve their competitiveness or reassess their viability in the absence of merging with another entity.

What we know in this area of investment is that, most often, bigger is better. The extinguishment of tax losses can be an impediment to fund mergers as trustees of superannuation funds are required to consider the adverse impacts in relation to tax on members’ benefits of any fund merger. So this measure will apply to fund mergers that occurred on or after 1 October 2011 and before 2 July 2017, creating a window and an incentive within that window for funds to
consider their size and consider the opportunities of merging with other funds with similar objectives.

Schedule 2 is about establishing auditor registration for self-managed superannuation funds, something that I and the member for Cunningham have a deep interest in because of the high number of constituents within our electorates who have lost significant amounts of money through the self-managed superannuation fund sector. I will have something to say about that.

Schedule 2 of the bill will establish an auditor registration for self-managed superannuation funds. Auditors play a critical role in the SMSF sector and, consequently, it is necessary that SMSF auditors have a high standard of competency. Many in this place know the high personal and financial cost that occurs when not only auditors but also regulators and corporate officers fail in their duty to investors, fail to pick up malfeasance, fail to pick up fraud and fail to pick up something that is within their statutory remit.

Unfortunately, as I said, the member for Cunningham and I know this situation all too well, with a large number of constituents in our electorates suffering enormous loss from the collapse of Trio Capital in 2009. This was a fraud committed on a grand scale, the biggest superannuation fraud in Australia's history. Around $176 million in members' funds were stolen through the fraud, money that belonged to hardworking Australians. Devastatingly, nearly half of these investors had directly invested in Trio through self-managed superannuation funds.

In the aftermath of the Trio disaster, considerable attention has been paid to the role of various regulatory gatekeepers in this fraud. Understandably for the Trio victims, the search for somebody to blame for this fraud is flavoured with strong emotion. If you put yourself in their position you would feel exactly the same. Every devastated investor who I have spoken to about the Trio collapse feels they took appropriate steps and, indeed, did everything successive governments have encouraged them to do—and that was to take control of their financial security in retirement by ensuring that they had a superannuation fund and to do that in a way that ensured that they did not take undue financial risks. Investors felt that they were acting responsibly and that Australia's strong financial system would ensure that they could rely on its regulatory systems. Fraud, by its very nature, is designed to get around those regulatory arrangements. It is designed to conceal and confuse.

KPMG and WHK, the auditors of Trio Capital, have come under considerable scrutiny since each year for six years they signed off on the financial statements of Trio and Astarra as being true and correct—and, quite plainly, this was not the case. These matters have been examined by the report of the Parliamentary Joint Committee on Corporations and Financial Services into the Trio collapse. WHK was the auditor at the time that Trio collapsed and gave evidence to the parliamentary committee that auditors take a risk based approach which is not designed to detect fraud.

This submission confirmed evidence presented to the committee in a submission by KPMG.

In its submission, KPMG outlined what it describes as the expectation gap, which is the difference between the public's expectation of the work of an auditor and what that work may disclose, and the auditor's own understanding of the work that is required to be done and reported upon in fulfilment of their duties. There is no doubt that, with regard to Trio, there is a clear gap between what investors perceived the role of auditors
to be and the actual audit work that was done. The parliamentary report identified some key areas for further reform for ASIC to consider, including for more detail to be provided in compliance plans, for membership of compliance committees and related requirements.

It is important to note here that both the role of the Trio auditors and their evidence to the parliamentary committee was not of a high standard. Many issues remain with regard to the Trio collapse and the role of the auditors. Of great concern is that most self-managed superannuation fund investors appear to have had no idea that they were assuming the role of the trustee of their investment and thereby accepting a lower standard of prudential regulation.

Unravelling the Trio disaster and the level of responsibility, accountability and blame for each participant and gatekeeper in the collapse of Trio is a complex task. In the meantime the SMSF auditor registration measures in the bill before the House today will raise the standard of SMSF auditor competency and ensure there is a minimum standard that applies across the entire sector. SMSF auditor registration will ensure that auditors of self-managed superannuation funds have a minimum standard of competency and knowledge of relevant laws and are able to detect and report contraventions by SMSF trustees. ASIC will be the registration body for SMSF auditors and will set competency standards that apply penalties to non-compliant auditors. The ATO will also have powers to monitor auditor compliance and be able to refer non-compliant auditors to ASIC for enforcement action. Reforms to our system of financial regulation are a series of small steps, like this one.

These reforms to the auditing arrangements are very important. A 2009 compliance audit by the Australian Taxation Office discovered that 29 per cent of the auditors of self-managed superannuation funds were the SMSF’s accountant and that, in relation to 28 per cent of auditors, there appeared to have been some evidence of a relationship or a conflict of interest that might impact the auditor's ability to be independent, as would be required of an auditor of any corporation or any other fund in this country. For this reason alone and based on the experience that I have had in dealing with the victims of the Trio fraud, I commend this schedule of the bill to the House.

Amendments in schedule 3 of the bill will allow the ATO to display more comprehensive superannuation information to individuals and will facilitate the consolidation of inactive accounts with a low balance. They will also support the increased concessional contributions caps for members over 50 whose interests or accounts are valued at less than $500,000 from 1 July 2014.

I turn to schedule 4. As part of the government’s Strong Super package of reforms, a number of measures were announced to improve the efficiency of the superannuation system. These measures included the introduction of mandatory superannuation data and payment regulations and standards for eligible superannuation entities, RSA providers and employers, which were legislated in June 2012. It has been estimated that the Australian superannuation industry processes more than 100 million transactions annually. The potential gains to the system from improved efficiency in contribution management are significant.

This is one of those classic areas where more regulation leads to greater corporate efficiency—because when you are dealing
with 100 million transactions annually, if you do not have standard protocols for the transmission, storage and reporting of that critical data, then a hell of a lot of extra work, duplication and inefficiency creeps into the system. In this particular area inefficiency means a cost to an employee or a member of a superannuation fund. So these measures are critically important. They will help to reduce the administration costs for the funds themselves but also, critically, they will help to ensure that we have a more efficient, effective and transparent system of superannuation administration in this country.

With around $1.4 trillion now invested in superannuation there is a strong public policy interest in having a safe, efficient and competitive superannuation sector to maximise the retirement incomes of all Australians. This Labor government, I am very proud to say, has focused on delivering superannuation and pension reforms for the long term. Australia's economy is growing and we have strong fundamentals such as low unemployment, contained inflation, low net debt and a record investment pipeline. It is critical that the superannuation system is designed to work for all members. It must work for those who take an active interest in their superannuation as well as for the majority of superannuation funds members who do not take a day-to-day interest.

As the collapse of Trio Capital amply demonstrates, we as parliamentarians have a duty to ensure that the laws that set out our system of financial regulation are robust, continually refined and keep pace with the increasingly sophisticated means of perpetuating fraud.

I commend this package of important bills to the House.

Mrs GRIGGS (Solomon) (13:02): I rise to speak on the Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012 and the Superannuation Auditor Registration Imposition Bill 2012. Along with the rest of the coalition, I am an avid advocate for reducing the burden of government on Australians. During the Howard years the burden of capital gains tax on individuals was reduced significantly—by over 50 per cent. This tax still places pressure on aspirational Territorians. In 2009-10, individuals in the Territory paid over $72 billion in capital gains tax.

The coalition supports reducing the burden of this tax on individuals and companies. The capital gains tax can be a large hurdle to the merging of superannuation funds. It can restrict mergers between funds even when, in the long run, it could be of benefit to members. Typically when funds merge we see either capital gains or losses in the transfer of assets. The merged fund is generally discontinued once the assets are transferred, and at this point any previous revenue and capital losses are forgone. This can be a disadvantage to the fund as capital losses can be used as offsets for present and future capital gains tax liabilities and revenue losses can be used as offsets against current year income.

I support schedule 1 as it will allow for the rollover of both revenue and capital losses. However, this is only relief legislation for superannuation funds during the prevailing economic times. This bill will cover all mergers that occur between 1 October 2011 to 2 July 2017. This relief legislation only brings further uncertainty to businesses and individuals. No-one is sure what will happen after 2 July 2017.

Schedule 2 places a higher burden on my constituents and other aspirational Australians. Self-funded retirees are some of the hardest hit by the Gillard Labor
government's carbon tax through increasing grocery, electricity and petrol costs. The residents of Darwin and Palmerston already face huge costs and heightened cost-of-living pressures. By introducing the new registration regime for auditors of self-managed superannuation funds, self-managed retirees will have to deal with more red tape.

This bill will allow the Australian Securities and Investments Commission to become the registration body for the auditors of self-managed superannuation funds. ASIC will be given responsibility under this schedule to determine the eligibility of auditors, the competency standards they must meet and how this would be implemented. As my colleagues have raised before, we have concerns about this bill, which will give auditors very little time to meet new industry standards. It is typical of those opposite: policy on the run with no proper consultation period.

Registration of auditors will begin on 31 January 2013, and all auditors will need to be accredited by 1 July 2013 so that they can continue practising. Is this realistic? How much extra pressure will this place on businesses? It is typical of this government, which, as we know, is no friend of business. These changes will increase the burden on businesses if this bill is passed in its current form. The regulation to this bill states that the maximum fee an auditor can be charged for accreditation is around $1,000. This is a further cost to be borne by business at a time when many businesses are struggling. As the minister has stated, applicants will have to pay a $100 initial registration fee for an online application, a $100 fee to take a competency exam and an annual fee of around $50 for a statement from ASIC, which will be subject to an increase of approximately $14 a year.

This is just for starters. This is an additional cost to businesses, which will have a significant impact. We understand that the fees from this new scheme are expected to collect about $1 million over a five-year period from, say, 2011-12 to 2015-16. At the same time the implementation costs are expected to be around $29.7 million. So there is a $28 million gap there.

So I ask: where is the money coming from? Just last week we saw the Treasurer handing down a MYEFO built on uncertainty and instability. We see this government spending and promising money everywhere, but I ask you: where is this money coming from? In just four months we have seen the Gillard Labor government cut the size of their forecasted surplus by a third. Will we ever see a surplus from Labor? We know that Labor has a terrible track record. Just ask my colleague the member for Longman, who has never seen a Labor surplus in his lifetime. This Labor government also implemented a mining tax—a mining tax that has raised absolutely nothing in its first three months of existence. Maybe it never will. Now, I do not know about you, Deputy Speaker Rishworth, but I have never heard of a tax that does not raise money. But, in typical Labor fashion, the mining tax is just another example of economic mismanagement at its worst. We see them spending recklessly money that they just do not have.

Net interest repayments for this financial year are currently at around $20 million per day. Yes, $20 million per day, and that only covers the costed programs. We know that the Gillard Labor government has a $120 billion black hole of unfunded promises—$10.5 billion a year for the National Disability Insurance Scheme, once fully operational from 2018-19; $6.5 billion a year for the Gonski review; and $1.4 billion for an increased refugee intake to 20,000 over the
forward estimates. With so many unfunded promises, how can they afford to implement the auditor registration regime as well? This is not the government's money they are spending, but that of aspirational Australians.

As a timely reminder to those opposite, I wish to quote the great Margaret Thatcher, an incredible woman who understood how important it was to reduce the burden government placed on the lives of individuals and businesses. Baroness Thatcher once said, 'There is no such thing as public money; there is only taxpayers' money.' I could not have said it better myself. Those opposite are spending taxpayers' money at unprecedented levels. You may be surprised to know that the spending of the Gillard Labor government is $90 billion more a year than the spending in the last year of the Howard government. Governments must live within their means. The government is putting everything on a giant credit card, and we all know Labor cannot be trusted with credit cards.

If the Treasurer wants advice on how to balance budgets, he needs to look no further than my electorate. Families in Darwin and Palmerston are masters of budget balancing. They have to be. The people of Solomon understand what it means to balance a budget. Struggling to manage a budget is part of their everyday lives—balancing school fees, mortgage repayments, grocery bills, electricity bills, rates and phone bills. These costs are only further compounded by the Gillard Labor government's carbon tax on everything. In the 2011-12 financial year Darwin experienced the largest housing price increases in the country, averaging 12.3 per cent. Darwin and Palmerston have the third highest median house prices in Australia, after Sydney and Melbourne, and the highest median weekly rent costs for a three-bedroom home, $542 a week, compared to the next closet city, Canberra, with a median price of $448 per week. This is absolutely outrageous. But this is indicative of a Territory Labor government, recently voted out after failing Territorians for 11 years. Territorians had had enough and voted them out. If the people of Darwin and Palmerston are so capable at managing a budget, why isn't the Treasurer?

I go back to the Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012. We are deeply concerned that this bill will just increase the red tape burden on those Australians who wish to manage their own superannuation. Under Labor, the only certainty for Australians is more taxes, more debt and more pain. It is quite obvious that the Gillard Labor government have completely lost their way, and their only answer is to try and reignite a class war. As I have said many times in this place, small business is the backbone of the Northern Territory, and this government is punishing those people for nothing more than their own political gain, punishing these individuals for being aspirational and daring to dream.

In MYEFO last week we saw the Treasurer confirm that $390 million would be spent by the ATO to crack down on small businesses. Small businesses are being forced to pay as the Gillard Labor government look to every possible avenue to fund their spending addiction. We know that Labor is no friend of small business. Labor is no friend of the aspirational Australian.

I have some surprising statistics for you. Since Labor came to office in 2007, we have seen 18,089 new regulations introduced—that is 11 regulations a day—and only 86 have been repealed. This is a far cry from the election promise made in 2007 of 'one in, one out', where new regulations would only be brought in if they were matched by one that was repealed. So someone cannot count,
because from my accounting there are about 18,000 extra regulations that need to be repealed. It is no wonder red tape is strangling individuals and business. The Gillard Labor government is built around policy on the run. There is a complete lack of understanding and appreciation for small business.

I ask you, Deputy Speaker, how many of the cabinet ministers have run a business? I suspect the number is very low, if any at all. This is in strong contrast to the coalition. We understand small business, we are the party of small business and we know that small business is the engine room of economic growth in Australia. We have a plan. Under an Abbott-led government the coalition will cut $1 billion worth of red tape. The coalition has never supported unnecessary red tape. The coalition does not support unnecessary red tape. Along with my colleagues I support Australians choosing whether or not they save for their own retirement. We will be putting forward an amendment to this bill, as we are opposed to the red tape inherent in the new audit regime for self-managed super funds.

Mr FLETCHER (Bradfield) (13:14): I am very pleased to rise to speak on the Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012. I want to focus in particular on one of the principal measures in this bill, which is to provide capital gains and other tax relief for merging superannuation funds. The policy rationale for that, stated in the explanatory memorandum, is to encourage the merger of small superannuation funds and in turn deliver benefits to members through economies of scale.

In the time available to me today I want to make three points. Firstly, I want to make the point that capital gains tax relief for the merging of superannuation funds is a reasonable idea, as far as it goes. Secondly, I want to spend a moment speaking about the serious public policy problem which this bill is designed to address—namely, that there is a long tail of small superannuation funds. Thirdly, I want to make the point that we need to have a more comprehensive look at the issue of the long tail of small funds and ask whether the measures in this bill go far enough.

I turn firstly to the proposition that the measure to give tax relief contained in this bill is a sensible idea as far as it goes. I remind the House that superannuation is designed to be a tax advantaged vehicle for the accumulation of retirement savings. The ultimate policy intention is to allow as many Australians as possible to build up savings and hence provide, wholly or partly, for themselves in retirement rather than relying on the old-age pension. This year the old-age pension will comprise around $37 billion of Commonwealth expenditure, which is around 10 per cent of the entire Commonwealth government expenditure. So, clearly, the policy prize if we can reduce the reliance on the old-age pension is a very significant one.

The problem which this bill is specifically designed to address is that we have too many small, subscale, superannuation funds. Accordingly, anything which would act as an impediment to funds merging and therefore allowing average fund size to increase needs careful consideration. A factor which presently acts as an impediment today is that, if superannuation funds merge, there are adverse tax consequences for the members of the fund. First of all, the transfer of assets which typically occurs as part of a merger is a capital gains tax event. In the attractive jargon of the Income Tax Assessment Act, it might be a CGT event A1, the disposal of a capital gains tax asset, or it might be a CGT
event E2, the transfer of a capital gains tax asset to a trust. In either event, it triggers an obligation to pay capital gains tax. Secondly, typically in such a transaction, one of the existing funds will be wound up. That means that any existing tax losses held within that fund can no longer be used. That, additionally, is a factor which negatively impacts on the net value of the assets in the fund and in turn on the value of the balances held by members.

Given that the very purpose of superannuation is to accumulate assets in a concessional tax environment, it is understandable that trustees would be wary of proceeding with a merger given the current tax consequences, where it is likely to reduce the value of members' balances. Accordingly, a change to the law which removes this impediment, this blocker, to mergers of superannuation funds, makes sense in principle. That is certainly the view of this side of the House.

Let me turn secondly to the underlying policy problem which this measure is designed to address. In the words of the explanatory memorandum, the intention is to:

... put pressure on superannuation funds to improve their competitiveness or reassess their viability in the absence of merging with another entity.

And it is to encourage:

... increased size or scale of superannuation funds to enable funds to provide a range of benefits to members ...

Let's be a bit clearer about what the problem is here: we have a long tail of small superannuation funds. We should also be clear that small funds are not of themselves a problem. It is certainly possible that a small fund might have superior investment skills such that it generates above normal returns and that those excess returns more than compensate for any extra costs which result from its smaller size. But, when the size and composition of a superannuation fund has been determined not on the basis of rational economic considerations but on quite different considerations, there is every possibility of a small fund delivering inadequate returns.

Our present superannuation system comprises many different funds, some small and some large. The particular basis on which the money has been divided up—and, hence, the basis on which an employee has his or her retirement savings allocated to any one fund—is driven quite heavily by the architecture of the union movement. This is a very important public policy question because the superannuation system has grown very large, with some $1.4 trillion of funds under management. Largely thanks to compulsory super contributions, in 2011-12, some $90 billion flowed into the sector. Of that, nearly two-thirds went into one of two kinds of funds: industry funds or public sector funds. Funds of this kind generally use the 'equal representation' model, with half of the directors appointed by a union and half by an employer association.

In the APRA statistics, for the 2010-11 financial year there were 76 funds listed as 'industry' or 'public sector'. An analysis of the annual reports of these funds shows that in 2010-11 there were a total of 575 directors on their boards, of whom 180 were appointed by unions. These funds had a total of $370 billion under management as at 30 June 2011, according to the APRA statistics, and the biggest 10 funds had around 63 per cent of this total. This leaves a long tail of much smaller funds. In fact, of the 76 funds, 57 are less than $5 billion in size, and at least 20 have assets of less than $1 billion.

Let me mention some examples. The Australian Meat Industry Superannuation
Trust had net assets of $990 million as at 30 June 2011. The Health Industry Plan had net assets of $612 million. AUST(Q), otherwise known as the Allied Unions Superannuation Trust (Queensland), had net assets of $193 million. The Transport Industry Superannuation Fund had net assets of $84 million. I make no criticism of the specific managements of the funds I have mentioned, but I do raise the question of whether it best serves the interests of members to have a large number of quite small funds. That of course is the very question which the measures in this legislation are designed to address. I think we can see that there is an underlying public policy problem.

The real question, though, is whether the measures in this legislation will go far enough, and that is the third point I want to come to. How likely is it that desirable mergers will occur just because the tax impediments to such mergers are reduced, when we have the structural features of our superannuation system which I have described? The recent failure of the merger between Vision Super and Equipsuper in Victoria is not an encouraging precedent. Vision Super has four directors appointed by the Australian Services Union. The merged entity was supposed to have elected directors. It turned out that a member of the Equipsuper fund—somebody who happened to be a senior manager at a power company—chose to seek election as a board member of the merged super fund. This made the Australian Services Union very cross. In an email to Australian Services Union members, the state secretary of the union, Brian Parkinson, had this to say:

As expected, employers are seeking election to workers' positions. Indeed, one such individual … has exploited his senior management role to frustrate the election chances of ASU candidates … Management will pull out all the stops to see one of their own elected at the expense of workers.

At the time of sending this email, Mr Parkinson was also a director of Vision Super. He had duties to the members of that fund, and the transaction was conceived as being in the interests of those members. Yet, pretty clearly, when Mr Parkinson sent this email he was not giving much thought to the interests of members of Vision Super; what he was concerned about was the interests of the Australian Services Union.

We need to look very closely at whether the measures in this legislation will do much to assist the position when relatively small superannuation funds are very closely aligned with unions. It is quite easy to see how a governance problem in a union could infect an associated superannuation fund. We have seen such an example quite recently with the former Health Services Union boss Michael Williamson, until recently a union appointed director of First State Super, a fund with some $30 billion under management. Earlier this year, the chairman of First State Super complained that he had no power to remove Mr Williamson as a trustee of that fund, despite the serious allegations, at that point, which had been made about Mr Williamson's conduct. Of course, since that point he has been charged by the New South Wales police.

An equally troubling example of this phenomenon is a $30 million investment in the building company Austcorp by the Meat Industry Employees Superannuation Fund, almost all of which was lost following Austcorp's collapse in 2009. The Australian has reported that Mr Wally Curran, a longtime secretary of the Meatworkers Union and a long-serving director on the board of the fund, was paid significant consultancy fees by Austcorp. At the very least, this raises serious questions about whether Mr Curran had a conflict of interest and whether he was
acting in the best interests of members of the fund. That $30 million, by the way, was a material proportion of the entire balance of the assets of the Meat Industry Employees Superannuation Fund.

Or we could consider the position of TWUSUPER, a fund with $2.6 billion under management and 130,000 members, with four directors appointed by the Transport Workers Union. The four directors appointed are the Transport Workers Union's federal secretary, Tony Sheldon, and three state secretaries: Wayne Forno, Wayne Mader and Jim McGiveron. Last year the Transport Workers Union vigorously attacked changes proposed by the management of Qantas to the operation of that company, changes that management said would improve the company's financial performance. How do the directors of TWUSUPER, who are also union officials, think about equity investments in Qantas or other companies in the transport sector? Members of TWUSUPER have a right to expect that the sole consideration exercising the minds of directors is how to maximise the financial returns generated by the fund. Indeed, under the sole purpose test in the Superannuation Industry (Supervision) Act, that is the duty of directors of that superannuation fund.

So there is clearly a structural problem in the superannuation sector, particularly in relation to industry and public sector funds, where there is a long tail of small funds. As some of the instances I have cited highlight, this creates the potential for inadequate standards of governance, particularly amongst that long tail of smaller funds, which are not subject to the same degree of detailed public scrutiny as larger funds tend to be. The question I also want to raise for consideration by the House this afternoon is whether the well-intentioned measure in the legislation before the House today goes far enough to encourage the consolidation which it says is a desirable objective, when you consider some of the entrenched interests of directors of funds. I think the email that I cited from ASU state secretary Brian Parkinson is extremely relevant in that regard.

Let me conclude by noting that the measures in this bill are intended to assist in facilitating the mergers of superannuation funds by offering capital gains and other tax relief for such mergers and in turn to address the problem, which clearly exists, of a long tail of subscale funds. I hasten to add that the mere fact that a fund is small does not of itself indicate a problem, but we have seen that, where there are small funds, particularly ones closely associated with unions, that creates a culture in which governance problems appear to be more likely to materialise. The only way to get to grips with this issue is to seriously address the governance of superannuation funds and in particular the recommendations of the Cooper review in relation to ending the current form of the equal representation model. It is a matter for regret that the Minister for Employment and Workplace Relations and Minister for Financial Services and Superannuation and former National Secretary of the Australian Workers Union has done nothing about that.

Debate adjourned

BUSINESS
Rearrangement

Mrs ELLIOT (Richmond—Parliamentary Secretary for Trade) (13:30): by leave—I move:

That order of the day No. 2, government business, be postponed until a later hour this day.

Question agreed to.
BILLS

Water Amendment (Long-term Average Sustainable Diversion Limit Adjustment) Bill 2012

Second Reading

Debate resumed on the motion:
That this bill be now read a second time.

Mr HUNT (Flinders) (13:30): Thank you, Deputy Speaker Rishworth. Acknowledging your own position, I note that former South Australian minister Gordon Bilney has just passed away. He was known to me. His is a sad loss for his family, the parliament and you, who I understand had connections in that direction.

Let me address this bill in terms of a very simple proposition. The Water Amendment (Long-term Average Sustainable Diversion Limit Adjustment) Bill 2012 comes in a broader context. For all the recent talk, the coalition has been the real party of water reform, at the national level, over the last decade. There was firstly the tremendous work of John Anderson, the then Deputy Prime Minister and Leader of the National Party. This was followed by the work of Malcolm Turnbull and John Howard, the former in his role as Minister for the Environment and Water Resources and the latter as Prime Minister. They put in place a water market, a $10 billion program, a commitment to focus on infrastructure as a critical means of improving productivity whilst allowing greater water to be returned to the health of the Murray-Darling Basin. Thirdly, it is about an attempt to remove ministerial oversight and give untrammelled authority to an unelected body. It is a body for whom we have respect—but we are a parliament; we are the elected chamber of an elected parliament and we believe in parliamentary accountability and ministerial responsibility.

In addressing this bill, let me start with a simple proposition. The coalition is firstly the party of genuine, real water reform, having created the markets, having created the $10 billion plan and having created the focus on infrastructure as a critical means of improving productivity whilst allowing greater water to be returned to the health of the Murray-Darling Basin. Secondly, we support, in principle—and, in fact, we were the architects and authors of the principle—that environmental works and measures can and should be used to enhance the environment, in non-river-course channels and in river channels. Thirdly, we stand very strongly for the ability of the executive and the parliament to have a real and final say over fundamental policy matters that relate to equity and justice. We will not resile from being supportive of those elements.

It is a great way forward but, for ideological reasons, the government until now has stayed away from this. Just 12 per cent of the projects in New South Wales, or $159 million of $1.35 billion; only 16 per cent of the projects in Victoria, or $171 million of $1.05 billion; just 26 per cent of the adjustment mechanism and, in particular, the creation of an opportunity for counting genuine environmental works and measures towards achieving the great goal of helping the Murray-Darling Basin, at the same time preserving the rights and productivity of upstream users and communities and allowing us to feed our nation, to be a food bowl for Asia and to be a source of fibre for Australia and growing international demand.
the projects in Queensland, or $21 million of $81 million of allocation to agricultural infrastructure savings, which would in turn return water to the river on a shared basis; and 40 per cent of the projects in South Australia, or $161 million of $420 million, have actually been delivered. So, against that background, for every one litre this government has saved through infrastructure it has bought back five litres. The government has spent just over $500 million on infrastructure projects yet almost $2 billion on buybacks.

Our approach has always been to support practical action which protects the environment and also protects Australia's food and productivity sectors that allow us to continue to develop our rural sector. Indeed, the Asian century white paper from yesterday talks specifically about expanding our agricultural production. But the way to do that is to be more efficient with our water, and that is why we have supported a once-in-a-century replumbing of rural Australia, not a buyout of our farmers, our rural communities and our farm productivity. That sets the background for where this bill arrives.

Let me turn to one of the two main elements of this bill. The first is to allow the use of environmental works and measures to be counted in the assessment of the sustainable diversions. What does that mean? It means in practice—and I will give an example—that the use of channels may allow more direct and efficient watering of an environmental asset. It could be Lindsay Island. That means, rather than having to use huge volumes of overbank flows in order to achieve an environmental outcome, we could use channelling or piping. This is exactly the same principle we have adopted in irrigation infrastructure instead of the open channels, which you see if you travel through Mildura or through areas such as Griffiths. It is about covering or piping the water which has formerly been in the open channels, and it is instead of rammed-earth channels which are subject to leaking. In many parts of north-west Victoria we engage in that modernisation. That is what we have all agreed upon as being the vital—although the government has not delivered upon it—and actual mechanism of irrigation for agriculture. Yet, until now, the same principle has not been adopted, has not been applied and has not been accepted in irrigation for environmental works and measures. So this is a positive step forward. It is an element of the bill and it is an element of the steps, which we have championed and encouraged, which were initially rejected and which now at the last minute have been accepted by the government. To the extent that the bill is confined to the extraordinary potential of practical environmental works and measures, then it is a good thing. We endorse and support that component of the bill which is allowing practical environmental works and measures.

However, there is another significant element of the bill which is not acceptable and which we will seek to improve and amend. It is the notion of removing ministerial oversight and veto in relation to changes to the Murray-Darling Basin Plan. Under this bill as it currently stands the authority could make changes to the amount of water recovered by up to 700 gigalitres up or down. This amounts to a massive 25 per cent change from what has until very recently been the accepted and understood figure for the river. There are no restrictions on whether that 700 gigalitres would come from one area. It could effectively take part of rural Australia completely out of production. Under this bill the minister has to adopt any changes proposed by the Murray-Darling Basin Authority. I respect
the authority and I respect the individuals, but we are a parliament elected by the people and an executive appointed by the parliament. What that means is that final responsibility for decisions with a fundamental impact on food productivity, fibre productivity, the health of our rural communities, the ability of Australia to feed and clothe itself and to feed and clothe tens of millions if not hundreds of millions of people throughout South-East Asia, East Asia and North Asia, is lost to the parliament and to the minister to be determined. So, final determination in our view should and must rest with either the parliament directly or the parliament through the executive accountable to the parliament. These are fundamental decisions. It is right and proper that something as significant as recovering 700 gigalitres of water—which is more than the amount of water in Sydney Harbour—should be the decision of the government and the minister of the day in the end.

I want to give notice that we will move an amendment—and we have had discussions with the government and informed them of this—which will ensure that there is mandatory public consultation on adjustments, that there is ministerial discretion to adopt any amendments, and that the final decision ultimately rests with the parliament through the executive. Our support for this bill is conditional upon those elements being moved, and during the consideration in detail stage we will make a move to ensure that real accountability over the health of our river system rests with the elected government of the day. That is the right and proper thing. We would like the government to accept these amendments. Better still, I understand by his positive attitude and his dedication to raising awareness and money to help find a cure for diabetes. He showed me how to do a finger-prick blood test to check his sugar levels and shared his wish with me that one day there would be a cure for diabetes. When I asked Will's mum, Mel, if he would need to take medication and monitor his sugar levels for the rest of his life she said yes. But Will was quick to correct her. 'Not for the rest of my life, Mum,' he said, 'just until we find a cure.' He has such a positive attitude for such a young child. This is why I am very proud of Will and I think he is a fantastic ambassador for juvenile diabetes and for all the children and families in Macarthur who live with the condition.

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The DEPUTY SPEAKER (Mr S Georganas): Order! The debate is interrupted in accordance with standing order 43. The debate may be resumed at a later hour and the member will have the opportunity in continuance.

STATEMENTS BY MEMBERS

Macarthur Electorate: Juvenile Diabetes

Mr MATHESON (Macarthur) (13:45): It is with great pleasure that I rise to speak about a very brave young man from my electorate who is raising money and awareness for juvenile diabetes. Will Cullen, from Harrington Park, is seven years old and was diagnosed with type 1 diabetes five years ago. He is the Juvenile Diabetes Research Foundation New South Wales Young Ambassador of the Year for 2012 and the face of the foundation's Jelly Baby campaign.

When I met Will recently, I was inspired by his positive attitude and his dedication to raising awareness and money to help find a cure for diabetes. He showed me how to do a finger-prick blood test to check his sugar levels and shared his wish with me that one day there would be a cure for diabetes. When I asked Will's mum, Mel, if he would need to take medication and monitor his sugar levels for the rest of his life she said yes. But Will was quick to correct her. 'Not for the rest of my life, Mum,' he said, 'just until we find a cure.' He has such a positive attitude for such a young child. This is why I am very proud of Will and I think he is a fantastic ambassador for juvenile diabetes and for all the children and families in Macarthur who live with the condition.
Each year, Will and his family and friends take part in the Walk to Cure Diabetes and have raised more than $30,000 for the cause—a great achievement that they should all be very proud of. When Will comes to Canberra in November for the Kids in the House diabetes event, I hope to introduce him to my colleagues here in parliament. I am sure that he will touch their hearts just like he has mine and encourage all of us to do everything possible to support these brave young Australians living with diabetes. Keep up the good work, Will. You are an absolute champion.

Bass Electorate: Infrastructure

Mr Lyons (Bass) (13:46): Recently I had the opportunity to host Nicola Roxon, Attorney-General and Minister for Emergency Management, in Launceston. The minister and I met with representatives from the Launceston City Council and the Launceston Flood Authority. We toured the site of the Launceston flood levee project and received an update from the council on the progress of the works.

Since 2007, the Australian government has contributed $19.75 million to the project, which includes construction to rebuild more than seven kilometres of ageing levees. The levee project is funded under the Natural Disaster Resilience Program, which has invested over $24 million in Tasmania since 2009 for projects that assist the state in preparing for disasters. The funding for the flood levee project will ensure that local homes and businesses are protected in the event of a one-in-200-years flood.

The minister and I also took the opportunity to discuss the possibility of federal funding for trials of silt raking in the upper Tamar. As a lifetime resident of the Tamar Valley, I have spent a lot of time sailing, swimming, sweeping surf boats and paddling surf skis on the Tamar River and can see that the raking has made a difference. I know that this is a part of the answer to the silt problem of the Tamar.

It is fantastic that the government has acted to protect the infrastructure, cultural institutions and transport routes in Launceston. I look forward now to further improving the river and opening up the recreation and business opportunities that it presents as a result of the Australian government saving Launceston.

O'Connor Electorate: Australia Post

Mr CROOK (O'Connor) (13:48): I rise today to express my absolute frustration that the community of Denmark has not been able to access an additional postbox. This seems like a very simple issue; however, despite my lobbying for over two years and the lobbying of the shire for over five years, we have had no results. The problem is quite simple: Denmark, a beautiful regional community in O'Connor, has a single postbox in the retail sector. Denmark has over 4,000 residents spread around the area and they need an additional postbox. Denmark has the highest median age of any community in Western Australia and it needs a postbox which is easily accessed by its elderly residents.

One such proposal is that a box could be located near the entrance to Amaroo Village. This is a village that has eight senior units and is already serviced by the postie five days a week. Australia Post has refused the additional postbox on what now seems to be commerciality grounds. A commerciality test for essential services is inappropriate in the regions. The good people of Denmark should not be discriminated against because they live in a regional area, and the elderly residents of Denmark should be provided with greater access to essential services. Australia Post's commerciality test and the minister's unwillingness to seek reform are
letting the people of Denmark down. The shire of Denmark has been requesting this box since 2007—over five years. It seems crazy that even an MP is unable to get an extra postbox for a community that has demonstrated an ongoing need.

**Greenway Electorate: Community Forum**

**Ms ROWLAND** (Greenway) (13:49): I rise to mention the community forum held on 23 October in Riverstone in my electorate and to commend the initiative of local residents for participating in what was a very insightful and constructive dialogue about the suburb’s future and challenges to its future prosperity. I particularly commend the initiative of the organisers and hosts, St John's Primary School, including: Principal Marian Bell and her staff; the Catholic Education Office; David Catt from the *Rouse Hill Times*; Jade Wittman from the *Rouse Hill Stanhope Gardens News*; and other local elected representatives.

Principal Bell crystallised the views of many local residents when she decided to systematically examine declining enrolments at her school to try and understand the statistics that show more children living in Riverstone attend schools outside the area than within it. This is despite Riverstone’s education facilities including: both a Catholic and government primary school; a government high school; and an independent primary and secondary college. Why does Riverstone not appear to be a suburb of choice when it comes to schooling? To extrapolate that further, why is it not a suburb of choice for retail, recreation or housing either?

I joined around 80 participants in small group discussions on three issues: the top three things we like about Riverstone; our top three concerns; and three suggestions to address those concerns. The results had recurring themes including: the strong community spirit of Riverstone residents; ongoing uncertainty about local issues such as rezoning; the Riverstone overpass; a sense that Riverstone was being 'left behind' as neighbouring housing and retail areas were thriving; the huge potential for employment in high-tech industries with the release of new employment lands and the construction of the NBN; and capitalising on Riverstone’s historic assets. I look forward to turning these discussions into tangible goals.

**Government Spending**

**Mr CRAIG KELLY** (Hughes) (13:51): Last month, my electoral office received the most beautiful glossy colour brochure printed on the most high-quality A3 paper—all at the taxpayers’ expense—of the human anatomy from this government's Department of Health and Ageing. As I was just about to pin it up in the reception area of the Hughes electorate so that my constituents could view it, I looked at the brochure closely and I found that according to this Labor government the oesophagus runs directly into the lungs. A third lung then drains into the stomach. The intestines then drain into the bladder, which is wrongly located on top of the uterus. According to the Australian government, Australian women have sprouted an extra pancreas, cunningly disguised as an extra kidney. The kidneys have shrunk and have taken up home where the ovaries are meant to be located. Thankfully, this error was picked up. But unfortunately it cost the taxpayers several thousand dollars, as all these beautiful glossy colour brochures were pulped. This farce and debacle shows that not only has this government a complete lack of understanding of the human anatomy but a lack of understanding of how to run a trillion-dollar economy.
Robertson Electorate: Bendigo Bank Public Speaking Competition

Ms O'NEILL (Robertson) (13:53): I would like to put on the record today the successful visit of Paul Russell and Jake Fonti, who were winners of the Bendigo Bank public speaking competition on the Central Coast recently. One of the things that they did was pen short statements for this time in parliament, so I would like to put Jake Fonti's statement on the record. It reads:

You're standing on your balcony and next thing you smell is black smoke. You look up and you see a fire raging closer and closer. Next thing you know, a fire fighter jumps to the rescue.

Lately on the central coast we have had some large bush fires. These fires could have damaged local homes and bushland if it weren't for our local fire fighters. The fire fighters do a tremendous job at securing and then extinguishing these fires. The Central Coast will definitely be preparing for extreme heats in our upcoming summer.

There is nothing better than being reassured that our bushland and our residential areas are well protected by our Aussie fire fighters, not to mention our extremely well patrolled beaches—protected by—our local surf lifesaving clubs.

Isn't it great that the coast has so many willing and able young and old volunteers whether it be patrolling local beaches, helping in natural disasters, putting out local fires and risking their lives the whole way, all for the payment of that feel good factor in knowing that you may have saved someone's life and for that we say thank you.

I want to also note the tragic loss of a heritage house in Pretty Beach last evening. I know that Michelle Buddulph and those who live in the Kilcare, Wagstaffe, Hardy's Bay and Pretty Beach area would be— (Time expired)

World Stroke Day

Mr ALEXANDER (Bennelong) (13:54): Today is World Stroke Day, highlighting that one in six people worldwide will have a stroke at some stage during their lives. Each year, an estimated 60,000 strokes occur in Australia, with 10,000 specifically due to atrial fibrillation, the most common type of irregular heartbeat and something that affects over half a million Australians. Deloitte Access Economics estimates the cost of this disease as over $300 million a year. One in four people diagnosed with atrial fibrillation are not treated, leading to around 7,400 strokes at a cost of around $217 million.

More than a year ago the government announced its review into anticoagulation therapies in atrial fibrillation. The issues and options paper noted that between 240,000 and 400,000 people have atrial fibrillation in Australia, with only 40 per cent to 60 per cent of people receiving stroke prevention treatment. The rest are at a much elevated risk of stroke. It has been over a year since this review was announced and we are still waiting. In the meantime, our nation's seniors are left to use ancient remedies like Warfarin, despite the invention of far superior medicines. Over 60 countries, including New Zealand and Scotland, have access to the newer medicines. In Australia, it has been left to pharmaceutical companies like Boehringer Ingelheim, who have supplied their new medicine for free to 25,000 sufferers of atrial fibrillation. I take the opportunity on this World Stroke Day to implore the government to act on this important national health issue.

Vermont Secondary College: 50th Anniversary

Mr SYMON (Deakin) (13:56): On Saturday 13 October I was invited to the Vermont Secondary College in the redistributed part of my electorate of Deakin
to mark the 50th anniversary of its establishment. Originally called Vermont High School, it opened in 1962 with seven teachers and around 90 students. But these days the college has over 140 teaching staff and 1,288 students, a reflection on the growth in the suburbs in the outer east of Melbourne and even more so on the high regard that the school is held in by the community, both in the local area and far beyond.

Outside the school, as part of the celebrations, a 50-year commemorative mural was unveiled by the principal, Mr Tony Jacobs. Inside, in the auditorium, the occasion was marked with the release of the college's 50th yearbook, titled Yeramba 1962 to 2012. Containing many fascinating snippets of local history, there is much for any local resident to learn from a look through its pages. Former principals Stan Leach, John Knothe and Rod Williamson were also in attendance, along with a large group of former students, including some of the VSC pioneers who were the inaugural class of 1962. I congratulate everyone who has worked on or been a part of the Vermont Secondary College's 50th anniversary celebrations, and I am sure that the next 50 years will build upon the success of the first 50 years.

Digital Radio Project

Ms GAMBARO (Brisbane) (13:57): I was recently contacted by senior executives of the Brisbane community radio station 4ZZZ 102.1 FM. They raised a concern regarding funding for the community radio sector's Digital Radio Project. The government's May 2012 budget allocation of $2.2 million per year over four years falls short by approximately $1.4 million per year of the amount needed to ensure the future viability of this sector. This is despite the independent review conducted by the Department of Broadband, Communications and the Digital Economy in 2011 which confirmed that the required operating amount was closer to $3.6 million per year.

The Digital Radio Project has enabled community radio to transition across the digital stream. But with reduced funding the transmission reach of services will now be limited. Under threat is the new digital radio service Z-Digital, provided by Fortitude Valley based 4ZZZ, along with the new digital services provided by other Brisbane based community broadcasters, which include global 4EB, Switch Digital, 4MBS, Inspire and 4AAA. But according to recent Senate estimates, the government is well aware that if the $1.4 million shortfall is not made up then the community broadcast services will be affected and some services may go off the air. Community radio has an important role to play in providing a range of voices and opinions to make sure that they are heard. This is vital for an effective democracy and to support the rich cultural diversity of our community.

Telstra Business Awards

Ms BRODTMANN (Canberra) (13:59): The Telstra Women in Business Award is a very significant acknowledgment of businesswomen who are leaders, innovators and mentors. These awards recognise women who have been inspirational or successful or have shown tremendous leadership. I have long championed small business and women in business and I am proud to support the awards.

I want to pay particular tribute to the women in the ACT who won awards this year. The Telstra ACT Businesswoman of the Year is Dr Helen Watchirs, the ACT Human Rights and Discrimination Commissioner. Dr Watchirs was a human rights lawyer for 30 years and has been ACT Human Rights and Discrimination Commissioner.
Commissioner since 2004. Helen is off to Sydney for the finals, and on behalf of everyone in the ACT I wish her the very best.

The Commonwealth Bank business owner award for 2012 went to Suzie Hoitink, from Clear Complexions Clinic. The Hudson Private and Corporate Sector Award went to Emma Luscombe from Antique Salon. The Nokia Business Innovation Award went to Amanda Pulford from FitSistas Pole and Fitness Studio. And, finally, the Young Business Women's Award went to Jocelyn Parsons of the Australian Maritime Safety Authority.

The SPEAKER: Order! In accordance with standing order 43, the time for members' statements has concluded.

CONDOLENCES

Smith, Corporal Scott James

Ms GILLARD (Lalor—Prime Minister) (14:00): I move:

That the House record its deep regret at the death on 21 October 2012, of Corporal Scott James Smith while on combat operations in Afghanistan, place on record its appreciation of his service to his country, and tender its profound sympathy to his family in their bereavement.

Only six weeks ago we gathered in this House to mourn the loss of Australians in Afghanistan. Tragically, today, we mourn another loss. Once again, the price of our commitment in Afghanistan has been made very real to us with the death of Corporal Scott Smith, whom we honour and remember today.

On Sunday, 21 October 2012, elements of the Special Operations Task Group were conducting a disruption operation against a network of insurgents in Helmand province. These insurgents manufacture improvised explosive devices and directly influence the security situation in Uruzgan province, where we work. Corporal Smith was involved in clearing a compound area when an improvised explosive device detonated, killing him instantly. He was a member of the Special Operations Engineer Regiment, a sapper, a combat engineer, a young man who died as he lived in front of the front line.

Corporal Scott's death brings to 39 the number of Australian soldiers killed in Afghanistan. The roll of honour grows longer and our hearts grow heavier knowing the loss that has been visited upon so many homes and the possibility that there may be more before our work is done.

For the past week a loving family has been mourning his loss. Corporal Smith's partner, Liv; his mum and dad, Katrina and Murray; his sister, Roxanne; his extended family, whom I understand are very close; his many friends; and, especially, his comrades in the Special Operations Engineer Regiment are deeply in our thoughts today. We cannot imagine the heartache they are feeling and how empty their Christmas table will feel this year and in all the years to come.

When you look at the war graves overseas and attend the funerals here at home, the one thing that strikes you over and over again is just how young these men are. Corporal Smith was young, just 24 years of age, born in our bicentennial year. Yet by the time of his death he had already served in the Army for almost seven years, completed previous tours of Afghanistan and the Solomon Islands and earned a chest-full of medals. Corporal Smith has been described as an exceptional soldier, one of the best junior non-commissioned officers that the unit has seen. And remember that the world of special forces is intensively competitive, so these are truly the best of the best.

Scott's mates remember him as a genuine, honest and dedicated colleague. His family have spoken of a loveable character with a
cheeky smile and a larrikin streak who lived life to the fullest. Perhaps most significantly, as we reflect on the wider meaning of Afghanistan, Corporal Smith himself believed that his work made a difference, as indeed it did.

We have lost a brave soldier who was going about difficult and dangerous work. He gave his best for our nation in life. He gave his all for our nation in death. Our deepest sympathies go to Corporal Smith's family and to his fellow service personnel. They are much in our thoughts and will continue to be so in the difficult days that lie ahead.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:04): I rise to support the eloquent words of the Prime Minister in commemoration of Corporal Scott Smith, who is the latest casualty of our commitment to Afghanistan. It is a just cause but a costly one. It is a worthwhile mission but an extremely dangerous one.

Corporal Smith was indeed a brave and dedicated soldier. We are proud of him as we are proud of all who wear a uniform and serve our country in combat. We especially honour his family as they grieve for someone they love, someone whose life was good but was tragically cut short. To his father, Murray, to his mother, Katrina, to his sister, Roxanne, to his partner, Liv, go our deepest condolences. Our thoughts and prayers are with you.

Mr STEPHEN SMITH (Perth—Minister for Defence and Deputy Leader of the House) (14:05): I rise to associate myself with the remarks of the Prime Minister and the Leader of the Opposition, both in expressing condolences to the family, friends and mates of Corporal Scott James Smith and also in expressing support for our mission in Afghanistan.

Scott Smith was born in the Barossa Valley in South Australia in 1988—as the Prime Minister said, our bicentennial year. He joined the Army in February 2006 and, following completion of his initial employment training, was posted to the 1st Combat Engineer Regiment, Darwin. In 2008 Corporal Smith was posted to the then Incident Response Regiment, now the Special Operations Engineer Regiment, as a search operator. Corporal Smith was based with the Special Operations Engineer Regiment, at Holsworthy Barracks, near Sydney.

Corporal Smith is our 39th fatality overall in Afghanistan, and our seventh fatality this year. We have also suffered 242 wounded, in total, with 29 wounded this year. He is the 19th fatality from the Special Operations Task Group. This includes five members of the SAS—the Special Air Service Regiment—11 commandos and three members of the Special Operations Engineer Regiment, which, as I have indicated, was formerly known as the Incident Response Regiment.

Corporal Smith was on his second operational deployment to Afghanistan, following an earlier deployment to the Solomon Islands. He had received a number of awards, including the Australian Active Service Medal, the Afghanistan Campaign Medal, the Australian Service Medal and the NATO International Stabilisation Assistance Force Medal.

Corporal Smith's family described the Army as Scott's second home—as his family away from home. Corporal Smith's unit describes Scott as genuine, honest and dedicated. He was an exceptional young soldier, and that has been widely and broadly acknowledged. He possessed all the qualities and the charisma of a great junior leader. He
was destined for a great Army career. His loss is and will be deeply felt.

At this terrible time we must continue to be clear sighted about our mission in Afghanistan. Our objective—our mission—is to prevent Afghanistan from again becoming a safe haven for terrorists. We will not be in Afghanistan forever, and transition to Afghan-led security responsibility in Uruzgan has commenced and is on track. One of the four infantry kandaks, or battalions, that we are mentoring is now capable of independent operations, and there is an expectation that the remaining three will also commence independent operations by the end of this year.

Our condolences go to Corporal Scott Smith's family—his partner, Liv; his mother, Katrina; his sister, Roxanne; and his father, Murray. His contribution and his sacrifice will always be remembered. Lest we forget.

Mr ROBERT (Fadden) (14:08): I join the Prime Minister, the Leader of the Opposition and the defence minister to honour another fallen sapper, Corporal Scott Smith from the Special Operations Engineer Regiment, who was tragically killed in action while serving with the Special Operations Task Force in Afghanistan. I pass on my sympathies to: his partner, Liv; his mother, Katrina Paterson and Murray Smith; and his sister, Roxanne. Engineers, or sappers, have paid a heavy price in Afghanistan. Eight have been killed and numerous more wounded during this campaign. They have paid such an exacting price because their role is out front. They clear the path, they find and dismantle IEDs and they protect those who literally walk in their footsteps. As a Special Forces soldier, Corporal Smith was required to do all this plus hold his own in a fight.

I have said previously that there is something special about the men who protect the Special Forces—those sappers who lead out front. Their men and their mates describe them as men of insane courage, men capable of holding fear at bay a little longer than most and men who must deal with sophisticated explosives at night, under fire and in a hurry. Corporal Smith was such a man. His Special Ops commanding officer offered the highest praise when he said of him:

The type of physical and moral courage required of our special forces combat engineers is what we all hope for ourselves, but in the case of this man—Corporal Smith—he displayed it every time he deployed ...

Corporal Smith was killed in a battle that destroyed an insurgent network that specialised in that horrific form of IED attacks. During that battle, SOTG subsequently removed over 100 IEDs from the battlefield. Australians and Afghans are safer because of this man's courage and daring. That is his legacy. He was the first through the door every time. That is his valour. It cannot be taken from him; he earned it, and he owns it. Such is the calibre of this man and of those engineers who will follow in his footsteps. Lest we forget.

The SPEAKER: As a mark of respect I ask all present to signify their approval by rising in their places.

Honourable members having stood in their places—

Debate adjourned.

Reference to Federation Chamber

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (14:12): by leave—I move:

That the resumption of debate on the Prime Minister's motion of condolence in connection with the death of Corporal Scott James Smith be referred to the Federation Chamber.
For the information of honourable members, that will occur later on this afternoon.

Question agreed to.

**STATEMENTS ON INDULGENCE**

**United Nations Security Council**

**Ms GILLARD** (Lalor—Prime Minister) (14:12): On 18 October Australia was elected as a non-permanent member of the United Nations Security Council for 2013 and 2014.

**Honourable members:** Hear, hear!

**Ms GILLARD:** This is good news for our country and has been warmly welcomed, as it has just been welcomed in this House. It is the first time in 27 years that Australia will sit on the Security Council. That is too long for a country of Australia's size and influence on the world stage. I am proud that a strong commitment to the United Nations has been an enduring theme of foreign policy under successive Labor governments.

We have just had a motion of condolence on the loss of Corporal Smith and our mission in Afghanistan. For those Australians who ask themselves, 'Does the United Nations matter to us?' I say: of course the United Nations does matter to us. We are in Afghanistan in a mission with the UN involved. Our mission in East Timor has been one overseen by the UN. Some of the most intractable and difficult problems facing our world—including the nuclear programs of Iran and North Korea, the endeavours to stop the fighting in Syria and the continuing fight against terrorism and extremism—are being worked on by the UN. And the values of the UN are ones that we share: peace, security, human rights, equality and a fair go.

So, the United Nations does matter to Australia, and now a voice with an Australian accent will be heard at the table of the Security Council. This is a result that all Australians can be proud of. Our election to the Security Council shows that our standing at the UN is high and our bilateral relationships around the world are in good shape.

As I did on the day that the news came through that we had been elected to the Security Council, I would like to offer my thanks to those involved in the campaign: former Prime Minister Kevin Rudd, for having the vision for launching Australia's bid and for his enthusiasm in following that vision as foreign minister; for the work undertaken by Stephen Smith as foreign minister; for the enthusiasm of Senator Bob Carr in pursuing this campaign in its final stages; for the relentless work of parliamentary secretary Richard Marles, who has been dispatched around the world on the Security Council campaign; and to the Minister for Trade, who has played a role in his international engagements in putting forward Australia's credentials for the campaign.

I would like, too, to thank our diplomats around the world for everything that they have done, particularly Gary Quinlan, our Ambassador to the United Nations. But I would particularly like to thank, in addition to our diplomats, the AusAID workers, Defence personnel and police of Australia, who go around the world. The reason our reputation is so high in so many nations around the world is that they have gone there and, with courage and with endeavour, they have helped—and I think this one's for them. Thank you very much.

**Mr ABBOTT** (Warringah—Leader of the Opposition) (14:16): On indulgence, the coalition welcomes Australia's term as a non-permanent member of the UN Security Council.

**Government members interjecting—**
The SPEAKER: Order! The Leader of the Opposition has the call.

Mr Abbott: Let me say that, in any contest between Australia and other countries, the coalition is always on Australia’s side. Australia’s voice should always be heard in the councils of the world. Australia’s voice should be heard because of our values, and we should always act in accordance with our values.

The coalition, like the Prime Minister, wants to congratulate everyone who has worked so hard to secure this seat. Yes, we obviously thank and congratulate those countless officials and soldiers who do so much to uphold our name and reputation right around the world. But it would be churlish of me not to give a special mention to the former Prime Minister, the former foreign minister, Kevin Rudd, whose original idea and inspiration it was and who did so much, so indefatigably, to bring it about; and I think this is a special day in the parliament for the former Prime Minister.

Mr Dutton: Let Kevin speak!

Mr Pyne interjecting—
Mr Albanese: Do you want to come?
Mr Pyne: I’m on the wrong side!

The SPEAKER: And you might be on the wrong side of the chamber very quickly.

Honourable members interjecting—

Mr Pyne: I mean on the wrong side of the whole chamber, if you are not careful.

Question agreed to.

MINISTERIAL ARRANGEMENTS

Ms Gillard (Lalor—Prime Minister) (14:19): I table, for the information of the House, a revised ministry list reflecting a recent change to the ministry. The change is the appointment of Dr Emerson as Minister Assisting the Prime Minister on Asian Century Policy. I seek leave to have the document incorporated in Hansard.

Leave granted.

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Ms GILLARD: I also inform the House that the Minister for Housing, the Minister for Homelessness and the Minister for Small Business will be absent from question time today and tomorrow for personal reasons. The Minister for Families, Community Services and Indigenous Affairs will answer questions in relation to housing and homelessness and on behalf of the Minister for Human Services. The Assistant Treasurer

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Each box represents a portfolio. Cabinet Ministers are shown in bold type. As a general rule, there is one department in each portfolio. However, there is a Department of Veterans’ Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases.
will answer questions in relation to small business.

QUESTIONS WITHOUT NOTICE

Carbon Pricing

Mr ABBOTT (Warringah—Leader of the Opposition) (14:20): My question is to the Prime Minister. Can the Prime Minister confirm that power prices have now risen 90 per cent under the Labor government, including 15 per cent in the last quarter, the largest quarterly increase on record, because the carbon tax is starting to do its job? Can the Prime Minister confirm that the whole point of the carbon tax is to put up electricity prices?

Ms GILLARD (Lalor—Prime Minister) (14:20): To the Leader of the Opposition I say: haven't we heard all this before? Here we are, with the Leader of the Opposition still trying to roll out his tired old fear campaign. In fact, so dusty and so tired is it that today, for his carbon-pricing stunt of the day, he went back to a business that he had been at last September. One can only assume that this is the start of a tour, a tour that will take him to Whyalla, where he will be saying to himself, 'Gee, why is this place still here? I thought it was going to be wiped off the map', that will take him to a coal mine, where he will look and say, 'Heavens! They appear to still be mining coal; I thought all this was going to be shut down', that will inevitably take him to a supermarket—

Mr Pyne: Madam Speaker, I rise on a point of order. The Prime Minister was asked about cost of living, which matters to ordinary Australians—and they deserve an answer. She should answer the question.

The SPEAKER: The Manager of Opposition Business will resume his seat. The Prime Minister has the call and will refer to the question before the chair.

Ms GILLARD: As part of this continuing tired, old, fear campaign there was the Leader of the Opposition today, back at Universal Trusses! Now to the Leader of the Opposition's question: the purpose of putting a price on carbon is to reduce carbon pollution—that is, it has the same purpose as when former Prime Minister John Howard was out arguing for a price on carbon. It has the same purpose as when former opposition leader Brendan Nelson supported a price on carbon. It has the same purpose as when the member for Wentworth supported a price on carbon. It has the same purpose as when the Leader of the Opposition supported a price on carbon. The purpose of putting a price on carbon is to most efficiently reduce carbon pollution generated by the Australian economy, and no amount of fear campaigning from the opposition, no amount of tired old retreads, will change that simple fact.

Can I suggest to the Leader of the Opposition that he perhaps consider the words of one of his backbenchers, Dr Washer, the member for Moore, who, I think, very perceptively said:

We beat the drum too hard on the carbon tax—everyone has stopped listening to the sound of it. The marrow has gone out of it—we need to move on to other issues.

The Leader of the Opposition should listen to his back bench.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:23): Madam Speaker, I ask a supplementary question. Does the Prime Minister seriously maintain that the constant increase in power prices, an increase which is just going to get worse as her carbon tax goes up and up and up, is of no concern to the forgotten families of Australia?

Ms GILLARD (Lalor—Prime Minister) (14:23): What I have just said to the Leader of the Opposition is that his fear campaign
has been proved, and day by day is being proved, to be a con—a con on the Australian people. He has been out there trying to scare Australian families. Remember the $100 lamb roast? Has the Leader of the Opposition been to a supermarket and scoured through the meat to find one of those? This is the Leader of the Opposition's fear campaign running out of puff.

As for the families of Australia, let me assure the Leader of the Opposition that we as a government will continue to work with Australian families to assist them with their cost-of-living pressures. We are doing that through increasing family payments and through a historic increase in the pension, which we have built on. We are doing that by making sure that you do not pay a cent of tax for the first $18,200 that you earn. We are also doing that by providing the schoolkids bonus to help families with the cost of getting the kids to school. That is something that the shadow Treasurer has announced would be ripped away from Australian families—not even replaced by the former education tax rebate, just money directly ripped out of the pockets of Australian families. That is an opposition that has forgotten the needs of families in that extreme policy.

**Asian Century**

Ms ROWLAND (Greenway) (14:25): My question is to the Prime Minister. Will the Prime Minister advise the House on the opportunities for Australia flowing from the shift of economic weight to Asia? What is the government's plan to take advantage of these opportunities?

Ms GILLARD (Lalor—Prime Minister) (14:25): I thank the member for Greenway for her question. She represents in this parliament an electorate where, I believe, the people truly understand the opportunities that come from the connections we have to Asia in this century. I have had the privilege and pleasure of meeting, through her, a number of her local community groups, who are seized by the opportunities that this century will bring.

Having been asked this question by the member for Greenway, let me just reflect on the fact that we stand here today after the delivery of the government's white paper, *Australia in the Asian century*—the government's plan to ensure Australia is a winner in the Asian century. The contrast in Australian politics has never been clearer than it now is between a plan for the future and no plan. Our plan for the future, as laid out in the white paper I announced yesterday, is about understanding the dimensions of change in our region and about seizing the opportunities out of it. In the past 20 years China and India have almost tripled their share of the global economy. By 2025 Asia as a whole will account for almost half the world's output. Asia will also be home to the world's biggest middle class. The biggest middle class on earth will be in our region. What we have seen so far in our economy with the resources boom is a down payment on the opportunities that we can seize for the future. We, through our resources, have been fuelling the urbanisation of Asia. This burgeoning middle class will now want to buy the kinds of things that Australia has a comparative advantage in. So our task is to keep the economy strong and build on the strengths of our economy for the future—such as the strengths we have in agriculture and the food industry, tourism, legal services, education services, health services, and customised and elaborately transformed manufacturers. And the list goes on.

*Opposition members interjecting*—
Ms GILLARD: And I am not surprised to be called at by the opposition when I am talking about Australia's strengths.

Mr Pyne interjecting—

The SPEAKER: The member for Sturt is warned!

Ms GILLARD: Australia's economy is strong and we can build on those strengths through the people of Australia having higher skills and the capacities we will need in this century of change and through working with Australian businesses to seize all of the opportunities and potential for this time. I was very proud to deliver that plan for the nation's future yesterday and, day by day, we as a government will be delivering it.

Carbon Pricing

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (14:28): My question is to the Prime Minister. I refer the Prime Minister to her many statements in this House and elsewhere that she has always been in favour of pricing carbon. How does the Prime Minister reconcile those statements with the revelation in Tales from the Political Trenches that she wrote to former Prime Minister Rudd, in 2010, saying that she vehemently opposed fighting another election on introducing a price on carbon?

Ms GILLARD (Lalor—Prime Minister) (14:29): In answer to the Deputy Leader of the Opposition's question, I have dealt with these matters on the public record on many occasions. I stand by my statement. Isn't it interesting that here today we have the opposition, with their tired old fear campaign, having a fiddle with the rear-view mirror as they look backwards, as we lead this nation to a future of opportunity and opportunity shared?

Ms Julie Bishop: Madam Speaker, this is a very credible and balanced account. I seek leave to table pages 173 and 174 of Tales from the Political Trenches.

The SPEAKER: Is leave granted for the passages to be tabled?

Mr Albanese: No; I think the author and the publishers might want people to buy it.

Asian Century

Mr SYMON (Deakin) (14:30): My question is to the Treasurer. Will the Treasurer outline for the House the importance of keeping our economy strong to take full advantage of the opportunities of the Asian century?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:30): I thank the member for Deakin for this very important question. We are experiencing a changing of the guard in the global economy, a shift in economic power from West to East. What is going to emerge here is the world's largest production zone and also the world's largest consumption zone. This presents enormous opportunities for Australia at the dawn of the Asian century. What is most important in maximising the opportunities that will come from growth in the region is to keep our domestic economy strong. We have one of the strongest economies in the developed world and we are set to grow faster than every major developed economy this year and the year after.

The foundation for economic strength is strong fiscal policy, and Australia's public finances are among the strongest in the world. Just days ago we had the ratings agency Fitch reaffirm our standing as one of only seven economies with a AAA rating and a stable outlook from all three major global ratings agencies. This is the first time this has ever occurred—that stable outlook from the three major global agencies—in Australia's history. What it says is that we do
have the opportunity to maximise the opportunities that will flow from the region—not just in mining but also in services and manufacturing. What we must do is reverse the decade-long decline in our productivity by making essential investments in economic capacity so that we can maximise the opportunities which will flow from growth in the region. That is why the government is investing in education and skills. It is why we are investing in science and innovation and R&D funding. It is why we are investing in critical technology such as the NBN. It is why we have put in place a whole series of reforms to lift workforce participation—the tripling of the tax-free threshold, incentives for people to work additional hours.

This is the key to maximising the opportunities that will come from growth in the Asian region in the Asian century. And this is what will make us the winner in the Asian century. We have a forward-looking program to make sure we not only create prosperity but spread it right across the country. That is why the white paper is so important. It was not a waste of money as the shadow Treasurer has said; it is an important investment in our future to maximise the opportunities that will flow to this country from strong economic growth and very good social policies which spread opportunity to every corner of our country.

Carbon Pricing

Mr TRUSS (Wide Bay—Leader of The Nationals) (14:33): My question is also to the Treasurer. Does the Treasurer agree with Dr David Gruen, Executive Director of the Macroeconomic Group of the Treasury Department—his own department—that a carbon price of $50 a tonne by 2016 is conceivable? What would be the impact on electricity prices of a carbon tax of $50 a tonne?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:34): I thank the member for his very important question. We see carbon pricing as one of those essential investments in capacity which is going to grow this country in the Asian century. It is going to drive massive investment in renewable energy in this country, which is precisely what is required. For any country to be a first-rate First World economy in the 21st century, you have got to put in place carbon pricing, particularly to drive investment in renewable energy. And that is exactly what is going on: right across the region massive investments have been made in renewable energy. That is so important for the future of our country. This carbon pricing scheme that we have put in place is absolutely essential—as essential as investments in education and training and skills. It will drive innovation—

Mr Truss: Madam Speaker, on a point of order: the question I asked was about the impact of a $50 a tonne carbon price as predicted by the Treasurer's own department.

Mr SWAN: I would refer the member to all of the details that are contained in all of our published documents. The carbon price will be $23 in 2012-13, $24.00 in 2013-14 and $25 in 2014-15, and the current projection is that it will be $29 when it floats.

Coal Seam Gas

Mr WINDSOR (New England) (14:36): My question is to the Minister for Sustainability, Environment, Water, Population and Communities. Minister, given that the clear objective of the National Partnership Agreement on Coal Seam Gas and Large Coal Mining Development is to 'avoid or minimise significant impact through a transparent process that builds public confidence', will you confirm that New South Wales has failed to meet the 30
September 2012 deadline to publish protocols that provide public certainty on which development proposals will be referred to the Commonwealth’s independent expert scientific committee? Could the minister also comment on the progress of that committee in engaging with regional natural resource management authorities? (Time expired)

Mr BURKE (Watson—Minister for Sustainability, Environment, Water, Population and Communities) (14:37): I thank the member for New England for the question and acknowledge the role he has played in advancing within this parliament the many concerns about the potential impact on water resources of coal seam gas and other developments. He has not been the only member to raise those concerns. Members like the member for Page and the member for Lyne have as well. But certainly the amendments that are referred to have been very much part of the negotiations and discussions that the member for New England has been leading. Those amendments resulted in two issues where there have been two different delays, which are referred to in the question. The first is a delay in arriving at a protocol with the New South Wales government. The second delay that the member refers to is a delay in setting up the finalised committee. I will just explain the reasons for each of those delays.

The first delay with New South Wales has been that they wanted to base their protocol on their aquifer interference policy. That policy was not resolved until quite recently. There has been a fair bit of public discussion about the merits of that policy, and I will not get into that now. But the protocol has been designed to match that policy from the state government. So that is the reason that that delay has happened. We want to make sure we get a protocol that is right, and that is why that has taken a bit longer.

On the establishment of the committee, we did have an interim committee in place immediately. We were not able to put a finalised committee in place until the legislation was through the parliament. That took a lot longer in the Senate than we expected. I blame nobody within this House, but it is true that a number of coalition senators went on a frolic that was entirely unexpected. They formed a unity ticket with the Greens and massively tried to expand the legal environmental powers that I had to go to every single land-use decision. So, for all the one-stop shop arguments and other arguments about how environmental law should be run in this country, interestingly we ended up in a situation—

Opposition members interjecting—

Mr BURKE: And apparently the senators are not your coalition partners, from that interjection. We ended up in a situation where that massive expansion that was proposed was rejected by those opposite who are now interjecting, and the whole legislation took quite a few months extra to be able to get through.

It is now through, and I can advise the member for New England that I am in the final stages of being able to announce the membership of the committee. That is something I expect to be able to do in the next few days. At that point we will have a finalised committee. Because of the delays, I intend to ask the finalised committee, once it is proclaimed, to review any of the work that the interim committee has done. I am not rushing to make any decisions that are ready in the interim to make sure that the finalised committee is actually able to do its job in spite of that delay.

Mr WINDSOR (New England) (14:40): Madam Speaker, I ask a supplementary
question to the minister. Given that New South Wales seems to be paying lip-service to this issue, at what point will the Commonwealth jettison New South Wales from the process and introduce into the parliament legislation, as committed to by the Prime Minister, under the Environment Protection and Biodiversity Conservation Act to create an appropriate trigger for the Commonwealth to assess cumulative impacts of extractive activities? *(Time expired)*

Mr BURKE (Watson—Minister for Sustainability, Environment, Water, Population and Communities) (14:40): I thank the member for New England for the supplementary. We are not at that point yet. The delays, so far, were due to a not unreasonable request by the New South Wales government to make sure the protocol matched their aquifer interference policy. We do expect, though, now that that policy is out, that the process of developing the protocols will not continue to be delayed.

**Asian Century**

Mr PERRETT (Moreton) (14:41): My question is to the Minister for Trade and Competitiveness and Minister Assisting the Prime Minister for Asian Century Policy. Congratulations to my neighbour on this recent appointment.

The SPEAKER: Order! The member for Moreton is using up his time.

Mr PERRETT: Will the minister inform the House of the opportunities for Australian businesses and young people arising out of the Asian century, and what is the government doing to support businesses to take full advantage of these opportunities?

Dr EMERSON (Rankin—Minister for Trade and Competitiveness) (14:41): I certainly thank the member for Moreton for his question. In fact, my heart was all aflutter when the shadow trade minister and Deputy Leader of the Opposition rose, because I thought I might get a question from the coalition on trade matters. But, alas, it has been 760 days since I have had a question—in fact, I never have. It makes the member for Moncrieff look like an incessant questioner. I thank indeed the member for Moreton for his question, because the Gillard government is rising to the challenge of the Asian century.

There are marvellous opportunities being generated from our participation in growth in the Asian century. We are doing this through, in the business area, a number of initiatives, bringing together the various instruments within the trade portfolio, such as the resources of Austrade, the Export Finance and Insurance Corporation and, indeed, the Export Market Development Grants Scheme, to concentrate on those frontier and emerging markets where we see these opportunities opening up—markets such as China, of course, Indonesia, India, Mongolia, Kazakhstan.

We have also announced a $6 million business engagement plan. This is designed to ensure that our business organisations, those bilateral organisations, have some extra support to take business missions to these countries, to develop what ultimately is the most important feature of engagement in the Asian century—and that is the people-to-people links. We can do as much economic modelling as we want, but ultimately relations with the communities in Asia depend on those cultural, economic and sporting links, and that is what we seek to build. So this is the sort of vision, of course, that we are unveiling through the Asian century white paper.

It does, of course, stand in contrast. I thought that we might get some questions on the Asian century white paper. Unfortunately, we have still got one-trick Tony. He cannot change his habits. He is old
one-trick Tony, and he is running fast out of puff. He is running fast but he is running out of puff. He is running out of puff because this opposition knows nothing other than to oppose, to say no. And one-trick Tony is out of puff.

Mr PERRETT (Moreton) (14:44): Speaker, I ask a supplementary question. The minister has talked about the opportunities for Australia in the Asian century. What does this mean—

Mr Ewen Jones interjecting—

The SPEAKER: Order! The member for Herbert will desist the constant interjecting. The member for Moreton will begin his question again.

Mr PERRETT: The minister has talked about the opportunities for Australia in the Asian century. What does this mean for businesses, schools, universities and families in my electorate and across South-East Queensland?

Dr EMERSON (Rankin—Minister for Trade and Competitiveness) (14:44): I can answer that question, because the member for Moreton is a staunch advocate of our engagement with the region and the benefits that will flow especially to young people—the fantastic diversity of career opportunities that will be available to young people right across Australia and certainly in South-East Queensland. I know the member for Moreton has a splendid diversity of ethnic communities within his own area. He might like to know—and I am sure he is aware—that 37,389 constituents of the member for Moreton are from various ethnic groupings from Asia. They, along with their counterparts who did not originate in Asia, have a fantastic opportunity to propagate the speaking of Asian languages. He asked about universities. In Griffith University, for example, we have a university which is very actively engaged in Asia. What this means in the end, when it comes down to it, is this fantastic diversity of career opportunities for young people—

Mr Pyne: Madam Speaker, I rise on a point of order. I note that the minister is talking about education, but to be entirely relevant, as required by the standing orders, surely he needs to mention the $3.9 billion of cuts in MYEFO to education.

The SPEAKER: Order! The Manager of Opposition Business will leave the chamber under 94(a). Continual abuse of standing orders—

Dr Emerson interjecting—

The SPEAKER: The minister is not assisting. Continual abuse of points of order will not be tolerated.

The member for Sturt then left the chamber.

Dr EMERSON: I could scarcely have been more relevant, and this is the contrast. We have had the coalition come here today flogging the dead horse of carbon pricing and yet you have the government with a vision for the future—interested in the future not only for next week or next year but for the next 25 years. The contrast could not be more stark. 'One-trick Tony' is out of puff.

Mr Wyatt interjecting—

The SPEAKER: The member for Hasluck is denying the Deputy Leader of the Opposition the call.

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (14:46): My question is to the Prime Minister. I refer the Prime Minister to her press conference on 23 August where she answered questions regarding the establishment of a slush fund for the re-election of union officials in the name of the Australian Workers Union Workplace Reform Association. Was the Prime Minister aware, at the time she...
assisted in the registration of the association in Western Australia, that the relevant law specifically precluded the registration of an association for the purpose of providing personal profit or benefit to individuals?

Dr Emerson: We'll take the high road.

The SPEAKER: The Minister for Trade and Competitiveness is not assisting.

Ms GILLARD (Lalor—Prime Minister) (14:47): I thank the Deputy Leader of the Opposition for her question. It seems very interesting to me—here today in parliament, in question time, what have we had? We have had the Leader of the Opposition going back to a business he was at a year ago, we have had the Deputy Leader of the Opposition referring to events two years ago, and now we have her asking about events 17 years ago. As the opposition find themselves without ideas and without a plan, as they let down the Australian people every day with their relentless negativity, we will not—

Ms Julie Bishop: Madam Speaker, I rise on a point of order. This goes to a press conference on 23 August this year, where the Prime Minister herself answered questions in relation to a slush fund. She has now been asked: was she aware that the purpose of providing a personal profit was precluded? She has not answered that question.

The SPEAKER: The Deputy Leader of the Opposition will resume her seat. The Prime Minister has the call, and—

Ms GILLARD: There is no amount of bluster from the Deputy Leader of the Opposition that makes this a question about anything other than events 17 years ago. We stand here with a plan for the nation's future. They sit there with relentless negativity and a look in the rear-vision mirror of the past. I refer the Deputy Leader of the Opposition to my many public statements about this matter, including one of the longest press conferences ever given by a Prime Minister. To the Deputy Leader of the Opposition, can I say: try and find a policy or a plan; this is embarrassing. (Time expired)

Ms Julie Bishop: Speaker, I rise on a point of order—

The SPEAKER: The Deputy Leader of the Opposition will resume her seat.

Asian Century

Mr MELHAM (Banks) (14:49): My question is to the Minister for School Education, Early Childhood and Youth. Will the minister outline the role of our schools and schoolchildren in helping Australia take advantage of the opportunities of the Asian century? Are there any barriers to our children and young people benefiting from the economic rise of Asia?

Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (14:50): I thank the member for Banks for that question. He has some $83 million of investment benefiting 107 projects and 46 schools in his electorate. He knows that the government of which he is a member has a profound commitment to education. The fact is that for Australia to succeed in the Asian century we need to equip all young Australians with a better understanding of history, of culture and of the language of our Asian neighbours, and we need a school system that is amongst the best in the world.

That is why our response to the Asian century white paper includes three national objectives to increase our Asian literacy: all students to have the opportunity to study an Asian language from the first day of school
through to year 12, every student to have significant exposure to studies of Asia across the curriculum to increase their cultural knowledge, and Australia's school system to be in the top five schooling systems in the world. To help achieve this, every school will engage with at least one school in Asia to support the teaching of a priority Asian language, including through increased use of the NBN.

Asia literacy will be a core requirement in new education reforms we are currently discussing with the states and territories and non-government education authorities, building on the work already underway and noting that Mandarin is one of the first two languages to be rolled out under the national curriculum. This is all about getting on with a plan to build a future for a modern Australia. It is all about setting us up and setting young Australians up for a future where Asia is critical and where many of the employment opportunities of the future will require high skills and will be driven by those Asian economies to our north.

I was pleased to see that stakeholders have responded positively to our commitments. In the Australian, Adelaide university Asia expert Kent Anderson said he was really impressed with how the white paper mainstreams Asian studies and languages. The Asia Education Foundation's Executive Director, Kathe Kirby, in the Age, welcomed the education objectives that were listed in the white paper. This is the future and this government is preparing for it now.

I am asked by the member for Banks whether there are any barriers to young Australians getting the benefits from the economic rise of Asia. The fact is—there should be no surprises—that the barriers to us advancing education opportunities for young Australians lie with the Leader of the Opposition and those sitting opposite us in the House. Remember, it was the member for North Sydney who yesterday labelled the white paper 'a waste of time'—that is, encouraging Australian students to engage in the Asian century. The Leader of the Opposition has described public school funding as an 'injustice', and the opposition shadow minister, who has been thrown out of the parliament yet again, who cannot stay in here to listen to this question, wants to see one in seven teachers sacked. I need say no more. (Time expired)

**Asylum Seekers**

**Mr ABBOTT** (Warringah—Leader of the Opposition) (14:53): My question is to the Prime Minister. I remind the Prime Minister that almost 6,200 asylum seekers have arrived in the first three months of this financial year, four times more than budgeted. Is the Prime Minister concerned that, with each boat arrival costing taxpayers on average almost $13 million, the government's latest projected surplus will disappear if just 85 more boat arrivals this year than currently projected?

**Ms GILLARD** (Lalor—Prime Minister) (14:53): Oh, to have been a fly on the wall at their tactics meeting this morning! They really brought the originality and creativity to the table, didn't they! They really thought hard this morning! 'I know,' some genius said, 'let's go on carbon again.' And then another genius said, 'Let's raise boats'—not one question about MYEFO; not one question about the Asian century white paper; not one question about the future of the Murray-Darling.

*Opposition members interjecting—*

**The SPEAKER:** Order! The Prime Minister will return to the question.

**Ms GILLARD:** To the Leader of the Opposition's question: yes, I am concerned about boat arrivals. I was concerned about them every day that the Leader of the
Opposition came into this place and played his reckless negative politics in order to deny the nation the ability to process asylum seekers offshore. I was concerned about the cost of that reckless negativity to the nation every day it continued. And I continue to be concerned about the Leader of the Opposition's reckless negativity towards the Houston report. Let us remind ourselves who Angus Houston is. He is the former Chief of the Defence Force. Let us remind ourselves whom he was assisted by: Michael L'Estrange, a foreign policy expert, and Paris Aristotle, an expert in refugee policy. And yet, despite the delivery of that report, we have yet to hear the opposition say that it will embrace the national interest and work with the government to ensure all of its recommendations can be implemented.

Mr Abbott: Madam Speaker, I rise on a point of order, reluctantly, on direct relevance. This is plainly a question about the impact on the budget surplus of the government's continued failure to control our borders. The Prime Minister's answer should deal with this issue.

The SPEAKER: The Prime Minister has the call and will be relevant to the question before the chair.

Ms GILLARD: I refer the Leader of the Opposition to the budget papers. If he is genuinely concerned about this matter, then endorse the report of the former Chief of the Defence Force, Angus Houston.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:56): Madam Speaker, I ask a supplementary question. In the light of that answer, I ask the Prime Minister: does she guarantee to deliver a budget surplus this financial year?

Government members interjecting—

The SPEAKER: No. It is the second supplementary. The Prime Minister has the call.

Mr Albanese: Madam Speaker, I rise on a point of order.

Mr Robb interjecting—

The SPEAKER: Does the member for Goldstein guarantee to pay some respect to the standing orders? The Leader of the House has the call.

Mr Albanese: The standing orders allow for two supplementary questions from the opposition.

The SPEAKER: My understanding is that this was the second, unless I have missed one.

Mr Hockey: You can't count, Albo!

The SPEAKER: Order! The member for North Sydney recently asked for people to listen to him. Perhaps he could show some respect and allow other people to be heard. By my count, this is the second supplementary question. Perhaps the Clerk can advise otherwise, but by my count it is the second. The Prime Minister has the call.

Ms GILLARD (Lalor—Prime Minister) (14:57): In answer to the Leader of the Opposition's question: I would refer him once again to the Mid-Year Economic and Fiscal Outlook, which shows the government's plan for a government budget surplus.

Mr Dutton interjecting—

Ms Julie Bishop interjecting—

The SPEAKER: The member for Dickson and the Deputy Leader of the Opposition are warned!

Murray-Darling Basin

Mr ZAPPIA (Makin) (14:57): My question is to the Prime Minister. Prime Minister, how is the government getting on with the job of securing the future of the Murray-Darling Basin?

Ms GILLARD (Lalor—Prime Minister) (14:58): I thank the member for Makin for
his question, raising as it does a very important issue that the government has addressed in the past week—another policy matter, and so it has fallen to the member for Makin, to the government, to ensure that this matter is raised in this parliament, because, from the opposition, apart from reckless negativity, apart from their tired old fear campaigns, there has been no examination today of public policy issues for the nation: Mid-Year Economic and Fiscal Outlook—no, didn't want to deal with the details of that; the future of our nation and how we will strengthen our economy and have jobs and opportunity in this century of growth and change—no, didn't want to deal with that. And I am not surprised that they did not want to deal with the Murray-Darling Basin Plan and what we are doing to ensure the health of the Murray.

I was very pleased on Friday to be in South Australia with the Minister for Sustainability, Environment, Water, Population and Communities and the Premier of South Australia, making a landmark announcement about the health of the Murray. This is of course of supreme interest to people in South Australia, but this is a truly national issue, given the significance of the Murray-Darling Basin to all of us.

The government has announced that we will deliver 450 gigalitres of extra water to assist with environmental outcomes for the Murray. Many members in this parliament would be familiar with the work of the Murray-Darling Basin Authority and the work it is doing to deliver a plan with 2,750 gigalitres of water. Some members of this parliament would be familiar with the modelling that has been done to show the environmental outcomes that can be achieved through a return to the river of 3,200 gigalitres.

We have announced a plan that will access the 450 gigalitres. We have announced a plan to give the environmental outcomes that, the modelling shows, comes with 3,200 gigalitres. What does that mean? Put simply, it means the mouth of the Murray will be open, it means the Lower Lakes will be in better health, it means there will be water for the river red gums and it means there will be more security and peace of mind for the people of South Australia. We know is that the words of those opposite depend upon what side of the border they stand on. They say something different in South Australia to what they say upstream. Their days of being able to peddle a double message are fast coming to an end. They will need to make a choice in this House. They will need to decide whether to vote to resolve this national issue and whether the South Australians amongst them will vote for an outcome for South Australia. We await, with interest, to see what the opposition will do.

Budget

Mr HOCKEY (North Sydney) (15:01): My question is to the Prime Minister. I refer to her failure to answer a question from the Leader of the Opposition. I ask her again: does the Prime Minister stand by her promise to deliver a budget surplus this year?

Ms GILLARD (Lalor—Prime Minister) (15:01): I see that I have goaded the opposition into raising economic matters, so that is an achievement for the day. To the shadow Treasurer, I echo the words from the day that the Treasurer delivered the Mid-Year Economic and Fiscal Outlook. He spoke about our plan, our determination, to deliver a budget surplus, because that is what our economy requires now, when he delivered a MYEFO. It speaks about the projections of our economy for trend growth. It speaks about the strength of our economy,
about low unemployment, low inflation, strong public finances, AAA credit rated, and how, in those circumstances, a surplus is the right policy for the nation. I refer the shadow Treasurer to the words of the Treasurer, on the day we delivered MYEFO, and I suggest to the shadow Treasurer that he actually try—

Mr Hockey: Madam Speaker, on a point of order: I asked the Prime Minister about her words. Does the Prime Minister guarantee a surplus this year? Yes or no?

Ms GILLARD: The shadow Treasurer may not have been listening, but I have just been dealing with his question. I have been referring him to the words of the Deputy Prime Minister and Treasurer, where he dealt with this in detail when we launched the Mid-Year Economic and Fiscal Outlook. What I would say to the shadow Treasurer is, rather than bluster in a desperate attempt to pretend that the opposition has got anything like an economic policy, what he might be better off doing is explaining to the Australian people the acute contradiction between his age-of-entitlement speech and what he said about the baby bonus. And he can explain to the Australian people—

The SPEAKER: Order! The Prime Minister will return to the question.

Ms GILLARD: On budget matters he can explain to the Australian people his plan to rip the schoolkids bonus off every Australian family and make them thousands and thousands and thousands of dollars worse off. Talk about forgotten families!—the shadow Treasurer has forgotten them, that is for sure.

Murray-Darling Basin

Ms RISHWORTH (Kingston) (15:04): My question is to the minister for water. Following on from the Prime Minister's earlier answer, what are the implications of the government's announcement for the future health of the Murray-Darling Basin? What further steps need to be taken before we have a basin-wide plan in place?

Mr BURKE (Watson—Minister for Sustainability, Environment, Water, Population and Communities) (15:04): I thank the member for Kingston for the question. She is someone who has argued relentlessly for the need for the Murray-Darling Basin to be managed as a national system, rather than be managed on a state-by-state basis. The authority have been recommending for some time the figure of 2,750 in terms of the environmental outcomes that they believe best optimise the environmental, social and economic outcomes. They have been putting forward the concept of a mechanism that allows us to deal with that.

What the government announced last week was how the Commonwealth would engage with the mechanism, by providing the additional 450 gigalitres. It does not resolve every issue in the plan and there is still discussion happening in earnest with the different jurisdictions across the Basin, but it does resolve the commitment of this government to make sure that we are able to restore the Murray-Darling Basin to health. To have that guarantee of the additional 450 gigalitres is a very big win for those people who have been advocating for the health of the Basin. It is a very big win for each of those South Australian members, in particular, who sit beside me and behind me here.

The decision of the government to do this through infrastructure measures should have been something that those in irrigation seats were able to claim as a win themselves. So I was shocked when a number of members—including the member for Murray—got together over the weekend to condemn what the government had put forward. They
described it as having 'crippling social and economic consequences'. The reason I was shocked to hear this was up until now every word from those backbenchers has been that if you do it through infrastructure measures it is a win-win outcome. That is what the member for Murray said in her own media release on 18 June: 'Upgrading infrastructure is, in fact, the most efficient and long-term cost-effective method of securing environmental water,' which I table. That is what the member for Murray said in a media release of 29 August this year: 'Additional water should come from environmental works and measures, including the Lower Murray, or from investments in water savings,' Dr Stone said, which I also table.

Those opposite have to realise that there will be occasions when they want to rail against something from the government. But when you have a win you do not have to say no. When you have a win and there is something you have been arguing for that the government says, 'Yeah, we will do it that way', you do not have to say no then as well—unless it is actually the position of those opposite that they just oppose improving the health of the river.

Even if you get to the stage where you have 450 gigalitres being delivered through investment in local communities, through investment on farms, through all the things those opposite previously decided was good for the local economy, if it is good for the river those backbenchers are opposed. (Time expired)

Ms RISHWORTH (Kingston) (15:07): Madam Speaker, my supplementary question to the minister is: how long will it take for environmental improvements to be realised in the Murray-Darling Basin?

Mr BURKE (Watson—Minister for Sustainability, Environment, Water, Population and Communities) (15:07): I thank the member for Kingston for the supplementary. One of the great things with the progress that has happened since this government came to office is that improvements for the environment have already commenced. This is not a plan where you wait until the final year before you have a situation where you can see the environmental improvements. The environmental improvements happened year on year as water is acquired. We already have, held by the Commonwealth Environmental Water Holder, right now 1,000 gigalitres of water able to be used for environmental purposes. We have, in terms of water that is already contracted to come in line, more than 1½ thousand gigalitres of environmental water available. That means we are now approaching a situation where, as we get closer to whenever that next drought will be, we know beyond any doubt that because this government has been in power we have a situation where the system is in a more resilient state of health. The work that was done before me by Senator Wong when she was water minister and the work that we have continued—all work which the coalition used to believe in when the member for Wentworth was water minister—has actually created a situation where year on year the state of the health of the basin is improving. What we guaranteed through last week's announcement is that we will not stop on that journey until we can say that the Murray-Darling Basin has been restored to health.

Ms Gillard: I ask that further questions be placed on the Notice Paper.

QUESTIONS TO THE SPEAKER

Question Time

Mr HOCKEY (North Sydney) (15:09): Madam Speaker, I have a question to you. There was an agreement that the House would continue with question time until 10
minutes past three. The Prime Minister has just called an end to question time prior to that. At what point, Madam Speaker, are we going to keep to the protocols of this House, which are meant to be the standards this government sets for the place and yet is not upholding itself?

The SPEAKER (15:10): The member for North Sydney will resume his seat. As I have explained before, the prerogative to finalise question time remains with the Prime Minister.

PERSONAL EXPLANATIONS
Dr STONE (Murray) (15:10): I wish to make a personal explanation.

The SPEAKER: Does the member for Murray claim to have been misrepresented?

Dr STONE: Most grievously.

The SPEAKER: The member for Murray has the call.

Dr STONE: Thank you. A short time ago, in answer to a question from his own side, the minister for the environment suggested that I was advocating additional water be taken off irrigators, to wit, referring to the Friday announcement of an extra 450 gigalitres. I certainly have never advocated and will never advocate for an additional 450 gigalitres to be taken from irrigators, and I certainly have said in the past that there should not be any water further purchased on a non-strategic basis from irrigators. Any additional water in the past should have been found through irrigation investment and environmental works and measures.

Mr ABBOTT (Warringah—Leader of the Opposition) (15:11): I wish to make a personal explanation.

The SPEAKER: Does the Leader of the Opposition claim to have been misrepresented?

Mr ABBOTT: Most grievously, Madam Speaker.
documents will be recorded in the *Votes and Proceedings* and I move:

That the House take note of the following documents:

- Australian Agency for International Development (AusAID)—Report for 2011-12, including an addendum.
- Australian Curriculum, Assessment and Reporting Authority—Report for 2011-12.
- Department of Immigration and Citizenship—Report for 2011-12.
- Department of the Prime Minister and Cabinet—Australia in the Asian Century—White Paper, October 2012.
- Office of the Official Secretary to the Governor-General—Report for 2011-12.
- Special Broadcasting Service Corporation (SBS)—Report for 2011-12.
- Tourism Australia—Report for 2011-12.
- Debate adjourned.

**MINISTERIAL STATEMENTS**

**A Viable Future for Australia's Pulp and Paper Industry**

Mr COMBET (Charlton—Minister for Industry and Innovation and Minister for Climate Change and Energy Efficiency) (15:14): by leave—The purpose of this statement is to:

- re-affirm the Australian government's commitment to support and encourage investment in Australia's pulp and paper industry; and to
- reinforce the government's view of the importance of the pulp and paper industry and its role in providing highly skilled jobs to Australians; strengthening regional communities; and contributing to environmental sustainability.

The pulp and paper industry makes an important social, environmental and economic contribution to this country. It produces a diverse range of products essential to modern living including printing.
and communications papers, security paper, newsprint, tissues, cardboard boxes and other forms of packaging. In financial year 2010-11 it created close to $11 billion in product and around $1.1 billion of this was exported. It has a highly skilled workforce and provides around 18,000 jobs, many of which are located in regional parts of the country. The industry is also a significant producer of renewable energy and a major consumer of recycled products. It contributes to environmental outcomes by using sustainably managed forestry resources and adds value through the manufacture of those resources into high-quality products.

**Pulp and Paper Industry Strategy Group report**

In 2009, the government convened the Pulp and Paper Industry Strategy Group to undertake a strategic review of Australia's pulp and paper industry. I would like to thank the group for its valuable work, in particular its deputy chairs, Michael O'Connor, National Secretary of the CFMEU, and Jim Henneberry, CEO of Australian Paper—both of whom I am very familiar with.

The strategy group's report included recommendations on the themes of innovation, investment, sustainability and productivity. The whole-of-government response to that review, which can be accessed at my department's website, addresses each of these themes and maps a way forward for the industry. The government's response affirms our commitment to work with Australia's pulp and paper industry to continue to build on its strengths and undertake the investment and develop the skills required to secure the industry's long-term sustainability and prosperity.

Australia's pulp and paper industry, like many other manufacturing industries, faces many challenges and structural change pressures, and the government is considering these issues in its response to the report of the non-government members of the Prime Minister's Taskforce on Manufacturing.

The government recently announced the establishment of a manufacturing leaders group to help progress some of the key issues affecting Australia's manufacturing industry. I announce today that representatives from the pulp and paper industry will form an advisory group to support the work of the manufacturing leaders group. This advisory group, to be chaired by Michael O'Connor and Jim Henneberry, will play a key role in ensuring the concerns of the pulp and paper industry are heard and considered in the development of our manufacturing industries.

**Investment**

Continued investment in manufacturing facilities is absolutely vital to maintaining industry competitiveness and to capturing new opportunities. While recent news that Gunns Limited has been placed in receivership is disappointing, there are nevertheless a number of encouraging examples of the willingness of industry players to embrace the future, supported by recent government announcements. My colleague Minister Crean recently announced that the government will provide up to $28 million towards an $84 million project at Norske Skog's Boyer Mill in Tasmania to convert a newsprint machine to make coated catalogue paper instead. This grant will complement a $13 million loan from the Tasmanian government and will help secure over 300 existing jobs at the mill following recent declines in newsprint consumption. That is a very important joint investment in Tasmania.

Norske Skog Australasia has also recently established a joint venture with clean energy
company Licella to work on second generation bio-crude oil production. This is a great example of the potential for pulp and paper manufacturers to diversify their business models through active engagement in new clean technologies.

I recently announced that the Australian government will also provide $9.5 million towards a $90 million project to install a de-inking pulp facility at Australian Paper's Maryvale mill in Victoria. Construction of the project, which is expected to create 140 construction jobs, should begin late this year. This investment will support the jobs of nearly 900 workers directly employed there and over 4,000 other indirect jobs which rely on the mill's operations. This is a very important part of the outer Melbourne and La Trobe Valley region. The project will enable Australian Paper to recycle paper to produce pulp used in the manufacture of printing and communication paper with recycled fibre content, reducing the need for around 80,000 tonnes per year of waste paper to otherwise go to landfill—all of which contribute also to our greenhouse gas emissions. This measure will reduce emissions.

The government is also providing the regulatory and business environment required to support the scale of investment required by the industry to establish new plant and make innovations at existing plant. Amcor is commissioning a new $550 million recycled packaging paper mill at Botany near Sydney. In June 2011, Visy completed a major expansion of its Tumut mill in New South Wales bringing its total investment there to nearly $1 billion, and opened a $50 million clean energy plant at Coolaroo in Victoria. Kimberly-Clark Australia is currently investing over $30 million to install a gas turbine and heat recovery process at its Millicent tissue mill in South Australia. All of these investments highlight that Australia's pulp and paper industry remains resilient and able to adapt to changing market conditions. They also show that global pulp and paper companies are committed to ensuring their Australian based operations meet world-class standards, particularly in relation to water and energy efficiency.

Conclusion

I conclude this statement by reaffirming this government's commitment to continue working with the pulp and paper industry to ensure its long-term viability.

I ask leave of the House to move a motion to enable the member for Indi to speak for not more than seven minutes.

Leave granted.

Mr COMBET: I move:

That the House enable the member for Indi to speak for a period no longer than seven minutes.

Question agreed to.

Mrs MIRABELLA (Indi) (15:22): I welcome the opportunity to respond to the minister's statement. On behalf of the coalition, let me start by saying that there are some elements of the minister's remarks with which I agree, including his references to the significance of the pulp and paper industry in this country. This has long been a vitally important industry for Australia and for regional Australia and it needs to remain a vitally important industry long into the future. Of all our domestic industries, there are very few that have been subjected to the same intensity or combination of pressures as this one. But the minister's statement did not tell us anything that the industry and the public did not already know.

There were a number of elements in his statement with which I do not agree at all. If I was an employee of the forestry industry, with my job under a grave cloud, or one of the many thousands of former employees in the forestry industry who have recently lost
their jobs then I would not be looking to this statement as representing any source of optimism or inspiration at all. I was waiting for something a bit more significant. But I think that I am right in saying that the only new announcement of any kind in that speech at all was that a new advisory group would be established to support another advisory group that was born from a taskforce that was created at a forum. If that is the case, that says pretty much everything about this government's lack of any fresh vision for Australian manufacturing, especially in relation to an industry under extraordinary and near unprecedented pressure. It also continues the near farcical charade of the Prime Minister's so-called manufacturing taskforce, which was just another excuse for more talk with no guarantee of or even prospect of any immediate or decisive action from Labor.

I recall what I interpreted as embarrassment on the minister's face at the press conference at which we heard that the conclusion of the task force made a clear statement that Australian manufactured mattered. Fancy that! The task force recommended commissioning an investigation of a sovereign wealth fund, committing to consulting with industry in the development of all regulation, initiating a dialogue on what it means to be 'downturn ready' and establishing an independent panel to advise on the changes needed to maximise the potential of design thinking. And it goes on and on along those lines. Needless to say, that task force was not even allowed to consider the impact of the Fair Work Act on manufacturing employment and it was not allowed to consider the impact of the carbon tax. You would think that they would have been allowed to consider the most significant government policies affecting inputs to the manufacturing sector, in which businesses are operating at very tight profit margins. But they were not allowed to consider them at all. Even then, they still pointed out that the carbon tax was a disaster and that the government's approach needed to be changed.

It was also confirmed this month by one of the task force members, the head of the CSIRO, that none of the task force members visited even so much as a single small- or medium-sized business in the manufacturing sector as part of their work. The government talking to real people out there in the real world of Australian manufacturing is not part of this government's approach to policy making.

Just for good measure—and in case there is still a single person left in the manufacturing sector who is not thoroughly sick of being misunderstood, ignored and patronised—it is also our understanding that yet another so-called industry and innovation statement underpinned by secretariat work and born out of a whole succession of interdepartmental meetings and discussions will be released by the government in mid-November. While all of this jawboning has been done over the course of the last five years, the government has presided over—or, more to the point, stood idly by while it happened—the loss of around 120,000 net jobs in Australian manufacturing. That is roughly one in every eight manufacturing jobs. From the time that the carbon tax was announced as policy in February 2011 to August 2012, around 33,000 manufacturing jobs have been lost in Australia. That equates to one job lost every 20 minutes.

Australian Paper, in their submission to the Victorian government's manufacturing inquiry, said that the pulp and paper industry is in crisis, with employment investment and exports all falling. It has not been a good time for the pulp and paper industry. There should have been a pulp mill built in
Tasmania, but one has not been built. The Labor-Greens alliance has created uncertainty for the forestry industry, resulting in thousands of job losses. There should not have been years of delay in making the government's changes to the antidumping system, but there were, even after multiple submissions by the industry pointing to undue delays, costs and onerous administrative environments. In a highly competitive price sensitive environment, cost is everything. Companies like Australian Paper and Visy should not be subjected to an extremely damaging measure like the carbon tax. But they are. Australian Paper, I might add, is yet another one of the companies that has now received a new grant from the government in the past few months that only matches or partially matches the millions of dollars that they are losing thanks to the carbon tax.

Indeed, it was always the height of irony to see the climate change minister trying to take that hat off hastily and put the industry minister hat on. He is the chief architect of the carbon tax, and that role is utterly and hopelessly in conflict with his role as industry minister. His speech today was another one clearly pointing to that.

I want to use the opportunity of this ministerial response to draw attention once again to the sharp contrast between the government and the opposition when it comes to industry policy. We will start by abolishing the carbon tax. We have also announced our intention to change Australia's standards regime to ensure that imported products better comply with the same mandatory standards imposed on locally made goods. We have committed to reducing the costs of Commonwealth red tape to business by at least a billion dollars a year. We have announced a new coalition policy to adopt world's best practice in Australia's antidumping system. We will end government waste and reduce debt, which will take the pressure off interest rates and exert downward pressure on the dollar. And we will have a lot to say about these issues and other policies leading up to the next election.

Labor's approach is all about creating extra costs, taxes and regulations. They even try to throw money at problems to try and patch up the damage that their ad hoc policies have caused. Our approach is to reduce the harm to and the spiralling costs of making things in Australia. It is not enough to say nice words about how important the industry is. Supportive words undermined by damaging policy are a cruel hoax. (Time expired)

BILLS

Tax Laws Amendment (Clean Building Managed Investment Trust) Bill 2012

Personal Liability for Corporate Fault Reform Bill 2012

Report from Committee

Ms O'NEILL (Robertson) (15:29): On behalf of the Parliamentary Joint Committee on Corporations and Financial Services I present the committee's advisory reports on the committee's inquiries into the Tax Laws Amendment (Clean Building Managed Investment Trust) Bill 2012 and the Personal Liability for Corporate Fault Reform Bill 2012.

In accordance with standing order 39(f) the reports were made parliamentary papers.

Ms O'NEILL: by leave—I present the committee's report into the provisions of the Personal Liability for Corporate Fault Reform Bill 2012. On 20 September 2012, the House of Representatives Selection of Bills Committee referred the bill to the joint committee for inquiry and report. The committee received four submissions and
A hearing was held in Sydney on 22 October. At the hearing, the committee took evidence from the Law Council of Australia, Chartered Secretaries Australia, the Commonwealth Treasury and the New South Wales Department of Premier and Cabinet.

This bill implements the Council of Australian Governments' directors' liability reform, which aims to harmonise the imposition of personal criminal liability for corporate fault across Australian jurisdictions. The Directors' Liability Reform Project is part of the COAG National Partnership Agreement to Deliver a Seamless National Economy.

This bill commits all Australian jurisdictions to a nationally consistent and principled approach to the imposition of personal criminal liability on directors and corporate officers for corporate fault. It aims to remove regulatory burdens on directors and corporate officers that cannot be justified on public policy grounds and to minimise inconsistency between Australian jurisdictions in the way personal liability for corporate fault is imposed in Australian laws.

Accordingly, the bill proposes to amend a number of commonwealth acts: to remove personal criminal liability for corporate fault where such liability is not justified; to remove the 'reverse onus of proof', where the directors themselves must establish a defence to a charge; to replace personal criminal liability for corporate fault with civil liability where a non-criminal penalty is appropriate; and to clarify the circumstances where personal criminal liability is justified.

The reform in this bill is the culmination of earlier reviews into the area of personal liability of directors. These reviews noted an 'increasing tendency for personal liability provisions to be introduced in Australian law as a matter of course and without robust justification'. As a result, in some cases a director could face a criminal penalty for a breach of the law by a corporation when he or she had no knowledge of or control over the breach. Further, imposing personal liability without proper justification has been inefficient. The argument has been put that the threat of excessive risk of personal criminal liability has led directors to take a cautious approach to their strategic and entrepreneurial responsibilities.

All witnesses to this inquiry recognised that the bill's reform will reduce the level of risk for directors and the burden to corporate officers, while at the same time providing greater certainty. It will focus attention on key areas of liability laws, while reducing the burden of these laws to enable greater focus on corporate performance. When the reforms are implemented by all jurisdictions, the number of laws containing directors' liability provisions nationally will be significantly reduced. New South Wales, for example, anticipates that the number of its statutes with personal liability provisions will be reduced from 1,000, currently, to around 150. These are significant adaptations for improving productivity. Importantly, the reform will retain laws that are necessary to ensure that company directors and other corporate officers take reasonable steps to ensure that their companies comply with their obligations under the law.

The committee is confident that this bill—and the wider reform agenda—will provide greater certainty for company directors and will reduce red tape. A reduction in the number of offences that include directors' liability provisions will provide for a significant reduction in the legislative and regulatory burden, and it will focus directors' minds on those offences that do warrant personal liability.

The committee is satisfied that the bill fulfils the Commonwealth's obligations to
the reform of personal liability for corporate
fault. The COAG principles and guidelines
have been developed through a
comprehensive consultation process, the
states and territories have thoroughly
reaudited their legislation to ensure
compliance with COAG principles, and the
states and territories have begun passing
legislation to reduce the number of personal
liability provisions within their statutes and
have put in place clear administrative
arrangements for those rare cases where new
personal liability provisions should carry a
reverse onus of proof. I commend the report
to the House.

On behalf of the committee I also report
on the Tax Laws Amendment (Clean
Building Managed Investment Trust) Bill
2012. I am pleased to report that the inquiry
sent invitations to 36 organisations offering
them the opportunity to make a submission
by Wednesday 24 October 2012. The
committee received six submissions.

This bill reduces the final rate of
withholding tax on fund payments from
Australian Clean Building Managed
Investment Trusts made to foreign investors
in 'information exchange countries'. For fund
payments made to these investors, the bill
cuts the withholding tax rate from the current
rate of 15 per cent to 10 per cent. For the
concessional 10 per cent rate to apply, the
managed investment trust must invest in new
energy-efficient office, hotel or retail
buildings that commenced construction on or
after 1 July 2012. The trusts may hold
limited assets incidental to these buildings,
such as car parking facilities,
telecommunications infrastructure or
advertising billboards. To be treated as an
energy-efficient building, a building must
obtain and maintain either a five-star Green
Star rating or a 5½-star NABERS rating. The
government has announced that these criteria
will be reviewed after three years 'to ensure
that the measure continues to apply to
buildings that are above the average level of
energy efficiency'.

Stakeholders strongly supported the
incentive that this bill provides for foreign
investors to invest in Australian clean
buildings. Indeed, their main concern is that
the bill is pitched too narrowly and that
foreign investment in all Australian building
stock should be subject to the same
concessional 10 per cent withholding tax
rate.

In its report the committee makes the
following three points about the bill's clause
limiting the concessional rate to buildings
constructed on or after 1 July this year. First,
the proposed legislation is only a
disincentive in relative terms. Second, since
2008 the overall level of withholding tax for
an investor in an information exchange
country has been reduced from 30 per cent to
15 per cent. This is a proud and important
achievement of this government. Third, the
government is aware that the vast majority of
building stock is comprised of existing older
buildings and already has in place a suite of
programs to promote retrofitting and more
efficient energy use in established buildings.

The committee believes that the five per
cent safe harbour is appropriate and that
assets such as car parking facilities,
telecommunications infrastructure and
advertising infrastructure should fall within
this safe harbour.

The committee strongly supports the
provisions of the bill. It promotes Australia
as a place that provides foreign investors
with a tax based incentive to invest in
energy-efficient commercial buildings. The
bill is an excellent example of this
government's determination to achieve a
competitive taxation framework with
beneficial environmental outcomes.
I conclude by noting the comments of the Canada Pension Plan Investment Board, which recently decided to invest in the Barangaroo South office development in Sydney:

We believe this Bill will provide investors the certainty they need when making decisions to invest in new Clean Buildings. In particular, we welcome changes in the Government’s final Bill that:

- clarify what constitutes a Clean Building;
- allow Managed Investment Trusts to derive income incidental to the Clean Building; and
- allow a holding trust to hold investments in both Clean Building Managed Investment Trusts and non-Clean Building Managed Investment Trusts.

I commend the bill to the House.

Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012

Superannuation Auditor Registration Imposition Bill 2012

Second Reading

Cognate debate.

Debate resumed on the motion:

That this bill be now read a second time.

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (15:38): I would first of all like to thank those members who have contributed to this debate. Schedule 1 of the Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012—the CGT relief and other measures bill—reinstates the temporary loss relief for merging superannuation funds, with some modifications. Given the potential benefits to members of facilitating industry consolidation and the possible costs for some entities transitioning to Stronger Super, temporary taxation relief in the form of loss relief and asset rollover for the mergers of superannuation funds is necessary to remove particular tax impediments to such mergers.

Schedule 1 will facilitate consolidation of superannuation funds, driving lower costs and improved returns to fund members. These savings will find their way into the retirement savings of ordinary Australians, providing them with more security as they save and lifting their quality of life in retirement. The trustee of one merging fund has calculated that, all things being equal, the merger benefits for a typical member aged 38 and earning $44,000 will be $14,000 on retirement. The number of APRA-regulated funds are to fall over the coming five years. In part, this will occur as trustees consider their capacity to meet the new governance and transparency standards being driven by Labor. But, for the most part, consolidation will be driven by the benefits of scale in reducing costs and improving the provision of superannuation to Australia’s workforce. These savings, both in fees and in net returns, will boost the retirement savings of thousands of ordinary working Australians.

Schedule 2 of the CGT relief and other measures bill introduces a registration regime for auditors of self-managed superannuation funds. As part of this regime, auditors will be required to meet initial and ongoing requirements relating to their qualifications, competency and independence. The Australian Securities and Investments Commission will be responsible for setting competency standards, which they are developing in consultation with industry and will make available shortly. The registration regime will improve the integrity of the SMSF sector by providing assurance that contraventions by SMSF trustees are being detected and reported. The Superannuation Auditor Registration Imposition Bill 2012 imposes fees on SMSF...
auditors to help recover the costs of establishing the SMSF auditor registration regime.

Schedule 3 of the CGT relief and other measures bill amends the tax law to expand the existing reporting obligations for superannuation providers. The purpose of these amendments is to support a number of the government's Stronger Super announcements in relation to account consolidation and enhanced online services for individuals and funds. These amendments will allow the ATO to display more comprehensive superannuation information to individuals and to facilitate the consolidation of inactive accounts with a low balance. They will also support the increased concessional contributions cap for members over 50 whose interests or accounts are valued at less than half a million dollars from 1 July 2014.

Schedule 4 of the CGT relief and other measures bill amends the Superannuation Industry (Supervision) Act 1993, known as the SIS Act, and the Retirement Savings Account Act 1997, the RSA Act, to improve the quality of information in the superannuation system to facilitate fully effective e-commerce. I commend this bill to the House.

Question agreed to.

Bill read a second time.

Consideration in Detail

Mr BILLSON (Dunkley) (15:42): by leave—I move amendments (1) and (2), as circulated in my name, together:

(1) Clause 2, page 2 (table item 5), omit the table item.
(2) Schedule 2, page 8 (line 1) to page 37 (line 36), omit the Schedule.

As outlined in the second reading debate, the coalition is keen to see schedule 2 of the bill dealing with the regulation of self-managed super fund auditors repealed from this measure. If we are able to achieve that outcome we would happily support the propositions that the government has brought before the House. We move that amendment inspired by the Cooper review's own conclusion that the self-managed superannuation fund sector is largely successful and well functioning. It did not identify any need for substantial change. What we have seen on the basis of that general conclusion is the government cherry-picking from a range of recommendations, choosing elements motivated I am not quite sure what, from the Cooper review with little consistency. For example, they have ignored many of the governance reforms proposed by the review. There is a strong correlation between the measures opposed and the vested interests of industry super funds.

So we wonder: why is it, when the government has to make a call on these issues, that they seek to penalise the one-third of those super industry and self-managed superannuation funds and yet avoid anything that might impact on union dominated industry funds?

Here we are seeing more than 400,000 self-managed super funds having additional regulation and cost imposed upon them; yet the government has failed to make an any case whatsoever about how the current checks and balances are inadequate, dysfunctional or deficient. We have seen, instead, a cherry-picking of the recommendations, none of which actually relate to the imposition of fees; yet this is the very same mechanism that saw the government able to gouge, I think, $370 million extra out of self-managed superannuation to achieve its fiction-and-fudged budget surplus.

So we are wary about the motive, because the government has failed to outline any
coherent or compelling case about how these changes might improve whatever the problem is that the government has been unable to identify. Instead we have seen Labor members talking about devastating cases, such as Trio, dealing with funds management—completely irrelevant to this topic and completely unrelated to self-managed superannuation funds, but being held out as a justification for these measures.

So, for these very thoughtful, considered and well-researched reasons, we have put forward some terrific amendments and, if the government shared our ambition about removing unnecessary regulation and compliance costs that add nothing to the peace, order and good government of this country, I am sure that the minister at the table—the minister increasingly becoming known as the minister for superannuation fiddle and fudge—would see the merit of these measures and support them.

We have not seen the case made. There is no justification. This is a cash grab with additional compliance requirements that achieve no specific policy outcome on the basis of a review that actually pointed to how largely successful the SMSF sector is, how there is currently the involvement of the tax compliance area, the ATO and the professional accounting bodies and how appropriately qualified people manage self-managed superannuation funds and a separate, appropriately qualified person carries out the audit process. There was no indication of any systemic failure, dysfunction or suboptimal arrangement in those current policy settings. Yet here we have more red tape and more cash grab—more gouge of revenue out of the self-managed superannuation sector that the government has comprehensively failed to justify.

I commend the amendments to the House.

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (15:46): After listening to the member for Dunkley’s submission on the amendments, I regret to advise him that I am still not persuaded of the merit of his case. Just to assist the House as to the reason why the government, upon consideration, is not supporting these amendments: the member for Dunkley said that the government should not cherry-pick the Cooper review. We would say that this is good advice for the opposition, too. The Cooper review recommends precisely the position we are putting. It does not recommend the position we are putting. It does not recommend the position being put by the opposition.

We agree with the Cooper review in this context on this matter. We believe that SMSF auditors play a crucial role in regulating the SMSF sector and ensuring that members’ savings are adequately protected. The SMSF sector is rapidly growing and it is diverse. There are 478,000 SMSFs approximately, and there are about 30,000 new self-managed superannuation funds established each year. These funds hold about one-third of all superannuation assets—over $400 billion out of total superannuation assets of $1.4 trillion. What we are seeking to do, as opposed to the amendments, is make sure that auditors are appropriately qualified and competent to detect and report contraventions of superannuation law.

Industry consultation, which has been a mark of what this government does in superannuation, on these amendments reveals widespread support from the accounting and superannuation industry. No less an organisation than the Institute of Chartered Accountants in Australia stated in their press release on 23 June 2012 that these amendments will be in the best interests of
the Australian community,' including SMSF members, and that auditor registration 'will assist in raising the bar in SMSF audit quality in Australia'. Auditor registration will help improve the integrity of the rapidly growing SMSF sector and ensure that the sector can continue to thrive.

SMSF members rely on a range of experts to assist them to build their savings and ensure that they are complying with superannuation laws. We want SMSF members to be confident that their auditor is competent and able to effectively advise them in relation to the running of their SMSF. This is why we cannot support the opposition's amendments, because auditor registration will improve outcomes for self-managed superannuation fund members in Australia and is consistent with this government's pro-superannuation policies which include not only this measure but lifting superannuation from nine per cent to 12 per cent, which was opposed by those opposite, and abolishing the discrimination against employees over 70 who are not receiving superannuation—indeed, we are abolishing the 15 per cent tax paid on superannuation contributions by people who earn less than $37,000 a year.

Mr BILLSON (Dunkley) (15:49): Thank you for assisting us in understanding the rationale that the ministers are applying. Is the minister able to produce any evidence of a failure in audit competence that would give rise to these measures? He mentioned how things would lift the competency and audit standards. I was just wondering whether he could point to any evidence that the standards that we all expect are failing to be met at the moment, and whether he could enlighten the House about the basis of the assertion he just made.

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (15:50): I do not wish to unduly prolong debate and I assume that the member for Dunkley has been following these topics for longer than just now—I know that, in fact. The Institute of Chartered Accountants, the CPA and the Cooper review have all suggested that our approach on auditor registration is sensible.

The SPEAKER: The question is that the amendments be agreed to.

The House divided. [15:54]

(The Speaker—Ms Anna Burke)

Ayes ...................... 68
Noes ...................... 70
Majority .................. 2

AYES

Alexander, JG
Andrews, KL
Bishop, BK
Briggs, JE
Buchholz, S
Christensen, GR
Cobb, JK
Crock, AJ
Entsch, WG
Frydenberg, JA
Gash, J
Hartsuyker, L
Hockey, JB
Irons, SJ
Jones, ET
Kelly, C
Ley, SP
Marino, NB
Matheson, RG
Mirabella, S
Moylan, JE
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

and

Andrews, KJ
Billson, BF
Bishop, JI
Broadbent, RE
Chester, D
Ciobo, SM
Coulton, M (teller)
Dutton, PC
Fletcher, PW
Gambbaro, T
Griggs, NL
Hawke, AG
Hunt, GA
Jensen, DG
Katter, RC
Laming, A
Macfarlane, IE
Markus, LE
McCormack, MF
Morrison, SJ
Neville, PC
O'Dwyer, KM
Pyne, CM
Randall, DJ
Robert, SR
Ruddock, PM
Scott, BC
Simpkins, LXL
Somlyay, AM
Stone, SN
Truss, WE
Turnbull, MB
Vasta, RX
Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (16:03): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Superannuation Auditor Registration Imposition Bill 2012

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (16:03): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Water Amendment (Long-term Average Sustainable Diversion Limit Adjustment) Bill 2012

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Ms RISHWORTH (Kingston) (16:05):

The Water Amendment (Long-term Average Sustainable Diversion Limit Adjustment) Bill 2012 is an incredibly important bill. This is not the first time that I have raised in this House the importance of the Murray-Darling Basin. Indeed, I have spoken on numerous occasions about how important it is that we restore this river system to health. Mr
Deputy Speaker Georganas, you would understand that our state, South Australia, relies on this system for its drinking water; but, not only that, it is the lifeblood of our nation. As I have said before, if we do not act now to restore this river to health it will be not only the environment that loses; if the river dies, the agriculture along it will die. This is what is sometimes lost in this debate. We can have a debate about agriculture versus the environment, but the truth of the matter is that, if we do not restore this river, there will be nothing. An unhealthy river is no good to irrigators and it is no good to the environment. So it is very important.

I have been taking a very active interest in this. Indeed, on behalf of my constituents I have put in my own submission to the Murray-Darling Basin Authority consultations, I have moved private member's motions in this House and I have also spoken numerous times on this very, very important issue. If we do not do something, so many of the important wetlands and floodplains will die. The mouth of the river needs to be kept open. We need to ensure salinity does not continue to have a destructive impact in the basin, getting worse and worse as you go up the system.

In South Australia we have seen the impact that salinity has had not just on the environment—although it has had a devastating impact on the environment in the Lower Lakes region—but also on farming, ensuring that none of the water, because of the salinity, is able to be used at all for irrigation. It is not of a quality that is great enough. That is why I put in a submission to the Murray-Darling authority actually commenting on the level of water which they had planned to return to the Murray, which was the 2,750 gigalitres. I did say in my submission that I believed that was an inadequate amount to restore the basin to health and that we needed to make sure we were returning enough water to restore the basin to health.

We have heard those on the other side today—in fact, in question time, the member for Murray in her personal explanation said this—say that they do not believe any more water should be returned to the basin, which I think is a very concerning statement from those on the other side. I do not know whether that is flagging the intention of the whole coalition. I know that that would be— I assume—very disturbing for the constituents of South Australia that I represent. But certainly it would be concerning for members on the other side of the House that are from South Australia. The message is loud and clear: we need to do something and the time is now. No longer can we put this in the too-hard basket.

That is why I was very pleased that the Prime Minister and the Minister for Sustainability, Environment, Water, Population and Communities did make an important announcement on Friday just last week, meeting my call for an increased amount of water to be returned to the basin. I was very pleased that the Prime Minister and the minister for water did announce that it would be the government's commitment, in addition to the 2,750 gigalitres returned through the Murray-Darling Basin Plan, to return an extra 450 gigalitres of water to achieve greater environmental outcomes to the basin through water recovery projects that minimise the impact on communities.

This important injection of water will have great results. It is important to note that this is additional environmental water and—as the Prime Minister and the minister for water did mention in question time today—water which will be returned by infrastructure investment. Importantly, it will be returned through an investment of $1.77 billion over 10 years from 2014 to relax key
operating constraints that will allow for this additional environmental water to be obtained. This is an important point to note: through investing in infrastructure, we can deliver more water back into the system to ensure that there is water delivering key environmental outcomes, which include ensuring we keep the mouth of the Murray-Darling system open down at the low end, down at the bottom end. I very much welcomed this announcement on Friday. Indeed, I know it is something that the South Australian members on this side of the House, and indeed members from South Australia on the other side of the House, believe in very strongly.

Dr Stone: I rise on a point of order, Deputy Speaker Georganas, and it is relevance. This is not the bill that we have in front of us for debating. It is an announcement made on Friday about the total plan. It is not the bill in front of us to be debated.

The DEPUTY SPEAKER (Mr S Georganas): The member will resume her seat. The member for Kingston is in order. She is talking about water. It is a water bill and the River Murray has an impact on water.

Ms RISHWORTH: This is talking about the sustainable diversion limits and the power of the Murray-Darling Basin Authority to move their sustainable diversion limits within a range. One would think that sustainable diversion limits, which are all about ensuring water is returned to the basin, are really critical. I am not surprised that the member for Murray is trying to interrupt me explaining to the House how important this announcement is for South Australia, because of course she announced, just before in this House, that she was not for returning any water to the Murray-Darling system.

The DEPUTY SPEAKER: I remind the member to refer to people by their seats.

Ms RISHWORTH: Sorry, the member for Murray did indicate that she was not for any water—

Dr Stone: Deputy Speaker, on a further point of order, I do think we have to stick with the facts here. Again, it is not appropriate to actually misrepresent facts. I did not say what the member is claiming.

The DEPUTY SPEAKER: The member will resume her seat. She will have an opportunity to correct any facts that she would like corrected.

Ms RISHWORTH: Sorry, maybe I misunderstood, but I heard the member for Murray saying that no more water should be taken off any irrigators anymore. So it is disappointing, but the people of South Australia know which party is on their side when it comes to the Murray-Darling Basin. They know who is on their side and who will stand up to the other states to ensure there is a national approach to this important water resource. I thought it was important to bring to the attention of the House this important development to making sure that the Murray-Darling Basin is healthy.

Indeed, the bill before us today is also a development and an improvement, something in which many of the basin states have agreed upon. We do have a once-in-a-generation opportunity to change the way we manage the Murray-Darling system. The bill before the House today, the Water Amendment (Long-Term Average Sustainable Diversion Limit Adjustment) Bill amends the Water Act 2007 to provide the Murray-Darling Basin Authority with the ability to adjust the long-term average sustainable diversion limits set by the Murray-Darling Basin plan in accordance with the provision of the Basin Plan without invoking the formal Basin Plan amendment
This bill will provide for the Murray-Darling Basin Authority, in consultation with the Commonwealth and relevant states, to be able to make adjustments to the sustainable diversion limits in accordance with the provision of the plan to enable more efficient use of environmental water, enabling more water to be available for consumptive use without impacting on the environment, and to enable more water to be recovered for the environment, enabling enhanced environmental outcomes without impacting on rural and regional economies beyond what is envisaged in the Basin Plan.

This will also assist to bridge the gap between the current diversion limits and those allowed under the Murray-Darling Basin Plan to ensure that irrigator entitlements will be cut or compulsorily acquired as a result of the Basin Plan.

The key elements are as follows. There is a threshold of plus or minus five per cent of the sustainable diversion limits for water resources as a whole, with formal amendment required to adjust beyond that five per cent threshold. Any adjustments must not reduce the environmental outcomes achieved by the Basin Plan or worsen the socioeconomic impacts. Conversely, the adjusted sustainable diversion limits must continue to reflect the environmentally sustainable level of take, preserving the fundamental requirements of the act. The mechanism under which this will occur is outlined.

I think this is a very sensible amendment. Indeed, I believe it was suggested by states and territories as part of the consultation process. It allows for a simplified adjustment mechanism to be included in the Basin Plan which is easy to understand, and will aid confidence and transparency for all stakeholders. It will improve certainty surrounding decisions to adjust the sustainable diversion limits, enabling states to plan using the adjusted sustainable diversion limits, and provide business improved confidence to invest. So it is a sensible amendment. It builds on our determination, since being elected, to get this plan done. It was the determination of those on the other side at one point, or maybe it was just the determination of the then Minister for Environment and Water Resources, the member for Wentworth. It was his determination to get this done. This is about a national plan to address this issue, and the bill really builds on that.

I look forward, as we continue to reform the Murray-Darling Basin, to seeing what those on the other side will do when this bill comes to a vote. Soon there will be nowhere to hide for the opposition. They will no longer be able to go to communities upstream and tell them one thing and go to communities downstream and tell them another. This has been going on for a number of years. We have seen the Leader of the Opposition duck and weave when questions are asked. He had his then minister for water upstream telling communities one thing and his parliamentary secretary downstream telling communities another. This has been going on for a number of years. We have seen the Leader of the Opposition duck and weave when questions are asked. He had his then minister for water upstream telling communities one thing and his parliamentary secretary downstream telling communities another. When this water reform bill comes to this parliament the opposition will have nowhere to hide. They will have to draw a line in the sand and indicate whether they support water reform or whether they want to continue to let the Murray-Darling Basin die.

We need to ensure that we are acting appropriately, with the national interest in mind, and that is what I believe we are doing here today. I believe this bill is a step towards true water reform and something which will allow us to manage the Murray-Darling Basin as a whole. I commend the bill to the House.
Dr STONE (Murray) (16:18): We are here to debate a bill which amends the Water Act 2007, the Water Amendment (Long-term Average Sustainable Diversion Limit Adjustment) Bill 2012. As I said a minute ago in my interjections, we are not here to discuss the very unfortunate statements made by the Prime Minister last Friday, not unexpectedly in South Australia. It was not very edifying to hear the Prime Minister during question time repeatedly refer to her announcements on Friday as being all about South Australia and South Australians. The Murray-Darling Basin provides water for 3.4 million people, from Queensland, New South Wales, the ACT, Victoria and, finally, South Australia. I realise South Australia diverts the Murray River water across deserts and so on to places like Port Augusta and Whyalla. I understand their failure to look at their own capital city needs. Of course Adelaide is also outside the Murray-Darling Basin. Given all that, it was disturbing and astonishing to hear so much South Australian-centric rhetoric in relation to the Murray-Darling Basin. We all know we must work to a win-win scenario—in other words, to something that works from the top of the basin to the bottom, for the communities, the economy and obviously the environment.

This sustainable diversion limit bill, in principle, is indeed what the coalition said must happen. But we are opposing the bill as it was originally proposed by the minister, on the basis that it completely denies the minister of the day any say in what the diversion limit adjustment might be—up or down by five per cent. What it says in the Prime Minister's bill is that whatever the Murray-Darling Basin Authority of the day says goes. They can just do a tick and flick, it can be noted by parliament, and that is the end of that. That is an extraordinary proposition, given that we already have a discredited Murray-Darling Basin Authority whose lack of capacity to properly consult and whose avoidance of proper engagement with the states and agencies like the catchment management authority are already legendary. The Murray-Darling Basin Authority had to sack its first CEO. They have installed someone different to try and do better. To say that this authority will have the final word on what the sustainable diversion limit adjustment will be, without recourse to the democratically elected government of the day, is breathtaking.

I have to say that my concern about this matter is not just hypothetical; my electorate depends for its wellbeing on water security. That water comes out of some of the major tributaries to the Murray, particularly the Goulburn River, and also the Murray River. So for us to sit back and say, 'That's okay; the Murray-Darling Basin Authority can decide whether there will be an adjustment up or down of five per cent of the diversion limit because they're so fantastic'—I am sorry—that does not wash.

We have, through our shadow minister, foreshadowed an amendment to this bill which will have the executive reinstated as the final word on what this adjustment should be. That is as it must be. I understand the government is very seriously now considering the error of its ways in its first draft of the bill. But we are also concerned that this bill has been brought forward in a way that is greatly disturbing to those of us who depend on both the environmental sustainability of the basin and access to the water of the basin. They are one and the same thing, in fact. This bill was rushed into parliament in our last sitting. There was no warning. It was rushed off to the House of Representatives Standing Committee on Regional Australia. At a meeting of that committee, which I attended as a supplementary member, the chair, Mr Tony Windsor, said: 'We don't need to consult on
this bill; the job's right. We'll have one meeting. We'll not call for submissions. We'll hear no evidence.' I put on the record that I felt we had to take evidence—that we had to at least put out an invitation for submissions to the inquiry. 'No,' we were told; 'it will be a quick tick and flick.' We had one 26-minute meeting on this bill. During that meeting, the majority on the committee, who of course were not coalition members, said: 'We will simply flick this on and say it's okay. We will completely reverse what we said previously, and that was the end of that—one 26-minute meeting.

There was a dissenting report written by the member for Wannon, the member for Riverina and me, where we said: 'No, we cannot agree to this bill being allowed in its current form.' Why else did we reject it? We said, for example, that the whole business of a sustainable diversion limit has to be within the context of the total Murray-Darling Basin Plan. When this bill was introduced, it was just one small bit of the total picture. We had no idea what the final sustainable diversion limit might be. It was quite extraordinary. We were quite concerned too that, while the adjustment mechanism can be implemented under the current act and you must take into account the social and economic consequences of the adjustment, we have lost any sense of that in this government's bill. Also, under the current act an amendment to the Basin Plan is subject to a disallowance of the parliament. This bill would remove this provision in the instance of the adjustment mechanism operation. So, as I said before, the elected representatives would not have the capacity to review the critical element of the Basin Plan—quite an extraordinary business. We cannot imagine what the rush of blood was to the head of the minister who put such a bill into the House. There are still no protections in this bill for an adjustment weakening economic or social outcomes. In proposed section 23A(3) it states clearly that any adjustments must reflect an environmentally sustainable level of take. So why doesn't the bill provide the same references to protection for economic and social outcomes? We want to know.

Over the weekend, we had the Prime Minister's announcement of the amazing potential growth in our neighbourhood, in Asia, and the fantastic prospects for increasing food production and exports to the middle classes of India, Indonesia and China. We gloried in the prospects of a future where Australia would not just be a mine or a gravel pit for China but might in fact export highly value-added food products. At the same time, we have this government determined to remove the water security that underpins food manufacturing in eastern Australia. It is quite an extraordinary situation. You cannot, on the one hand, say that we have enormous potential to grow and manufacture more food and grow wealthy through the process and, on the other hand, say, 'By the way, besides reducing the actual volume of water available to irrigators, we'll make it so uncertain from one year to the next what availability there is that the older farmers will find their sons and daughters simply walking away from the industry.' We have a crisis of confidence right now in agriculture, across Australia but particularly in the basin. That crisis of confidence is being played out every day. The drought debt that accumulated over the seven years when it did not rain has become so pressing that many farmers are giving up and saying: 'We have in theory this great future but, when we look at the various bills and policies of this government, we can see
they're not serious about us fulfilling that potential.'

Besides this water problem in the Murray-Darling Basin, where the government refuse to take a triple bottom-line approach, we have a slashing of the research and development funds for irrigated agriculture in particular but agriculture in general. We have a complete crisis in training and education related to agribusiness, natural resource management and farming in particular. We have the quarantine and biosecurity services being slashed and burned so that we are very, very concerned about every decision made to weaken our phytosanitary special measures—and the potato issue right now is an example of how it seems that Biosecurity Australia is just giving up. We have a terrible dilemma right now where things like the food innovation grants, which were key to be able to develop new products and compete, are all gone. Of course, the biggest problem of all for agribusiness is the incredible hike in prices—for energy—for electricity in particular and also for things like refrigerant gases. When you have irrigation, you have energy costs. When you have food manufacturing, you have energy costs. Sadly, this government does not seem to understand that, if you are touting the glories of a future in food manufacturing for Asian markets, it just does not ring true if you are tying the producers' hands behind their backs.

If the Water Amendment (Long-term Average Sustainable Diversion Limit Adjustment) Bill 2012 can be amended, as our shadow minister stated in his opening speech, if we can have that amendment carried into law, if the government agrees with it or indeed if they amend the bill themselves—instead of the current situation, have the minister or the government of the day reinstated as the arbiter of what the sustainable diversion adjustment is—we can be more confident about where this bill is going.

Let us not pretend that this is not a very significant issue for the people of the Basin. Up or down five per cent in volume of water—the 700 or so gigalitres that could be involved—is, in fact, the entire South Australian water quota. The business of adjusting the water volume up is all we seem to be hearing about. No one is talking about potentially adjusting the sustainable diversion limit down, which I find rather ironic and deeply troubling.

I am very disturbed that when the Prime Minister and the minister for environment announced the plan, as they did in South Australia, on Friday, they failed to rule out further buying of water from irrigators' entitlements. The minister stated that additional water that might be found, or would need to be found, if there is another 450 gigalitres to go to the environment would primarily come from investment with on-farm irrigation works.

I am on the record for saying that on-farm irrigation works are essential for water savings. I was verballed at question time and I put my protest, as a personal explanation, to the speaker immediately after question time. I am on the record for saying that any water for the environment should come from environmental works and measures or from on-farm water use efficiency measures, not from dipping into the water entitlements of farmers—particularly the high-security water entitlements that you find in northern Victoria. They are the sorts of water entitlements that sit in dams like Eildon. Unfortunately, we have more environmental water sitting there than irrigator water, and that is a serious problem of space.

For Victorian irrigators in the Goulburn-Murray system, many cannot access the federal government's on-farm water use
efficiency grants, because they are in the Food Bowl Modernisation Program. Until they have had that program completed on their properties, or the planning for that measure completed for their properties, they cannot put their hands up and apply for an on-farm water use efficiency grant. So it was not extraordinarily good news, when all we have been talking about is on-farm water use efficiency, primarily—I stress that word 'primarily'—with no reference to putting a stop to reaching into the irrigators' market via deep pocketed governments or to environmental works and measures being an integral part to the future of the Basin.

The coalition is concerned about this bill because it takes the government completely out of the driver's seat and puts the business into the hands of a deeply flawed authority, an authority that has been discredited over many years now on so many fronts. We hope the amendment will pass because that could give us a better outcome, but this whole business is still a very concerning proposal.

Mr ZAPPIA (Makin) (16:33): I speak in support of the Water Amendment (Long-term Average Sustainable Diversion Limit Adjustment) Bill 2012 because it is good management practice by the government. It is good management practice because it enables the authority to get on with managing the waters of the Basin in a much more efficient and effective way when it comes to making minor adjustments to the plan.

Interestingly, the objective of this bill is the matter that formed part of the recommendations of the Standing Committee on Regional Australia. In July of this year it reported to the House on certain matters relating to the proposed Murray-Darling Basin Plan. Recommendation 3 of that report states:

The Committee recommends that the Commonwealth Government develop a mechanism to adjust sustainable diversion limits automatically in response to efficiencies gained by environmental works and measures.

The fact that the committee, which had inquired into the Murray-Darling Basin for some time and then reconvened in order to consider further matters, has put this recommendation to the government should in itself be adequate to convince members across the chamber that the recommendation to have this mechanism in place should be supported.

Water Amendment (Long-term Average Sustainable Diversion Limit Adjustment) Bill 2012 amends the Water Act 2007 to allow the long-term average sustainable diversion limit set by the Murray-Darling Basin Plan to be adjusted by plus or minus five per cent of the sustainable diversion limit for Basin water resources as a whole, without invoking the formal Basin Plan amendment process. The bill sets out how the mechanism is intended to operate and introduces transparency in the process, requiring any use of the mechanism to be reported formally and publicly to the parliament. The explanatory memorandum states:

Under the Water Act, the Basin Plan itself is a disallowable instrument. The current version of the Basin Plan includes an adjustment mechanism in accordance with the current Act. As the legislation currently stands Parliament would not be notified of any adjustments, as well as these adjustments not being disallowable. This Bill improves transparency while maintaining the position that amendments would not be disallowable.

The sustainable diversion limits that will be set must reflect an environmentally sustainable level of water being taken from the river system.
The issue of managing the waters of the Murray River and the Murray-Darling Basin more broadly date back over one hundred years. In fact, when the states came together to form the federation the issue had already been one that had caused disputes and grievances amongst the states. Finally, in about 1914 we got an agreement together by, I think, New South Wales, Victoria and South Australia. That agreement served for some time, albeit there were always ongoing and continuous disputes.

I can well recall many of those disputes, particularly in the sixties, where the waters of the Murray became a major issue of confrontation between South Australia and the eastern states. It seems that after all those years, almost 100 years, of bickering over this issue we are finally at a point where we might be able to reach an agreement that will ensure the long-term sustainability of the Murray-Darling Basin communities, sustainability of the important environmental assets throughout the basin and sustainability of food production within our nation. I acknowledge that the basin produces on average about 45 per cent of the nation's irrigated agricultural production.

Mr Deputy Speaker, as you would well know as a member of the standing committee I referred to earlier, the last two years or so have been fascinating in the sense that we have had the Murray-Darling Basin Authority carry out its own inquiry, while simultaneously we have had a parliamentary committee doing similar work. I think it would be fair to say that nobody in this chamber would disagree with the level of concern that exists right throughout the basin and across each state with respect to the poor management practices of the past when it came to the basin waters. It is my view that what the basin communities would like to see is, finally, some sense of security as to where we go into the future.

The authority originally came up with a proposal to restore about 2,750 gigalitres of water to the basin. On Friday the Prime Minister announced that the government would support the return of 3,200 gigalitres to the basin. I believe that 3,200 gigalitres paves the way for a sensible agreement between each of the parties to the Basin Plan—those parties now being Queensland, New South Wales, Victoria, South Australia and the Australian Capital Territory. I believe that 3,200 gigalitres does that because, firstly, it is possible to restore 3,200 gigalitres to the basin and, secondly, by doing so we achieve most of the key environmental targets that we are aiming for as a nation.

For South Australia, being at the end of the system and being very much dependent on water use by the upstream states, the 3,200 gigalitres is a welcome commitment by the government. For South Australia it means that there will be more water in the Lower Lakes—I understand on average about 15 per cent more water—and that in turn will reduce the likelihood of the acid sulphate soil problems that we had a few years ago. It will ensure that salinity levels in the Lower Lakes and in the northern lagoon of the Coorong will be much, much lower and, in fact, at very acceptable levels. It will ensure that on average two million tonnes of salt is flushed out to sea annually. In the past most of that salt stayed, basically, within the South Australian end of the system. It will ensure that for most of the time the Murray Mouth remains open and, if that occurs, it will enable the salt to be flushed out. Importantly, for the whole of the basin, the iconic wetlands will receive sufficient water to ensure that they remain sustainable. In fact I understand that, of the 18 environmental watering requirements throughout the basin, 17 of them should be met by returning 3,200 gigalitres to the basin. The 3,200-gigalitre
figure not only has been assessed by the South Australian government and by the authority but it has been peer reviewed by the Goyder Institute, an institute of expert scientific people. That is why I feel confident that the figure is one that could bring us together in an agreement that we have been looking for for over 100 years.

It is important that we have an agreement in place. The agreement is also dependent on fine-tuning aspects of the Basin Plan such as the amendments that are being proposed within this specific legislation. Since the announcement on Friday I am not surprised that some sectors, including the states of New South Wales and Victoria, have been flagging their concerns about returning 3,200 gigalitres of water to the system. I have similarly heard criticisms from farming organisations and environmental groups that the 3,200-gigalitre figure is not appropriate. The farming groups are saying that it is too much yet the environmental groups on the other hand are saying that it is still not enough. I think the fact that both of them are not agreeing with each other probably indicates that the figure is about right, and I suspect that it is.

The reality is that the 3,200-gigalitre figure is achievable because, as the minister pointed out today in question time, about 1,500 gigalitres of water has already been secured by the Commonwealth. That means we are almost halfway there with respect to the amount of water that we need to secure. Securing the rest through engineering and environmental works, I believe, is possible and the timeframe for us to do that has been extended out to the year 2024. Some, again, would criticise that as well. Given that we have had a couple of good years of inflows into the system and given that there is now substantial water in the system, I believe we now have a welcome relief which enables us to implement the changes over a longer period of time rather than rush through any changes. That is exactly what the government proposes to do with respect to managing the waters into the future.

The interesting question from here on in will be: how will members opposite respond to the announcement the government made that we intend to return 3,200 gigalitres to the system. To date we have seen divisions in the coalition ranging from divisions between the Queensland members and the New South Wales members, divisions between the New South Wales members and their Victorian counterparts, and then divisions between all of the eastern state coalition members and those in South Australia. When the issue has arisen in public debates, and in this place in the past, it depends on which member you are talking to as to what kind of response you get.

As coalition members have moved round the country, it has been absolutely clear that their response as to how they would manage the Murray-Darling Basin depends on which audience they are speaking to. It will be interesting, now that a firm proposition that is achievable has been put on the table, to see whether they get behind the government and, once and for all, implement a workable plan or whether they do not. It will be even more interesting to see where the South Australian members of the Liberal Party stand with respect to the announcements made by the Prime Minister and the environment minister on Friday because they know full well the devastating impact that the last drought had on South Australia, particularly on the Riverland area and on the Lower Lakes. As someone who visited all of those areas and saw for myself at the peak of the drought the devastation that had been caused to both the Lower Lakes themselves and to communities, I am well aware that the last thing anybody wants from outside of government is to see a re-occurrence of that.
The communities right throughout the basin have every right to say, 'We went through this once. You know what might occur. What are you doing to ensure that it does not happen again?' We, I believe, have an obligation and a responsibility to take the steps required to ensure that it does not happen again. We can do that by implementing a sound plan. This particular amendment enables a plan to be implemented that can be adjusted in a minor way when the need arises. The reality is that sustainable diversion limits are as much dependent on inflows into the system as they are on extractions. Whilst we can deal with average inflows, which help for the purpose of long-term planning, the reality is that as short-term measures those inflows and those extractions do change and need to be adjusted to suit. In particular, they need to be adjusted if investments are made in engineering works that reduce the amount of water that is otherwise required. I believe that can be done and should be done and the government has quite properly invested or set aside $1.7 billion—from memory—towards doing exactly that over the coming decade. When we do that then I believe the authority ought to, independently of this parliament, have the right to make those fine adjustments as need be.

I heard the shadow minister's proposal for making changes to this legislation to the effect that he believes that the minister and the government of the day should be the ones who make the final decisions in respect to any adjustments to the plan. I am sure the minister will take that on-board and I am sure the minister is going to consider that. Quite frankly, my view is that the critical issue is that there ought to be a mechanism in place to enable those minor adjustments to be made. That is what this legislation does. I commend the bill to the House.

**Mr McCormack (Riverina) (16:48):** The Water Amendment (Long-term Average Sustainable Diversion Limit Adjustment) Bill 2012 amends the Water Act 2007 such that a sustainable diversion limit can be adjusted, give-or-take five per cent, without any formal notification to the community or to the parliament. Let us just think about that five per cent. It does not sound a lot but it could amount to the entire water used by the state of South Australia in any given year. This adjustment could or would be done by the Murray-Darling Basin Authority under certain provisos: reference to the Basin Officials Committee—yet able to override that committee's consideration or recommendations either way—without the necessity of amending the Basin Plan as part of the Water Act; and by notifying the relevant minister who would then adopt the MDBA's adjustment and table it before parliament as a non-disallowable instrument.

I am strongly opposed to the inquiry conclusions of the House of Representatives Standing Committee on Regional Australia following the private meeting held in Parliament House on 4 October. The members for Murray and Wannon co-signed a dissenting report which was submitted the following day. We are extremely concerned with the cursory attention paid by the inquiry to a request which was denied a proper consultation and input from relevant stakeholders in the preparation of the report. Indeed, during a 30-minute teleconference on 24 September of the committee to discuss the matter there was more discussion as to who had the temerity to ask that the Regional Australia Committee look into this matter as there was of the details of the matter itself. I pushed for the committee to examine this issue and I do not mind admitting as much, as I did on that very day. I am only sorry we paid such scant attention to it before issuing, signed off by the chair, the member for New
England, an advisory report with just one recommendation: that the committee recommends that the House of Representatives pass the Water Amendment (Long-term Average Sustainable Diversion Limit Adjustment) Bill 2012. The members for Wannon and Murray and I signed a dissenting report because we were not in agreement with the recommendation.

The contents, consultation and adjustment processes for the future Murray-Darling Basin Plan are of critical importance to the 3.4 million people living in the basin for its economic—and hence social—wellbeing and environmental sustainability. More than that, it is of critical importance to the 22 million-plus Australians who rely on the Murray-Darling Basin for food and, indeed, to all of those people within the Pacific Rim—and we only heard yesterday how important Asia is to our national interest. I was disappointed that more focus was not placed on agriculture and on the unique ability that Australia has to feed people into the future. There are going to be some hungry hordes into the future. The population projections to 2050 and beyond are well in excess of what we are capable of feeding given our reluctance—or this government's reluctance—to provide water to our farmers, who are the best in the world, to grow food.

As stated in the report of the first inquiry by the regional Australia committee into the impact of the guide to the Murray-Darling Basin Plan, released in May 2011, the release of the proposed Murray-Darling Basin Plan sent shockwaves through regional communities. Unfortunately, the way that the MDBA went about developing and communicating this document and the scale of the reductions that it proposed invoked a high degree of anger and bewilderment in basin communities. Those basin communities, particularly the one at Griffith last Friday, were again bewildered and incensed at the latest developments in this water debate.

In the second report released by the House of Representatives Standing Committee on Regional Australia, the committee stated that it made recommendations in a number of areas where it believes that information needs to be provided before the plan is put before parliament to give members, senators and the community a level of certainty regarding both the planning process and the science necessary prior to the plans finalisation. There are two important words in that sentence, 'certainty' and 'science'. 'Certainty' is the word that has been uttered the most. It was heard by the member for Makin and you, Deputy Speaker Mitchell, as you went with the regional Australia committee through the Riverina and other areas, such as the areas in South Australia. People want certainty. Certainty underpins business, investment and confidence. But that certainty has been dragged away from the business community of Griffith. The business chamber president there, Paul Pierotti, is absolutely aghast at the latest developments.

The other word that I mentioned in that sentence was 'science'. There has not been a lot of credible science used by the MDBA to a lot of their deliberations in relation to the guide and to the draft. There are many people who are struggling with the science that has been put forward. We all know that some of the things that the Wentworth Group of Scientists have put forward just do not stack up; they do not stand up as credible.

While we support the concept of a sustainable diversion limit adjustment mechanism that takes into account environmental works and measures and other savings, this bill does not identify the processes or safeguards and sits in the vacuum created by the fact that there is still
no information on a final SDL. How can you put something like this before the parliament when we still do not know what the final SDL will be? It is beyond belief. It is quite inexplicable why this small, inadequate and disembodied element was rushed into parliament in this way.

We have heard many speakers talk about the big announcement last Friday at Goolwa. I will seek leave to table a document, Deputy Speaker Mitchell. I know that the person who released this document holds this Labor government in power, so I am certain that the member opposite at the table will not mind if I table this. This is a media release put out by none other than Tony Windsor, the member for New England. The press release states that the Murray-Darling plan can be a win-win. He says, ‘The parliament recently passed an amendment to the 2007 Water Act that enables the automatic adjustment of sustainable diversion limits of up to plus or minus five per cent of total sustainable diversion limits, 10,000 gigalitres.’ He has announced it, and yet we are talking about that very piece of legislation. The cart has really been put before the horse there. I seek leave to table that media release. It is just not correct. I seek leave to table that document.

Leave granted.

Mr McCormack: I thank the member opposite. Here we have the chair of the regional Australia committee saying that what we are talking about now—what I am talking against and what the government is speaking for—has already been decided upon when we all know that that is not correct.

The following details some of the specific concerns that I and the members for Wannon, Farrer and Murray have in relation to this very important matter. The bill states that the MDBA can suggest adjustments to the SDL in a range of plus or minus five per cent. At this stage, as I said, we do not know what the final figure will be, so it is unclear what volume the five per cent will relate. Taking the current size of the environmental water holding, a five per cent increase could represent a volume equivalent to all of the water allocated to South Australia.

I do not know how much environmental water this nation needs. Obviously, we need a lot in times of drought. But at the moment Burrinjuck dam is at 91 per cent capacity and Blowering dam is at 90.1 per cent capacity. I do not know how much more environmental water that we need. But if we put any more environmental water into some of our dams the people downstream are going to be very worried, given the fact that earlier this year, in February and March, we saw devastating floods. Let me tell you, the last two floods that we have had in the Riverina caused widespread damage. A lot of the damage came about because of the huge amount of rain that we had, obviously. But we also had, dare I say, environmental flows. We had dams that were at capacity releasing their water downstream and that exacerbated the problems caused by the storms.

There has been a lack of effective consultation and transparency throughout this whole process. If it is so important, why was there such haste to have this amendment agreed to and why such a reluctance to even have it considered by the regional Australia committee in the first place? I remain critical that the bill received only a cursory glance at a single meeting that lasted just 27 minutes. As stated, no evidence was called for and no stakeholders were consulted.

I know that people would have liked to have given evidence. If they could not have come to Canberra, they would have at least liked to make submissions. Why didn't we take submissions from people such as the
national irrigators and Tom Chesson? Why didn't we take submissions from the New South Wales irrigators and that fine advocate for sensible water reform, Andrew Gregson? Why couldn't we have taken submissions from the Murrumbidgee Valley Stakeholders Group, which has a new spokesman in John Dal Broi, the recently elected Mayor of Griffith? Why couldn't we, indeed, have taken evidence from, of all organisations, the Wentworth Group of Scientists or maybe some greenie group that might have also liked to have some say on this very important piece of legislation? But no, we had to have a meeting in Canberra lasting just 27 minutes at which no debate was allowed, no submissions were received and no evidence was given. Shame on them for that process.

The regional Australia committee chair maintains that the amendment was in fact one of the four recommendations that the committee in its previous report. In fact, recommendation 3 does not make any mention of an adjustment percentage or of MDBA involvement. Nor did we recommend that parliamentary scrutiny of an adjustment SDL be denied.

It is said that the bill is needed to implement the adjustment mechanism. Such an implication is not, however, correct. The act contains a mechanism for amendment of the basin plan, under subdivision F, sections 45-49. This mechanism requires formal consultation, including with stakeholders—that would be a first for the government—and is subject to the review of the minister and to the disallowance of parliament. The adjustment mechanism can, in fact, be implemented under the current act. So, why all the fuss?

The removal of the ability of stakeholders to have input into the adjustable mechanism is totally unacceptable. The minister's role and parliamentary scrutiny should not be usurped by the MDBA and that is what this bill allows. We heard the member for Murray quite correctly point out that the MDBA has been clouded and flawed by some of its decision-making processes and lack of consultation in this whole process—and the member for Murray is correct. Pursuant to the act, as it stands, the minister can direct the authority and can choose whether or not to take the basin plan to the parliament. This bill would remove this capacity and require the minister to simply notify parliament of an MDBA action.

Under the current act, an amendment to the basin plan is subject to the disallowance of parliament. The bill would remove this provision in the instance of the adjustment mechanism operation—that is, the elected representatives would not have the capacity to review the critical element of the basin plan. Why should we agree to this? We are the people—the representatives of the communities—put here to make decisions, not the MDBA. The MDBA are not representative of Australia, they are not representative of the irrigators and they certainly are not representative of the Murray-Darling Basin communities, which rely on good policy from this parliament so that they are able to continue to grow the food and sustain the communities. These communities have had every obstacle put in front of them to fail. So many people from multicultural backgrounds were sent there to the dry arid plains and so many soldier settlers were sent there when recovering from the ghastly effects of world wars, yet despite all that and despite poor policy from this place they have survived, they have thrived. Why should any government and so-called independent authority take that ability away from them? It is an absolute disgrace and, as the member for Riverina, I will not stand to see my communities devastated. I
am sure the shadow minister at the table, Ms Ley, the hard-working member for Farrer, also will not stand by and watch her communities of Deniliquin, Finley and Berrigan be ridden over by any poor policy from this government or the MDBA. It is just not right for the people who are entrusted with the very important job of growing food to feed this nation and to feed Asia, as the Prime Minister quite correctly points out.

On 3 May the Prime Minister talked about strengthening irrigation. I would love to see the Prime Minister actually put in policies to implement that idea, because I have not seen anything, since that landmark—supposedly—speech the Prime Minister gave on 3 May, to indicate that she is in any way going to strengthen and support irrigation.

Finally, this amendment does not need the support of this parliament. It will certainly not get my support. It needs to be discarded because it is flawed policy.

Mr GEORGANAS (Hindmarsh—Second Deputy Speaker) (17:03): I rise to support the Water Amendment (Long-term Average Sustainable Diversion Limit Adjustment) Bill 2012. I do so because all of us can remember the drought not that far back, whether it was 2004, 2005, 2006 or 2007, that devastated this country. It was not the first and it will not be the last, so I think it is extremely important to our nation to put measures in place that ensure the sustainability of our river. Bills such as this look at sustainability and the adjustments that can be made during the different periods of drought and during the good times, when there is plenty of water and you can actually release five per cent more if you want to. This is very important.

The devastating drought, the last one we had here, moved and touched all of us, whether it was in communities, in rural areas or in the cities, where there were water restrictions. In fact, if the drought had not broken, there was talk that in South Australia we would be running out of water within a few months, I think it was. Thank God there was some rain. Also, there was the insurance of building a desal plant that would have saved us from that terrible situation.

We are in the driest continent in the world, and South Australia, where I come from, is the driest state in the driest continent. For us these bills are extremely important, and water is extremely important, because we are at the bottom end of the river. I have spent a lot of time down at Goolwa, where the River Murray mouth is. My wife is from that area and for many years we have been visiting the lovely town of Goolwa in South Australia. It was heartbreaking a few years ago to go down there and look at the lake and see the jetties sitting on sand because the water had receded. There were dead from many species, with fish dying everywhere. Birdlife was leaving the Coorong. And people were basically leaving entire towns, because there was no industry for them—no tourism and a whole range of other small businesses.

The water has returned because we have had some good rains. One thing we cannot do is control the weather. We do not know when the next drought or the next floods are going to come. This bill gives us the long-term ability to adjust certain parts of the river for the particular time we are going through.

I would like to comment on some of the statements made here in debating this bill. The Murray-Darling Basin and its lack of health have been big issues here in this House for a number of years, certainly during my time here in parliament. As I said, we all remember those worsening years—the years when we saw devastation across the country. And certainly we saw our river system dying very quickly. The then Howard
government acted to do something about it, to save the river system, in 2007. We on this side of the House, once taking over in government, continued to do so and to establish a regime under which both the river and the communities that rely on the river could be sustained.

Whilst I spoke about Goolwa at the other end, there are also communities along the river that need to grow our food, not just for Australia but, as we heard, for export. This is about getting a good balancing act, something that is sustainable for the river and that at the same time ensures that our communities along the river are looked after. This is something we have grappled with. We have grappled with the science as it has been presented to us. Each of us has had a look at what is the best outcome for all concerned, including the river communities upriver and in South Australia at the river mouth.

I could not have been more pleased when recently the minister for water, the honourable Tony Burke, released the modelling on the impact of returning 3,200 gigalitres of water, with key constraints removed, to the river. Previous suggested volumes of environmental water being returned to the system were seen by the scientists as meeting only 12 of the 18 key indicators of a healthy river system and environment. That is only approximately two-thirds. So I do not think anyone can realistically or credibly state that 65 per cent is a particularly good outcome. And I do not think anyone could say that a proportion of two out of three ain’t bad. Modelling undertaken by the Murray-Darling Basin Commission showed us that with 3,200 gigalitres of water being returned to the river, with key constraints removed, we can actually meet 17 out of the 18 key environmental targets, which is a good result. This is an outcome that each and every one of us should be supporting. In the future, we will experience different weather patterns, different circumstances, different climate conditions. That is why this bill is so important: it will enable adjustment during those different weather patterns.

We have had the drought in the last decade. We are going to experience climate change, with increasing weather fluctuations, in the future. That has not been refuted by any credible authority at this point. We are going to be living in a changing climate with changing rainfall patterns and changing flows into the south-east of Australia in particular—into South Australia—and we are going to need the flexibility that this adjustment will give us with most elements of our lives, including how we will live, how we will work, how and what we will farm and how we will manage the health of the natural environment.

It will also increasingly be up to us to manage the impact of climate change. It will be increasingly up to us to manage the health of the Murray-Darling Basin, its rivers and its wetlands. All of us know that the opposition, of course, have already stated that they will oppose this and most of these bills that we bring to this place to improve the health of the Murray and the Murray mouth. We cannot play politics with this river. This river sustains Australia, and for the first time we have a once-in-a-lifetime opportunity to get it right—to get the balance right, to get the science right and to ensure that we never, ever go through what we went through a few years ago.

This bill has certain criteria placed on it. For example, adjustments are limited to no more than five per cent of the sustainable diversion limit. In other words, you can go up five per cent or down five per cent during different periods, depending on whether we are having a drought, whether we are having
lots of rain or whether there are floods et cetera; you would be able to adjust it. Any adjustments must not reduce the environmental outcomes that have been achieved by the Basin Plan or worsen the socioeconomic impact—which is very important; it is at the heart of the communities along the river. Adjustments to the sustainable diversion limit will be made in accordance with those criteria and a process specified in the Basin Plan.

The authority is required to prepare a notice to the minister detailing the proposed changes to the sustainable diversion limit, the history of adjustments and the individual changes. The authority must also prepare and present to the minister an amendment to the Basin Plan to reflect those adjustments that are proposed in the notice. And, of course, the minister must adopt those amendments in writing and table both the notice and the amendment here in the parliament.

This bill involves far-reaching reform so that the Murray-Darling Basin is managed as a single, connected system. We have to start looking at the river as one system across Australia. We cannot look at it as we have done for nearly 200 years now, with different states managing it differently over the borders, and differently compared with what was happening down south and up north. We have to look at it as a whole. As I said, we have a once-in-a-lifetime opportunity to ensure that we get this right. It is so important, especially in my home state of South Australia, which, as I said earlier, is one of the driest states in the country. I was so pleased the other day—and so were the majority of South Australians, I have to say—when the Prime Minister made the announcement, together with Premier Weatherill in South Australia and Tony Burke, about the extra 3,200 gigalitres flowing through the river, which will ensure that we at the bottom end will get a sustainable river. It is so important, and it was welcomed very much by everyone involved. The current version of the Basin Plan does not include the removal of system constraints, for example, to limit the use of environmental water and take into account social and economic impacts. We heard that the authority has proposed the reduction in those diversions.

These bills are very important to not just individual communities in different electorates but the sustainability of all of Australia. We have heard about the communities along the river, and they are very important. We need to act to ensure that we can sustain those communities. We need to act to ensure that we have an environmentally free-flowing river, because if we do not, and if we do not act on these issues, then there will be no communities, because if there is no water it will not be long before we cannot grow anything, and we came very close to that in the last few years. We saw how precariously close we came to killing off that river. We were just lucky that we had plenty of rain and that got the flows going. But we can no longer take it for granted. For 200 years we have been just taking water out, and we need to be doing all we can. This bill reflects this government's concern to ensure that we do get it right and we get a sustainable river—that we get the environmental flows that are required to ensure that we continue to have a vibrant, living river so we can feed our communities and feed Asia as well, which is a great opportunity for Australia. I commend these amendments and bills to the House.
bill that would allow for environmental works to gain credit towards meeting environmental targets and may allow for additional water to be recovered from the environment. As the shadow minister said at the beginning of this debate, we will be moving amendments because we do not want the flexible targets which would result, in terms of the sustainable diversion limit, to be controlled by the Murray-Darling Basin Authority. It is not that we condemn the authority as such, although I have been very harsh at times in my criticism of the authority. It is the principle that is at stake—the principle that it should be the parliament, through its executive and its members on both sides of this place and in the Senate, that determines something as important as policy relating to water diversions and that we do not hive off our decision-making responsibility to an independent authority.

I just want to talk about the context of the debate, because it is very topical at the moment given that the minister has said that he will have the final Murray-Darling Basin plan in the parliament by the end of the year. There are only one and four-fifths sitting weeks left, so I do hope that we will see the plan by the end of this calendar year.

This bill does not concern the plan itself and it is important to make that distinction, although there is, of course, a close relationship between the diversion limits that may result from this piece of legislation and the final plan. It is very much the cart before the horse, however. Wouldn't it be good if we actually had the plan in the parliament at this point in time so that we could make the decisions that we need to make—to see the final piece of legislation that the minister has been talking about brought to the parliament and not to have these diversions: this bill, which then led to some modelling that I think has placed some quite unrealistic expectations on the basin communities that I represent, and the announcement by the Prime Minister at the end of last week flagging the possibility of 3,200 gigalitres of environmental flows in the river system.

But I will just step back, because there is a need to give this some context. I will talk about agriculture in Australia generally because—as I represent 30 per cent of the state of New South Wales, an enormous part of the southern Murray-Darling Basin in my electorate of Farrer, and most of the water users in the New South Wales Murray and Darling river systems and the Menindee Lakes, and since obviously there are implications for water for Broken Hill—I do feel that my constituents are very much at the centre of this, and I feel my responsibility to them very strongly.

We have had a debate about foreign ownership of Australian agriculture. While I am not getting into that debate, my response is: it is a pity that we have to have a debate about foreign ownership of Australian agriculture because we do not have the confidence in Australia for Australians to invest in Australian agriculture. Those outside this country can see that we do have a very good story to tell. It is just that this government has not led a legislative agenda, or a discussion or debate or any policy at all, that gives farmers confidence in their future or gives agribusiness confidence in the future of Australian agribusiness and all of the associated industries that Australia has such a long and proud history of doing so well in. We should have confidence reflected in Australia, and we do not.

Just before I get to the debate on sustainable diversion limits and environmental flows and the socioeconomic effects et cetera, it is topical to look at Australia in the Asian Century. The Prime Minister made a strong statement on Friday and, representing farmers, I hunted through it
for the detail about agriculture. Yes, it was mentioned in the Prime Minister’s press release—in one line, towards the end: Explosion in demand for high-quality agricultural products will mean opportunities for our farmers and regional Australia.

So then I turned to the fact sheets. The 22nd of the 26 fact sheets is titled 'Meeting the growing demand for food', and it says:

Australian food producers and processors will be recognised globally as innovative and reliable producers of more and higher-quality food and agricultural products, services and technology to Asia.

Most of the projected increase in food demand will come from Asia. Driven by the need to feed a larger, more urban and richer population, the real value of global food demand in 2050 is projected to be more than 70 per cent higher than in 2007. The increase in Asia’s food demand is likely to outpace the growth in its production over coming decades.

Quite right, Prime Minister, but what is your government doing about this? What confidence and what heart and what hope are you giving to the people in Australia who are actually equipped to do this task?

Look at the Murray-Darling Basin, the subject of discussion. It is a million square kilometres—and I mentioned that I represent a large part of the southern area of the basin. It is 14 per cent of the total area of Australia. It generates 39 per cent of the national income derived from agriculture, so nearly 40 per cent of our total national income in agriculture comes from the basin. It produces 53 per cent of Australian cereals grown for grain, 95 per cent of oranges and 54 per cent of apples. It supports 28 per cent of the nation's cattle herd, 45 per cent of sheep and 62 per cent of pigs.

If you took the nation's food bowl, which is the Murray-Darling Basin, out of Australia's production in terms of its economy and its contribution to the national balance sheet it would be devastating. I am not scaremongering here today and I am not suggesting that the Murray-Darling Basin Plan is going to do that. There is goodwill from every perspective. But we just have to be very careful that we understand exactly what is at stake and exactly what is being proposed. Because, without casting aspersions on the more than 85 per cent of Australians who live a long way away from rural Australia, sometimes I hear statements about the Murray-Darling Basin and its future that do not make any sense and that show, I think, a lack of understanding and how people view it in very simplistic terms: if you add more water, you get a better outcome. It is not surprising that much of the modelling that we have recently seen come to light has that assumption built into it. If you create a model that has an assumption that if you add more water you get a better outcome, then obviously if you add more water you get a better outcome. It is much more complicated than that.

Environmental flows are, I think, one out of 23 indicators of catchment health. I have talked to not just farmers but also those who manage our catchments and those who work in our regional universities and who do a great job teaching in our universities all the way along the basin and I do not believe that I am coming to this matter just from an irrigator-centric point of view at all. Recent modelling that referred to removing system constraints immediately raised an alarm in my mind. What does 'system constraints' really mean? It has been described in statements made by the government as 'roads, low-lying land, bridges et cetera'. It has not been described as 'weir pools' and, I think, that in itself is interesting. If you are talking about genuinely returning the river to its natural state, you would recognise that it is small pulses of water down the system,
absent of the presence of weir pools, that wet and dry the banks and that provide the vital life systems and ecological systems on which rivers rely. We do not have that. I am not suggesting we do remove the weirs, but I am suggesting that those who talk about the advantages of a natural flow look at what we actually have, which is a regulated river.

As I like to say, what we want is a healthy working river. We do not want to return it to the way it was before white settlement, before the dams, weir pools, locks and barrages were put in. We do not want that. So we have to have a balance between what we are doing with the river to service its population and grow food and the very important environmental health of the river.

We have a Commonwealth Environmental Water Holder, who has an allocation of, I think, about 1,500 gigalitres. You would think, if you were listening to the debate at the moment, that all of that is out there and then some, so there is a demand for more environmental water. In fact, that is not the case. The Environmental Water Holder is using, I think, about 60 per cent of the allocation. Some of that has been undertaken in trials. Some of those trials have not been very successful. I am told there was a big flow down the Murrumbidgee in May and June, which was not particularly successful and which did not achieve an environmental outcome. It created some minor flooding and the benefit was negligible. But it was partly necessary in order to move some water through the system. So if the Commonwealth Environmental Water Holder cannot use the water it has got, my question is: how will it use 2,750 gigalitres, which is the notional figure in the plan? How would it, for example, use 3,200 gigalitres, which might be a flexible target somewhere down the track? The answer is: unless you have a well-designed plan in existence, why would you seek to create that allocation? Why would you remove that productive water from the system and put it in storages, possibly change the water rules that say that the water has to continue down the system at certain times and say that you actually want to keep it in the storages, if you do not actually have a plan?

If you are talking about environmental health, why wouldn't you frame it in terms of the health to vertebrates, birds and fish in the system? Why is it always talked about in terms of volume of flow? I went looking for the science that tells me that and I cannot find it. So I invite anyone listening to this broadcast to send it to me.

As I said, I represent a significant number of farmers who have their lives on the line with the legislation concerning the Murray-Darling Basin Plan. I feel very upset and distressed, as they do, about some of the statements and suggestions that have been made by the government. Nobody minds giving up water if they see it as a win-win. Everybody who lives in the basin understands and loves the River Murray. They visit it regularly. They camp, fish with their kids and poke about there on weekends. They understand the life of this very important river system. They take it very personally when people suggest that they are just sitting there with a big pipe, sucking out water, trying to make money. Nothing could be further from the truth; it is an insult.

With respect to the flows that we are talking about here, 40,000 megalitres a day would be the flow required between Lake Hume and Yarrawonga. I just want to give this example because, for this plan to take effect and for us to have the basin plan near where it seems the government wants it, a lot of work would have to be done in easements. 'Easement'—that sounds easy. But it took 15 years to negotiate the easements between Lake Hume and Yarrawonga because the
river was required to run at a higher level. It took 15 years to work through all of the third-party impacts that that would create.

It is bizarre that the government says, 'We'll just sort out these easements, we'll toss a bit of money at it and do away with them.' I do not understand how in the real world that can actually happen. Third-party impacts are real, substantial and uncosted. The Koondrook Perricoota flood enhancement scheme in my electorate came about from the Living Murray process. It has been around for almost as long as I have—almost 10 years. It cost $67 million to build this very complicated system that diverts water through the forest. By the way, because of the third-party impacts, there is a dirty great channel to send the water back into the Murray so it does not flood people's homes and farms—$67 million. Now, if this latest iteration of the Basin Plan actually happens, that entire project will be drowned out.

The member for New England visited it with me, and he understands the issues. It would simply put a layer of water on top of that, and we would never see any of the infrastructure underneath because the river would be running at a much higher level.

So I say, on behalf of my constituents, that we will participate in the discussions in good faith. We have lost a lot. We have been hurt a lot. We have had our way of life threatened. We have come through a drought that had us on our knees. We have listened to nonsense coming out the mouths of government members who do not understand. We do not see any direction from Prime Minister Gillard that gives us hope that we have a future in our agricultural industries. We are still here and our children are still here, but we do not find that very many of them want to take on the family farm anymore, and that is a tragedy. I will stay on the case; it is the most important one for me and for the electorate of Farrer.

Mr WINDSOR (New England) (17:30): Before speaking to the Water Amendment (Long-term Average Sustainable Diversion Limit Adjustment) Bill 2012, I wanted to mention that I hear the divisions starting to open up again today. I often wonder what John Howard would think of his original proposal, a $10 billion water plan, and the original legislation, the Water Act 2007, that put all this together and laid out the format to be used by the Murray-Darling Basin Authority and others to deal with these issues. Some members seem to be hedging their bets a bit, speaking against the bill for their constituents, but most probably voting for it at the end of the process, I think—because all of us would like to see some sort of plan for the future. But parochialism, whether it be state based or electorate based, reigns supreme; and, regrettably, I think both sides of politics have been engaged in that for some time.

The announcement the other day by the Prime Minister of the 456 gigalitres was unfortunate in the way it was done. It was seen as a win-lose, which is it is not, and I will go to some of the numbers in a moment. I can understand why the Prime Minister would want to do that, but I think that, in terms of the integrity of the debate and trying to arrive at a real conclusion, a real plan to address this issue, it is an opportunity missed. Obviously, the coalition speakers today are playing their parochial politics, and then you have the shadow minister still running around out there, saying this is all about 3,200 gigalitres returning to the system. I think, if anybody took the time to actually look at the numbers, they would see that is not the case. I might spend a little bit of time on that.

The water amendment bill before us today is essentially the recommendation that the Standing Committee on Regional Australia, which I chair, made in its report on the bill.
The coalition members of the committee put in a dissenting report on the last piece of the inquiry. We have had three inquiries into this. There was one very significant inquiry, in which the member for Farrer was a very good participant, producing the document I hold. We had another, mini-inquiry into related matters which came up with four recommendations, and recommendation 3 is worth reading out, I think, because it directly relates to the bill:

The Committee recommends that the Commonwealth Government develop a mechanism to adjust sustainable diversion limits automatically in response to efficiencies gained by environmental works and measures.

Essentially, that is what the bill before the House today does. That was unanimously supported by the committee members—National, Labor, Liberal and Independent. There was quite a lot of work done on that recommendation, amongst other recommendations made in the second inquiry.

When the bill was introduced into the parliament, it was referred back to the committee—and there has been criticism from some of those parochial members here today, saying that the committee had some sort of secret meeting on this. It was our own recommendation that there be an automatic adjustment. It has been backed by the states. It has been backed by the Murray-Darling Basin Ministerial Council. It has been backed by almost everybody within the system who understands the system. And it was backed by the integrity of the original inquiry, in the sense that the communities were saying they wanted the capacity, valley by valley, to make recommendations and make adjustments where they see fit. If, for every gigalitre of water that had to be adjusted, a proposal had to come before the parliament and be debated in both houses, it would be an absolute farce, with the sort of nonsense we have heard today and at other times on this particular issue.

So the members of the committee who put in a dissenting report are dissenting from their own recommendation. I cannot think of a reason why they would do that, because they heard the evidence from the people we spoke to during the inquiry that there needed to be some sort of automatic adjustment, within limits—plus or minus five per cent of the SDLs—so that we did not have to have a political debate for every megalitre of water that could be saved through environmental works and measures.

Now, let us go to the heart of that. What did the basin communities actually want at the start of this process? What did the regional Australia committee go out and talk to people about? What are the government and the authority doing about some of these things? Let us go to some of those issues. I think the committee should take some degree of credit, despite those who spoke against their own recommendations today, who should have a good look at some of the things that have occurred as a result of their recommendations. There was a recommendation to the authority and the government saying that people within the community were opposed to the Swiss cheese effect, where irrigation entitlements were being purchased under the government's buyback policy. The government agreed, in an earlier report back to the parliament, that non-strategic buyback would cease. I believe that will be part of the plan; if it is not, I will have great difficulty voting for it. It is what the community said: 'We don't want non-strategic buyback; we don't want Swiss cheese.'

When the government took that out, on the recommendation of an earlier report of our committee, most of the phone calls I received were from people saying, 'You have
taken away our right to sell to the government; we want to be able to sell to the government. Very few people rang up and congratulated us, even though that is what the communities—and the coalition members—had been saying. They had been telling us: 'Buyback is not the way to go. Environmental works and measures, investment in infrastructure and strategic investment in on-farm efficiencies are the way to go.' This piece of legislation deals with a number of those things.

As the committee travelled around, what did the communities tell us they wanted? They did want environmental works and measures. One of the things they kept saying was, 'Why do the farmers have to accept most of the give in this?' In fact, that is not true, but it is still being peddled out there. No one forces anyone to do anything here. There is a water market. If people want to sell their water, they can. They have been able to do that for quite some time. They can sell it out of their community, downstream, or sell it within their community. That has been available for quite some time.

But some within the communities were saying, 'Why should it be the farmers who have to bear the brunt?' They were demanding, 'Why shouldn't the environment bear some of the brunt?' I agree with them. If you can efficiently—and we made certain recommendations along those lines—deliver environmental water to environmental icon sites for less than the original draft indicated, why would you not have a good hard look at that? That is what people were asking for—for those on-farm efficiencies to be funded by the taxpayer.

What else did the communities we spoke to ask for? Rather than buyback, they wanted on-farm efficiencies—investment in infrastructure on-farm to get efficiencies. For instance, if a hundred megalitres of water was your entitlement and you were able, through investment in infrastructure or through other on-farm efficiencies, to obtain the same outcome with 70 megalitres of water, 30 per cent could be returned to the system. That is what people were asking for—for those on-farm efficiencies to be funded by the taxpayer.

The other thing they wanted—and we have discussed this here today—was for the Environmental Water Holder, who is going to hold all this environmental water, to be able to trade back into the productive market. Hopefully that will be part of the plan. I think, objectively, that it is something we should all lobby for. When there is a surplus of environmental water, there should be the capacity to temporarily trade some of that water back into the productive system. That is what the farmers and others were asking for.

They also asked for a rules review. That is going to happen—a review of the way the river is run and of various other monitoring systems. Another thing they wanted was for taxation issues to be addressed—the treatment of investment in irrigation efficiencies et cetera. That has been done, to the credit of the government. The parliament has actually passed some legislation on that. They also asked for strategic buybacks to be
considered where possible. We heard the member for Riverina rambling on a moment ago, playing to his crowd. He has been the one proposing an area on the Murrumbidgee from which a vast number of gigalitres of water may be able to be returned to the system. He has been advocating that. If he does not believe that, as his ramblings today seem to indicate—"Any work or measure or efficiency or buyback in a strategic sense is nonsense and should be opposed"—perhaps he should go out and say that to his constituents.

I will briefly address the issue of the announcement the other day about the 450 gigalitres. I know there are a lot of people on both sides interested in the politics. Regrettably, I think I can see a South Australia versus the rest dimension developing. But I suggest that people should take the time to examine the real numbers in the documents out there. The target number at the moment is 2,750 gigalitres. This legislation allows for a five per cent increase or decrease in the total sustainable diversion limit, which is 10,000 gigalitres. So five per cent of that is 500 gigalitres—and that is where the 450 announced the other day fits in.

I will run through some numbers and hopefully people can understand. Most people can't—probably because it is me doing the explaining. You start with 2,750 gigalitres, which is the number everybody seems to have in their head. There are suggestions by the basin states—which I think will end up in the plan—that, through environmental works and measures and more efficient delivery of environmental water than was proposed in the original guide, you can save 650 gigalitres of water. That reduces the 2,750 back to 2,100. As of today, there have been something like 1,300 gigalitres returned to the system through strategic and non-strategic buybacks. If you deduct the 1,300 from the 2,100 you have after the environmental works and measures—which this bill deals with—it comes out at 800 gigalitres. Anybody listening to the debate today would think that 3,200 gigalitres of water is to be stolen—taken away from someone out there.

Let's go to the other side of the equation. You have 2,750 as the goal. The Prime Minister announced the other day that 450 gigalitres of water is going to be returned to the system. How is that going to get returned to the system? It is not going to be returned to the system for a long time, if ever. It is going to be funded via some sort of credit card arrangement, if ever. It is also a voluntary system. There would be some sort of government fund to support investments in on-farm efficiencies.

If farmers do not want to be part of an on-farm efficiency program, they do not have to participate; there is nothing mandatory about the government's system. So a scenario could develop where the 450 gigalitres and up, which was designed to placate the South Australians, in fact turned out to be nonsense. If no farmer takes the government's system on board, it is nonsense, and that would mean that the real figures would be the original figures I was talking about: the 27 gigalitres less the 650 gigalitres and environmental works and measures—which is a more efficient way of delivering water to the environment in certain circumstances, such as the icon sites—less the 1,300 gigalitres that has already been obtained. That would leave 800 gigalitres to be obtained over the next eight years. If you add a few things, such as the Nami Caira proposal, which could be 100 gigalitres, and the Menindee proposal, which could be 100 to 200 gigalitres, it is not hard to get to a position of balance. But the suggestion that the 3,200 gigalitres is going to come out of the system is nonsense. The...
efficiencies on both sides of the equation rework the numbers internally.

Plenty of people out there will argue the case, but I would like to see them analyse the numbers and be critical while looking at the numbers, not the rhetoric. (Time expired)

Mrs Mirabella (Indi) (17:46): I rise to oppose the Water Amendment (Long-term Average Sustainable Diversion Limit Adjustment) Bill 2012. I will cut to the chase here and be blunt—this bill is nothing more than an outsourcing of ministerial and parliamentary responsibility to bureaucrats in Canberra. If passed, the bill would effectively allow the Murray-Darling Basin Authority to adjust the amount of water being taken out of the basin by up to 700 gigalitres either up or down, and it could be done without approval by the minister, the cabinet or the parliament. Consider this for a moment. Should the bill pass, the Murray-Darling Basin Authority could adjust the sustainable diversion limit from the current target of 2,750 gigalitres to 3,450 gigalitres without any parliamentary or ministerial oversight. To put that into perspective: 700 gigalitres is more water than South Australia currently extracts, and to allow such a massive and potentially devastating adjustment to occur without any parliamentary or ministerial oversight would be completely irresponsible.

The Murray-Darling Basin is contentious policy, and I think that all of us in this place can acknowledge that—especially those of us who represent basin electorates. Indeed, in my electorate of Indi, which is the largest single contributor of water to the entire basin with about 40 person of total inflows generated in north-east Victoria alone, I appreciate how critical policy on the Murray-Darling Basin is and how critical it is to ensure that ministers are responsible for decisions and that they do not hide behind the bureaucracy. As elected representatives we have a responsibility to make sure that we do get policy on the basin right, because, if we do not, it will have an enormous and potentially devastating impact on irrigation and farming communities throughout the entire Murray-Darling Basin. We are the ones who should bear the ultimate responsibility for the basin plan, not unelected public servants in Canberra, as well-qualified and well-meaning as they are. We are elected to make decisions and to take responsibility for important policy which affects the nation, and there is arguably no more important policy affecting our long-term sustainability in agriculture, population and industry than water policy. This bill is an abrogation of basic responsibility, and the minister should be ashamed to be hiding behind the bureaucracy in this way through this bill. I am not suggesting that the MDBA is not qualified to make recommendations and provide advice to the minister and the parliament; but providing advice is a long way from making a final decision that would impact the lives of thousands of people across the country.

The MDBA will be given the right to bypass not just the minister but also the parliament, because under this bill the MDBA's adjustments would not be disallowable. This would mean that elected members would not even be given the opportunity to vote on adjustments. In the Westminster system under which we operate, there is an great emphasis placed on ministerial responsibility. Although over the last five years we have seen an extraordinary and unprecedented erosion of the application of the principle of ministerial responsibility, I think that we should nonetheless aspire to ensure that the principle of ministerial responsibility does remain a very real and very active part of our parliamentary system. Governments should not be able to make
decisions which impact people's lives without having to face those people and without having to answer for their decisions. This bill flies in the face of that fundamental principle—the principle of ministerial responsibility—of the Westminster system of parliamentary democracy.

The bill comes in the wake of the Prime Minister's announcement last week of an additional 450 gigalitres of environmental water to be returned to the basin, apparently through an additional $1.7 billion worth of investment in water savings infrastructure. On the face of it, this sounds like reasonably positive news. But it is important that some points be noted. This announcement does need to be examined, the facts do need to be looked at and questions do need to be asked. Is it not curious that, during Senate estimates just a couple of weeks ago, the departmental officials made it quite clear that you would need between one-and-a-half and two times as much investment in infrastructure to achieve the sorts of cuts which have been announced? Many in the basin are asking the question: does the minister plan on announcing a whole new round of water buybacks to achieve that increased target? If you look carefully at the announcement you see that the door seems to have been left open for additional buybacks but that, in typical form, the government has not provided any detail.

Of course, questions are being asked. What are the considerations for land users upstream? My electorate sits at the mouth of the Hume weir at the top of the Murray River. What will the ramifications be for prime land around the upper reaches of the Murray? Can they expect to be flooded year round? A constituent of mine in the upper Murray recently brought to my attention that she has been paying around $14,000 a year for a grazing licence that she could not even use because the land has been flooded for the last two years. Can farmers and graziers in my electorate and other electorates expect more of this as a result of these announcements? These are valid questions to which reasonable people would like some answers.

This government has fumbled and fiddled with the Murray-Darling Basin Plan for almost five years now and in doing so—I can tell you—has crushed confidence in the agricultural sector. Now it is trying to pass a bill that will allow it to hide behind the basin authority and avoid scrutiny at every turn. This bill should be opposed, and the minister should have the courage to face up to people whose very livelihoods are in his hands.

Mr BRIGGS (Mayo) (17:53): I rise to speak also on the bill before the House, the Water Amendment (Long-term Average Sustainable Diversion Limit Adjustment) Bill 2012, in relation to Murray-Darling Basin reform. I agree in part with what the member for Indi has just contributed in the debate—that is, the point the member for Indi made that reform in this area is complicated, very difficult and extremely contentious. It varies from irrigation district to irrigation district, not so much state by state, as some would like to simplistically argue. This is not a New South Wales versus South Australia or a Victoria versus New South Wales or a New South Wales and Victoria and South Australia versus Queensland issue; it is an issue which relates to district. Ultimately, if you understand at all how the Murray-Darling Basin works, only parts of it are connected with others in a serious way, and therefore those downstream of other irrigation districts always think that they are worse off because of those other irrigation districts, and usually the irrigation district upstream thinks that it should not have to reform at all—and that is very much the case when it comes to this debate.
It is important, I think, that we understand some history and put aside, as much as possible, some of the politics for which this issue has been used for so long now, including today in question time. Water and water reform in the Murray-Darling Basin were an issue which was a Federation debate. The South Australian contingent at the Federation debates argued that the management of water resources should be a matter for the Constitution handled by the federal parliament. They lost to the Victorians and New South Welshmen, who argued that it would be all okay if the states managed it. Following at least two royal commissions into the Murray-Darling Basin in the early part of last century and the establishment of barrages in the Lower Lakes in my electorate, this issue continued to get worse and worse as more and more irrigated land and irrigation settlements were built in the Murray-Darling Basin. Of course, a lot of that irrigation land and those irrigation settlements occurred post World War I and World War II, including that of my own family, who were on an irrigated soldier settlement property out of Red Cliffs, in Victoria in the Sunraysia district, following World War I.

In those times when governments were expanding and increasing the amount of irrigated product, in part because of the logistic connections of the river itself, with riverboat trade and then rail, we obviously did not think through the consequences of not managing how much water would or would not be taken out in good and bad years. As time went on, our understanding of the system got better and better and we understood increasingly that separate irrigation districts were struggling through separate environmental challenges, although it has to be said that there was, sadly, in the late seventies and early eighties—even though some of this understanding had begun to be realised—a spike in the irrigation licences that were issued by state governments. But no state government—not the government of my state of South Australia, not the Victorian government, not the New South Wales government and not the Queensland government—can say that they have clean hands when it comes to their management regime. They do not. This system has never been managed all that well, despite what some people would have you believe.

This issue has challenged us for 120 years. The Murray-Darling Basin is a vital part of our country. It grows much food and fibre in all of the states. It is not just somewhere that we grow food and fibre in New South Wales or Victoria; much of South Australia’s agricultural product is produced in the Murray-Darling Basin in the Riverland and around my parts of the country. The member for Barker argues this point also. People too often allege that people in South Australia are interested only in reform to the Murray-Darling Basin because of so-called greenie interest, as I heard earlier in the debate. Nothing could be further from the truth. I am very happy to take members down to meet dairy farmers, wine producers and beef cattle farm operators, and they can tell you what it was like for six years without any water allocation at all—to have a licence with no value to it at all when you could not access the water. Not everyone in this debate is all that honest about the motives that necessarily drive why people are interested in this reform.

It is absolutely necessary reform. In 2004, John Howard as Prime Minister saw the need for it to be reformed. That is why he, being the first Prime Minister to seriously address the Murray-Darling Basin—the first Prime Minister, frankly, to be seriously interested in the issues relating to it—took the first step and introduced the Living Murray initiative,
which brought back some gigalitres of water to the system between 2004 and 2006. Of course, in that period there was also an enormous drought. For the first time, the system went into the drought under stress, and therefore the stress was exaggerated enormously by a very sustained and difficult drought.

In mid-2006—and the member for Wentworth has recalled this story to me on numerous occasions—in a very frank meeting with the then South Australian Premier, our water minister made the important point that within months South Australia could be without water. Adelaide could be without water. The Murray had stopped flowing. It was a series of cut-up dams. That does not just affect South Australians; it affects people in Mildura, Deniliquin—you name it. When a system stops running, that is not healthy. Of course, it was in the worst of the drought, but the problem was the policy had made it harder for the system to adapt to that drought. If people do not recognise that, they are truly putting a blindfold on to the issues.

So in 2007, recognising just how serious this was, John Howard and the member for Wentworth, as the minister for the environment and water, made a groundbreaking announcement on Australia Day. It was criticised by some for its reach, for its takeover of what was traditionally a state managed system, but it was absolutely necessary. This system had proven the Federation incapable of managing itself, largely because irrigator districts could not come to an arrangement which ensured that the management of the system was done properly. So the national water plan was announced, a $10 billion 10-point plan which was to ensure that water was recovered, to ensure that a national independent authority was put in place to make decisions outside the realm of politics.

Unfortunately, politics have failed this debate for too long and it remains the case. It is sad that 5½ years on from that initial plan we are still here debating this in this place without yet seeing a finalised plan. The minister for the environment continues to fail to deliver upon it. It was January 2007 when John Howard first announced this. It was during the parliamentary sittings in 2007 that the member for Wentworth, as the minister for the environment, delivered this reform and since that time the Labor Party in government have failed to deliver on it.

It also has to be said, contrary to the grandstanding of the minister today and of the Prime Minister last Friday, that it was the Labor Party—Premier Steve Bracks and Premier John Brumby—who stood in the way of a national agreement in 2007 that would have hastened this reform. In the middle of the drought, when it was absolutely vital and essential, they stopped it for very blatant political reasons. They did not want to give John Howard a victory in the lead-up to the 2007 election. That is the reason that they stood in the way of it being agreed to in that year. Now we have the minister for the environment and the Prime Minister grandstanding to South Australians, saying that somehow they are the great saviours, even though it was never Labor's idea to have a national takeover of this system, to have a national independent authority. When it was proposed by John Howard and the then minister for the environment, Malcolm Turnbull, they opposed it every step of the way. They used John Brumby and Steve Bracks to oppose it every step of the way.

People should remember the history on this. It is this side of the House that has been committed to reform for a very long time, because we know that, to ensure that we can continue to be the food bowl of Australia, we need to have a sustainable and managed
system that does not enter droughts in a distressed state. We need enough water to ensure that the environmental assets that Australians hold dear remain healthy and that communities are sustainable. That has been our position for a long time. We say the best way to deliver that is to have an independent authority.

I agree with the member for Indi in that the minister should not be giving over all his ability and authority in this respect, as this bill proposes. That is why we have foreshadowed an amendment, and I understand the minister is considering that amendment. I think it would be a wise move if the minister accepted that amendment to ensure that what are not unreasonable proposals in this bill are agreed to.

I am still absolutely and utterly committed to reform of the Murray-Darling Basin. I was when I ran for parliament in September 2008. I grew up on the Murray-Darling Basin. I spent many of my school holidays swimming in the Murray River. I spent many of my school projects testing salinity in the Murray-Darling Basin. I understand and I have for a very long time that this system needs to be fixed. We have understood for a very long time that this system needs to be fixed. It was the coalition who first proposed that this system be fixed by a truly national independent authority making the decisions outside of politics, taking the ongoing battles between irrigator districts away and making decisions in the best interests of the nation. We remain committed to that process.

I will quote from the coalition's election policy from before the last election. The third point of the 10 point plan is:

3. Proceed with the implementation of the Basin Plan without delay

The Labor Party has taken too long to implement what was a sound plan in January 2007. It opposed it in 2007 for political reasons and since it was elected to government it has taken too long to implement the necessary reforms. We should not still be debating this bill today. We should be implementing the plan to get the management of this system right. I make this very clear in the parliament tonight: I remain and will remain committed to reform of the Murray-Darling Basin. This is the commitment that we as a coalition made at the last election:

The Coalition wants proper consultation on the draft Basin Plan, according to the principles outlined in The Water Act 2007. We want full and transparent discussion of its consequences. We want to bring the communities of the basin with us on the journey of reform. We will implement a plan. It is important and necessary that we do so, because if we do not we will go back to the old ways of managing this system, which have failed our country, which have failed irrigator districts along the system and which have failed my communities utterly and absolutely over the years—just as the politics of this issue continues to fail us today. We need to remove as much as we possibly can of the ongoing, insidious battle between different states, different irrigation districts and different vested interests and come to a conclusion finally that this system is far too important for us to continue to argue over in order to score base political points.

I thought it was shameful for the Prime Minister and the Minister for the Environment to try to play base politics last week after failing the system for the last five years, but that sums up where this Prime Minister and her credibility are at. It is now time for us to put in place this reform. I urge the minister to come to a conclusion on the Basin Plan. I urge him to table it in this parliament and to get it in place so that we can take the steps necessary to have a finalised Basin Plan and a finalised national
authority managing this system and so that we do not again have to have this debate, which is occurring for no purpose other than base political purposes.

Mr COULTON (Parkes—The Nationals Chief Whip) (18:08): I rise tonight to speak on the Water Amendment (Long-term Average Sustainable Diversion Limit Adjustment) Bill 2012. This bill seeks to amend the Water Act to allow for an adjustment mechanism, as agreed by the basin states and the Commonwealth. I come into this place as a member who represents 24 per cent of the Murray-Darling Basin. I represent the communities in the rivers, from the border rivers—the Macintyre, Barwon and Darling—right down to the Lachlan. I dare say that what we decide in this place about the management of the Murray-Darling Basin will affect my constituents as much, if not more, than anyone else.

We have heard a lot of speeches in this place about the Murray-Darling Basin and the plan, and unfortunately many of them—maybe with the best of intentions and great ideals—are based on emotion and not a lot of understanding of fact. The fact of the matter is that all the rivers in my electorate are ephemeral streams. That means that traditionally they flood and then they go dry. It was only the advent of the post-war dams—the last one was completed, I think, in the 1980s—that has given us some degree of ability to manage that water. All but two of the rivers in my electorate are terminal streams. That means that they do not flow through to the Darling River. They are the Gwydir, the Macquarie and the Lachlan Rivers, and they all flow into wetlands. The Lachlan River flowed through this year for the first time in 100 years, but the Gwydir and Macquarie flow through much less frequently than that—it probably happens every five or seven years for the Gwydir and, for the Macquarie, every three or four years.

The idea is not correct that the Murray-Darling Basin is an interconnected piece of plumbing where you put water in one end and it ultimately comes out the other. As we battle our way through to finding a solution—and I do agree with the other speakers that we are in need of a solution that we can agree on—I am concerned that the actions which are proposed actually deliver what they are supposed to. There has to be an understanding that water removed from the system in one of the northern rivers in my electorate will not necessarily make it through the system. Indeed, I think the figures are that, for one megalitre to reach the Murray River from Bourke, 17 megalitres would have to be purchased. That is a huge amount of loss. This bill basically gives the basin authority the ability to adjust the sustainable limit by five per cent—that is, roughly 700 gigs. The proposal is that the minister must take note of the authority's recommendation and that that must come into effect.

My concern is that we do not know what the makeup of the authority will be into the future—whether we will end up with people with set agendas one way or the other—and that maybe their decision will not be acceptable throughout the river. Another thing is that the Prime Minister made an announcement last week about an extra 450 gigs to be added into the system through works and measures, and the Murray-Darling Basin Authority have been negotiating and working with communities and stakeholders for a couple of years now and got to a point where 2,850 gigs would be seen as acceptable; but already that decision of the authority has not been adhered to. So the idea that the authority can be all-powerful is probably false. I understand that amendments have been discussed which would give some authority back to the minister and provide an instrument that may
allow this parliament to have some input—and ultimately that may be the way to go.

The other thing that concerns me is that a lot of the communities, irrigators and farmers in my electorate have got reform fatigue. This is not something that has been going on for just a couple of years; the Namoi Valley and the Macquarie Valley have been undertaking reforms now for 20 years. I have seen four individual plans for the lower Macquarie Valley. There are a couple of things that are concerning my constituents. On several occasions they have gone through negotiations—they have actually handed back water—and all parties have reached a position on a sustainable level of extraction. They wore a lot of personal pain, with no compensation at that particular time, and then they find that there is another round and another round.

Ultimately my concern with the process we are going through now is: if we sign up and get to a plan that is acceptable for the whole length of the river, what is to stop another group from saying in three or four years time that they want more water? We have got to the point where we are in a Dutch auction: politicians can show their credentials as caring for the environment or caring for certain sections of the river by declaring a certain amount of water extraction as being suitable for the environment. But does anyone know what that means? Does anyone know what 1200, 2,800 or 3,200 gigs looks like? At the moment, 1,300 or 1,500 gigs is already out of the system—it has already been purchased and is sitting around in dams now and being used—and, frankly, no-one quite knows what to do with it. Back in June and July we saw environmental flows going down to the Gwydir wetlands, which were already full and saturated to capacity. That water was spilling out and flooding thousands of hectares of cash crops—in particular, wheat and chickpeas. Does anyone know that the Macquarie River at Warren is at only about one-quarter or one-third of the capacity of that same river at Dubbo and that there is a real constraint on delivering water through to the marshes because, at a certain level, the river spills out across private property and farmland?

The states have been asked by the Commonwealth to come up with an environmental watering plan, but at this stage we have not seen one. While I think there is a desire to get this process cleaned up so that we can move on, that should not be an excuse not to do it properly. It should not be an excuse to come to a decision because 'Oh God, we've had enough of this debate and we need to move on'. That should not be enough of an excuse to come up with a plan if we do not know all the facts and figures. If you go to the bank to borrow dollars to do something in your business, you have to put in a budget to explain where those dollars are going to be used, what income they will generate, what your costs are—a full budget of how you are going to use that money. And water is no different. If an environmental asset or an irrigation farm, or whatever, wants to purchase a certain amount of water, we actually need to know what the budget for that water is—how much of it is going to the environment and how much of it is going to be used to transport that water down to that asset. And we have not got a clear environmental watering plan at this stage.

There are lots of things we can look at in this process. This plan was conceived in the middle of the worst drought in over 100 years. What I have said constantly over the last couple of years is that, with 10 years of drought and then two years of floods, we have seen that man is not the major player in the Murray-Darling Basin; man is a bit player in the Murray-Darling Basin. In the
floods, witnessing them as I did, the floodwater went where it has gone for the last 1,000 years—and all the man-made infrastructure had very little impact. Likewise in the drought, when the rain stopped, all the dams in my electorate stopped running. While some people might have a concept of the river being low and there being not much water about, I can tell you that the lower Lachlan was completely dry. The farmers in my electorate had zero allocation for several years during that time. So we understand that nature is still the major player.

My ultimate concern, without casting aspersions either way as to where we will end up, is that we will end up with a plan that will have a marginal effect on the environment but a major effect on the communities. A couple of years ago, at the end of the drought, we saw that the environment of the river is far more robust than the economic environment of the towns that live upon it. While the river bounced back to full health very quickly, the communities along those rivers are still struggling to catch up—and some of them may never get back to the position they were in before the drought.

I do believe that we need to come up with a plan that is acceptable, but we do need to stick to the facts. We do not need to pander to different groups to give them something they think they want but that they do not understand the consequences of. We need to have a plan that is based on the facts. We need to have a plan that understands the complexity of this system. And so that is where we need to go. But, on the bill in front of us, I think if we are going to have this mechanism for five per cent adjustment up and down, at least the Australian parliament need to have some input into that final decision, and we do not need to leave it in the hands of an unelected group of semibureaucrats.

Debate adjourned.

Leave granted for second reading debate to resume at a later hour this day.

BUSINESS

Rearrangement

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (18:23): by leave—I move:

That the time and arrangements for the sitting tomorrow, Tuesday, 30 October 2012, be as follows:

(1) The House, at its rising, adjourn until tomorrow at 11 a.m.;
(2) during the period from 11 a.m. until 2 p.m. any division on a question called for in the House, other than on a motion moved by a Minister during this period, shall stand deferred until the conclusion of the discussion of a matter of public importance;
(3) during the period from 11 a.m. until 2 p.m. if any member draws the attention of the Speaker to the state of the House, the Speaker shall announce that she will count the House at the conclusion of the discussion of a matter of public importance, if the Member then so desires; and
(4) any variation to this arrangement to be made only by a motion moved by a Minister.

Speaking briefly to the resolution, it has the support of both sides of the chamber. It is just in order to improve the productivity of the chamber and to avoid potential late-night sittings. This is the penultimate sitting week of the House of Representatives. I am sure that people are pretty keen to leave here on Thursday afternoon at 5 pm. We are attempting to do that in a cooperative manner. We will have discussions with the opposition about what bills are listed tomorrow during this period. But in any case if they are bills that require votes to be held we will ensure, by adjourning the debate, that votes are not held until later tomorrow.
afternoon. I thank the opposition for their cooperation.

Question agreed to.

BILLS

Law Enforcement Integrity Legislation Amendment Bill 2012

Report from Federation Chamber

Bill returned from Federation Chamber without amendment; certified copy of bill presented.

Ordered that this bill be considered immediately.

Bill agreed to.

Third Reading

Mr GRAY (Brand—Special Minister of State and Minister for the Public Service and Integrity) (18:26): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Corporations Legislation Amendment (Derivative Transactions) Bill 2012

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr HOCKEY (North Sydney) (18:27): The Corporations Legislation Amendment (Derivative Transactions) Bill 2012 has been brought before the House to provide a legislative framework to meet Australia's G20 obligations in relation to over-the-counter derivatives reforms. The bill amends five existing pieces of legislation: the Australian Prudential Regulation Authority Act 1998; the Australian Securities and Investments Commission Act 2001, which I introduced; the Corporations Act 2001, which I introduced; the Mutual Assistance in Business Regulation Act 1992; and the Reserve Bank Act 1959, which was introduced by the coalition.

As background to this legislation, I want to briefly run through the different types of markets in derivative products. Derivatives are financial contracts whose value is linked to the price of an underlying asset or financial transaction, or to the occurrence or magnitude of an event based on an underlying asset or financial transaction. These financial products are known as derivatives, for the very simple reason that the price of the contract is derived from the price of something else. Derivatives are traded in two kinds of markets: formalised markets and over-the-counter markets. Derivatives traded on exchanges are homogenous products with specified clearing and settlement arrangements and, usually, high trading volumes. In fact, back in my days when I was at university I used to trade the SPI contract, the share price index contract, which was a derivative. In Australia, exchange traded derivative products, such as future contracts on bank bills or Commonwealth securities, are traded on the Australian Securities Exchange.

Most derivative exchanges have adopted electronic trading platforms that automatically match bids and offers from market participants to execute trades. Volumes and prices are transparent. Over-the-counter markets have different mechanisms for trading, settling and clearing transactions in derivative products. They are used for less standardised or bespoke instruments.

Over-the-counter markets are organised along several different lines. The first is what is called a traditional dealer market, where quotes and negotiation of execution prices are generally conducted over the telephone. The second is an electronically brokered market, which automatically matches bids and offers to execute trades. The third is a proprietary trading platform market, where derivative dealers set up their own electronic
trading platform. These markets are much less transparent than exchange traded markets in the sense that trading volumes and prices are not readily available outside of the dealing parties. These markets also tend not to use centralised clearing and settlement arrangements.

Rapid growth in over-the-counter derivatives markets over the past decade and longer has been accompanied by an increased awareness of the systemic importance of these markets and of potential risks inherent in market practices. One of the problems is the difficulty in assessing the size of the outstanding exposures in these markets and who is holding the risk. These risks were most starkly demonstrated during the financial crisis when regulators could not quickly assess the size and distribution of the outstanding positions on a range of derivative products linked to US sourced mortgage backed securities. As a result, authorities have been developing a global regulatory agenda to improve the functioning of OTC derivatives markets.

The G20 leaders summit held in September 2009 resolved to address the risks involved in the OTC market. The following extract from the communiqué outlined the improvements to be made:

All standardised OTC derivative contracts should be traded on exchanges or electronic trading platforms, where appropriate, and cleared through central counterparties by end-2012 at the latest. OTC derivative contracts should be reported to trade repositories. Non-centrally cleared contracts should be subject to higher capital requirements. We ask the Financial Stability Board and its relevant members to assess regularly implementation and whether it is sufficient to improve transparency in the derivatives markets, mitigate systemic risk, and protect against market abuse.

As my colleagues here would well be aware, the three key G20 commitments this legislation seeks to focus on are: (1) the reporting of all OTC derivatives to trade repositories, (2) the clearing of all standardised OTC derivatives through central counterparties and (3) the execution of all standardised OTC derivatives on exchanges or electronic trading platforms where appropriate.

This bill implements the following framework. Firstly, the responsible minister will be empowered to prescribe a certain class of derivatives as warranting more formalised arrangements for trading, reporting or clearing. Secondly, a derivatives transaction rule may in turn be issued by ASIC to establish one or more mandatory obligations for reporting, clearing or execution for participants transacting. Thirdly, any rule must receive the consent of the minister before taking effect. The scope of the rules and other technical features of the scheme may be further limited by regulation. Finally, a new licensing regime will be introduced for a new kind of financial infrastructure entity—that is, trade repositories.

I note that the member for Moncrieff is here in the chamber. He is one of the few people in this chamber that would have any understanding of how the OTC derivatives markets work. As someone with a deep—and, some would suggest, liquid—understanding of the OTC derivatives market, I am sure he welcomes greater transparency and greater accountability in this process.

The establishment of the trade framework will not in itself introduce any trade reporting, central clearing or trade execution obligations for the transactions. Rather, the framework creates a mechanism by which such obligations may be implemented by the relevant regulatory authorities and the minister with supporting regulations and
rules. So the rationale behind these changes is that reporting of trades will increase transparency to OTC derivatives markets and will improve risk management practices and that it will provide regulators and market participants with access to valuable data with which to assess the risks associated with the OTC market. It is further argued that the clearing of standardised OTC derivatives will reduce counterparty risk associated with the transactions.

Submissions to Treasury's inquiry into the framework for this bill show that it was generally well received by the banking sector. Major banks, including ANZ Global Markets, CBA Markets, Macquarie Bank, NAB and Westpac said:

In general, we are broadly supportive of the approach taken in the Consultation Paper and believe the course proposed will assist in meeting the G20 commitments. We have in subsequent pages provided responses to the questions asked. In approaching these questions the key themes remain ensuring the Australian framework is as consistent as possible with other international regulatory regimes, that requirements on the Australian market should not disadvantage or dislocate a functioning market.

Amen, I say: amen. The threat is that regulation or overregulation is going to sap the liquidity of the market, and electricity and energy providers have expressed some concerns. This was the primary focus of the coalition for the Parliamentary Joint Committee on Corporations and Financial Services inquiry into this bill. Overall, coalition members of the committee inquiry were pleased that the majority report recognised that the electricity sector has a range of legitimate concerns in relation to the new regime. The Australian Energy Regulator offered in response:

The inclusion of electricity derivatives under the scheme would be a contentious issue, with the potential for both significant costs and benefits. The potential benefits include enhanced market transparency and a reduction in counterparty risk; for example, this may reduce the risk of a catastrophic event such as a cascading generator–retailer failure. Conversely, the inclusion of electricity derivatives under the scheme may impose compliance costs.

The AER has not yet reached a definitive view on the merits of this issue, but wishes to note its significance.

The National Generators Forum argued against regulating the market. It pointed to flexibility in current market practice that helps OTC derivatives to officially manage risk in the electricity industry. I understand that. It also observed that contracts in the energy OTC derivatives market differ between regions and are not speculative but are used predominantly as a risk management tool, which is the case with many derivatives—they are actually used as a risk management tool. In this environment, the NGF argued, the electricity OTC derivatives market does not have the economies of scale necessary to recoup costs of central clearing and trade execution. I would suggest it is not a particularly liquid market. The NGF argued that there was no reason to support the prescribing of trade reporting, central clearing or trade execution of electricity derivatives.

TRUenergy was also wary of the proposals, arguing:

We believe that policy makers should apply a detailed cost benefit analysis before enacting any of these changes to the OTC electricity trading market. The implementation of this policy framework, without demonstrated net benefits, would represent a poor policy outcome.

Whilst recognising these concerns, the coalition recognises that this new regime will increase transparency of OTC derivative markets and improve risk management practices. We are pleased that government members of the PJC inquiry into this bill recognised the real concerns of the electricity
sector and adopted at least part of the Electricity Supply Association of Australia's proposed approach, which recommended a requirement that, for matters related to the energy sector, the Minister for Resources and Energy be consulted prior to the making of regulations, the mandating of derivatives or consenting to an ASIC rule. In this parliament, we are asked to trust the judgement there of the member for Batman, which I am quite prepared to do in his case, and obviously that would influence the Minister for Financial Services and Superannuation, who does need guidance on these sorts of issues—no doubt about it.

Today we have learned that the government will be moving an amendment to the bill before the House which seeks to address the concerns raised by the coalition, which were highlighted in the PJC inquiry. It will come as no surprise to you, Mr Deputy Speaker Lyons, that the coalition has offered a sensible amendment. Common sense prevails from time to time—just from time to time with this government—and on this occasion it has, and I say amen. This amendment seek to put in place measures which are a step towards ensuring that all the issues of the energy sector will be properly considered prior to the imposition of new obligations in relation to quantity based derivatives.

The coalition will support the bill and the government's amendment. The bill is a step forward in meeting our G20 obligations regarding the transparency of over-the-counter derivative markets. In our view, the bill does not impose onerous regulation and it should not lead to a massive amount of further regulation—and, if the government is not vigilant, we will be. Rather, the bill grants powers to the respective regulatory bodies to examine over-the-counter markets and to recommend actions to the minister to increase the transparency of market mechanisms should they deem that to be necessary to enhance the integrity and safety of the markets, in particular, and of the financial system more broadly. However, I issue this warning to ASIC and indeed to anyone else who might be involved. You cannot use this as a Trojan Horse for a vast amount of new regulation.

It is one of my enduring political regrets that, when I introduced the Financial Services Reform Act, I was not there to oversee the implementation of the vast amount of regulation, which was excessive and prescriptive, coming out of ASIC, in particular, at the time. I warn that we will be vigilant in relation to this area so that there is not the temptation for regulators and public servants, for ministers and parliamentary secretaries, to regulate away the liquidity of an important market. I do not want to see that. The coalition does not want to see that.

A market is a market. It should be transparent. It should also be liquid. The rule of law must prevail but we should not be in a position where we are constantly pushing against overregulation of markets to such an extent that effectively the lack of liquidity makes the market unattractive, and therefore what is a very important market, the OTC derivatives market, is of such an illiquid nature that people are tempted to carry out transactions overseas in a different jurisdiction, where there is the light hand of regulation but still a reasonable level of transparency and accountability in the marketplace. So please—it starts as a plea to ASIC, APRA and all other regulators that are involved—do not regulate away these important markets with overly prescriptive rules and regulations.

Ms O'NEILL (Robertson) (18:43): I note the very lovely manners there of the member for North Sydney, with his pleading request for a determination of ASIC and APRA to
make sure they do not overregulate. Perhaps it is very timely at this point that I identify to the House that this matter is arising because there was a failure in regulation that was so profound that it led to the collapse now known as the GFC. So this delicate balance between careful regulation and overregulation is a midway point that we must seek with great endeavour to ensure the integrity of the market and people's trust in the market.

Following the collapse of the subprime mortgage market in the United States in August 2007, the IMF reported that the world economy was entering a major downturn. The GFC, which followed, prompted calls for financial regulators to seriously look at and review the sort of framework that existed at the time and which underpinned both domestic and global economies. We know that one of the main causes of the GFC was the rapid growth of a highly unregulated derivatives market.

In that context that this legislation comes, as our national response to a request from an international body, to make sure that we pull our weight in terms of cleaning up that unregulated space. The International Organisation of Securities Commissions noted that the GFC was a moment that highlighted a severe lack of transparency in the over-the-counter derivatives market. Improving this lack of transparency has been the focus of OTC derivative reforms since that time.

In response to the GFC, the G20—an extremely important gathering that happens on an irregular basis, but ensures that we have conversations at the highest level, through advanced economies, to make sure that we maintain probity—noted the potential for trade repositories to reduce the opacity of the over-the-counter derivatives market. In 2009 the G20 agreed to progress measures to strengthen the international financial regulatory system. The measures they included were intended to increase the transparency, to reduce the risk attached to the OTC derivatives market.

The G20 continues to agitate in this space, to reaffirm and refine its commitment to its over-the-counter market reforms and it has encouraged all countries in the G20 grouping to put in place the very much required legislation and subsequent regulation that will enable each country or group of countries to meet the G20 commitment to central clearing. This has been a commitment that Australia has undertaken, and with determination to fulfil our international obligations, and we have indeed begun the journey. This piece of legislation is a very good example of how we are attempting to honour that commitment.

As a G20 member Australia is absolutely committed to implementing the derivative market reforms and since the G20 announcement in 2009 Australia's implementation has been under consideration by Australian regulators. The Council of Financial Regulators issued its final report in March 2012 and recommended that Australia do three things. The first was trade repositories. The council recommended that the introduction of a legislative framework would enable the imposition of mandatory reporting requirements for certain projects. The council also recommended reporting entities be authorised to report to offshore trade repositories, provided that certain conditions were met. Conditions would include that Australian regulators should access relevant data collected by offshore trade repositories, provided that certain conditions were met. Conditions would include that Australian regulators should access relevant data collected by offshore trade repositories, provided that certain conditions were met. Conditions would include that Australian regulators should access relevant data collected by offshore trade repositories, provided that certain conditions were met. Conditions would include that Australian regulators should access relevant data collected by offshore trade repositories, provided that certain conditions were met. Conditions would include that Australian regulators should...
significant in the debate and I will put forward some of the views regarding the electricity sector, which was the focus of our inquiry in the recent PJC inquiry held in Sydney.

On clearing arrangements, the Council of Financial Regulators noted that moving to central clearing is a significant change for current market participants and signalled their preference for the transition to CCP to be driven by economic factors rather than mandatory requirements. To ensure the transition occurred within an appropriate time frame the council concluded that it was appropriate there be a capacity to mandate central clearing, if necessary. The council concluded that not all OTC derivatives would be centrally cleared but transactions should be robustly risk managed. That was their assessment and certainly that is where we are moving with this legislation. On trade execution, the council recommended that primary legislation allow for rules regarding trade execution to be developed through subordinate legislation. In essence, the legislation that is before the House meets all of those requirements, both on an international level and on a practical, local level in response to the advice from the Council of Financial Regulators.

In addition to addressing Australia's G20 commitments regarding the reporting of over-the-counter derivatives, the amendments we are putting forward also provide a high degree of flexibility to facilitate the adjustment of Australia's over-the-counter derivative requirements in response to the international regulatory developments. The bill will amend the Corporations Act 2001 to implement a legislative framework that would allow the operational detail of the new over-the-counter derivatives scheme to be largely established by subordinate legislation—that is, the bill would not introduce new over-the-counter derivative transactions but would introduce a framework under which obligations may be imposed through subordinate legislation and regulatory rules. This was cause for considerable debate at our hearing in Sydney, when the electricity sector was particularly well represented and people put forward views about their particular industry and how these rules might impact on them.

Schedule 1 of the bill amends the Corporations Act to promote graduated measures, to respond proportionally to managing risk in Australian OTC markets, and delegates the authority for such rule-making powers to the responsible minister and ASIC. As the member for North Sydney said in his closing comments, the committee, the PJC, recommended in particular that, in response to the energy sector, the Minister for Resources and Energy be consulted prior to the making of regulations, the mandating of derivatives or the consent to an ASIC rule. This is critical differentiation and acknowledgement of the particular concerns that were raised by the energy sector during our hearing. I am very pleased that we were responsive to this sector while, at the same time, genuinely honouring, with integrity, our commitment to the G20 reforms.

Another important item in the bill is the restrictions and the requirements that rules may impose. Proposed subsection 901A(8) will effectively prevent derivative transaction rules from applying retrospectively. In the explanatory memorandum of the bill that is made extremely clear—the derivative transaction rules do not impose requirements retrospectively and they are limited in the obligations they can impose prospectively in relation to transactions entered into prior to their creation.
In particular, with regard to the electricity sector, I think it is important to acknowledge the significant input from that sector. I would like to summarise some of the views regarding the provision of this bill and explain the recommendations that have now formed part of the consideration by the government and, I understand, the amendment that is before us today.

Three areas of concern were identified by the participants, firstly, exercise of the delegated power by the minister, secondly, the safeguards to ensure proper exercise of delegated authority and, thirdly, arguments put by the electricity sector that they should be exempted from the over-the-counter regulatory framework. I can say that the submitters generally and genuinely approved of the objectives of the G20 over-the-counter derivatives reforms. One particular submitter, d-cyphaTrade, commended the introduction of the legislation to implement the G20 reforms in the Australian market. The Australian Financial Markets Association, AFMA, submitted that industry supports international regulatory coordination and endorsed the passage of the bill. While they were not particularly supportive of the proposed application of OTC reforms to the national electricity market, representatives of the electricity sector certainly acknowledged that the bill does, indeed, satisfy Australia’s requirements to provide a framework for Australia to fulfil our G20 commitments to improve the operation of the derivatives market. Importantly they put the historical framework in place in the evidence when they said:

... we are subject to a whole range of inquiries at the moment, some of which may lead to further regulations being imposed on the industry and our experience has often been that many such inquiries and many such subsequent regulations have been carried out possibly in response to political issues, rather than sound underlying policy drivers, and that from time to time they have been carried out with limited or insufficient consultation. So we are perhaps predisposed to be very wary of even the possibility of additional regulation on the sector. I would also observe that the matter could be equally well considered in reverse, and that if the government has no plans to regulate the sector there would seem to be little harm to be done by exempting the sector.

and, therefore, vital in creating a level playing field for Australian based businesses.

In terms of the nature of the electricity sector's concerns with the bill, when pressed, we received pretty clear evidence from the National Generators Forum about their concerns. They said:

The nature of the legislation provides the power to the minister to direct ASIC to inquire into the need for regulation of a particular type of derivative and see that as a fairly quick response to result in ASIC concluding that there may be a need for regulation of that particular derivative and see at this stage that legislation being drafted is far broader than the policy it was intended to achieve. So we would like to see that this legislation has minimal effective regulation for the policy principles it is seeking to achieve, without any concern having been raised around electricity derivatives specifically. It would not seem appropriate that legislation covering electricity derivatives would be introduced and passed by parliament.

They were very clear that they had some concern about things moving forward. ESAA also gave a response, when pressed, about the nature of their concern with the bill. Importantly they put the historical framework in place in the evidence when they said:

... we are subject to a whole range of inquiries at the moment, some of which may lead to further regulations being imposed on the industry and our experience has often been that many such inquiries and many such subsequent regulations have been carried out possibly in response to political issues, rather than sound underlying policy drivers, and that from time to time they have been carried out with limited or insufficient consultation. So we are perhaps predisposed to be very wary of even the possibility of additional regulation on the sector. I would also observe that the matter could be equally well considered in reverse, and that if the government has no plans to regulate the sector there would seem to be little harm to be done by exempting the sector.
While those points were put on the record, I need to acknowledge that not all of the submitters shared that view. Certainly it was clear in evidence before the committee that the government does not intend to prescribe the electricity sector as a class of derivatives to which the new OTC derivatives framework would apply. Indeed we made a recommendation, which I am pleased to see the government has taken up, to indicate that any plan to approach the electricity sector would involve the express engagement and deliberation by the relevant minister.

In conclusion, I think that Treasury made very, very clear argument about why it is important that this framework is adopted and that the energy sector remains within it, albeit with the overriding observation of the minister. The bill establishes the legislative underpinnings of what will be an ongoing process. Over time reassessments may occur in response to a changing regulatory or marketing environment. The appropriateness of any regulatory approach that has to be adopted may be reassessed and adjusted accordingly. This bill sets up a regime that does not merely reflect industry practice or regulatory arrangements at a point in time. Although the electricity derivative market, based on information currently available, is traded largely between electricity generation transmission and retailing entities, this may change in the future. It is therefore important to have the capacity to better understand and respond to any change in the market for electricity derivatives.

I conclude my comments by saying that this is a sound piece of legislation which provides a framework upon which regulation will build in consultation with the sector.

Mr CIOBO (Moncrieff) (18:58): I rise to speak to the Corporations Legislation Amendment (Derivative Transactions) Bill 2012 and the government's amendment to it. Once again we find ourselves in the situation where the government is amending its own legislation. For members of the coalition, we are of course welcoming of the fact that the government has picked up on the very sound recommendations that were put forward by coalition members of the Parliamentary Joint Committee on Corporations and Financial Services. I am pleased that the Assistant Treasurer at the table has taken that advice on board and that the government is, once again, amending its own legislation to achieve a good coalition outcome.

Others in this debate have gone through at some length about what this particular bill and the amendment seek to do. In summary it deals with what is referred to as OTC, which stands for over-the-counter derivatives.

This is a specific financial class of asset whereby the value of a derivative is derived with reference to an underlying commodity price or to a multitude of different reference points. But, fundamentally, it comes to the issue that OTC derivatives can, in some respects, be fairly opaque. Because of their opaque nature, and in some instances their being a consequence of proprietary software and proprietary trading platforms, there is an inability for financial regulators to properly scope the extent to which derivatives are having an impact in the market or indeed the extent to which there may be liabilities or a degree of exposure surrounding OTC derivatives.

The shadow Treasurer very kindly made reference to some of my personal involvement in OTC derivatives and indeed that of my spouse. From my perspective, having had direct exposure to dealing with OTC derivatives, they are a financially risky tool. They are a tool that does require a fairly significant amount of background knowledge and experience and they certainly are not
something that, I believe, should be readily available at a retail level. Having said that, they are yet another form of financial market operation. They are another product in the market place and, in many respects, I think it is a case, from my particular philosophical point of view, of caveat emptor. I believe that those that seek to be involved in all sorts of OTC derivative trading need to be aware of the pros and cons, the risks and rewards that are associated with it. If there is one clear fundamental point that can never be escaped, it is that there is a direct relationship between risk and reward.

I would like to pick up on some of the points the previous speaker made in this debate. The previous speaker commented that in many respects the predominant cause of the GFC was there was not an ability to measure the size of the derivatives market and that was in effect what gave rise to the need to have this legislation—in parallel obviously with the decisions of the G20. I think it is worth making very clear that that simply is an incorrect assertion, completely and utterly incorrect. To claim that the GFC was a consequence of financial derivatives really, in my view, betrays a complete ignorance about what actually occurred with the GFC and indeed the housing bubble that took place not to mention, in a capital flushed world as it was then, the fact that parties, counterparties and transactions lost complete sight of the underlying value of assets and indeed the very relationship I spoke of—that is, of risk and reward.

Certainly I support completely the notion that there ought to be greater transparency with respect to OTC derivatives. I certainly support the importance of making sure that there is as much as possible clarity around counterparty risk and about the risks of those involved in OTC derivatives. But to sheet home the GFC was in some way hanging upon this legislation and that had this legislation existed then the GFC would not have occurred, I think, is simply an incorrect statement to make and it is worth making that very clear.

This legislation does provide powers to regulators and to the responsible minister to prescribe certain classes of derivatives as warranting more formalised arrangements for trading or reporting or clearing. In addition, a derivatives transaction role may in turn be issued by ASIC to establish one or more mandatory obligations for reporting, clearing or execution for participants transacting in this prescribed class of derivatives. Any rule must receive the consent of the minister before taking effect. The rules and any other technical features of the scheme may be further limited by regulation and indeed the new licencing regime will be introduced for a new kind of financial infrastructure entity trade repositories.

What is clear is that this is not going to stymie, I believe, the creation of OTC derivatives. It is not going to stymie financial innovation when it comes to the various products that are embraced by the derivatives market because no doubt we are still finding them out. There are still new approaches that are being adopted. I think that this kind of financial innovation is to be applauded. Notwithstanding that, it is good that this provides a legislative framework to have greater clarity for specific prescribed classes of OTC derivatives where it is appropriate to do so in the minister's opinion.

Clearly there was a major problem with respect to the national electricity market and electricity derivatives. I am pleased we have got the situation now where the government is amending the legislation with respect to the electricity market. I want to congratulate the coalition members of the Parliamentary Joint Committee on Corporations and
Financial Services who did great work in working with, for example, the National Generators Forum on that particular issue that arose as a consequence of this legislation.

As coalition members, we support the legislation and we support the amendment. We believe more work should have been done upfront to address some of the concerns that were raised by, for example, the National Generators Forum. It is important to not create too much regulation or compliance, which, ultimately, will stifle innovation for financial products. By the same token, more transparency and more awareness of risks, counterparty risks and reinforcing the need to understand there is always the relationship between risk and reward, which is perhaps even more highly pronounced in a highly leveraged transaction like an OTC derivative product, is therefore a step in the right direction.

Mr RIPOLL (Oxley—Parliamentary Secretary to the Treasurer) (19:05): I present a supplementary explanatory memorandum to the bill. I would like to thank honourable members who took part in the debate on the Corporations Legislation Amendment (Derivatives Transactions) Bill 2012. Australia's financial system is robust and stable and has withstood the shocks of the global financial crisis far better than most other developed countries. However, that does not mean that we cannot take steps to further safeguard the safety of our financial markets. Improving the transparency and risk management of over-the-counter derivative markets is one way in which the government intends to achieve this. This bill implements the G20 commitments to reform the OTC derivatives market that Australia and other G20 nations agreed to in the wake of the global financial crisis. The commitments are intended to address the structural deficiencies in OTC derivatives markets that were revealed in the wake of the GFC and the systemic risks that those deficiencies can pose to wider financial markets and the real economy.

In most countries, these structural deficiencies contributed to the build-up of large and insufficiently risk managed counterparty exposures between some market participants in advance of the global financial crisis and to the lack of transparency about those exposures for market participants and regulators. This bill allows for industry led solutions driven by appropriate regulatory incentives to be the primary method of increasing the use of centralised infrastructure with respect to derivatives transactions. However, the bill also establishes laws that allow for mandated outcomes where required to ensure the adoption of acceptable industry practices within a timeframe that is consistent with the international implementation of the G20 OTC commitments.

The framework in the bill is flexible enough to enable Australia's financial regulators to work with their international counterparts to ensure a unified approach to the regulation of global OTC derivative markets. The amendments introduced today address the concerns of the electricity wholesalers and retailers that limitations on the use of over-the-counter derivatives may impact the effective operation of the underlying national electricity market. While no final decision has been made about the classes of derivatives that must be centrally cleared, traded on a platform or reported to trade repositories, the government has no plans to make rules relating to the energy sector. However, it is important that electricity derivatives be included in the legislative framework. The terms of the bill do not pre-empt any decision regarding the application of any requirements to particular markets.
The amendments to the bill will ensure that the energy sector is fully consulted prior to any obligation being imposed on the sector. The consultation will involve the relevant minister, the equivalent regulatory agencies and regulatory bodies with responsibility for the underlying physical market in addition to the requirements for public consultation that are already contained in the bill.

Specifically, the amendments to the bill will create a requirement that both the minister and ASIC have regard to the effect on the underlying physical market prior to making a determination mandating a commodity derivative or making a derivative transaction rule. Under this process, non-Treasury ministers and agencies will be required to be consulted in relation to proposals that impact upon their portfolio responsibilities. Where appropriate, the agreement of the ministers whose portfolio responsibilities are impacted will need to be obtained—for example, the agreement of the Minister for Resources, Energy and Tourism in the case of the energy sector.

I want to take this opportunity to restate the government's earlier commitment to ensuring that any decision taken by the minister in relation to either the making of a regulation or consenting to an ASIC rule will also involve the Minister for Resources, Energy and Tourism where that decision relates to the energy sector. Furthermore, regulations under the legislative framework, which will be exposed for consultation shortly, will provide electricity regulators and bodies with a formal consultative role in the mandating of any possible requirements where appropriate.

Several processes are currently underway that are directly relevant to the use of OTC derivatives in the energy market. The Australian Energy Market Commission has been asked to provide advice to the Standing Council on Energy Resources on the resilience of the financial relationships and markets that underpin the operation of the national energy market. On 8 June 2012, the Australian Energy Market Commission published an issues paper initiating public consultation on the development of this advice. The derivatives market assessment, which is being conducted by the Council of Financial Regulators, will also inform any decisions in relation to electricity derivatives, not merely those in relation to clearing and execution requirements but also those in relation to trade reporting requirements. The first report from the council is expected shortly. No decision to impose mandates on the electricity sector will be made in relation to electricity derivatives prior to the conclusion of these processes.

In summary, this bill provides the framework to allow the government and financial regulators to implement requirements that improve risk management in the OTC derivatives market in a flexible way, taking account of ongoing analysis of market developments by Australia's financial regulators and in coordination with other countries. These measures are important to ensure the ongoing stability of Australia's financial system by creating the regulatory tools necessary to ensure transparency and efficiency in the OTC derivatives market. I commend this bill to the House.

Question agreed to.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr RIPOLL (Oxley—Parliamentary Secretary to the Treasurer) (19:11): I present a supplementary explanatory memorandum to the bill and ask leave of the House to
move government amendments (1) and (2) as circulated together.

Leave granted.

Mr RIPOLL: I move government amendments (1) and (2) as circulated together:

(1) Schedule 1, item 32, page 13 (after line 5), at the end of paragraph 901B(3)(a), add:

(iii) if those derivatives are or include commodity derivatives—the likely impact, on any Australian market or markets on which the commodities concerned may be traded, of allowing the derivative transaction rules to impose requirements of that kind in relation to those commodity derivatives; and

(2) Schedule 1, item 32, page 16 (after line 10), at the end of paragraph 901H(a), add:

(iii) if the transactions to which the proposed rule would relate would be or include transactions relating to commodity derivatives—the likely impact of the proposed rule on any Australian market or markets on which the commodities concerned may be traded; and

Question agreed to.

Bill, as amended, agreed to.

Third Reading

Mr RIPOLL (Oxley—Parliamentary Secretary to the Treasurer) (19:12): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Tax Laws Amendment (2012 Measures No. 5) Bill 2012  
Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr TONY SMITH (Casey) (19:14): The Tax Laws Amendment (2012 Measures No. 5) Bill 2012 was introduced about six weeks ago by the Assistant Treasurer. I will run through each of the schedules and I understand that following my contribution it will be the wish of the House to adjourn debate on this particular bill until a later date, as a result of discussions between the whips.

There are a number of schedules within this bill and I will briefly go through each of them. The first schedule, which the Assistant Treasurer outlined in some detail back on 19 September, relates to the conservation tillage refundable tax offset. This offset was introduced as part of the government’s carbon tax legislation. It applies to eligible non-till seeder taxpayers who use or install nontill seeder equipment ready for use in primary production, from 1 July this year, and it will be repealed on 1 July 2015. The offset is available only to primary producers who incur expenditure on new equipment called a non-till seeder. This type of equipment has been given a tax break, because it is claimed it will achieve minimal soil disturbance or damage, increase soil nutrients, protect against wind erosion and reduce water loss—it is referred to as non-tillage farming. A conservation tillage offset will reduce income tax for primary producers who spend money on this new equipment, the non-tiller seeder.

Back on 19 September the Assistant Treasurer went to great lengths to explain the amendment contained within this tax law amendment bill. Essentially, the amendment turns on whether this piece of equipment is purchased either as a standalone tool or the combination of a cart and the tool. It is my understanding that this amendment is simply to clarify and broaden that to remove what was a narrow definition.

In a completely unrelated schedule, schedule 2 deals with the mature-age-worker offset. It will phase out that offset. The mature-age-worker offset was first introduced by the Howard government in 2004, with the very clear and sensible objective of increasing the incentives for
older Australians to stay in the workforce. As a result of this legislation, the offset will be closed for taxpayers born after 30 June 1957. The phase-out of this tax offset will therefore effectively be a tax increase for older Australians, who will not have access to this offset that was introduced previously. As the government has made clear, they do not support the offset. They have different plans for trying to increase worker participation. Whilst the coalition thinks the introduction of the mature-age-worker offset was a good measure, Labor, transparently, has not supported it, and this schedule makes that very clear.

I will deal with schedule 3 towards the end and deal with it on its own because it relates to some procedural issues. Schedule 4 deals with fuel blending exemptions. Currently, the blending of certain excisable fuel products is treated as manufacture and must occur only at licensed premises, and the manufactured product is subject to excise. There are specific legislative exemptions, for example, where the duty is being paid at the same rate on each component of the blend. These amendments will repeal those specific exemptions. Instead, a power will be given to the relevant commissioner to specify whether the manufacture of fuel blends will not be treated as an excise manufacture and therefore not be subject to the excise.

Schedule 5, which is a common schedule in our tax law amendment bills, deals with deductible-gift recipients and adds a new organisation to the list of deductible-gift recipients, namely, the Queen Elizabeth Diamond Jubilee Trust of Australia, which has been established to raise funds for the commemoration of Her Majesty Queen Elizabeth II's Diamond Jubilee. The trust will collect funds for the purpose of delivering charitable projects for the support and advancement of individuals of all ages, with a focus on the poor and disadvantaged, through supporting the work of the Queen Elizabeth Diamond Jubilee Trust in the UK. The gift must be made after 31 October 2012 but before 1 July 2015, reflecting the period of fundraising for Her Majesty's Diamond Jubilee.

The final schedule deals with the wine equalisation tax. It amends the entitlement that a producer of wine may have to a rebate of the wine equalisation tax. The producer rebate scheme entitles wine producers to a rebate of 29 per cent, which is typically the price for which the producer sells the wine, excluding the WET and the GST. It replaced the previous rebate scheme for producers, known as the cellar door rebate, and is available to New Zealand wine producers. I am advised that in a submission in 2008 to the Treasurer the Winemakers' Federation of Australia advised of excessive claiming of the producer rebate, resulting partly from double dipping in relation to the rebate on blended wine. The opportunity currently exists for multiple rebates to be claimed on the same quantity of wine.

A report just a year ago by the audit office into the administration of the wine equalisation tax recognised the risk to revenue and recognised that risk as high. Industry representatives informed the Australian National Audit Office that the practice of multiple blending led to inappropriate accessing of the rebate, and the Australian National Audit Office recommended legislative clarification. So, when a producer uses wine acquired from another producer to blend or further manufacture wine, schedule 6 of this bill, as detailed by the Assistant Treasurer and in the explanatory memorandum, will reduce the rebate entitlement of the producer who blends or further manufactures wine, unless they receive a notice from the earlier producer in the supply chain. Using the approved form, the earlier producer may...
notify the later producer that they are entitled to a producer rebate of the nominated amount for the wine that they supplied. The later producer's entitlement to the producer rebate will then be reduced by that amount. Where the earlier producer does not notify, the later producer's entitlement to the producer rebate will be reduced as if the earlier producer had been entitled to a rebate on the quantity of wine supplied.

I will come back to schedule 3. Schedule 3 relates to a compliance regime for gaseous fuels. This schedule will be the subject of an amendment from my colleague the shadow minister for energy and resources and the member for Groom to excise this schedule from the bill. He will be speaking when the debate on this bill resumes, presumably tomorrow or a later day. But essentially the coalition is opposed to the sections within the schedule that relate to the record-keeping requirements for gaseous fuels on the basis that it is a new regulatory burden for the sector and will create cumbersome record-keeping requirements.

The amendments proposed by the government are more onerous and more strict than the current Excise Act's obligations on conventional fuel-sellers and others obliged to collect excise. However, the coalition does not oppose the measure dealing with forklift trucks. Item 20 in schedule 3 treats a forklift truck used off public roads as not being a motor vehicle for the purpose of the Excise Act. Consequently the use of gaseous fuels in forklifts will be treated as non-transport fuel.

In other respects, schedule 3 will increase the red tape burden, especially for small businesses handling LPG. The coalition considers the existing provisions in the Excise Act regarding record keeping, officials' access to premises and imposition of penalties for the supply of gaseous fuels subject to fuel tax relief for a transport use to be sufficient. The compliance regime measure was not previously announced. It appears that there has not been any consultation carried out prior to introducing these proposed amendments, and the amendments have emerged as a consequence of the introduction of the Taxation of Alternative Fuels legislation last year. They are deemed necessary by the government in order to get around administrative difficulties created by the new legislation, because gaseous fuels have a wide range of non-road-use applications and are often retailed from the same vendor—for example, LPG for vehicle use and for small bottle refilling.

These amendments are clumsy at best. They go beyond and are more onerous and more strict than the current Excise Act's obligations on conventional fuel-sellers and others obliged to collect excise. As I said, they will increase the red tape burden, especially for small businesses handling LPG. The shadow minister for energy and resources and the member for Groom will speak in detail and move an amendment with respect to schedule 3 when this debate resumes. But, as I said at the outset, the coalition variously supports or will not oppose the other schedules. I understand it will be the wish of the House to adjourn the debate after the conclusion of my contribution—which is now.

Debate adjourned.

Wheat Export Marketing Amendment Bill 2012

Second Reading

Debate resumed on the motion:
That this bill be now read a second time.
to which the following amendment was moved:
That all words after "That" be omitted with a view to substituting the following words:
"the House declines to give this bill a second reading and:

(1) calls on the Government to extend the operation of the Wheat Marketing Authority for not less than six months after the resumption of the 44th Parliament to enable the government of the day to modify Wheat Exports Australia or replace it with another body, to better represent the needs of the wheat industry; and

(2) notes that the Coalition commits to a consultation process that will commence immediately and provide stakeholders with a forum to outline what wheat industry issues need to be addressed."

Mr COULTON (Parkes—The Nationals Chief Whip) (19:28): I, too, rise tonight to speak on the Wheat Export Marketing Amendment Bill 2012 and in support of the amendment introduced by my colleague the member for Calare. There has been a lot of attention on this bill, a lot of discussion and quite a bit of intrigue. What I find passing strange is that there is not a lot of difference between all sides in this debate as to their positions.

The Wheat Export Authority was set up originally, as part of the first step to deregulation, to handle export licences for the exporting of Australian wheat and, to an extent, it has done a pretty good job of that. The reason I oppose this bill which would see the abolition of the WEA is that there is still more to be done on managing the full deregulation of the wheat industry.

The member for Calare's amendment is to put this decision off for a while, and I agree with that for a number of reasons. Primarily the reason is that for the last few years the representative bodies of the Australian wheat industry have been in something of a state of flux, and there has not really been a body that could speak with one voice for wheat growers across the country. I believe that there is actually a lot of goodwill and there has been a genuine attempt by the wheat industry to get to a point where they do have a peak body that will speak for the industry and that, when that time comes, we will get a clearer idea of what the industry actually wants to do in this regard. Then it will be beholden on this parliament to consult the wishes of the wheat industry, as speaking from one body rather than as fragmented.

There are a couple of other issues to address before we go to full deregulation and the removal of the WEA. Primarily, there is the issue of access to ports. If we are truly going to have a deregulated wheat industry then all serious players need to have access to ports. At the moment, different states have different monopoly operators managing those ports, and it is far from a free and open, all-access system at the moment.

Another issue is the information on where the wheat stocks are, and for marketing wheat that information is vital. That is because to be a legitimate exporter you need to have numerous sources of grain to fulfil an order. To load a ship out of Port Kembla, Newcastle, Geelong or any of the other ports, and to get that amount of tonnage into the port in the very narrow window that you have in which to load a ship, the wheat cannot just come from one source; it has to come from various sources, by rail, or sometimes by road, and converge at that port over a very short period of time to get the amount of tonnage there to load the ship. At the moment, there are not many people who have the information to undertake that.

The other issue I am concerned about is the maintenance of the quality of Australian wheat and of that brand. I am not going to go back and revisit the days of the Australian Wheat Board here tonight. Seriously, that issue has moved on. But we have seen in recent times that wheat has tended to be marketed as a generic commodity rather than as a product of a certain type. Reports that I
am getting back from our customers around the world, including from places like Indonesia, are that that top-quality product that was formerly branded 'Produce of Australia' with that AWB brand on it could be relied upon for its milling qualities, and we are not seeing that at the moment. There is more to labelling wheat than just purity, moisture and protein, and the other test that would go to back up the sale of a quantity of wheat to an overseas country is lacking at the moment. So the industry needs more time.

It has been said that there is an expense to growers in keeping the WEA and that it should be abolished if it is not doing the complete job it should. But that expense is 22c per tonne and, with wheat selling now, basically, in the mid-200s, 22c a tonne is not a huge amount. The wheat growers that I have been speaking to do not begrudge that levy, certainly not if it is going to be used to the best effect. So I think that we need to keep this WEA for a little bit longer.

One of the reasons that wheat growers are particularly anxious at this time is that the removal of the single desk that we saw in 2008, particularly for the eastern states growers, was a blow to that industry.

The blatant use of the wheat industry as an electioneering tool by the member for Griffith, leading up to the 2007 election, basically left the Australian wheat growers as sacrificial lambs at that particular point. But having moved on from there, unfortunately at the same time this was going on, we were in the final couple of years of the worst drought that this country has ever seen. So combined with drought, a complete change in the methods by which wheat was being marketed and exported, it has been very stressful.

But to add insult to injury, with a complete breaking of the drought, in 2010, when there was an absolutely sensational wheat crop pretty well right around the country, the wheat harvest coincided with flooding right across the countryside. Farmers, particularly in my electorate, had a crop that was going to go some way to getting them back onto a more financially stable ground right to the point of harvest, but that was taken away right before their eyes. The following year we saw the same thing and the current harvest has seen a drier season. While it is dry at the moment the farmers are very anxious at the forecast for 10 days time, which is indicating rain coming to eastern Australia.

While farmers and farm organisations should have been having more input into the restructure of their industry and the direction it should be going, they have been struggling to barely survive. That has all been on top of what has been happening here in parliament. Over that time we have seen growers lose vast amounts of money through dealing with disreputable traders. Gilgandra Co-op, in the centre of my electorate, got caught up with a dealer in Bangladesh and, unfortunately, lost a substantial amount of funds, which led to the cessation of that co-op. Farmers are very wary.

On the domestic front, while it may not be directly relevant to this bill, growers in my electorate have been completely disadvantaged by the collapse of Austasia Milling in Young, central New South Wales. One farming family in the Condobolin area have lost $180,000. That is a complete insult to a grower: to go through the entire expanse of preparing the land, sowing the crop, growing the crop, harvesting the crop, storing the crop for some considerable time and then actually pay the commission to the dealer, as in this particular case, to find that the funds have evaporated. I think there is a real need for some closer scrutiny of a lot of the players who are currently in the grains industry. If you are purchasing grain from a
farmer, whether it be from an online grain storage or on-farm, knowing that you cannot pay for it, then that is akin to theft. Unfortunately, the people at the end of the line are the wheat growers.

I feel that all sides of this argument are not that far away from an agreement. What I am calling for here tonight in my contribution is a bit of time for the industry to come together, to form a peak body and to get back on its feet, as a genuine lobbying group for the industry, so that we can get a clear direction for the Australian wheat industry.

Last week we saw the takeover bid for GrainCorp. Farmers are very nervous at the moment as to who will have ultimate control over their industry. Currently, a lot of overseas companies hold key assets in this industry. I think farmers are very reluctant to completely hand over all control to the free market, until more consideration is given as to what needs to be put in place.

Mr KATTER (Kennedy) (19:43): I do not take umbrage at the previous speaker, in speaking on the Wheat Export Marketing Amendment Bill 2012, but I always find it rather curious that these people who belong to parties are absolutely wedded to and rusted onto free-market policies. Every single person in this parliament, except the cross-benchers, is an advocate and a committed proponent of free markets. And for anyone to stand up here and question that, when they represent the National Party, the Liberal Party or the Labor Party, is an act of arch hypocrisy. It really is. But we will give them the opportunity, because we will be moving for the reconstruction of a single-desk seller in the wheat industry. And, with some pride, can I say that my book has now sold 16½ thousand copies in Australia, so a fair few people now know the history of this country. So you people in the Labor Party and the National Party cannot hide from it.

I am not accusing the Liberals of hypocrisy, because they have always been a free-market party, but the Country Party was formed to deliver statutory marketing, a single-desk seller, in the wheat industry. That was the reason for its formation. Every single person who bears the name National Party should be a strident arch-proponent and come into this place with conviction that we need collective and aggressive marketing of our product. The Country Party was the first party to introduce the single-desk seller—Jack McEwen always used to argue that he introduced it—but I think the history books actually read that the ALP did. The Country Party most certainly consolidated it.

Let us have a look at the great success story of deregulation. We started with Mr Keating deregulating the wool industry. When Mr Doug Anthony, the Leader of the Country Party, announced that we were going to have statutory marketing in the wool industry, I, as a little smarty-pants person who had done economics at the University of Queensland, one of the more distinguished economics schools in the world, thought supply and demand would in the end always determine price and I lost a very considerable amount of money by not buying 23,000 female sheep. The person who did buy those sheep would end up making, in today's terms, some $6 million, so it was a pretty expensive lesson for me. When Doug Anthony introduced that scheme, those female sheep—ewes, as we call them in the industry—were selling for $1 a head. Within two years they were selling for $17.90 a head. That is the value of collectively and aggressively marketing your product.

When 'Red Ted' Theodore introduced the concept of collective bargaining for the
workers of Australia, he could see no difference between the farmers and the workers. His brother was an AWU organiser in the cane industry and Ted Theodore was arguably the father of the AWU. He could see no reason why we could not have exactly the same rules applying in the sugar industry. So he introduced single-desk marketing, a single-desk seller if you like, in the sugar industry. From that day forth, we had a stable and prosperous industry. If you go to the sugar towns of North Queensland, you will see big buildings that are out of all proportion to the little towns—because they had great prosperity. Every one of those mills was built by the farmers themselves, in conjunction with the government—if they were not, they were little tiny toys until they were taken over by the farmers and built up into huge industrial undertakings, the sugar mills of Queensland. Thanks to the people in this place who deregulated that industry, all of those mills except for Mackay are not owned by the farmers anymore; they are foreign owned. When this place deregulated the dairy industry, every dairy in this country was Australian owned—and the destruction wrought upon the Australian industry, the Australian people and the Australian economy has been colossal.

Let me just give you the scorecard. I feel the pain and passion that I exhibit in this place because I know these people who have committed suicide or who are bankrupt and living in tiny little houses in the city because that is all they can afford because they have lost everything after four or five generations of hard sacrifice in this country. The wool industry was the first cab off the rank—an absolute disaster. When statutory marketing was introduced, the price doubled over the next two or three years. When Mr Keating undermined the scheme, and then abolished it, the price dropped clean in half over the next two or three years. You could not get a more clear-cut example of the operation of an aggressive collective marketing system—in sharp contrast to the ragtag, 'sell it yourself' and 'do your best, mate' when you come up against the international buyers, of which there are probably only half a dozen in the world.

The next cab off the rank—and I will not go into the smaller industries—was the egg industry. It was another absolute disaster. The price to the consumers went up 20 or 30 per cent, the price to the farmers went down 30 per cent and the people in the middle made $350 million a year in extra profit. After those two disasters you would think that this place would have woken up to itself, that the people in here would surely have realised what a disaster regulation was. No way, Jose. They then proceeded to deregulate the sugar industry—there's a magnificent success story! Sugar production in Australia is down 17 per cent. Every mill except Mackay and the two smaller mills in New South Wales has been sold off to foreign owners—23 mills have been sold to foreigners. Production is off 17 per cent and the industry has arguably the highest suicide rate of any of the rural industries.

The next industry was the tobacco industry. There were 2,000 people employed in Mareeba and another 3,000 in Victoria. The Liberals representing that area must be very proud of themselves: they abolished 3,000 jobs in Victoria; a town was left almost a ghost town by the callous, stupid, vicious actions of this place. And I might add that the Liberal-National Party was responsible in most of these industries. They were not responsible for wool—the ALP can take full blame for that one—but blame for the rest of them can be sheeted home to the LNP. We lost 2,000 jobs in Mareeba. It is an easy thing to say, but a person who loses his job loses his home and his car; in 25 per cent of cases he will lose his job and in two per
cent of cases he will lose his job. It is pretty easy for me to reel off a figure like that.

And you say: 'Oh, well, now they'll wake up to themselves. They won't go any further, surely, now.' No way, Jose. The big one was waiting out there: the dairy industry. We pleaded, we cajoled, we told them it was stupidity, we said what was going to happen. I was in a party room then, the Nationals party room. Speaker after speaker got up and said, 'No, no, no.' But the frontbench? They couldn't care less. We had a party of wimps who all, when it came down to a vote, put up their hands to say, 'Yes, we're going to destroy the dairy industry now,' which they proceeded to do. All of the dairy factories of consequence are gone now. There are some notable exceptions. But I think it is a fair call to say that four of the five great corporations that were all Australian owned are now all foreign owned, except for Murray Goulburn. So that was a great outcome!

Thirty per cent of that industry has vanished—1,500 jobs from my electorate. But the dead are many in Victoria. I hope the members representing the Murray River in this place are very proud of their handiwork. I hope they are very proud of themselves, because they destroyed the biggest agricultural industry in this country. A third of our dairy herd has gone. Let me quote the figures from my area. We had over 220 farmers; we now have 42 farmers. One wonders how long it will be before we have none at all. We go from $60 million or $70 million a year coming into the dairy industry to a measly, tiny, almost-invisible cattle-fattening area with maybe $5 million or $6 million. And we have towns that look like ghost towns. One of those towns had the highest suicide rate in Australia four or five years after dairy deregulation. Within two years of dairy deregulation we went to a farmer committing suicide every four days. In this place, did anyone worry about that?

No way, Jose. They are out there now deregulating the wheat industry and leaving it in the hands of monopolists.

Every single sugar mill is a monopoly. You cannot put sugar in the back of a truck and take it up the road to the next place. It is pretty much the same in dairy. You can do it a bit in dairy, but you cannot do it very much. So what the great advocates of competition policy in this place delivered to Australia was no competition: monopolies. That is what is happening in the wheat industry. It is being proposed today. The three industries that will own all of the facilities—one industry is based in New South Wales and Queensland, another one is in South Australia and another one is in Western Australia—will have a monopoly. It is not a monopoly in the hands of the growers, not a monopoly in the hands of the people of Australia, but a monopoly in the hands of giant international corporations who will pay us what they feel like paying us for their wheat.

Unlike the government of Brazil, that said, 'Our sugar industry will forge ahead of the rest of the world if we move to ethanol, and we'll have cheap petrol, and we won't have to buy our petrol from overseas,' Australia, of course, treats ethanol with contempt. All of the European countries have biofuels—all of them, every one of them. The Americas are all ethanol. But this country has no ethanol. When it was introduced in America the price of grain went up 15 per cent. Fifteen per cent on your gross would double the income of every single wheat farmer in this country. But are we doing that? No. We are going to have no single-desk seller. We are going to have a monopoly in the wheat industry.

And to think this is being introduced by a Labor government. The people that founded the Labor movement, the truly great people that I talk about in my book, people like 'Red
Ted' Theodore and the great Ben Chifley, skited about how they had delivered a single-desk seller to the sugar industry. These men skited about how they delivered a single-desk seller to the wheat industry. The great achievements of the Chifley government in this country were the Holden motor car, the Snowy Mountains, wheat stabilisation and the telephone system. They were amongst the five great achievements of that standout. Well, Ben Chifley and 'Ted' Theodore would be turning in their graves if they knew what this bunch of pygmies to my left here were doing today. They are completely destroying this industry by handing it over to big international monopolist corporations. That is what is taking place with this legislation.

Mr SCHULTZ (Hume) (19:57): Once again we heard a very colourful contribution by the Hon. Bob Katter. Can I say from the outset that I have spoken on the export marketing process on a number of occasions now. I spoke first of all in this chamber on 20 June 2007. I spoke again in the debate that occurred in the appropriation bill on 4 June 2008, some 12 months later. Both of my contributions were centred around the action that was taken by the then Howard government to do something about the corrupt entity that was known as AWB Ltd—a corrupt entity that, I might add, created massive problems for wheat exporters.

This bill, the Wheat Export Marketing Amendment Bill 2012 is centred around the marketing of export wheat—I emphasise that: the marketing of export wheat. It is not centred around the wheat industry as a whole. I will go into that in more detail shortly. I have to say to you that this is a very complex issue, because there are a number of factors associated with this marketing bill that not too many people think about from time to time. The factors are centred around the geographics of the wheat export business on a state-by-state basis and the infrastructure needs and the way in which each of the grower groups within those states operates.

In Western Australia, as an example, they have the unique, very successful industry process whereby the growers actually have a cooperative that looks after the—

The DEPUTY SPEAKER (Mr Symon): Order! It being 8pm, the debate is interrupted in accordance with standing order 34. The resumption of the debate will be made an order of the day for the next sitting. The member for Hume will have leave to continue speaking when the debate is resumed.

PRIVATE MEMBERS' BUSINESS
Victims of Terrorism

Mr ABBOTT (Warringah—Leader of the Opposition) (20:00): I move the motion relating to the victims of terrorism overseas in the terms in which it appears on the Notice Paper:

That this House:
(1) notes that:
(a) since the devastating terrorist attacks in the United States on 11 September 2001, over 100 Australians have died and many others have suffered injury as a result of terrorist attacks overseas;
(b) the victims of ‘September 11’, the two Bali bombings, the London and Jakarta bombings and the Mumbai terrorist attacks, were targeted because they were citizens of countries where people could choose how they lived and what faith they might follow; and
(c) 12 October 2012 will mark the tenth anniversary of the 2002 Bali bombings;
(2) recognises that:
(a) many Australian families continue to suffer as a result of their loss and injury from overseas terrorist acts;
(b) victims of overseas terrorism have not been entitled to compensation such as that received by
domestic victims of crime under the various State and Territory victims of crime schemes; and

(c) the Government did not support amendments to the Social Security Amendment (Supporting Australian Victims of Terrorism Overseas) Bill 2012 which would have provided assistance for any action after 10 September 2001; and

(3) supports the Coalition's request that the Minister make the appropriate retrospective declarations so that all of the Australian victims of overseas terrorism acts since 10 September 2001, or their next of kin, can receive this important, but modest, help.

I do regret that the member for Hume has had his speech interrupted, because it sounded like it was going to be a very thoughtful contribution. I look forward to hearing more from the member for Hume when the debate is resumed.

For me, the matter now before the House is not political; it is personal. I am moving this way because I believe it is right and also because of the personal experience and the personal contact which I have had with some of the victims of terrorism arising from the happenstance of my being in Bali back in 2005 when the second bomb went off. I was the Minister for Health and Ageing at the time and it seemed to me that an Australian health minister in Bali at a time when Australians had been the victims of a terrorist atrocity could not just enjoy a holiday as usual. So I went to the Sanglah hospital, where I met up with a remarkable doctor, Dr Adam Frost, a Newcastle doctor who had been travelling with a party which included many of the victims. I spent the next 15 or so hours with Dr Frost and with the then Australian consul to Bali, Brian Diamond, who did a remarkable job, until all of the Australian victims had been safely evacuated either to Singapore or to Darwin.

For me, this is not just another matter before the parliament; it is something which I feel very deeply and very personally. In the course of that day I got to know some of those victims, and since then I have stayed in touch with some of those victims, in particular Mr Paul Anicich, who at that time was the Senior Partner of Sparke Helmore Lawyers, the well-known law firm. He has subsequently been largely unable to work. Paul Anicich is comfortably off, but many of the people who were caught up in that tragedy are not as financially secure as Paul and Penny Anicich. Sure, they have been able to access the Australian health system. Sure, where necessary, they have been able to access the Australian social security system. But many of them have suffered financially and all of them have suffered physically and psychologically, and I believe that we as a nation owe a debt to them, because they were targeted because they were Australian. They were targeted because they were citizens of a country where people are free to choose their own way of life and choose which god they wish to worship. That is why they were targeted. They suffered because they are Australian. I think we need to acknowledge the fact that they were targeted for that reason.

The proposal that evolved in my mind in discussions over many months with Paul Anicich was that we should have a federal scheme that would offer to the victims of terrorism overseas the same kind of financial assistance which is typically available to local victims of crime under the state and territory victims of crime schemes. Every state and territory has a victims of crime scheme, and people who have been the victims of crime can usually access up to $80,000 or thereabouts under those schemes. If I had been the victim of a savage assault, or some other crime of violence, typically, that is what would be available to me. It
would not be to compensate for any specific thing; it would nevertheless be a recognition of the way I had suffered. Typically it is provided because the perpetrators of these crimes cannot be sued by victims in the way that others who have been damaged might be able to sue people. So all I have sought is assistance for the Australian victims of terrorist atrocities overseas which is entirely comparable to the assistance which is ordinarily available to the victims of domestic crime in Australia.

I moved this way before I was the Leader of the Opposition. I regret to say that the last parliament terminated before my private member's motion was able to be considered. So I have moved again in this parliament on this issue. I do not believe the government was particularly sympathetic towards it the first time, but, in fairness to the current government, I did raise this in the last year of the Howard government and the Howard government had a bit on its plate and nothing happened. So I do not want to be too hard on the present government for its dilatory approach to all of this.

But, to their credit, the crossbenchers were interested in my private member's bill, and, once it became apparent that the crossbenchers were going to support my bill, the then Attorney-General, Mr McClelland, the member for Barton, indicated that it would be adopted by the government. I thank and congratulate the member for Barton for his magnanimity in taking this approach. Unfortunately, while the government did substantially adopt my bill and incorporated it into a social security act, the whole point has been missed, because the declarations that my bill provided for—that would give this important but modest assistance to the actual, existing Australian victims of terrorism—were not made.

So we have this legislation on the books, we have the capacity for the relevant minister to make a declaration that a terrorist act overseas is a relevant act for the purposes of making these modest payments, and the government is refusing to make the declarations that would mean that the terrorist acts of September 11, Bali 1 and 2, Jakarta 1 and 2, Mumbai and London would attract, at least for the Australian victims, these modest but important payments. What is before the parliament tonight is a motion calling on the minister and the government to make such a declaration so that the 300 Australians killed or seriously injured in overseas terrorist acts can receive this modest help. The help will go to them or, if they are deceased, their next of kin.

We are talking about a quantum of money which would make a difference for the individuals and the families concerned. If all the 300 Australian victims thus far were to receive $80,000, we would be talking, with administrative costs, in the order of $30 million—not an insignificant amount of money but very modest in the scheme of Commonwealth government spending and, I would say, the least a decent nation can provide for people who have suffered in our name. They have suffered in our name: they were targeted because they are Australian.

I say to the government—and I say this free of any partisan rancour: do the right thing by those 300 people who might suffer in the future, it is surely right for the people who have already suffered. I say to the crossbenchers: thank you for supporting the original legislation. Let us now finish the job we started and pass this motion, and then, I think, the government will have to make the relevant declarations. (Time expired)
The DEPUTY SPEAKER (Mr Symon): Is the motion seconded?

Ms Julie Bishop: I second the motion.

Mr NEUMANN (Blair) (20:10): On 12 October 2012, we remembered the worst terrorist attack our nation has ever known. In 2002, 88 Australians died in Bali, along with 38 Indonesians and 76 others from various places around the world. Some 200 people were injured in that event, all as a result of violent terrorism, extremism of the worst kind. We struggle in Australia to understand what would cause someone to undertake that sort of action—needless, unnecessary. We resolve our disputes in an amiable way and we do it in courts. We do not resort to acts of violence in that way. We defend ourselves, but only when we are attacked. We do not understand the fundamentalism and extremism that motivate people to do these desperate acts. The people who did this are despised, not just in Australia but in Indonesia. The scenes in Bali were more akin to a war zone than anything else.

Today in this parliament we mourn the sad death of Corporal Scott Smith, the 39th Australian soldier killed in Afghanistan. The tragedy of those people who died in Bali is that they were not soldiers; they were holiday-makers, in the main. The Prime Minister compared the bombing in Bali—and the bombing in London, subsequently—to Gallipoli, where something of the Australian spirit dwells on another shore. There is nothing we can do as a parliament to make those people return to their loved ones or to end the suffering of those that still bear the scars and injuries.

Many of us in this place, including me, have had the benefit of travelling to Indonesia and talking to the Australian Federal Police and the Indonesian authorities about what happened in Bali. Many of us here in this place, me included, have been to the Middle East and seen the hostility and enmity between Jews and Arabs, seen the hostility between people who fight over water rights, religion, employment, opportunity, education, land, housing and hospitals. They fight over places of religious affiliation and devotion. We have witnessed the viciousness with which those beliefs are often held. But I am proud to be part of a government—and this is the third time I have spoken on these matters in this place—that is providing financial assistance to those Australians who are injured or who lose a close family member as a result of the wanton acts of violence which we call terrorism.

The Leader of the Opposition has raised the issue of compensation which would date from September 10, 2001. Since that time, there have been numerous acts of terrorism. I get it that acts of terrorism must have had a lasting and deep impact on the Leader of the Opposition, and I believe that in part he is sincere in what he has to say, but to criticise us for being dilatory in relation to this issue—and that is the word he used tonight in his speech—at a time when he was a senior cabinet minister in the Howard coalition government is simply appalling. It is a misuse of what he is talking about. It goes to show his bona fides in relation to this matter and that he is not as sincere as he made out when he made that speech tonight.

We have formalised assistance through a WorkCover style arrangement, but terrorism did not begin in Bali and it did not begin on September 11, 2001. Sadly, it has afflicted humanity for millennia. On 19 April 1995 Timothy McVeigh and some friends masterminded the worst act of terrorism on American soil—that is, until September 11. He was responsible for the Oklahoma City bombing that killed 168 people, including 19 children aged under six, while injuring another 680 people. On 21 December 1988
Pan Am flight 103 was destroyed by a bomb, killing all 243 passengers and 16 crew members, and crashed into the town of Lockerbie in Scotland, killing a further 11 people.

On 13 February 1978 Australia experienced its own act of terrorism when a bomb exploded outside the Sydney Hilton, killing two garbage men and a police officer, and injuring others. So terrorism did not begin on 11 September 2001. That brand of terrorism caused by al-Qaeda has been etched firmly in our minds, but it has always been around. In fact, what we often call the Great War was formed by an act of terrorism and was initiated by someone who killed a member of the royal family in Austria-Hungary.

Terrorism is not limited to al-Qaeda or extreme Islamic fundamentalism. It has been used as a systematic form of violence for a long time, whether motivated by religion, political aspiration or ideological goals. It has always been around; sadly, it has afflicted us for a long time. The terrorism that occurred on 11 September was a defining moment for all of us and, just like people from generations before us remember where they were when World War II ended, we can remember where we were on 11 September. It was a time that brought everyone together and even, famously, French newspapers said that we were all Americans. Many of us signed cards and sent letters of condolence.

It is really a shame to politicise this issue. We initiated legislation and it was referred to by the Leader of the Opposition. It is the Social Security Amendment (Supporting Australian Victims of Terrorism Overseas) Bill 2011. I made a speech on that matter on 19 June 2012. In that legislation we established a WorkCover type of legislation that does take into consideration the nature, duration and impact of disease or injury, the future loss of earnings, the kinds of special injury or damage that people suffer and the circumstances in which that injury or disease was picked up. There are payments which go up to $75,000, exempt from GST and exempt from other aspects as well.

In the past there were ex gratia payments. The Howard coalition government provided these on a case-by-case basis to victims of terrorism, including those of Bali in 2002 and 2005, London in 2005, Mumbai in 2008—we did that—and Jakarta in 2009. These ex gratia packages included financial assistance for family support, funeral and bereavement costs, travel costs and recognition of foregone wages resulting from a terrorist act. So it is not that people in the past did not get that sort of assistance.

The Prime Minister has made it crystal clear to the Leader of the Opposition. If there are instances in which he feels people have not received the assistance they deserve or need he should raise it with her. She has made that clear. It would be unjust to those Australians maimed through acts of terrorism to retrospectively do that by supporting the Leader of the Opposition in his venture today. It is concerning that he did not raise this issue and act upon it when he was a senior cabinet minister in the Howard coalition government. In the past, compensation was ruled out by Prime Minister Howard—in the way that the Leader of the Opposition has now proposed—and by the then Minister for Justice and Customs. But that does not mean support has not been given.

I really do wonder what the Leader of the Opposition is on about with this. When he had an opportunity to put forward a private member's bill on this issue he called it the Assisting Victims of Overseas Terrorism Bill 2010. It was extraordinarily vague. It was not
a well-crafted piece of legislation. With words like 'scheme', 'plan', 'framework' and 'guidelines' it was vague and esoteric. It was not particularised. Even tonight, if you listened to his speech, it was not defined. It was again vague and esoteric.

On a case-by-case basis the Howard government did the right thing by providing ex gratia assistance in the way that it did. I would expect—and the Australian people would expect—all governments to do that. I baulk at saying this, but I am really disappointed that the Leader of the Opposition has in part, if not wholly, politicised this issue. If there are instances where, under former Prime Minister John Howard and the Leader of the Opposition when he was a cabinet minister, people did not get the help they needed or deserved then those things should have been raised directly with us when we came to government. They should have been looked at on a case-by-case basis. They should have been raised with Prime Minister Howard, Prime Minister Rudd or Prime Minister Gillard.

If this were truly bipartisan, the Leader of the Opposition would not have used some of the language he used tonight in his speech. In a spirit of bipartisanship we should be doing everything we can to support victims of terrorism. We should support the legislation that has provided the framework for a WorkCover style compensation to provide for those people. We will never provide for the loss but at least we can provide assistance for those people who are secondary victims as well as for those who are primary victims. (Time expired)

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (20:21): I rise this evening to support the Leader of the Opposition's private member's motion. With our nation pausing recently to reflect on the 10th anniversary of the 2002 Bali bombings it is appropriate that the House consider this important motion.

The Leader of the Opposition is to be commended for his tireless advocacy on behalf of the victims of overseas terrorism. Time after time, he has come into this House to draw attention to the challenges these Australians continue to face in their daily lives. Time after time, his request for assistance for the Australian victims of overseas terrorism, dating back to 2001, has been rejected by this government. As long as this issue remains unaddressed, the claim that this parliament stands in complete support with victims of terrorism will ring hollow.

As the motion notes, over 100 Australians have lost their lives to acts of terrorism since 11 September 2001, when people throughout the world recoiled in horror but with an overwhelming sense of sadness at the news of the attacks in the United States.

For every Australian lost to terrorism even more have been injured. In New York, Bali, London, Jakarta and Mumbai terrorists, driven by hatred and intolerance, have struck out at men, women and children because of the values and freedoms that they cherished. These people committed no crime. They were targets because they were Australians and committed to our way of life. On each occasion the resolve of our country was tested and each time it has been shown to be true.

Few events have been etched more deeply in our nation's mind or shaped our view of the world as much as the 2002 terrorist attack in the tourist district of Kuta in Bali. On that night this island paradise was shown not to be as immune from the horrors of this world as we had hoped. The attack killed 202 people, including 88 Australians, and 240 people were injured. For many this attack brought to an end Australia's age of
innocence in the way the fall of Singapore and the battle for Darwin did for the previous generations of Australians. That such an act could occur so close to our shores in a place that we loved, amongst a people who had shown us nothing but kindness and hospitality, was a shock on a great scale. In the days and weeks that followed we stood together in tribute to the men and women who risked their lives not just for their loved ones but for complete strangers. We applauded the doctors and nurses who fought off exhaustion to remain at the sides of their patients and our diplomats and police officers who worked with their Indonesian counterparts to bring the perpetrators to justice. In times of greatest need the best in human nature rises to the top.

While 10 years has passed since that terrible time many of the Australians that were there continue to bear physical, mental and emotional scars. They relive the terrorist attack every day of their lives. In this cruel twist of fate their hopes and dreams have been replaced by something that once would have seemed unimaginable. Most of us will never be able to completely comprehend the fullness of their suffering. What we can do, however, is help ease the burden that they have been forced to bear.

In supporting this motion members of parliament will send an important message to the victims of overseas terrorism since 10 September 2001 that they are not forgotten, that our nation stands with them in their time of need and, in a modest but important way, will act to ease their pain. For the many Australians that have suffered a lasting injury this assistance will offer relief from the ongoing pressure of medical bills and other costs. While nothing this parliament does will ever be enough to compensate for the loss of a loved one, this assistance offers hope of a brighter, more secure future.

During the time that the coalition has pushed the government to adopt this initiative other countries have acted. For example, earlier this year the United Kingdom government established a scheme to assist victims of terrorist incidents outside of that country on or after 1 January 2002. Its list of designated incidents includes both the terrorist attacks in Bali in 2002 and Mumbai. The United Kingdom justice minister stated that Britain:

… should support and compensate those people who sadly have been injured in overseas terrorist atrocities.

While we will never be able to put right the harm victims of terrorism suffer, we hope this scheme will go some way towards helping them rebuild their lives.

That the British government is able to find the resources needed to pay victims up to 500,000 pounds despite the financial difficulties Great Britain faces, while the Gillard government rejects the modest payment of $75,000, says a lot about this government's values and its priorities.

For the Leader of the Opposition, obtaining government support for the victims of overseas terrorism has been a personal campaign dating back to the 2005 Bali bombing. Holidaying in Bali at the time of the attack, the Leader of the Opposition spent time at the Sengla Hospital working with others to ensure that all Australians had been evacuated. His deep commitment to this cause has grown from a promise that he would seek to see that the victims of overseas terrorism received the same support as the victims of crime in Australia, to legislation that he introduced in 2009 that would enable victims of terrorism to receive similar payments to those received by domestic victims of crime through state based schemes. While the government adopted part of the bill to compensate future victims of terrorism, no provisions were
made for past victims. In fact the Labor government voted down an amendment that would have extended this assistance to the Australian victims of terrorism incidents dating back to the September 11 attacks on the United States. How they could do that is beyond comprehension. While we cannot guarantee the safety of Australians overseas, we can make sure that our citizens and their families are looked after in the case of a terrorist attack.

In my electorate in Perth in Kings Park tree lined avenues pay respect to the men and women of our armed forces who have fought and died defending Australia. Kings Park is home to the state war memorial. It is a sacred place, offering comfort to those impacted by the horrors of war. Such was the grief felt by the people of Western Australia following the attack on Bali in 2002 that a memorial was established in Kings Park for the 16 Western Australian victims. As I stated in my address at the recent Bali memorial service at Parliament House, so keenly did we share the pain of those who were injured, so aware were we of the loss suffered by their families and friends, such was the outpouring of grief, that a monument was erected in their memory within the same revered patch of earth reserved to honour our fallen soldiers.

I join with the Leader of the Opposition in calling on the House to support the coalition's request that the minister make the appropriate retrospective declarations so that all of the Australian victims of overseas terrorism acts since 10 September 2001 or their next of kin can receive this much needed assistance. There can be no more pathetic excuses from this government. This government must act. The Australian people and this parliament demand it of this government.

Mr ZAPPIA (Makin) (20:29): Sadly, terrorism has become a fact of life throughout the world. Hardly a day passes without a report from some part of the world about an act of terrorism. Terrorism has become the new method of fighting wars by those who do not have the military might to engage in conventional warfare. Until terrorism acts directly affected us, they were just seen as another news report and another statistic. For those affected, however, each report meant lives lost or injured and families left mourning and grieving. The attacks on the twin towers in the US and the bombing in Bali changed all of that because for the first time the American and Australian people were the direct target of a major act of terrorism that had been carefully planned and executed.

For the US, the attack on the twin towers sent shock waves throughout the country and throughout the world because this was the first successful attack against the US on its mainland. That anyone would ever dare to commit such an act was previously unthinkable. That it was possible left people stunned. Yet it was committed and it left New York physically and psychologically devastated. Almost 3,000 lives were lost and a towering physical structure was razed to the ground. The world has been a much different place ever since. I recall a few years ago I listened to an address from Rudy Giuliani, who was the mayor of New York at the time. He talked about his leadership role in that crisis. It provided a terrific insight into just what happened in New York and the response at the time. Sadly the focus on security has by necessity been stepped up to the point that it has become a major cost and inconvenience to society across the world. For Australia, the bombings in Bali sent out a very clear warning: that Australians were not immune from terrorism.
As I am speaking about this motion tonight—and I have not chosen to speak on the motion in remembrance of the 10th anniversary of the Bali bombings—I take this opportunity to acknowledge the families of the 202 people killed in Bali on 12 October as they mark the 10th anniversary of their loss. On 12 October I attended the 10th anniversary service of the Bali bombings here in the Great Hall of Parliament House. It was a very emotional service. As I sat in the service, I reflected back to 10 years ago, reliving my recollection of events at the time. I also tried to imagine what it must have been like for those caught in the bombing and how it must have been for their families then and over the past ten years. As the images were shown on the screen of so many people looking so happy and full of life, I thought about Angela Golotta. Angela was one of the three South Australians killed in Bali with Josh Deegan and Bob Marshall being the other two. She was in Bali with her parents, Tracey and John, and with her brother, Michael. I have known the family for a long time. Angela was five days short of her 20th birthday when she was killed. For her family, the 10th anniversary would have been a very difficult time. I quote from a memorial about her from her grandparents that was published in the *Advertiser* on 12 October. It said:

She was ambitious, energetic and with a loving and caring nature. A passionate animal lover. The years have passed but our grief remains. However, we still hold in our hearts happy memories of the most loving and generously caring of girls, an innocent victim who did not deserve to die in this tragic manner.

I have also spoken at length to John Golotta, her father, about events in Bali and for his family since. John, Tracey and Michael had been at the Sari Club with Angela. They left shortly before the blast. Angela said she would stay on a little longer. The family went back to their hotel not far away. They heard the blast from the hotel and John and Michael raced back to the Sari Club. They were, in fact, the first people to enter what was left of the building. What they saw, what they were confronted with and what they have described to me is, quite frankly, unimaginable. I certainly will not go into it in detail.

I spoke to John earlier today and told him I would be speaking tonight, which brings me to the motion before us. He said to me, ‘You never get over what happened. You just learn to live with it.’ But he also made a second point. It took a long time before any help arrived at the Sari Club and there was not very much help for the families in the days after the event. His plea to parliament was this: if there was to be a similar event in the future to ensure that we can provide assistance as quickly as possible to those affected. He has little doubt that others would have survived had assistance been made available at the time. But it was not.

Regrettably, no amount of monetary compensation will restore or lessen the loss, pain and suffering caused. I accept, however, that when these tragedies occur, as they did for the Golotta family, it can also create a very serious financial burden on them as well. I understand the purpose of victims of crime compensation. My concern with the motion, however, as it presently stands is twofold. Firstly, picking an event, in this case the September 11 attacks, and backdating the compensation to a fixed date without any rational reason for choosing that period in time, I find difficult to justify. Secondly, as the member for Blair quite rightly pointed out, it makes no provision for assistance already provided, assistance quite rightly provided by this government and the previous government to many of the families on an individual case-by-case basis. Those
are matters that need to be incorporated in the consideration of this kind of motion.

I also note that the attack in Bali and the Twin Towers attack occurred during the time of the previous government. I listened to the Leader of the Opposition as he explained his reasoning as to why nothing was done in terms of providing backdated compensation during that time. I accept that he was genuine in his remarks to the House about that. Nevertheless, the fact remains that the previous government chose not to provide that compensation and perhaps chose not to do so for the reasons that I outlined earlier and which the member for Blair outlined in his remarks to the chamber. Those reasons include that there was assistance provided on a case-by-case basis. I also accept that victims of crime compensation is nothing new.

The states have indeed been providing it for some time throughout Australia and for quite proper reasons. I am aware of that and in fact I have been involved in some cases in which I have tried to assist people to secure some of that compensation. I am also aware that other countries provide victims of crime compensation and compensation directly related to terrorism, including the UK. I heard the Deputy Leader of the Opposition talking about the UK experience. My understanding is—and I stand to be corrected—that it is specific to six particular incidents. Some will argue that that is not right, either. Each jurisdiction will make their own determination about all of these matters, as the US did. Their legislation dates back to 1984, I believe.

These are sensitive matters. We need to ensure that all people are treated equally. They have suffered and grieved enough. Adding to their heartache by having some kind of system in place that does not treat people equally is something that we need to be very sensitive to when we consider motions like the one before the House. I have no doubt that the minister will consider this motion and take on board what the Leader of the Opposition and the Deputy Leader of the Opposition have said. But, as I have made clear in my remarks, it is a matter that we need to deal with very sensitively.

Mr TONY SMITH (Casey) (20:39): I rise to speak in support of the motion moved by the Leader of the Opposition. As we discuss this tonight, it is natural for us to think back and reflect on the history of the Bali bombings and September 11. If we go back a bit further, on 23 February 1998 an obscure organisation headed by an even more obscure individual published an open manifesto. The declaration featured a list of signatories whose names would soon emerge from anonymity to infamy. The leader of the pack was the late and un lamented Osama bin Laden. The manifesto's signatories also included Ayman al-Zawahari, who moved up to head the organisation once bin Laden was consigned to the depths of the Indian Ocean following his demise at the hands of US Navy SEALS. Entitled Jihad against the Jews and the crusaders, this document was published by a movement calling itself the World Islamic Front. Over the last decade-plus we have come to know this crew of mass-murdering terrorists by another name: al Qaeda.

While bin Laden is rightly condemned for his homicidal barbarism, he could not be faulted on his awful clarify. His 1998 manifesto made his agenda perfectly clear by declaring:

… in compliance with God's order, we issue the following fatwa to all Muslims:

… in compliance with God's order, we issue the following fatwa to all Muslims:

The ruling to kill the Americans and their allies—civilians and military—is an individual duty for every Muslim who can do it in any country in which it is possible to do it …
Within months, bin Laden's terrorist foot soldiers put words into practice, killing over 200 people by blowing up three embassies in Africa that September.

Throughout the 15 years that have followed, as we know, thousands of innocents have been slaughtered by al Qaeda in New York office buildings, Bali nightclubs, London subways, Madrid commuter railcars, Jakarta hotels, Mumbai hospitals and a synagogue in Ghriba. That tragic roll of terror victims includes over 100 Australian names. Yet our presence on al Qaeda's target list should come as no surprise. After all, Australia exemplifies all of the things jihadi Islam so dearly loves to hate: religious tolerance, gender equality, freedom of expression and government by the ballot, not the bullet. It only stands to reason that a movement seeking to impose a resurrected Caliphate upon the world does not look kindly upon free minds and free markets.

But it was not just our democratic values that aroused the ire of Osama bin Laden; it was our democratic actions as well. In 1999, Australia intervened militarily in East Timor, playing a leading role in the birth of Timor Leste as a free and independent nation. To al Qaeda, this was an unforgivable sin. Clear evidence to that effect emerged in November 2001 when the BBC published a new bin Laden manifesto. There, amidst the long laundry list of jihadi complaints, was a paragraph denouncing 'crusader Australian forces … landed to separate East Timor, which is part of the Islamic World.' The bombing attacks in Bali that claimed 88 Australian lives took place less than a year later. The liberation of Timor Leste, continued bin Laden, was part of a 'war of annihilation in the true sense of the word.'

We have for a long period of time been at war with a totalitarian ideology that believes that the destruction of our civilisation is a prerequisite for the construction of theirs. This is the same totalitarian ideology that last month motivated Taliban assassins to shoot a 14-year-old Pakistani schoolgirl in the head for the crime of advocating female education. This war was started by jihadi Islam but must be ended by us because the consequences of defeat are too horrible to contemplate.

In this war, Australians who have been killed or wounded by enemy action deserve to be treated as well as possible. That treatment includes support for the innocent non-combatants who have fallen victim abroad to acts of terrorism, and for their families.

The Leader of the Opposition was advocating for this cause even before he was Leader of the Opposition. In November 2009 he introduced a private member's bill to provide this sorely needed financial assistance. In his second reading speech he gave a telling description of precisely what was at stake and why, but I will not recount it again tonight.

At the time, the Member for Warringah pointed out the difference between the level of support available to those who suffer from criminal violence at home, and he has done so again tonight. The legislation he has pushed for is aimed at rectifying that disparity. He outlined how it took a long period of time for this to get movement in this parliament, and he also candidly outlined his efforts in 2007, when we were in government.

The legislation to date has not gone far enough, as far as concerns those important declarations that would relate back to the day before September 11. It has the capacity to deal with future atrocities, but not the past, and it does not have the capacity to cover those Australians who have fallen victim to
jihadi war against Australia and the West since 11 September 2001.

The Attorney-General has attempted to justify the government’s unwillingness by arguing that ‘retrospective legislation is not appropriate here’. This has been addressed by those opposite again tonight. I say a number of things about this. With the history I have just recounted, the time frame is very specific for Australia. If there were ever a case for retrospective legislation it is here. The Leader of the Opposition has been careful to limit the application both in time and in scope, back to 10 September 2001. Its fiscal impact is finite.

Another philosophical objection to retrospective legislation derives from the unfairness of imposing penalties after the fact. I have certainly argued against retrospective legislation in this parliament. But this legislation does no such thing. It does not contain punitive provisions, it bestows a benefit to a targeted group of people over a defined period of time.

I call on the government to reconsider its opposition to this today and to consider doing what this parliament feels is the right thing to do. And I say: if not here, where? Certainly, the innocent Australians who suffered in life and limb at the murderous hands of al-Qaeda are deserving of our positive consideration of this motion, here and now.

Ms BRODTMANN (Canberra) (20:49): In speaking on this motion tonight I want to pay tribute to some of the brave Australians who have been honoured for their outstanding service following the tragic Bali terrorist attacks on 12 October 2002. But first I want to acknowledge those Australians who lost a family member or friend in the attacks on America in September 2001. Even today the images of that day are frightening and horrific. They are images of terrorism and a barbaric disregard for the lives of innocent people, and they will haunt us forever. Australia has historically close ties to the United States. We have stood together to face global threats through many years and through many wars. Just as the footage and stories from the conflict in the Pacific are ingrained in our psyche, so too are the events of 9/11.

Our then Prime Minister, John Howard, was in Washington when the Pentagon was attacked. Journalist Denis Atkins’s account of the situation that confronted Mr Howard, his family, Australian diplomats and the travelling media is compelling. He writes about being ‘shocked’ and ‘amazed’ as people in Washington wondered what was going on. He describes the impact on the travelling media and the Australian diplomatic corps as events unfolded.

Mr Howard was actually the first leader to call the 9/11 attacks an act of war, and in many ways he was right to say this. There can never be any justification and there can never be any excuse or reason for the mass murder of civilians. The attack on America, like the attacks on London and Madrid, represent the most frightening element of extremism and the use of terror purely to kill.

As someone who has lived and worked in India as part of Australia’s diplomatic mission, I know that the terrorist attacks in Mumbai were felt closely here in Australia. Australians were caught up in that evil act of terror, but many Australians have family and friends in Mumbai and they too have been affected by this act of terrorism. To see these attacks in India was deeply affecting. I love India and the Indian people and, having travelled as well to Pakistan and Afghanistan, I know the everyday people of this region want peace and stability.

Terrorism is designed to cause fear and chaos. Extremists use terror. Extremists use
terror to bring instability and anarchy, and that is why we always stand firm in the way we deal with terrorist organisations. Ten years ago the unimaginable nightmare of terrorism was experienced by hundreds of Australians. On that fateful night in October, 202 people were killed, 88 of whom were Australian; 240 people were injured, many of them seriously. I had the privilege and the honour to represent the Speaker at the recent Bali memorial service here in Canberra, in the Great Hall. Senator Stephen Parry was there representing the President of the Senate, and the Governor-General was there. It was an incredibly moving and deeply mournful experience. There wasn't a dry eye in the house by the end of the session. But what I really enjoyed about it was the fact that it was incredibly respectful and also acknowledged the lives lost in this tragedy. It was also, in a way, uplifting in that the families and friends were there to honour those who died on that dreadful night in those dreadful circumstances. Photos were shown of a number of individuals, and that is what really brought the house undone. It was mournful, as I said, but also respectful and in many ways uplifting.

Particularly moving was the fact that the Governor-General wore a beautiful brooch—a dove—on her lapel. I think that sent many messages, but essentially one of peace—hopefully world peace in our lifetimes. It was also wonderful to speak to the families and friends after the ceremony and to hear of their experiences and their tragic loss, as well as how they were rebuilding their lives and at the same time respecting and honouring those they had lost.

In the aftermath of this horrific terror attack, brave and wonderful Australians stepped up to help the many survivors and the families and friends of those who lost loved ones. Many of them were public servants, and I also spoke to a number of them at that Bali memorial service here in Canberra just recently. A total of 199 people were recognised for their efforts. These were people who rescued and helped family members, friends and people they had never met before. Some helped survivors from the burning nightclubs. Others spent hours, days, weeks and months helping survivors. These people are heroes in the true sense of the word. Heroes are people we admire because they have performed a brave act. Heroes are people who have acted above and beyond what is normally expected. They have done something bold or altruistic or they have performed heroic deeds.

After the Bali bombing, almost 200 Australians were honoured for being heroes, many of them silent heroes. These special honours were bestowed for acts of bravery in hazardous circumstances; for acts of bravery considered worthy of recognition; for the provision of assistance to victims and to their families; for service in co-ordinating the crisis response for immediate evacuation of Australians from Bali; for assisting in victim identification procedures following the bombings; to members of the Department of Foreign Affairs and Trade Bali crisis task force; to members of the Australian Federal Police and Operation Alliance; to those involved in DNA identification procedures for the victims of the Bali bombings; for providing counselling services for victims, their families, and members of the DFAT Bali crisis task force; and for the provision of medical assistance to victims of the Bali bombings.

Many of these people are from Canberra. They were recognised on the Bali honours list, and tonight I would like to pay tribute to them again. Many of them I know from my time in DFAT. I pay tribute to Ross Tysoe; David Chaplin; Ian Kemish; John McNulty; Timothy Morris; Colin Rigby, who was the DFAT psychologist and who went out on his
own after some time in DFAT, providing a wonderful service in Bali and for all the DFAT employees throughout the world over many years; Alex Bartlem; Julie Brownrigg; Robert Cameron; Stephen Candotti; Craig Chittick, who I know well, a wonderful man living in Sydney; Susan Cobley; Kirk Coningham, a very good friend of mine; Susan Cox; Christopher De Cure, another friend of mine; Donald Evans; Francis Evatt; Mark Fraser; John Godwin; Brent Hall; Rebecca Hamon; John Janssen; Kim Lamb; Janette Lynagh; Elizabeth Morris, who I also worked with in DFAT; Charles Muller; Mark Pearson; Tracy Reid; Jeffrey Roach; David Royds; Thomas Sinkovits; Donald Smith; Ruth Stone; Lorenzo Strano, who I was on a short-term mission with in Indonesia; Timothy Toomey; Edwin White; Linzi Wilson-Wilde; Kenneth Hood; William Jackson; Lisa Paul; Richard Smith; Colonel Neil Thompson; Warrant Officer Julie-Anne Willes; and, finally, my beloved and dear friend Liz O’Neill, who is no longer with us; she was, unfortunately, killed in the Garuda fire many years ago, and I have spoken about that in the House many times. So, to all those fabulous public servants, who are quite often silent heroes, I pay tribute. I also pay tribute to those families and friends who lost loved ones in the Bali bombings, and anyone who has lost a loved one through an act of terrorism.

Mrs PRENTICE (Ryan) (20:58): I rise to support the motion by the Leader of the Opposition regarding Australian victims of terrorism attacks overseas. The Leader of the Opposition first introduced a private member's bill in February 2011 and has since attempted to amend the Social Security Amendment (Supporting Australian Victims of Terrorism Overseas) Bill 2012 to provide assistance to all Australians who have suffered at the hands of terrorism since 10 September 2001. They reflect the importance of supporting the struggles that such victims face in putting their life back together. As the motion notes, these victims have not been entitled to the same compensation that domestic victims of crime receive under state and territory victims-of-crime schemes. Since that fateful day of September 11, 2001, some 300 Australians have been killed or injured in terrorist attacks. Most notably, 88 Australians were killed on 12 October 2002 in attacks that overall killed more than 200 people in Bali's nightclub district. This year hundreds of Australians joined the Prime Minister and the Leader of the Opposition to remember those who died.

Although terrorism has seen the murder of thousands across the globe, as Prime Minister John Howard often remarked ultimately what unites us as Australians is more important than anything that might divide us. As I have remarked previously in this House, the aim of terrorism is simple: it is to destroy people's pursuit of a peaceful life. In order to achieve this, terrorists have engaged in horrific acts of violence and manipulation at unexpected times, and, particularly over the past decade, they have shifted society's mindset toward the security of everyday life in unimaginable ways.

As a nation, we must never forget the high price innocent Australians have paid at the hands of terrorists. Although terrorists' actions are aimed to send a message to the state and its leaders, it is the innocent individuals within these states who are targeted. However, because of the nature of terrorist attacks, victims can often be left feeling like just another statistic. The numbers of people who are killed or injured in terrorist attacks are what make the news—the statistics, not the names. Whilst no-one would deny the empathy felt for these victims within our society, news is reported through statistics and through the place of an attack, which, whilst shocking, in a way...
desensitises us to the suffering and experiences of those who actually lived through the attack. Terrorists attack en masse; yet, at the end of the day, it is the individual and their families who must pick up the pieces.

The motion before us today, as with many motions and bills introduced by the Leader of the Opposition previously, recognises the very real consequences of terrorism, and will go some way toward helping individual victims of overseas terrorist attacks. For many there is no going back to the way things were; they must rebuild a life for themselves after losing what is perhaps the last bastion of innocence—the belief that you are safe. For a terrorism victim and their family, the fact that they were part of an attack when simply going about their own business, and the knowledge that these terrorist groups, and terrorist mentality in general, are still out there, would be almost crippling.

These victims need to know that their government supports them— not just on a global stage and not just as a nation opposed to terrorism, but supports them personally and individually, and that is what the Leader of the Opposition's motion is all about. We have all stood in this chamber and spoken about the importance of supporting Australian victims of terrorism. Yet this Labor government continues to say that, as a nation, we are not willing to help those who have suffered in some of the worst terrorist attacks the world has experienced.

It continues to make no sense that the government has not made this positive, helpful and necessary legislation retrospective in order to support victims of past terrorist attacks while it has introduced other retrospective legislation that has had a negative impact on our society and economy. Here we are today, more than 10 years on from the Bali bombings, with this Labor government introducing taxes such as the Minerals Resource Rent Tax—a tax designed to raise billions of dollars a year from mining companies but which to date has raised zero dollars—and yet not supporting this inexpensive but very important and significant measure.

The victims of past terrorist attacks need our support just as much as future ones will. I implore the government to give them hope, and support the Leader of the Opposition's motion.

Ms O'DWYER (Higgins) (21:03): I rise in support of this most important motion. It is often said that the world is a different place since September 11, 2001, and in many ways it is, although terrorism has been used as a political weapon across the ages. Who can forget the victims of violent political activism such as the Munich 11 or those lost in the genocidal acts in Western Africa or Eastern Europe? From Mumbai to Chechnya, Sharm el-Sheikh to Dublin, terrorism has been used to instil fear and terror into the innocent civilians who are unfortunate enough to be in the wrong place at the wrong time. Terrorist attacks are designed to target the innocent in an attempt to shatter civilisation as we know it and implant fear to a degree not otherwise imaginable. Terrorism is the personification of evil. It is as low an act as one human can carry out against another.

As the member for Higgins, it is my solemn duty to remember Leanne Whiteside, a lawyer from Prahran who perished in the South Tower in the 9-11 terrorist attacks. Leanne's story is not too dissimilar from my own, as a young, female lawyer trying to forge a professional career. Accepting the opportunity of a lifetime, Leanne moved to New York, only to become the victim of a
deliberate attack, a deliberate act of violence and extremism. This event horrified us.

Of course, things really struck home when, on 12 October 2002, three separate bombs were detonated in a coordinated attack throughout Kuta in Bali. In what was—and, to this day, still is—the worst terrorist attack in our short history, 88 Australians were slain in the most random and brutal way. A total of 202 people lost their lives on that day. On 12 October 2002, Australia lost innocence. We, as a nation, realised that we were not immune from extremism and from some of the more horrific aspects of human nature.

The pain and mental anguish of those that survived the horror is immense and enduring. I would like to tell you the story of Mr Lawrence Kerr. Mr Kerr is a constituent of mine but was originally from Perth. Mr Kerr travelled to Bali with his local football team, the Kingsley football club, on an end-of-season trip. This was meant to be a jubilant time of year, a team- and morale-building exercise. But the decision to go to the Sari Club on that night changed everything. Nineteen men embarked on that trip; only 13 returned.

Since he returned from Bali, Mr Kerr has suffered from not only his physical injuries but mental ones as well. He has suffered post-traumatic stress disorder and depression, and the eventual loss of his business, which he had been running for 10 years. Mr Kerr's ambition to seek employment means that he will not take the disability pension that he is entitled to, rather opting for the Newstart program so that he can still be part of the workforce. Mr Kerr feels that he has been badly let down and that other people who are also victims of terror have been badly let down.

As a member of the coalition, I am proud to support the Leader of the Opposition in supporting a compensation package for domestic victims of terrorism overseas. It is inconsistent logic to say that an Australian is not entitled to compensation as a victim of violence purely because the incident occurred abroad as opposed to in Australia, and insincere not to include those that have been the victims of some of the worst attacks on the Australian people—namely, September 11, the Bali bombings, the London and Jakarta bombings, and the Mumbai terrorist attacks. The announcement that the Leader of the Opposition has made brings into line the level of assistance provided to domestic victims of violent crime for both future and past victims.

The government recently spent $75,000 on coffee machines. This is one part of compensation that could be paid to victims of terror. One has to wonder about the priorities of this government.

Although no level of compensation could adequately compensate for the trauma that victims of terror endure, hopefully this gesture will provide just a little bit of hope that these people so desperately deserve. That is why I support this motion.

Mr STEPHEN JONES (Throsby) (21:08): To some it might appear a little bit shabby that we are engaged or enjoined in a debate over whether or how we provide assistance to those families of people who have been touched by the tragedy of being a victim of a terrorist incident. But the truth is that the debate we are engaged in is not about whether we provide assistance but how. Tragically, since 11 September, 2001, over 200 Australians have been injured and more than 100 killed in overseas terrorist incidents.

Significant targeted assistance has been provided to victims of those events, including through the Disaster Health Care Assistance Scheme, by way of ex gratia
assistance, consular and repatriation assistance, and immediate short-term financial assistance through the Australian Government Disaster Recovery Payment.

It is true that, until the government moved legislation through this House a few weeks ago, our response as a nation in providing assistance to these victims has been somewhat ad hoc—and I make no criticism of either those members opposite or those members on this side of the House. I believe that, when we see the images of terrorism and victims of terrorism brought home to us, into our lounge rooms via television screens, it is only then that we start to focus on the issues that are subject to the legislation, which was moved by the government a few weeks ago.

It is true that, under the previous government and for several years under this government, there have been ad hoc approaches. That does not mean that that side of the House or this side of the House is any less caring or any less genuine about its sympathy for the victims. What it does mean is that we now have a process through the September 11th Victim Compensation Fund, and through other areas of assistance, to provide generous financial assistance to those injured and the next of kin of those who were killed in the 9/11 attacks, including Australians.

Under that compensation fund, payments of between $250,000 and $7.1 million were made to the next of kin of six Australians killed in those terrible attacks. Retrospective application of the scheme would effectively duplicate assistance that has already been given through that compensation fund and through the other areas of assistance that I have already alluded to. Calls by the Leader of the Opposition, however genuine—and I believe they are genuine—to apply the government’s financial assistance for victims of terrorism scheme to victims of past incidents are inconsistent with the position the coalition took when they were in government. In relation to September 11 and the Bali bombings, those opposite made decisions about support and assistance for those victims. I can only assume they made those decisions based on the best information that was available to them at the time.

The support provided to past victims drew on a number of existing measures, including the Disaster Health Care Assistance Scheme, ex gratia payments, consular and repatriation assistance, and immediate short-term financial assistance through the Australian Government Disaster Recovery Payment.

This government has taken action by implementing a scheme which will ensure that assistance and support provided to Australians affected by terrorism overseas or who are victims of any future attacks is appropriate and sufficient. The Social Security Amendment (Supporting Australian Victims of Terrorism Overseas) Act 2012 was enacted for that purpose. It provides for financial assistance of up to $75,000 to Australians who are harmed by an overseas terrorist act and to Australians whose close family member or members have died in an overseas terrorist act.

As has been mentioned by previous speakers in this debate, there is nothing that we can do by way of financial payments which will serve to ease the pain and suffering of those families and those close to the victims of these terrible attacks. The $75,000 or the payments through this scheme of up to $75,000 are designed to provide some financial assistance in their hours of need. (Time expired)

Mr SIMPKINS (Cowan) (21:13): Australians and our interests overseas have been targeted by terrorists on more than one occasion. I remind the House that 11
Australians were killed in the September 11 2001 attacks in the US. In fact, earlier today we offered our condolences on the commemoration of the 10-year anniversary of the Bali bombings where 202 people were killed, 88 of whom were Australians. What that means is that, regardless of what is happening in the world, regardless of our foreign policy decisions, there are going to be terrorists that see value in attacking Australians. While I say value, some of them may see political or publicity value in killing Australians, but others may just have a pathological hatred of anyone who could be seen as representing western liberalism.

The reality is that terrorism is now almost exclusively the practice of radical Islamic groups or Islamists. They seek to expand a way of life and the political system of a religion that degrades the place and opportunities of women, that promotes medieval laws and that restricts freedoms that we hold dear. These Islamists are offended by our actions in Afghanistan, by our support for Israel and of course by our alliance with the US. Regardless of any of those foreign policy matters, they are offended by our refusal to become Muslim, by our consumption of alcohol and probably countless other sins.

While the apologists on the Left in this country may rationalise and even excuse terrorist attacks on Australians as resulting from our 'terrible' actions in places like Afghanistan, the reality is that the Islamists find fault with anyone who does not adhere to the same religious fanaticism that they do and anyone who lives in the decadent West. The truth is that Australians will be targeted in the future by these enemies; and turning the other cheek or embracing them, out of some misplaced view of seeking empathy and understanding, is pointless and a betrayal of this nation. The point is that while there are Islamists there will be terrorism and while there is terrorism Australians and all people from liberal Western democracies will be targeted. The outstanding efforts of ASIO here and the security agencies of other nations combine to help detect the threats, but overseas we cannot always expect the terrorists to be stopped and therefore we cannot rule out that there will be more Australians killed or injured such as at the Marriott Hotel in Jakarta.

Beyond countering the threats, it is therefore important that we have had the capacity to respond when they have taken place. I am talking about not just the highly successful efforts of the Howard government in 2002 but now also the ability to provide financial support for the victims. In June 2012 the House debated the Social Security Amendment (Supporting Victims of Terrorism Overseas) Bill 2012. The government brought that bill in to counter the private member's bill of the Hon. Tony Abbott. The trouble with the government's bill was that it was not retrospective and therefore would not assist those that had been in previous attacks. I of course hope that every future attempt by terrorists to hurt Australians will be interdicted by security forces and stopped; but, just as has been the case with the attacks in Bali, Australians affected have been left with having to deal with the effects for the rest of their lives. That should be acknowledged and retrospectivity applied for these past victims.

The government's attempt at social security for victims of terrorism overseas excluded one of the most important aspects: declarations to give assistance to actual existing victims of terrorism. I join with the Leader of the Opposition to call on the government and the minister to make a declaration so that the families of the 300 Australians killed can get this modest but important payment. As said earlier, we are talking about only $30 million, which is
fairly modest in the scheme of Commonwealth government spending. This is the least a decent nation can do for the people who have suffered. Many victims and family members of victims of overseas terrorism have suffered not only financially but also, in a large number of cases, physically and mentally.

This private member's motion is in response to the coalition's recognition of the need for a federal scheme to offer financial assistance similar to that which is currently available to local victims of crime under state and territory schemes. This financial assistance is usually up to $80,000 and, as we heard from the Leader of the Opposition, it is not specifically to compensate but, rather, to recognise the suffering that the victims have incurred. As I stated, the Australian victims of overseas terrorism suffered because they were Australians; they were targeted because they were Australians. This is not a political issue, it is a personal issue. If financial assistance is okay for those who will suffer from terrorism overseas in the future then it should be right for those who have suffered from overseas terrorism in the past, and continue to suffer, to also be provided for.

Debate adjourned.

ADJOURNMENT

Ms KING (Ballarat—Parliamentary Secretary for Infrastructure and Transport and Parliamentary Secretary for Health and Ageing) (21:18):
I move:
That the House do now adjourn.

Members of Parliament: Families

Mr BUCHHOLZ (Wright) (21:19): It is indeed an honour to stand here in this House as a federal member of parliament; it gives me the opportunity to represent my electorate on so many issues. But each member's family pays an enormous sacrifice for the service we members give to this place. The strength that families give us is testament to who we are. My family, and the strength of the family unit, is what makes me who I am. I am very proud of the family unit that I have at home. I do not think I would be a federal member of parliament if it were not for my wife's strength of character. Being a politician gives me the opportunity to speak on numerous topics and to thank and give accolades to those in my electorate who deserve praise. But as politicians we often overlook the humble simplicity of the family unit that we have at home. You do not realise what you have got until it has nearly gone. My wife had a bit of an accident, and it made me think about what life would be like without her.

My wife and I have a daughter, Grace, who is 16. She is a great kid. Don't get me wrong, some days you could tie them to a post and throw rocks at them—anyway, she is a good kid. She is heavily involved in the equestrian arena. She competes in the Olympic discipline of the three-day event, which is show jumping, dressage and cross-country. She was fortunate enough recently to make the Queensland squad for that event and a couple of other events. She competed against the best riders from all around Australia, from every state in our nation—for example, Western Australia sent a delegation of 40 riders. I am a proud father because my daughter competed against the best of the best and came first in the nation for the event called the three-phase, for which I am eternally proud. Subsequent to that, she also came third in the nation for her pet event, the three-day event, the Olympic discipline that she competes in. I hope that one day soon she will give it away. I would like her to take up hockey—because the capital outlay for hockey is about $15 for the stick, while the
outlay for equestrian sport, her chosen discipline, is far more expensive.

In getting here in my business career my wife was a tower of strength to me—not a tower of strength with corporate knowledge or direction, but every time we grew our business, from a mum-and-dad show through to having 14 depots around the state and over 105 permanent staff and contractors, each time I would go home and say, 'Right, it's time to pack up. We've grown this. We need to move on and build in another town,' I never got any heat or static from her. It was, 'Yep,' she would pack up the house and onward we would move. I never want to take for granted the capital that my family have in this game as well.

For all of the parliamentarians that are in here I would suggest that it would be advantageous for all of us to recognise the contributions and the sacrifice that each of our families make that make us who we are. We spend 20 weeks a year, plus our committee work, down here. Ultimately, our families pay the ultimate sacrifice for the time that we forgo being with them so that we can represent the members of our electorate and their values. Tonight I would just like to dedicate this speech to Australian families and the strength of the family unit and to encourage each of you to acknowledge your families from time to time, because they do pay the ultimate price.

**Victorian Cooperative on Children's Services for Ethnic Groups**

Ms VAMVAKINOU (Calwell) (21:24): Today I would like to share with the House a number of projects and activities that are taking place in my electorate that are aimed at improving very much the lives of families, and in particular children, particularly the lives of the families and children in the many migrant or ethnically diverse communities that make up my electorate of Calwell. On Wednesday, 24 October, which incidentally is also Universal Children's Day, I had the privilege of launching the Victorian Cooperative on Children's Services for Ethnic Groups' program called New Opportunities in Family Day Care, or the FDC program. The program is part of the government's Better Futures, Local Solutions initiative and aims to provide training and workforce participation for unemployed—and, in particular, unemployed migrant—women in the federal seat of Calwell. More specifically, it is designed to create employment opportunities for some 20 women—20 positions per annum over the next three years, a total of 60 positions—in the family day care centre.

Based, of course, on the positive statistics gathered from similar programs, the success of the FDC—or the family day care—program is almost a given. Plans are already in place to expand the partnership with the Brotherhood of St Laurence, who already run a family day care service in Craigieburn, and for VICSEG to establish its own multicultural day care service to provide more work placements and ongoing professional development for bilingual family day care educators.

John Zika, who is the Executive Director of the VICSEG New Futures, is also the Chair of the Hume Early Years Partnership. He, as well as myself and many others, is very excited about the prospects of this program. As John has often said, these programs reduce disadvantage, by supporting women to succeed in their studies and in the workforce. Of course this combination of studying and participation in the workforce has a ripple effect for families, as we all know. As more culturally responsive family based child care becomes available, the more confident a child feels and is more responsive to developing new language, wellbeing and social skills. In turn, having
access to these services enhances parents' participation and access to English-language classes, vocational training and employment— which, in short, is a win-win for both parents and children.

VICSEG's New Futures manager, Janet Elefsiniotis, said that as a community partner the organisation facilitated 16 playgroups in Hume, which in turn supported 360 parents and children from diverse backgrounds, including the Assyrian or Chaldean community, the Bhutanese community, and the Samoan, Arabic, Vietnamese, Turkish, Sri Lankan and Arabic communities. They are all very well represented in my federal seat.

VICSEG has also actively contributed to the development of a number of successful community hubs in nine local primary schools. The co-ordinator of Communities for Children, Colleen Turner, says that these programs had proven their worth and contributed to a steady increase in the number of children attending kindergarten and child care over a five-year period. The same is also true for attendance at playgroup and connections to the local library. For example, in 2006 there were 50 registered playgroups in Hume. Today, in 2012, some six years later, there are about 130, and an estimated 2,000 preschool-aged children are attending playgroup in my electorate. More recent reports indicate that from January to June 2012 1,420 adults attended activities, and of those 851 were from non-English-speaking backgrounds and 60 from our Indigenous community, and 456 were families whose main source of income is Centrelink.

I am particularly pleased that such programs are active in my electorate. The success of these programs is recognised in a number of ways, and they are very much a prototype, and are being used as a prototype in other municipalities. They have been recognised by government by being refunded and expanded so that our target group in between 2009—(Time expired)

Bali: Terrorist Attacks

Mrs GASH (Gilmore) (21:29): It is hard to believe that 10 years have passed since that infamous day of 12 October 2002, when 88 Australians lost their lives. The Bali bombing was a reprehensible and treacherous act against innocent lives. It was murder, pure and simple. Calling it an act of terrorism in some way diminishes the savagery. Overall, 202 people died that day and another 240 were grievously injured.

Among those killed were two young mates from Ulladulla, in my electorate of Gilmore, Craig Dunn and Danny Lewis. Ulladulla is a small town and the loss of the two boys hit hard. Even those that did not know them personally had a degree of affinity with them, even just through living in the same town. Most of their peers attended the same high school. They shared similar interests and did a lot of things together. Going to Bali was an aspiration many young teens from Ulladulla would have entertained at some point. Craig and Danny went from Ulladulla to Bali but they did not come back.

It is bad enough when one of our soldiers is lost fighting this tyranny but quite another thing when it is a noncombatant having a holiday. It was said at the time, and I do not disbelieve it for a moment, that 10 years ago we lost our innocence. We realised we were not immune to the things that, up until then, we had only heard about or saw on television. You can only imagine what was in the minds of those young people, those teens from Ulladulla, who saw two of their own snatched away from them in such horrific and brutal fashion.
But, like the phoenix rising from the ashes, some good emerged from the bad. Gayle Dunn is the mother of Craig. I will not talk about what she went through, but I applaud her on redirecting her grief, as immense as it was, into something that benefited humankind. It was almost an emphatic rebuttal to the savagery that robbed her of her son. Gayle, like any other parent, wanted to honour the memory of her son and his mate. But, rather than a small headstone or plaque, Gayle took a different tack. She wanted her memorial to Craig and Danny to be more than symbolic or tokenistic. She wanted the memorial to help others, to ease pain and to make the world a brighter place. This was the vision that was the beginning of the Dunn and Lewis Memorial Centre in Ulladulla. Gayle was the driving force behind the establishment of the Dunn & Lewis Youth Development Foundation, established to raise funds to build her dream.

The first stage of the centre is now completed. It includes a 12-lane bowling alley, an air-conditioned lounge area, a food kiosk and a conference room, and it employs over 25 young people. As soon as financially possible, the second stage will commence: building an auditorium and gymnasium and commencing a wide variety of sports and health programs. The aim is to complete the commercial kitchen and function rooms to establish additional income streams in this stage. It remains a work in progress.

It is appropriate to repeat the stated intent of the foundation:

**The Intent of the Dunn & Lewis Youth Development Foundation Ltd:**

Providing a memorial for Craig Dunn and Danny Lewis to remember the boys forever who lost their lives in the terrorist attack in Bali on October 12th 2002.

An attraction for all youth to meet their ever changing needs where they are safe and comfortable.

Opportunities for the youth to enhance their personal, social and vocational skills.

Financial assistance for the youth of Ulladulla.

Offer recreational activities and entertainment for the wider community.

Foster a sense of community spirit.

What a noble and generous sentiment. I commend all who contributed to the creation of this community asset and who continue to give. It is the dream of all of us who live in Gilmore in the Ulladulla area to see the project realise its final stage. Both Gayle and I ask this government to consider stage 2 funding through the RDA Fund. Applications have been called for for this round, and I know that Gayle Dunn had discussions with the Prime Minister in Bali on the 10th anniversary. I invite the Prime Minister to come and visit the Dunn and Lewis Memorial Centre. I know that she too would be very proud of what has been achieved through funds from both sides of politics.

The young people of Ulladulla designed the building, help run it and use it to educate those who are doing it tough. The centre also has an outreach of headspace. So, as you can see, it is certainly aimed at our youth of Ulladulla and the Gilmore electorate. It is something all of us in Gilmore are proud of, yet we never forget why it was built.

**Vietnam: Human Rights**

Mr HAYES (Fowler) (21:33): For the majority of the Vietnamese people, last September was an exciting month of celebrations. The streets of Vietnam lit up as people celebrated the lead-up to the Mid Autumn Festival. However, behind the festivities and beneath the smiles and cheers of the 90 million Vietnamese people lies the sad story of suppression and the continued denial of human rights.

Perhaps the Vietnamese government had timed the recent series of trials around the
Mid Autumn Festival in an attempt to minimise the amount of external attention these trials attracted. The results of the recent trials demonstrate that Vietnamese people do not have a voice. But, whilst they cannot speak up for their rights and liberties, we in the international community have a responsibility to speak up against these injustices.

September was a very dark month for freedom of expression. It was when three Vietnamese bloggers were handed down excessively harsh sentences. Nguyen Van Hai was sentenced to 12 years in prison, Ta Phong Tan to 10 years and Phan Thanh Hai to four years. They were each convicted under article 88 of the Criminal Code for posting articles on their blog sites that supposedly distorted facts and opposed the state.

I have often spoken about the human rights abuses in Vietnam, but today I want to specifically focus on the court system in Vietnam and the way in which the system allows such abuses to occur. In Australia, as in most democratic countries, the doctrine of the separation of powers applies to ensure the independence of the judiciary so it can act without fear or favour in the administration of justice. In Vietnam, however, there appears to be no clear division between the legislature, executive and judiciary, as all administrative organs are ultimately subservient to the Communist Party.

From a legal perspective, it would appear that Vietnam's evidence law applies in a completely different way when it is applied in the courts. The World Organisation Against Torture identified several procedural irregularities in the Vietnamese justice system which they claim have blatantly contravened fair trial standards. In the case of the three bloggers, there was no public hearing, as provided for by article 14 of the International Covenant on Civil and Political Rights, to which Vietnam is a signatory. The defendants' families were prevented from attending. And the defendants were provided with no opportunity to defend themselves or call witnesses in their defence.

The human rights abuses in Vietnam have attracted President Obama's attention. In May this year, President Obama mentioned Nguyen Van Hai's case in a speech that called for greater freedom for media around the world. Whilst Vietnam continues to grow and expand economically, the Vietnamese community in Australia have on numerous occasions stressed to me the worsening condition of human rights in Vietnam. They are not alone in their fears. The international community, whilst seeking closer economic ties with Vietnam, is also pressing Vietnam to improve its records on human rights.

Earlier this year I dedicated a speech to acknowledging the relatives of those bold enough to stand up for freedom. Today I would like to bring to the attention of parliament the tragic circumstances of Ms Dang Thi Kim Lien.

Last 30 July, Dang Thi Kim Lien, mother of Ta Phong Tan, who was recently sentenced to 10 years in prison, self-immolated outside the offices of the Bac Lieu People's Committee Building and died. She sacrificed her life to draw attention to the plight of her daughter. Apart from this being a demonstration of a mother's love and concern for her daughter, I understand that Kim Lien also had faced constant harassment from government officials.

Whilst many of us see Vietnam as a nation of enormous economic potential and a country which has much to offer on the world stage, I ask the House to look beyond this and see the human rights violations, the suppression of free speech and the
harassment that Vietnamese people are subjected to. True friends who believe in a strong and prosperous future for Vietnam and its people would not remain silent in face of such human rights abuses, so neither will I.

Cancer

Mr DUTTON (Dickson) (21:38): Cancer is a word which causes fear and heartache for millions of Australians. Everyone in this place represents people who have suffered from cancer. Some members have direct experience of cancer, and all would have family and friends who have suffered. Cancer is one word but it is many diseases. They are all terrible but we need to understand the differences—not because one person's suffering is more important than another's, not because one person's courage is more inspiring than another's; we need to understand the differences between different cancers because in this place compassion is not enough. We need to understand the detail if we are to support the solutions that many in our community are working to. The prevention, treatment, support and cure of different cancers will sometimes overlap but often they will be very different.

Tonight I will share with you a few words about a family battling brain cancer. As you listen, I hope to highlight the massive impact on one family and then consider the scale of the problem when multiplied across many families in our nation. Think about the personal strength for Katherine Landers to take time to write about her husband, Andrew Landers. They moved to Brendale in my electorate on 1 June 2011. Her words best describe what happened next:

On 12 June 2011 at the age of 36 my husband collapsed without warning and was diagnosed with a malignant brain tumour. I was pregnant with our second child at the time. We now have a 7 year old daughter and a 10 month old son … … We were just going along like any other married couple with young children and our world was thrown upside down. We have had to deal with the physical, emotional, mental and financial impact of this disease knowing that ultimately it will be terminal. (I am though hoping it won't be terminal for a long time yet and that my husband will get to see our son's first day at school). Due to the diagnosis my husband can no longer work and I have had to drop down to part-time work to meet his care needs which has meant that unfortunately we are now living on Centrelink payments. This is a situation I never imagined I would be in although I have learnt to become very resourceful with budgeting which has been a positive.

Despite personal circumstances that would leave many unable to think beyond each day, Katherine Landers wants to raise awareness and help others. Again I will let Katherine's own words convey the information she wants our nation to know:

- There is currently a low level of understanding in the community about brain tumours and the enormous impact they have on individuals and their families.
- One person is diagnosed with a brain tumour every 6 hours and one person dies from brain cancer every 8 hours in Australia.
- Brain cancer is the leading cause of cancer death in people under the age of 39.
- The 5 year survival rate for brain tumours is 19%.
- Almost 100% of patients with brain cancer succumb eventually.
- Brain cancer is the only cancer that directly affects both the body and mind.
- Brain cancer carries the highest individual financial burden of all cancers with an average cost more than 5 times higher than other cancers. According to a study commissioned by the Cancer Council NSW the financial costs faced by households with a brain tumour were $149,400 which was almost 50% greater than households with the next most expensive cancer. This is due to a reduction in income and the increase in out of pocket expenses.
• Brain tumour research funding is currently low in relation to the burden of the disease.

I am wearing a silver ribbon tonight, and this week is International Brain Tumour Awareness Week. I am wearing that ribbon because Katherine Landers had the courage to share her family's story so that in the future there will be fewer families that have to fight brain cancer. Let us reflect on what the Landers family are enduring. Their story matters not just because of our compassion for them but because it should steel our determination to achieve better outcomes for all brain cancer sufferers. Let us also reflect tonight on the work of the medical researchers and the clinicians who work to provide support to these families in their darkest hours. Let us make sure that, as a nation, we continue to recognise the efforts that they make to find a path to a cure and to a better prospect of life ahead for these sufferers and for families like the Landers family. Let us make sure that our country recommits itself to extra research dollars to provide support for that valuable pursuit. This is a country blessed with much natural wealth, and we must make sure that we turn that into opportunities to make life even better for Australian families.

Blair Electorate: Performing Arts Centres

Mr NEUMANN (Blair) (21:43): It was my privilege and pleasure recently to open the new arts and cultural hub known as Studio 188, in the old Baptist Church at the Top of Town in the city of Ipswich, in the heart of the electorate of Blair. This was a great event for Ipswich. It marked the completion of a $1.5 million refurbishment transforming the old Baptist Church, a 135-year-old building, into a modern performing arts space. It is a fantastic addition to the region, with an emphasis on supporting young and emerging artists. The combination of modern stage and technical equipment with the natural atmosphere of this great heritage-listed building makes this a truly unique venue in the Top of Town part of Ipswich, which is being renovated into a very important part of the city of Ipswich.

The Ipswich Civic Centre is operating at full capacity, 100 per cent, all through the year, and Studio 188 will create a new stage on which young people, particularly locals, can perform and enjoy performing arts. Ipswich is one of the fastest-growing regions in South-East Queensland.

This funding is provided by the federal Labor government as part of a $3.3 million funding commitment that I secured under the Better Regions Program for Ipswich. The first two phases of the program were the renovation of the Ipswich Civic Centre and a feasibility study for an Ipswich performing arts centre. McDonalds Australia donated the building and land to the Ipswich City Council. That might sound strange, but the history of the building is fascinating.

The former Ipswich Baptist Church was built in 1877, originally a simple brick building on a large block of land. It is the oldest surviving church designed by Richard Gailey, who emigrated to Australia from Ireland in 1864 and became an influential and prolific architect in colonial Brisbane. Gailey's substantial body of work includes the Brisbane Girls' Grammar School, the Regatta Hotel in Toowong and Oddfellows Hall in Fortitude Valley. Refurbishments were done in 1938 and again in 1954, with the approaching centenary of the building and subsequently towards the end-use of its life. In 2008 the Baptists sold the church to McDonalds Australia and relocated out to Brassall. It is a large church and my wife and I are members of the congregation.

McDonalds Australia divided the land, built a fast-food outlet on some of it and
gifted the heritage listed church to the Ipswich City Council. With its location in the CBD, the council recognised it as an ideal space for community and cultural development in the region. It took Ipswich about 150 years to achieve 150,000 and it has nearly 180,000 now. In the next 20 years it is going to double. The arts connects communities. Ipswich is a city but also has plenty of small country towns. It drives the arts, provides social cohesion, boosts economies in the local Ipswich and West Moreton region and sustains regional development.

The Ipswich Civic Centre is the largest cultural precinct in the Ipswich and West Moreton region and I am pleased that we secured money for that under the Regional and Local Community Infrastructure Program—$336,500 for the installation of a covered outdoor area and servery. That has been used wonderfully well, including for the recent Ipswich Chamber of Commerce awards night. The rest of the money went towards the refurbishment of the 1970s-built Ipswich Civic Centre, opened by the Whitlam government. It has been completely refurbished and is a wonderful facility but, with Studio 188, will see an additional arts and cultural hub in Ipswich and Top of Town.

In the future, we will need an IPAC, an Ipswich performing arts centre. Ipswich continues to grow and artists continue to bloom and flourish in drama, singing, performance and dance. We have some wonderful artists in the area. The regional landscape has been particularly driven by the facilities we have. Providing these facilities—Top of Town and Studio 188, for example—especially for young and emerging artists will make a big difference. Local artists can stay in Ipswich, learn their trade and flourish and prosper. The arts are great for Ipswich. It is a demonstration of the federal Labor government's commitment to Ipswich.

Child Sexual Abuse

Mr FRYDENBERG (Kooyong) (21:48): The state has many roles. It is a regulator, a revenue raiser and a provider of services to those most in need. But above all else, the first and most important duty of government is to protect its own people and, by extension, to be a good global citizen that protects others in the world too. Nowhere is this guardian role more important than with respect to protecting children from exploitation. They are the most vulnerable members of society and deserve our very best efforts.

Today's reality is that new technologies and the rapid expansion of the internet has created a booming yet horrific, commercial trade in the production and sale online of child sexual abuse material. This is not pornography, as the term implies mutual consent. Child sexual abuse involves the imposition of one's will on another in breach of every moral value and every legal code.

According to the United Nations Office on Drugs and Crime, each year, 50,000 new child sexual abuse images are produced in an industry worth more than $250 million. Alarmingly, nearly three-quarters of the victims on these sites are, according to Internet Watch Foundation, children under 10 years old. It is also important to note these are not peer-to-peer networks that share images with each other but a lucrative commercial enterprise predicated on abuse. Be under no illusions, Australia has taken action to target these crimes of sexual exploitation of children.

The Australian Federal Police have been resourced, laws have been passed and internet service providers, like Telstra and Optus, have on a voluntary basis taken action to limit access to certain proscribed sites.
Indeed, Australia is a party to a range of international conventions and protocols, like the UN Convention on the Rights of the Child, the UN Convention on the Elimination of All Forms of Discrimination Against Women and the UN Convention against Transnational Organised Crime, but more can and must be done. The community expects it of us and we should not them down.

Just last week, a delegation of senior representatives from Christian organisations in my electorate, including from the Uniting, Anglican and Catholic churches, came to see me about this very issue. We had a very constructive discussion about a number of new measures that could be deployed to disrupt the supply chain of this horrendous trade. Their suggestions included mandatory requirements for ISPs to disrupt access to sexual abuse material, closer cooperation with payment providers to ensure that services are not provided to purchase this material, greater education and awareness of the public to report this material when they see it, tougher penalties for those who produce and purchase such material, greater resourcing for the AFP to target those who produce such illicit material, stronger action against content hosts that have been used to trade this illicit material so that their operations are not utilised for that purpose again, and better utilisation and greater development of new technologies to identify and remove such material.

These are all ideas that should be explored by government and those law enforcement agencies responsible for stamping out this horrific crime. The coalition is very cognisant of these issues, having established a working group looking at online safety, under the chairmanship of my colleague and friend the member for Bradfield. It is focused particularly on the vulnerabilities of children.

In this parliament there are important areas where both sides of the political divide need to come together to take concerted action in the national interest. The protection of children from sexual exploitation both at home and abroad should be at the top of this list. Considered and strong action to protect our children deserves our immediate and full support.

**Baby Bonus and Family Tax Benefit**

**Mr KELVIN THOMSON** (Wills) (21:52): I endorse and support the remarks of the member for Kooyong. An article by Susie O'Brien entitled 'Don't use welfare benefits as birth control' in yesterday's *Sunday Herald Sun* discussed but, unfortunately, did not state my actual position about changes to the Baby Bonus and family tax benefit. In calling for the abolition of the Baby Bonus and a grandfathering of the payment of family tax benefit for those who have more than two children I argue that the money would be more productively spent elsewhere. It would be more beneficial to use the money to help abolish student fees and charges at both the university and TAFE level. Ms O'Brien said nothing about this, so she left out half the story, which is not high-quality journalism.

So, to outline to the House my position in detail, I have formed the view that the euphemistically named HELP should be abolished and we should reintroduce free university education and free TAFE courses. Norway has it and it works for them. We used to have free university education and it worked for us. The theory behind HECS at the time it was introduced was that it would generate money for more tertiary places and that it was reasonable for people who had profited from their higher education to put something back. Whatever the merits of the theory, in practice, it has not worked out that way.
The Howard government essentially flatlined the number of Commonwealth subsidised university places for domestic students between 1996 and 2007. Furthermore, it substantially reduced the income threshold at which HECS cut in so that, instead of it being about affluent professionals giving something back, it has become a burden for quite modest income earners and a yoke around the necks of young students. Nor was this about the government switching resources from tertiary education to trades training. Between 1997 and 2006 the Commonwealth contribution to vocational education and training costs declined by over 20 per cent.

What would it cost to get rid of HECS? In 2010 the Australian government paid about $2½ billion in HECS-HELP payments to universities, and students paid $500 million in upfront payments. This means that $3 billion would need to be paid by government to universities and not recovered from students. For the same reason that it would be desirable to get rid of HECS, it would also be desirable to get rid of student fees and charges in the vocational education and training sector. In 2010 the revenue from students’ fees and charges from all students was about $320 million.

So, the total cost of abolishing student fees and charges in both tertiary and vocational education is roughly $3.3 billion. We could find this money by: abolishing the Baby Bonus, which is inconsistent with moving to stabilise our population and costs around $850 million per annum; abolishing the 38 cents per litre fuel tax credit for the mining industry, which would save around $2 billion each year; and grandfathering Family Tax Benefit A for third and subsequent children and the Large Family Supplement, that is, continuing to pay them where there is an existing entitlement but not paying them for new children unless they are the first or second child.

The Henry tax review recommended both the abolition of the Baby Bonus and reconsideration of additional payments like the Large Family Supplement. It said:

The Baby Bonus does not reflect the additional direct costs of children at birth, because in effect it includes an element of income replacement. With the introduction of PPL,—

Paid Parental Leave—

the Baby Bonus should be abolished and a small supplementary payment, reflecting the average direct costs of a new born, should be paid over the first three months as part of the per child family payment (including to those receiving PPL).

Additional payments for larger families, including the Large Family Supplement, the Multiple Birth Allowance for children over one year, and higher thresholds for larger families should be reconsidered as the case for these payments is not strong.

I do not think it is appropriate for taxpayers to fund students indefinitely. If we are serious about building skills and being more than a mining boom, one trick pony we should pay for everyone's first three or four post-secondary education years so that everyone with the capacity gets the opportunity to get a degree or other post-secondary qualification under their belt.

As money comes in from phasing out the Large Family Supplement and Family Tax Benefit A for third and subsequent children, I think we should consider forgiving some of the HECS debt that our present generation of young people have been saddled with. I think that we could treat them better than we have done.

**Higher Education**

Mr TUDGE (Aston) (21:57): Our higher education sector is set for a massive
transformation whether we like it or not. Just as the newspaper and retailing industries are facing huge disruptions due to the internet so too will the education sector. It will be immensely challenging to existing institutions, but potentially hugely beneficial to Australians. The main force driving change in the education sector is the technological ability to deliver content to anyone, anywhere over the internet at almost zero marginal cost.

For centuries the university model has been premised on a select number of students assembling at a campus to be taught a set course from learned professors. The physical constraints on the system were obvious. A lecture theatre can only accommodate a limited number of students. A top professor has only so many hours in a day. Each university has therefore been restricted to a small number of students to meet these physical constraints. The constraints have also been financial and regulatory. These constraints have created a system which is oriented around the provider. Students have had relatively limited choice of university and must meet the timetable, location and pace of busy professors juggling multiple courses and scarce lecture theatres. With the advent of high-speed, ubiquitous internet access this is set to fundamentally change.

The key aspect is the ability of the internet to separate the students from the physical campus. As ANU Vice-Chancellor Professor Ian Young suggests, lecture theatre teaching is simply no longer required. He said: ‘Not only is there infinitely more information available in cyberspace, but that information is customisable to individual students,’ meaning that different students can take different paths to reach the same destination. It will not be the case that every lecture goes online in every university, nor will it be the end of face-to-face teaching for many courses. Multiple models will develop. But the trend towards online will accelerate. Already one in five students does at least part of their course off-campus.

We are at the beginning of the revolution. Online classes will become interactive with problem solving, feedback, and review built into each lesson. The classes will not just be more convenient for students to access, but will be a better learning aid, customised to each student's needs. Once a student is removed from the lecture theatre, international providers become accessible. Suddenly, instead of students having one or two choices of universities, there could potentially be hundreds. This hyper-competition could include the global brands. Completing macroeconomics from Chicago's School of Economics could be just as easy as doing it at Deakin.

Online university courses have been around for some time, but with some of the world's most prestigious universities now entering the space, the pace will increase dramatically. Harvard, MIT, Stanford and others began offering online courses at the start of 2011, the so-called massive open online courses. Almost two million people have already signed up. The enhanced competition from global players will challenge existing institutions but can only be beneficial for students, giving them unprecedented choice, customisation and flexibility.

Government policy needs to change in five ways to capture the full opportunity it presents. First, we need to lower the regulatory barrier for overseas universities to operate courses in Australia. In particular, we should remove the necessity that a university must do research as well as teach. Let the best come in with course offerings and judge them on their performance. Second, TESQA needs to put aside its on-campus mindset and embrace the online
environment. As UNE's Vice-Chancellor, Jim Barber, said, TESQA needs to shift 'its emphasis from specifying how teaching should be conducted to what teaching should achieve.‘

Third, public subsidies should follow the student, rather than only go to Australian public providers. If a course is accredited, then the student should be able to access the public subsidy. The nationality, ownership structure, and method of delivery should be irrelevant. Fourth, universities should be allowed to differentially price, even within a single degree. This could include customised prices for extra staff contact, or pricing for two years' worth of courses over one year— if the student can cope. Finally, government funding levels need to be examined again. The government has just reviewed the base funding required to deliver courses, but it is entirely rooted in traditional methods of delivery. We should model the costs of online or partially online content provision, which, at least in the medium term, should be cheaper.

We have exceptionally good public universities and there is no reason why they cannot adapt and remain the dominant players, not just in Australia but throughout Asia. The opportunities to capture the rapidly increasing demand from Asia through our own online offerings are enormous, as my colleague Andrew Robb has outlined.

The key for Australia and its students, however, is not whether we produce the courses, but whether we can access the best courses available at competitive prices.

(Time expired)

**Police Remembrance Day**

Mr ZAPPIA (Makin) (22:02): September 29 was Police Remembrance Day. Whilst I was unable to speak to the motion in recognition of our police officers put forward by the member for Fowler and debated in the House on 17 September 2012, I take this opportunity to make some brief remarks in recognition of police officers across Australia and more specifically in my own state of South Australia.

Every day thousands of police officers leave home to do a job filled with uncertainty and a high degree of risk. The same could be said of several other occupations except that for police officers the risks primarily come from other people. By its very nature a police officer's role is to control or respond to the behaviour of others. That is what makes a police officer's work so unpredictable and so dangerous—dangers which, in the course of duty, have cost the lives of 754 police officers across Australia with 61 of them being from my home state of South Australia. Their duty was to ensure the safety of the rest of society.

Of course the statistics about those who have died, although indeed concerning, are only part of the picture. Many more police officers have been in life threatening situations and sustained serious injuries in the course of their work. In April 2011 two South Australian police officers found themselves in that very situation. I refer to Officers Brett Gibbons and Travis Emms who attended a call out to what appeared to be a domestic incident at a house in Hectorville, an eastern suburb of Adelaide. On entering the house, and without warning they were fired upon from close range by a person armed with a shotgun. Their story with a full version of events was covered in detail in the August edition of the *South Australian Police Journal*, and recently in Adelaide's *Advertiser* and *Sunday Mail* newspapers.
The fallout from the ordeal was that officer Brett Gibbons sustained horrific facial injuries, Officer Travis Emms was badly injured and three occupants of the house were brutally executed. Whilst that may have been an extreme example of violence from what could be described as a psychotic person, that is what policing is about and what makes the associated risks so different. Officers Gibbons and Emms are thankfully back on duty, perhaps physically and mentally scarred but not deterred. They are both fine examples of our nation's police officers and both deserve our utmost praise and respect.

Regrettably, random violent attacks on people seem to occur all too often in today's society. Each time they do, it is our police officers who inevitably have to respond to them and deal with offenders who are often highly agitated, often under the influence of drugs and very dangerous. Of course that is only one aspect of the daily pressures, stresses and demands of the job—stresses which flow through to family members whom I expect breathe sighs of relief at the end of each shift when officers return home safely.

I count many serving and former police officers as personal friends. I see and hear first-hand the effects their work has had on their lives. Police Remembrance Day each year enables us to show our gratitude and respect for the police officers who have lost their lives or who have in some way paid dearly for their service to our nation. Tonight I take this opportunity to do that. I also take this opportunity to acknowledge the work of former South Australian Police Commissioner Mal Hyde, who retired in July. Mal Hyde served South Australia as Police Commissioner for 15 years and I believe that he can take considerable pride in his leadership of the South Australian Police.

I extend to Mal and his wife Marcia my best wishes for their future.

I also take this opportunity to congratulate incoming South Australian Police Commissioner Gary Burns on his appointment. A local South Australian who joined the South Australian Police as a 16-year-old in 1969 and worked his way up through the ranks, Gary has done the hard yards and is well prepared to take over from Mal Hyde.

I recently attended a luncheon hosted by the South Australian Police Association at which Gary outlined his vision for the future of policing in South Australia. It was clear that Gary's years of service in the South Australian Police Force have given him a very good understanding of community expectations and issues peculiar to policing in South Australia. I extend to Gary my best wishes in his new role as South Australian Police Commissioner. I have no doubt that he will live up to the task ahead of him.

Economy

Dr JENSEN (Tangney) (22:07): These are reasonably good times today but that does not guarantee good times tomorrow. Our country is succeeding and achieving in spite of not because of Labor. Our economy has overtaken Spain to become the world's 12th largest economy by GDP as measured by the IMF. Our vision for Australia is as ambitious as that of the ordinary Australian: we will deliver an economy that is inside the top 10 in the world within 10 years of assuming office.

Over last weekend I had the great pleasure of attending the Australasian Gaelic Football Championship in Canning Vale in my electorate of Tangney. I met with leaders in the Irish community. There they gave me the truth of sound fundamentals, talking down the economy and boom times. The business people I talked to said that their biggest
problem was getting good staff, specifically engineers. These people know about competitiveness as they come from a country with no mineral resources at the cold western edge of Europe. Yet they were winning contracts in Japan, and Argentina, Chile and China.

I urge members opposite to take counsel in the Irish experience of boom and bust. Yes, we have had 21 years of continued economic growth. But in Ireland the construction sector lost 200,000 jobs in the space of 24 months. That country turned a net debt situation of 33 per cent of GDP in 2007-08 to 120 per cent of GDP in the same time. Unemployment went from four per cent to over 16 per cent and youth unemployment from six per cent to near 40 per cent. Contraction came sharply, suddenly and with shocking consequence.

One of the best leading indicators to assess the general health of the economy is the number of jobs advertised. The number of job vacancies advertised has dropped 25 per cent in the last six months in WA's the West Australian. The number of openings is down 10 per cent in this month alone. BHP, one of the most significant players and employers in my state, are getting ready to make redundancies. This is indicative of what the market is preparing to do. This is what an economist calls rebalancing or finding a new equilibrium; downsizing; rationalising. But definitions are cold comfort to the employees of Solver, which was downsized on High Road.

Business is under pressure because Labor is dumb on economics and stupid on business. There are a number of economic structural fragilities that need to be addressed immediately if we are to have a sustainable boom and not head towards another Ireland. Firstly there is the issue of educating or importing our engineers and more generally our most talented workers. What plan is in place to address the low take-up of hard sciences and maths at high school and university level? If the answer is Gonski, why is the government not funding it until 2022?

Look at the balance of payments and the money supply and at the outward flows of money by foreign workers and transfer pricing by multinational corporations. Foreign experts are sending money out of Australia. Foreign companies are paying tax outside Australia. They are leaving high prices in Perth. We need Australian led growth, driven by a return on sustainable domestic factors.

Philosophical differences will always be a part of political debate. Our competitiveness index score is going in the wrong direction. Liberals have an action plan to stop the rot. What business is telling me is that rents and wages are too high. Where is the sovereign wealth fund? Where is the incentive for self-funded retirees? We are not making the gains in productivity to justify the gains in average industrial wage. This happened in Ireland and it is happening here.

It is now, when China slows and times become leaner, that these structural deficiencies will become ever more viciously evident. I call on Labor to join the Coalition and be confident in our people. Invest in hard sciences and bold projects. Take risks for the future. It is time that we educate not import. At the end of the day, Labor may talk about Liberal jobs or Labor green jobs, but the only thing that I and the people of Tangney are interested in are Australian jobs.

Day for Daniel

Mr SLIPPER (Fisher) (22:12): Allow me to take this opportunity, Madam Speaker, to congratulate you upon your election to high office. I also thank the former Prime Minister, the Hon. Member for Griffith, for
giving me his spot in the adjournment so that I am able to again raise the importance of the parliamentary Day for Daniel, which this year will be held tomorrow. For the first time, Bruce and Denise Morecombe, the parents of Daniel, who disappeared on 7 December 2003, will be present in the Speaker's Gallery. I ask all honourable members to wear an item of red to indicate their support for the important principle of child safety in Australia in 2012.

I had expected to be Speaker and presiding over the parliamentary Day for Daniel and this year I wrote as Speaker to all presiding officers of all houses of all parliaments in Australia and also to the Speaker of the New Zealand House of Representatives to try to encourage the spread of the message of child safety to be spread Australia and around Australasia. My intention was that we would endeavour to spread this message even further internationally in future years.

On 7 December 2003, every parent's nightmare came true for Bruce and Denise Morecombe when their son Daniel, who had gone to do Christmas shopping for his family, failed to return home. Daniel was an identical twin. Since that time Bruce and Denise have put their own grief aside and devoted their lives to making sure that as many Australian parents as possible do not suffer a similar situation.

Australia, in 2012, is supposed to be a civilised country. Sadly, many children are lost each year, and the message that Bruce and Denise have sent out to the community is that they have been prepared to put their own grief aside in the interests of making sure that Australian children do not suffer the sad fate that their son Daniel suffered. Daniel's bones and remains have now been discovered. Sadly, as yet, they have not been released to the family for a burial, and this is an extraordinarily long time given the fact that DNA testing has indicated that the remains that have been discovered are in fact those of Daniel Morcombe.

Bruce and Denise set up the Daniel Morcombe Foundation, and the minister for that area, Mr Garrett, has been prepared to meet with them. I also commend the Leader of the Opposition and the shadow minister for education for their preparedness to talk with the Morcombes.

But what is really important and different is the fact that the Daniel Morcombe Child Safety Curriculum has now been set up and the first stage of the curriculum, Prep to Year 2 (Early Years Phase), is now available. The Middle Years (Year 3 to Year 6) and Junior Secondary (Year 7 to Year 9) phases will follow later on. What has been tremendous is that levels of government around Australia, regardless of the political allegiance of those governments, have been prepared to embrace the important message of child safety.

If Australia is in fact the civilised nation we believe it is, I think it is really important that all of us indicate our support for child safety. Most of us are privileged to be parents—I know you are, Madam Speaker, as are many members of this House. But whether or not we are parents I think it is important tomorrow, on the parliamentary day for Daniel, for all of us to wear an item of red to indicate our individual personal support for child safety in Australia in 2012.

Last year we had a sea of red in the House of Representatives, and I am hoping that tomorrow we will replicate that and that all of us will either acquire an item from the Daniel Morcombe Foundation or will at least wear an item of red to make sure that we indicate our support for this very important principle.
Ballarat Electorate: VCE Exams

Ms KING (Ballarat—Parliamentary Secretary for Infrastructure and Transport and Parliamentary Secretary for Health and Ageing) (22:17): I commend the member for Fisher for his words. I cannot imagine the incredible strength and courage of the Morcombe family. Having seen them many times on television talking about that course, I think they are extraordinary, and more power to them and to you for raising it here in this place. I hope that many of us wear red tomorrow and think about the issues behind child safety.

On an entirely different matter I want to take the opportunity to wish all the best to all of the VCE students across the whole of Victoria, but in my electorate in particular, who are about to embark on their final exams. The English exam starts on Thursday, I think, and I know that it is the start of a very busy and intense fortnight for up to three weeks for these fantastic students.

I wish them all the best. I know that this is the culmination of their secondary schooling. Many of them have had a very busy year and I know they are under a lot of pressure, as are their families. It is not the easiest of times during that period. I want to encourage them to look after themselves and take care. Those of us who have been through it—a long time ago—know that this is just the start. It is a fantastic and wonderful start to an adventure of learning that these young people are about to embark on.

Regardless of what results they get, whether they come out at the top, or somewhere in the middle or somewhere they were not expecting to be, this is just the start for these fantastic young people and for some older people who are going back to school. A lifelong journey of learning will happen as will the many opportunities that their secondary schooling will open up for them.

I have had the privilege of meeting lots of those VCE students over the course of the past couple of weeks, having attended their year 12 assemblies, most recently at Ballarat Christian College, where there is a fantastic group of young people who have been here at Parliament House and who did a wonderful job representing their school. I have been at Loreto’s art design and fashion show and again, they are an amazing group of VCE students. They are very talented, but I do not know how they managed to walk in the fashion show in those heels and some of the amazing creations they had done. The artwork was just beautiful. I have also seen Ballarat Christian College’s art work. At Mount Clear Secondary College the entire school recently put on a multicultural festival. The year 12 VCE students across that college played a very important role.

I acknowledge all of the schools: Ballarat Christian College, Loreto College, Ballarat And Queens Anglican Grammar School, Ballarat Clarendon College, Damascus College, the boys at St Patrick’s, Mount Clear College and Ballarat Secondary College. I also particularly want to acknowledge Ballarat Secondary College Principal, Mr Paul Rose, who has been a fantastic advocate and champion for the students of that school for many years. He is retiring. I will be attending his retirement on Friday, but I want to say thank you to him. You have been an amazing principal and I know your advocacy for education will not stop there. The VCE students I know have really appreciated your leadership. I also acknowledge Ballarat High School, which is an amazing and growing school. They do a wonderful job in my district. I also acknowledge Daylesford Secondary College students, Bacchus Marsh Secondary College students and those of the Phoenix P12, which
is a fairly new school that has amalgamated with a primary school in my area. I know that they are seeing amazing results from the VCE students, and they are about to embark on some even greater partnerships, perhaps with the university sector around that college.

I say to those VCE students that this is a challenging couple of week for you and for your families. It is a big week, but we really want all the best for you. In my electorate of Ballarat we want you to enjoy the experience—although I know it probably does not feel like that now—of what is the culmination of many years of hard work. I know that the exams are not the greatest period of time, but it will be the start of an amazing journey for all of you. I wish you all the best and I look forward to seeing many of you at your school assemblies, you graduations and your year 12 final graduations over the course of the next week. More than that I look forward to seeing what amazing young people you are going to continue to develop into and the contribution you are going to make to my electorate of Ballarat following your secondary schooling.

House adjourned at 22:23

NOTICES

The following notices were given:

Mr Ripoll: to present a Bill for an Act to amend the law relating to unclaimed money, and for other purposes.

Mr Shorten: to present a Bill for an Act to amend the law relating to workplace relations, and for related purposes.

Mrs Prentice: to move:

That this House:

(1) notes that:

(a) Primary Language Disorder (PLD) is a lifelong disability which affects many children in Australia;

(b) families of children with PLD face great uncertainties and vagaries due to the obscure nature of PLD and therefore the difficulty of reaching a diagnosis of their child's disability;

(c) children with PLD have the best chance in life if they receive treatment for their condition as early as possible;

(d) without intervention, there are profound long term implications for affected individuals in terms of gaining an education and employment, leaving them feeling isolated and despondent and at a high risk of developing depressive and anxiety disorders; and

(e) an April 2012 report by the Australian Institute of Criminology highlights the high incidence (50 per cent) of oral language dysfunction in youth offenders;

(2) recognises that:

(a) the CHI.L.D. Association's Glenleighden School is the only school in the southern hemisphere which caters specifically to the needs of children with PLD and other language disorders;

(b) for over 30 years, this school has achieved significant results for thousands of children;

(c) the CHI.L.D. Association:

(i) through both its outreach program and direct clinical services, provides support for children with PLD and their families and schools across Queensland; and

(ii) provides quality specialised early intervention services through its clinic, but is limited to those families who can pay for services as PLD does not fulfil the criteria for funding under the Better Start for Children with Disability Initiative; and

(d) there are currently no consistent eligibility criteria across Australian States and Territories for children with PLD to access specialised educational resources; and

(3) calls on the Government to consider PLD as part of a review of the Better Start for Children with Disability Program.

Dr Leigh: to move:

That this House:

(1) recognises that:
(a) the Battle of Eureka:
   (i) was a key moment in Australian democracy;
   (ii) called for basic democratic rights, including broadening the franchise and removing the property qualification to stand for the Legislative Council;
   (iii) inspired subsequent movements in Australian history, including female suffrage and the Australian Republican Movement; and
   (iv) demanded changes to make mining taxation more equitable, with the revenue to be spent on improvements to local infrastructure; and
(b) the importance of the Battle of Eureka is to be commemorated by the Museum of Australian Democracy at Eureka in Ballarat, partly funded by the Australian Government in recognition of its national significance; and
(2) encourages all Australians to remember and respect the Battle of Eureka by:
   (a) visiting the Museum of Australian Democracy at Eureka to learn about the history of the Battle of Eureka and its effect on modern democracy; and
   (b) flying the Eureka Flag on 3 December each year in its memory. (Notice given 29 October 2012.)

Ms Hall: to move:
That this House:
(1) promises to remember all children with type 1 diabetes; and
(2) notes that 100 young Australians with type 1 diabetes will be in Parliament House on 29 November 2012 as part of Kids in the House.

Mr Billson: to move:
That this House:
(1) notes:
   (a) the incidence of skin cancer in Australia is the highest in the world and is two to three times that seen in Canada, the United States and the United Kingdom; and
   (b) that skin cancers account for around 80 per cent of all newly diagnosed cancers in Australia;
   (2) supports policies that focus on early detection which will in turn significantly reduce the number of Australian lives lost to skin cancer every year;
   (3) notes the importance of training for general practitioners to ensure that family doctors are able to recognise, diagnose and treat the various forms of precursors or early stages of skin cancer; and
   (4) acknowledges the work of anti-cancer community organisations, the medical fraternity and the pharmaceutical industry in increasing awareness of skin cancer and risk prevention strategies, promoting the importance of regular skin checks and facilitating affordable access to skin checks and early stage treatments.

Mr Bandt: to move:
That this House:
(1) notes with concern the recent and growing job losses in state governments around Australia, as well as the difficulties many state public sector employees face in bargaining over wages and conditions;
(2) directs the Standing Committee on Education and Employment to inquire into and report on the conditions of employment of state public sector employees and the adequacy of protection of their rights at work as compared with other employees, including:
   (a) whether:
      (i) current state government industrial relation legislation provides state public sector workers with less protection and entitlements than workers to whom the Fair Work Act 2009 applies;
      (ii) the removal of components of the long held principles relating to Termination, Change and Redundancy from state legislation is a breach of obligations under the International Labour Organisation (ILO) conventions;
      (iii) the rendering unenforceable of elements of existing collective agreements relating to employment security is a breach of the obligations under the ILO conventions relating to collective bargaining;
      (iv) the current state government industrial relations frameworks provide protection to workers as required under the ILO conventions;
(v) state public sector workers face particular difficulties in bargaining under state or federal legislation; and

(vi) the Fair Work Act 2009 provides the same protections to public sector workers as it does to other workers; and

(b) what legislative or regulatory options are available to the Commonwealth to ensure that all Australian workers, including those in state public sectors, have adequate and equal protection of their rights at work.
CONSTITUENCY STATEMENTS

McPherson Electorate: Community Groups

Mrs ANDREWS (McPherson) (10:30): Since my election in 2010, I have had the privilege to meet a variety of community groups and their members. There are hundreds of community groups throughout my electorate of McPherson, and each does a wonderful job in representing the community and fostering the community spirit that is alive and well on the southern Gold Coast. It is what makes the southern Gold Coast such a wonderful place to live.

Arguably, one of the most prominent groups in any community is the local bowls club. Lawn bowls is, most certainly, a popular sport throughout Australia with over 830,000 bowlers in 2010 of all ages and from all backgrounds. In my electorate alone, we have five bowls clubs: the Coolangatta Bowls Club, Tugun Bowls Club, Burleigh Heads Bowls Club, Mudgeeraba Bowls Club and Robina Bowls Club. Each of these clubs has a very special place in the local community. Today I would like to speak about two in particular—firstly, the Tugun Bowls Club and, secondly, then the Burleigh Heads Bowls Club.

The Tugun Bowls Club was founded in 1967 and this year it celebrates its 55th anniversary. To date, the Tugun Bowls Club has over 1,100 playing and social members. I recently had the privilege of joining the club to celebrate the birthdays of a few very special members. Any member who reaches the age of 80 is given the title ‘super veteran’. Those over the age of 90 become ‘patriarchs’ of the club. Last week, it was certainly my privilege to present Don Oake, Herbert ‘Herbie’ Wood and Brian Stewart with their super veteran’s badges to commemorate their 80th birthdays. I was also there to congratulate Vic Groves on his 90th birthday and on becoming a club patriarch. Vic joins Ollie Hackel, Boyd Richards, Jack Harrison and Les Commino as active patriarchs of the club. I would like to congratulate each of these people on reaching that fantastic milestone and I wish them many more happy years of bowling to come.

The second club I wish to speak about today is the Burleigh Heads Bowls Club, which is located in James Street in Burleigh Heads. Many on the southern Gold Coast—and many visitors to the Gold Coast—would be very familiar with the club, which has a prime position opposite the beautiful Burleigh Beach. This club recently celebrated its 75th anniversary. It was founded in 1937 and it is certainly an iconic landmark in the area. I wish the club, and all of its members, all the very best. I look forward to being there to celebrate their 100th anniversary. Both of the clubs certainly have the support of the community, they regularly contribute, and I commend them for their work.

City of Greater Geelong Council Elections

Mr MARLES (Corio—Parliamentary Secretary for Pacific Island Affairs and Parliamentary Secretary for Foreign Affairs) (10:33): I applaud the member for McPherson for her speech, as my grandfather retired to the Gold Coast and was a very keen bowler. That very much speaks to my memories of childhood.

Today is a noteworthy day for Geelong. With the weekend vote-counting nearing completion, the city will soon have its first directly elected mayor. Keith Fagg looks the likely
winner. I would like to congratulate him on this result and his fantastic campaign. If events unfold as we expect, he really will be a very deserving winner. I would also like to take this opportunity to thank John Mitchell for his four wonderful years of service as Geelong's mayor, which provided stability and progress. I wish him the best for the future. This was a closely fought contest from a high-calibre field. The campaign gave the Geelong community welcome insight into what each candidate believed they could bring to the role and their skills and vision for our city. Our new mayor now has a unique opportunity to translate those campaign pledges into action, into a future for Geelong.

It is for that reason I believe that Geelong stands at a critical point in its history. For the first time, the mayor has a direct mandate from the people to lead our city. This mandate has invested the position of mayor with unprecedented authority. This represents a new beginning for Geelong. First, it provides the mayor with far greater authority over the council organisation than has previously existed. This authority will enable the mayor to lead the agenda of the organisation in a qualitatively different way. Second, there is now an opportunity to redefine the relationship with the Victorian government. Local government exists as an act of the state government, but that does not mean that the two cannot work as equals. With a direct mandate every bit the equal of state—and, for that matter, federal—members of parliament, our new mayor should expect more from his relationship with the Victorian government. For that reason, the state government should now establish a Geelong ministerial dialogue, which I call for today.

This would involve regular—perhaps quarterly—meetings between, on the one hand, Geelong's mayor, his or her deputy and the City of Greater Geelong's CEO; and, on the other, the Premier, the Treasurer, the Minister for Regional Cities, the Minister for Local Government and state government MP David Koch. These meetings would be an opportunity for the mayor and his team to secure the best outcome for our city—to drive the change, grow the economy and ensure our prosperity. It would be the key forum between the two tiers of government. Being mayor of a regional centre of the size and strategic importance of Geelong is about taking the city and the region in which it sits forward. It is a job that should focus on driving an agenda that will secure jobs for our workers, the wellbeing of our families and hope for our future. It is a significant and a substantial role.

Geelong has come a long way in the past two decades. We are a city proud of our heritage and optimistic about our future. We have every right to feel that way, and our new mayor can play a significant role in ensuring that our optimism is fulfilled.

Wright Electorate: Murphys and Mates Charity Rugby League Match

Mr BUCHHOLZ (Wright) (10:35): On the weekend, I had the great privilege of playing two full games of Rugby League for the Murphys Creek Maulers.

An honourable member: How do you feel?

Mr BUCHHOLZ: I am very sore. I can inform to the House that I feel like a concertina! It was all in good fun; it was all for charity. You will remember that Murphys Creek is situated right in the heart of, or on the edge of, the Lockyer Valley, which was devastated by those tragic floods early in my electorate cycle. The concept started off with a game of Rugby League whist the floods were on with the Defence Force guys, the SES workers and a handful of locals to try to lift the spirit of the community. That game was the genesis for what has
become a full-on tournament. When you walked in there, it felt like nothing short of the grand final of an NRL series! There was a jumping castle; there was a full-on fair.

There were three sides that played in the tournament: the Murphys Creek Maulers; the A-grade side of Muswellbrook, from New South Wales; and an invitational side. The invitational side consisted of the likes of Shane Webcke, an international player of outstanding calibre, whose first-grade premierships consisted of 254 career appearances, 21 State of Origin appearances and 18 test internationals. Nathan Blacklock, who also played twice for Australia, was present on the field, along with Jamie Feeney. I say to the House with my hand on my heart: I made both of them look very ordinary in the paddock! Taking the ball from the kick-off, I would like to be able to say that I took the ball up with gusto and vigour, beat the first couple of defenders, sidestepped the next one, ran out of a tackle, put a chip over the top at the halfway, regathered on the 20 to go in and score under the post. That is what I would like to say. What actually happened was that I took the ball from the kick-off and what I thought I was doing was running away from Shane Webcke, but he found me and from that point on it was a painful game. For a game that was supposed to be a bit of hit and giggle, the competitive edge of all of us came out and it was a frightful game—and I am still paying for it today!

The Murphys Creek Maulers raised $18,000 over the weekend. My jersey itself raised $195 once they sold it off. I am sure I was run up on that, but nevertheless it all goes to a good cause. The lady that runs the pub up there, Sue Haughey, is an outstanding contributor to the community, and it is that community spirit of Murphys Creek that will continue to make sure that the community rebuilds. Andrew O'Brien, who chairs the Men of League Foundation, was one of the recipients of 20 per cent of the money that was raised. Men in League do a lot of work in the area with reference to building league development and also dealing with men's depression. It is a great legacy that those guys have embarked on. I would also like to thank the president, Bob Mann, who looks after the grounds and is trying to build a community there. (Time expired)

La Trobe Electorate: Schools

Ms SMYTH (La Trobe) (10:39): I am pleased to be able to update the House on the activities of three schools within my electorate that I have been fortunate enough to visit in recent weeks and months. The first is Maranatha Christian College in Officer, which is at the south-eastern edge of not only my electorate but, substantially, Melbourne as well. It is servicing the needs of the growth corridor. It is a new school and it is one of three Maranatha schools, with the other two located in Doveton and Endeavour Hills, not terribly far from my electorate.

I was there to open the $1.4 million multipurpose hall, constructed with the assistance of the federal government under the Building the Education Revolution program. I am delighted to convey our appreciation as a federal government to the school for taking on the project and providing excellent education in a growing part of Melbourne, and also to convey the appreciation of both the head of campus and the school council president to the federal government in relation to that project. I would note that David Gleeson, the Head of Campus; Vernon Clark, the principal of all of the campuses overall; and the school council president were very appreciative of the program. I hope to visit the school soon.
The second school that I would like to mention is Belgrave South Primary School, which is excellent in making a significant commitment to civic education and civic life within Melbourne. I am pleased to be able to say that I was there not terribly long ago to present the school with awards from the federal government's 2012 Anzac Day Schools Award Program which, as members will no doubt know, assists in encouraging schools around the country to learn about our wartime history. It is important, certainly, in the context of us approaching the centenary of the First World War. I would like to commend the school principal, Fran Luke, and teachers Julie Price and Meagan Street on their endeavours. The primary school was the winner in the special category of 'Best Veteran and Community Involvement' and runner-up in the primary school category, having undertaken a 10-week unit of work involving role-playing, poetry, creative writing and an Anzac Day ceremony. They have also had a significant fundraising drive for the 39th Battalion Association in its endeavours to create a Kokoda memorial, and I was delighted to be there with Captain Alan 'Kanga' Moore of the 39th on the day of my award presentation.

The third and final school I would mention is Minaret College. Particularly, I extend my thanks and congratulations to Mr Mohamed Hassan, who is the college director, in relation to the opening of its early learning centre. That follows on from the opening last year of the BER facilities at Officer, which included an impressive classroom refurbishment, a new multipurpose hall and a science and language centre—another excellent school in the growth corridor.

Bennelong Electorate: Multiculturalism

Mr ALEXANDER (Bennelong) (10:42): I rise to highlight the variety of cultural events that have recently taken place in my electorate of Bennelong. On many occasions I have stood in this place to promote the active Chinese and Korean communities who help to weave a multicultural fabric unique to our Bennelong community. On the first Saturday in October I was delighted to welcome the annual Korean Festival to Eastwood Park, with an estimated 15,000 people flocking to our region to enjoy the sights, sounds, aromas and tastes of this vibrant community. One week later, I was proud to be guest of honour at the Australian Malaysian Singaporean Association 42nd Annual Gala Dinner and also to represent the Leader of the Opposition at the Australian Chinese Charity Foundation's Annual Dinner. Both of these events raise funds for noble causes, further entrenching these communities into the fabric of Australian society.

The following weekend was the City of Ryde Granny Smith Festival, which celebrates one of our region's most famous former residents, Maria Ann Smith—also known as Granny Smith—who in 1868 grew the first of the green apples that carry her name. An estimated 90,000 people crammed into the streets of Eastwood as our region turned into one of the major festive destinations in Sydney.

Coinciding with the Granny Smith Festival was the second annual Bennelong Cup table tennis series, which saw the Chinese women's and Korean men's team travel here to challenge Australia's Olympic representatives. This included the first ever sporting competition in the Great Hall of Parliament House, as 120 Bennelong students joined the players, the coaches, the Chinese and Korean ambassadors, the Minister for Sport, community leaders and my parliamentary colleagues for a historic occasion. The rest of the competition was held at the Ryde Community and Sports Centre and also featured players from the Korean wheelchair
table tennis team who wowed us with their extraordinary talents. With the help of president Hugh Lee and past president Brad Chan from the Australian Asian Association of Bennelong, and Andrew Hill from the Ryde Business Forum, we converted the Eastwood Mall to host exhibition matches with our international guests. I am very grateful to Hugh, Brad and Andrew, as this event would not have happened without them.

I have worked closely with Hugh Lee and I am very proud to serve as patron of the AAAB. On 9 November I will be joining all my colleagues and friends at the AAAB for their annual dinner and presentation for the Multicultural Citizen of the Year Award.

The AAAB provides a unique level of assistance to new migrants confronted with the challenges in unfamiliar surroundings. This help enables the new Australians to contribute quickly towards our society through involvement in the community. I strongly support the work of the AAAB, and I am grateful to Hugh Lee for his friendship and support as we have worked closely together to promote the many great multicultural events and services across the Bennelong region.

Shortland Electorate: Employment

Ms Hall (Shortland—Government Whip) (10:45): Last Thursday a jobs expo was held in Lake Macquarie. I was very fortunate to have the expo held in Shortland electorate. It was a fantastic event. Firstly, I would like to put on record my thanks to all the people in the departments that were involved in the organisation and setting up the jobs expo. I would then like to thank all those people that came along: exhibitors, employers with jobs—and there were over 600 local jobs up for grabs on the day—and also those organisations that came along and supported job seekers. We had over 3,100 people come through on the day.

It was an absolutely outstanding success. There were people that actually obtained jobs on the day and over the next couple of weeks I will find out how many jobs were filled because of the expo. In addition to local jobs, there were jobs from around Australia. There was some interest in that from locals who were looking for work outside our area. There was a lot of information on training and obtaining skills that people need to find the job that they need. It was really good, because it provided the whole-of-person approach to employment. For people who are just starting to engage in the process of looking for work there were organisations that provide personal support, followed by organisations that provide training and then by organisations that provide placement. I thank the Rotary Club at Charlestown for attending on the day and providing a sausage sizzle. I know that was appreciated by many people that attended.

I would like to conclude by thanking absolutely everybody that was involved with the day. I was extremely encouraged by the number of people that came along to look for work. It was one of the most outstanding events that I have had the pleasure to be associated with in my electorate. I congratulate the ministers. Minister Carr, Minister for Human Services, was present on the day and I thank him very much for the support that he provided and for taking nearly two hours out to spend at the expo. Thanks to everybody who was involved.

Flynn Electorate: Employment

Mr O'Dowd (Flynn) (10:48): The Central Highlands region of Flynn is incredibly diverse. Whilst the region has become known in recent years as being the epicentre of the
The mining boom has created significant wealth and has fostered unprecedented growth in towns such as Emerald and Blackwater. However, we know that it has also put pressure on the cost of living and housing availability. With the advent of the decrease of commodity prices and the new federal government taxes on commodities, communities have experienced a considerable slow-down in the mining operations, resulting in uncertainty created by the company restructuring.

Despite this slowdown, the Central Highlands have a lot to offer. Job losses in the mining industry and associated industries have become a feature of the region in recent months: 150 redundancies at Ensham mine; 600 jobs lost to Xstrata across two states, including the Central Highlands; and a wind back of operations at Curragh mine from seven-day to five-day working week rosters. There are few new projects on the horizon, and the companies are sitting back and waiting and looking for further developments in the area. At the moment, they are not making a move.

Despite the uncertainty that job losses have created, the region still offers many positives: agriculture, tourism and construction are the key economy drivers, as well as resource sectors. Housing availability has dramatically improved. Affordability of the houses has dramatically improved, with average rent prices falling in recent months to around $580 per week for a four-bedroom home in Emerald. The unemployment rate is 2.6 per cent, by comparison to the state average of about 6.3 per cent—lots of jobs outside of mining, of course. Whilst the current government is persisting in trying to crush the life out of the national resource sector with the carbon and mining taxes, the coalition understands that these industries are not just cash cows for a government that cannot manage its own finances.

Aside from this, we have to take positives out of the current slowdown. This means the greater availability of labour for small and medium businesses in regional towns that have suffered through the lack of workforce availability in the past. Housing affordability has dramatically improved, which means that pressure to earn big money in wages is not as intense as it has been, allowing the people to enjoy all of the benefits of living in a regional community. Lastly, the Central Highlands are just a flat-out good place to live. I have spent a lot of time in the highlands and recommend them as a warm and welcoming place, whether it is enjoying water sports or fishing at Fairbairn Dam.

**Braddon Electorate: RESULTS Burnie**

Mr SIDEBOTTOM (Braddon—Parliamentary Secretary for Agriculture, Fisheries and Forestry) (10:51): Mr Deputy Speaker Scott, congratulations on your appointment. That was terrific.

Rohan Church, Anna Norris, James Correy and Alexandra Frain are members of the RESULTS Burnie committee, which looks to overseas aid and supporting people overseas. We had an earlier meeting where I suggested that they might like to run an afternoon tea to better inform some of their colleagues involved in the Rural Clinical School in Burnie and the hospital there about RESULTS Burnie and some of the causes that they are trying to support, and also to advocate more for governments and all political persuasions to maintain our commitments to overseas aid and, indeed, lift them.
They had a morning tea and I was happy to contribute towards that. They had something like 35 of the staff attending the morning tea, and I have lots of photos here of the 30-odd that attended. In fact, there are probably about 50—some of them have pictures on the back as well, which I did not manage to see before I came up—so I do congratulate them. On it, it names the person and says, 'I support 0.5 per cent by 2015 in terms of overseas aid; let's end extreme poverty altogether'. I congratulate Rohan and his team on that exercise. I know they are very passionate about it, and no doubt during their rounds at the hospital and their clinical work they remind patients, too, of the need to tackle poverty throughout the world.

Not only that, but Rohan and his team went to Smithton High School some time after that and talked to grade 10s and others about the importance of supporting the fight against poverty worldwide and in Australia. They have sent me original letters from the students which I intend to reply to. An example is from Phoebe Littlejohn from 36 Goldie Street, Smithton:

Dear Sid Sidebottom,

I am a 16 year old girl who attends Smithton High School, today we learnt about poverty and how diarrhoea is the biggest killer of children under the age of 5 years of age, also we learnt about how our government only just give 0.35% of our budget to help end extreme poverty.

I think we could help end extreme poverty by increasing how much we give to countries, to increase it like 0.7% to help out them.

Thanks muchly, Phoebe Littlejohn

This is reflected in many more of these letters. Just to reiterate, the letter talks about 'how diarrhoea is the biggest killer of children under the age of five years of age' and how we can increase our budget and help end poverty and improve the health of others through the world. (Time expired)

Wannon Electorate: Portland Men's Shed

Mr TEHAN (Wannon) (10:54): Mr Deputy Speaker Scott, can I join the member for Braddon in acknowledging you and congratulating you for your ascension to the throne of Deputy Speaker in the parliament.

It is an honour which is well deserved, and congratulations.

Can I speak today on the Portland Men's Shed. I had the honour of going and visiting them recently, and I would just like to take this opportunity here in the House to take my hat off to them and to commend them for the excellent job that they are doing in the reasonably difficult circumstances of establishing their own Men's Shed. Like I said at the time, I would love to support them in going into a permanent place where they can really seek to develop their shed. In particular, I would like to acknowledge Gerry Leonard, the president, Greg Bevan, the vice president, Wayne Earl, the secretary and committee members Geoff Kerr, Sam Robin, John Smith, Keith McKenzie and George Bryant.

As the member for Wannon, I get to visit a lot of wonderful community groups. The Portland Men's Shed is up there with all the others that I have visited. They have turned their shed from what were really the change rooms of the old abattoir at Portland into a facility which they can call home and be very proud of. They are doing great work within the shed. They are bringing people together; they are bringing men together so that they can talk about the issues that they confront, especially as they age. I must say that it was a memorable visit.
for me because I was able to hear firsthand about how the coming together under the roof of
the shed has enabled people to talk about issues which otherwise they would not have been
able to do. One of the members was able to pull me aside and say how he had been battling
with depression, but that the Men's Shed had enabled him to get out of his house, to get
amongst friends and to talk about the issues that he had been going through. That is what the
Men's Sheds are all about, and it is fantastic to see that Portland has a shed equal to those
across the country.

I would also like to thank them for the very generous gifts they gave me: the handmade
wooden birdhouse which I now have at home, as well as the sign welcoming people inside my
house. To the Portland Men's Shed: keep up the great work.

McEwen Electorate: Mount William Axe Quarry and Sunbury Earthen Rings

Mr MITCHELL (McEwen) (10:57): Last week I attended a very significant local event,
and one that I believe is actually very significant in Australia's history. It was a special
occasion to be able to participate in the official handing back of two very important sites on a
day of celebration for our local community. As Bunjil the eagle flew overhead welcoming us
to his lands, Minister Macklin officially handed back the Mount William Axe Quarry and the
Sunbury Earthen Rings—properties acquired by the Indigenous Land Corporation—in a
moving ceremony on the Powells Track, Lancefield, property.

The Mount William Axe Quarry is a 7.5-hectare portion of land that contains important
links to Aboriginal history and physical evidence of a well-known hatchet quarry. The site is
well documented in archaeological literature, and is internationally recognised for its cultural
significance. The site contains the remains of hundreds of mining pits where Wurundjeri
people obtained the green stone to make axe heads. Green stone axes from Mount William
were traditionally traded to Aboriginal people over a wide area of south-eastern Australia
before European settlers arrived in the area. The ILC acquired the Mount William property in
1997 by way of gift from the Macedon Ranges Shire Council. We thank the shire for doing
that significant event and important gift. The site is part of an 18-hectare cultural heritage site
which has been added to the National Heritage List.

The Sunbury Earthen Rings is a nine-hectare portion of land located at Correa Way,
Sunbury, in Victoria. It contains two large earthen rings understood to be the site of
Aboriginal ceremony activity. The amazing earthen rings at the Sunbury property may be
more than 1,000 years old, and were an important part of traditional ceremonies for
Wurundjeri people.

The Sunbury Earthen Rings and Mount William Axe Quarry sites are tangible reminders of
the rich Indigenous culture that existed for thousands of years before European settlement in
the area. That these two sites are now protected by a combination of Commonwealth and state
Indigenous heritage protection laws is a wonderful result in itself, but the ceremony was about
much more than that.

It is about land being returned to Indigenous hands, to be looked after for future generations—
both Indigenous and non-Indigenous—by the local Indigenous communities.

Through the land management work of the Wurundjeri Tribe Land and Compensation
Cultural Heritage Council Inc, these sights continue to grow in importance as places of
cultural and educational exchange. I would like to thank the traditional owners of the

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Wurundjeri people, and pay my respects to the elders, past and present, of the Wurundjeri nation. There were elders there of the Nevin, Wandin and Terrick families, who were all part of this event, and Graham Atkinson, the ILC director. As Minister Macklin said, ‘We must work together in respecting, maintaining and strengthening Indigenous culture and heritage.’

The DEPUTY SPEAKER: Order! In accordance with standing order 193 the time for constituency statements has concluded.

PRIVATE MEMBERS' BUSINESS

Government Investment in Research

Debate resumed on the motion by Mr Bandt:

That this House:

(1) affirms that science is central to our economy and prosperity and that government investment in research is central to maintaining and growing Australia’s scientific capacity;

(2) notes the:

(a) growing concern amongst the science and research community about the security of funding; and

(b) risks to jobs and the economy if funding is not secured, especially in Victoria where much of Australia’s health and medical research is conducted; and

(3) calls on the Treasurer to:

(a) guarantee that science and research funding will be protected this financial year; and

(b) rule out any attempt to defer, freeze or pause Australian Research Council, National Health and Medical Research Council, or other science and research grants in an attempt to achieve a budget surplus

Mr BANDT (Melbourne) (11:00): The science and research community have been holding their breath recently. Numerous programs were paused as the government looked around for ways to achieve a politically motivated surplus. This comes on the back of previous years where there were threats to health and medical research grants, in particular, that would have disproportionately impacted on my home state of Victoria, and the electorate of Melbourne, which is home to some world-leading health and medical research facilities, as well as generally excellent research institutions.

Unfortunately, as we have seen recently from MYEFO, a deep cut was made to research funding for universities—$499 million from the Sustainable Research Excellence in Universities scheme over the next four years. That is half a billion dollars. The SRE scheme was announced in 2009, and is designed to help universities pay for costs associated with doing research: water, electricity, property costs, IT and other infrastructure. These cuts will come into effect almost immediately, with a $79 million decrease in payments in 2013. This approach from Labor to funding research in Australia is short-sighted. While the money for research grants that directly supports people and projects has been maintained, the funding for the infrastructure that enables this research has been slashed.

When you talk to researchers, they will tell you that this infrastructure funding is critical. It is what keeps the researchers in their job, and able to do their job. When one goes to the private sector or to philanthropists to ask for money, researchers will tell you that it can be notoriously difficult to get funding for this kind of infrastructure, perhaps because it is not as
attractive or sexy as funding a direct research cure, but it is essential, because, without it, the research does not take place.

The Group of Eight, which represents some of Australia's leading universities, believes the research cuts will result in the loss of around 1,450 job opportunities. The University of Melbourne, one of the most research intensive institutions in the country, will lose between $90 million and $100 million over the next four years, and 200 planned jobs may have to be abandoned. This is coming straight from the people who are directly affected. As the University of Melbourne Deputy Vice-Chancellor, Research, Jim McCluskey said: 'Victoria is a very research intensive state. We are disproportionately hit.'

Professor Hilmer has said, 'These short-sighted decisions will have adverse long-term consequences for Australia’s performance internationally in research, and will also adversely impact on Australia’s economic capacity and make our universities less attractive to international students and researchers'.

Professor Daine Alcorn, Deputy Vice-Chancellor and Vice-President, Research and Innovation at RMIT, said that the cuts were 'devastating':

This is what provides support for the overheads – the electricity, the water, the space you live on – for all of these programs. Cutting $499 million over the next four years is really taking back a promise the government gave to actually fund this kind of research in an appropriate way. It will have a devastating effect.

Research is an investment, not a cost. There are serious economic, environmental and social benefits that come from investing in Australian research. Every dollar that goes towards health and medical research, for example, results in more than two dollars in health benefits. The economic benefit of government investment in the cooperative research centres has exceeded a return ratio of three to one. When the government paused all grant funding, many researchers worried about their jobs and the future of their work. The situation has been particularly discouraging for young researchers who are struggling to establish their careers, and many have already begun to look overseas for more attractive job offers.

If we treat research in this country as a funding tap that can be turned on and off, then the benefits will not grow and our best and brightest will not stay. And if we treat it as a honeypot to be raided every time we need to find money to bring forward a political surplus, then confidence in the sector will suffer. We have seen today the welcome release of the government's Asian century white paper, which has references all through it to innovation and research and how we are going to position ourselves over the next 20 years. But we will not do that unless there is secure funding that researchers can rely on, not just from year to year but from three years to three years and five years to five years. If we are put in this position, where every time there is a need to come back to a politically motivated surplus it puts researchers at risk, then we as a country, and especially as a state in Victoria and a city in Melbourne, will suffer.

The Greens value research. The Greens will defend research. I am pleased that this motion will attract the support of others in the parliament. The government should quarantine research from cuts over the next few years.

Ms O'DWYER (Higgins) (11:05): I rise to second this excellent motion and concur with what my colleague from Melbourne has said in his speech. In this country we have three choices. First, we can provide the right research framework that will encourage talented
researchers and innovators who are home-grown, as well as those from overseas, to work in Australia delivering economic benefits for Australia and better healthcare for Australians. Second, we can bury our heads in the sand and pretend that we do not need a plan or additional funding to keep the research sector punching above its weight and globally competitive. Or, third, we can threaten to cut funding to the health and medical research sector on a regular basis, creating uncertainty and insecurity for jobs in the investment; we can play games with existing funding by freezing and unfreezing funding for such things as the NHMRC grants; we can add layer upon layer of additional red tape to the already significant regulatory burden, as evidenced by the increased time and money required to implement a clinical trial in Australia. Sadly, the government has taken the third approach.

Research, and in particular health and medical research, is, as the McKeon consultation paper so accurately puts it:

... vital to support innovation, performance improvement, and curtail escalating healthcare costs.

This consultation paper goes on to point out that the economic benefits also flow from:

... productivity gains that accrue from having healthier people in the workforce and community, and wealth creation from research commercialisation and associated employment.

The coalition understands the importance of this. There was a fivefold increase in funding committed to health and medical research under the previous coalition government.

According to the Association of Australian Medical Research Institutes we are currently ranked as one of the top countries in the world in biomedical research, producing three per cent of the world's published research, but this is all now at risk. At a time when the McKeon consultation paper states that within the next 10 years we ought to be investing $2 billion to $3 billion more per annum in research, the government has just ripped an additional $1 billion out of research and university funding. I would like to quote from one university, which has written to me and said:

The effects for the university sector however are alarming as the reduction in money available for research will have downstream effects on our campus, which is an integrated health research precinct consisting of a hospital, a medical research institute and a university department—all working together to improve health outcomes for children.

In addition, we rely heavily on research higher degree students and the reduction of funding to students will be detrimental to the research outcomes of our campus. We are very concerned about how this reduction in funding for research will play out, especially in light of the recent McKeon review calling for a massive increase in health and medical research funding.

I have also received correspondence from other research institutes and medical research bodies and I quote from another:

We are concerned that the $1 billion cuts to projected research and university funding announced by the Australian government in the mid-year economic and fiscal outlook statement will affect the maintenance of the excellent standards of medical research in Australia.

This is just a small sample.

Addressing the Australian Innovation Festival, the Prime Minister talked up innovation as being one of the keys to increasing productivity, sustaining our international competitiveness and improving our standard of living. I agree with her on this. She went on to say:
The tertiary education system has a central role in the Australian innovation system; Universities, the CSIRO and Cooperative Research Centres have a dual function of knowledge creation through research, and knowledge diffusion through teaching or consulting to business.

The question then has to be asked: why has the Prime Minister ripped out $1 billion from universities in the latest MYEFO update?

How does the Prime Minister reconcile her actions with her words? Without medical research, we would not have such lifesaving innovations as penicillin, first used as a medicine by the Australian Nobel Laureate Howard Walter Florey. Nor would we have the bionic ear, the cervical cancer vaccine or spray-on skin for burns—just to name a few.

It is a shame that this motion was not able to be brought before the House prior to last week, prior to the release of MYEFO, prior to the $1 billion of cuts that this government has announced to try and paper over the economic incompetence that has led to over $150 billion in net debt.

Medical health and research, and Australians for generations to come, should not have to pay the price for such incompetence. Research is critical to our future in this country; it is critical to innovation. In Victoria, we are very fortunate to have such a hub of institutes focused on doing this important research, and that needs to continue.

Mr Griffin (Bruce) (11:11): It is a privilege and a pleasure to stand in the chamber today to speak about an area of government endeavour that I think is incredibly important to the future of our nation, and that is science and research. It is unfortunate that we are in a situation where the arguments being put are going to be at loggerheads, but the fact is that it is an area about which there should be more debate in this parliament.

Scientific research involves endeavours that try to create an economy that is smart, that provides jobs for the future, that provides jobs which are of high quality, that provides the opportunity for people to realise their capacity and that ensures Australia remains at the forefront of research internationally. These are all important goals. I guess the question is: how do we get there? And I think there are other questions, such as: where have we been, and what does that say about the way forward into the future?

In terms of the motion moved by the member for Melbourne, I cannot do anything other than agree wholeheartedly with his point (1), which:

... affirms that science is central to our economy and prosperity and that government investment in research is central to maintaining and growing Australia’s scientific capacity;

That is an absolutely central part of what needs to occur with respect to scientific research and investment into the future. But I guess this is where we will start to differ. The questions then are: how do we do it, and what has actually been done? When we talk about the question of what will be occurring into the future—and mention was made of MYEFO and the announcement made by the government at that time—we can say that there have been some adjustments and that some of those adjustments have led to, if you like, cuts into the future with respect to what was projected to be expenditure in some of these areas. What we firstly need to understand is: let us not gild the lily here.

Scientific research is expensive. It is expensive because it is important, and it is expensive because it goes to the question of expending now in order to make excellent and important discoveries into the future. Sometimes that expenditure will, on the face of it, be large; but it
is important. On the question of what has been occurring around funding—and here I pick up on points made by the member for Higgins—I will go to a recent press release from the minister responsible, Senator Chris Evans, where he says:

This Government has invested more than $43.2 billion in core university funding from 2008 to 2011—that's a 50 per cent increase on the previous four years under the Howard government.

In the four years from 2012 to 2015 we will invest a further $58.9 billion—that's $30.1 billion in additional funding for universities, more than double the level of funding under the last four years of the Howard government.

So when we look to the question of what has been done in this area, we can say firstly that this government has an exceptional record with respect to funding for the university sector. It has an exceptional record in terms of supporting research. Is there more that can be done? There will always be more that can be done in this area. Frankly, from my point of view, there will always be more that should be done. But I think we also have to acknowledge what has been done and what is being done. And so, from that, I again quote the minister:

Close to $880 million in ARC Discovery and Linkage grants and $154 million in CRC grants will support the research effort, ensuring continuity for ongoing projects as well as new investment in key scientific and research priorities.

The perceived problems in the motion which relate to aspects of what was being talked about as to what might happen have largely not come to pass. With respect to some of the issues around grants being frozen, and the funding for this year and the future has largely been maintained, and that has occurred in very difficult budget conditions. When we look at Sustainable Research Excellence funding—which was mentioned—this year's SRE funding has not changed. SRE funding will be indexed from the 2012 level of $163 million dollars and adjusted upwards to achieve the government's objective of $300 million in 2016.

The move is forward, the move is upward and the move is onward to ensure that we do put significant support into the scientific and research sector. Can more be done? Yes. Should more be done? Yes. When will that be done? In the years ahead. But there is absolutely no doubt that the commitment of this government with respect to the scientific and research sector is there for all to see. When we look at the record of the previous government, we can show that in fact what they did then was nothing like what they said they would do.

Dr WASHER (Moore) (11:16): I rise to speak on Labor's Mid-Year Economic and Fiscal Outlook decision to freeze funding for vital Australian university research and development. I particularly draw attention to the short-sighted, cynical political decision to withdraw or freeze funding for university, medical and academic research on which this country totally depends to underscore its reputation as a bright country, not just a lucky country.

This government tries to justify huge undisclosed taxpayer subsidies to the motor vehicle industry as it throws away a smart future for this country. The car industry here is no longer viable and needs to reform itself to reflect the reality of global economic conditions and trends, but not at taxpayers' expense. Now this government has ripped $1 billion out of university research and student support funding in a desperate attempt to fill its budget black hole.

The latest victim of these cuts is the world's leading cutting-edge solar cell technology project at the University of New South Wales. A total of $24 million allocated to this vital new research area has been put on hold indefinitely thanks to the Labor government's...
obsession with a worthless surplus. This decision to kill university research funding for the vital research on which this country depends for its economic future means the future of hundreds of thousands of young careers are on the chopping block and the birthright of a younger generation who will rely on the jobs that would have been created has been stolen.

The Labor debt pile is mounting by $100 million a day, excusing the $2.4 billion that has been cut from education and training funding, of which $1 billion comes from university's research and student support. Australia has a unique skills set and is world class in innovation across biotechnology. This field includes therapeutics, devices and diagnostics for human and agricultural use, as well as industrial and environmental technology.

We excel in engineering, nanotechnologies, IT, telecommunications and manufacturing. Continuity of government funding is an absolute prerequisite because of the high risks and length of time to market. Those options are now being denied to start up, and early stage companies are facing increasing scarce venture capital at early development stage. Fund freezing will delay major programs that are potentially huge revenue winners domestically and at export level. Previous coalition and Labor federal government programs such as the Innovation Investment Fund, R&D Start, Commercial Ready, COMET, Biotechnology Innovation Fund and now Commercialisation Australia have been welcomed by the biotech sector, as well as all areas of innovation. They have played a vital and significant role in ensuring the continuation of innovation in this country.

The sudden closure of Commercial Ready in May 2008 left the biotech sector—indeed all areas of innovation—without a program for nearly two years, until the Commercialisation Australia program commenced in January 2010. More than six months were wasted because of the funding delay in bringing this program back up to speed. Some companies shut down as a direct result and many jobs were lost. The impact on the sector was significant and damaging. This government has taken from universities and research institutions vital programs such as the Sustainable Research Excellence program, worth $498.8 million. Also, the facilitation performance funding from 2014, worth $270.1 million, will be deferred; student support for masters research degrees at $167 million will be deferred; and start-up scholarships, worth $82.3 million, will be frozen.

Australia's pharmaceutical sector, dependent on institutional or clinical research in this country, is another vital sector affected by these cuts. In 2011-12, exports of pharmaceutical and medicinal products totalled $4.1 billion, up from $3.7 billion the year before. Pharmaceuticals are now firmly established as a high-level export earner, about four times the value of motor vehicle export sales, which continue to fall. Asia takes half of Australia's exports, and industry believes there are opportunities to multiply exports five-fold by 2020. Investment in research has underpinned the improved quality of health care for Australians over the past 50 years and has a fundamental role in improving the future effectiveness and efficiency of the $130 billion health system. An additional dollar spent on research has a multiplier effect by driving efficiency and new practices, compared with an additional dollar spent on general health care. Investment of an additional $2 billion to $3 billion a year on research for the health system is required within 10 years—(Time expired)

Mr ZAPPIA (Makin) (11:21): As my colleague the member for Bruce said a few moments ago, this government has a very credible track record in supporting science and research investment in Australia. The member for Bruce quite properly referred to a media
release of 22 October, just over a week ago, from Senator Chris Evans which pointed out that funding to universities has increased by 50 per cent compared to the last four years of the Howard government. In four years, from 2012 to 2015, the government will invest a further $58.9 billion in university funding. I think the statistics tell the real story. Those statistics are indisputable.

Speaking to this motion, moved by the member for Melbourne, I too share the view that science is central to our economy and our prosperity. As a participant of the Science Meets Parliament program each year, and as a frequent attendee of scientific briefings by the CSIRO and other similar scientific institutions here in Australia, I well understand the importance of research and how it is, indeed, a wise investment into our future. Having mentioned the Science Meets Parliament program, I take the opportunity to thank and commend four young scientists—namely, Stephanie Kermodke, Sondos El Safar, Lyndsey Vivian and Declan Clausen—for taking the time to meet with me earlier this year and explain to me the scientific work each of them are engaged in. What particularly impressed me was the passion and commitment each of them had for their fields of science.

The motion also refers to medical research. I also take this opportunity to speak about the new South Australian Health and Medical Research Institute complex being constructed adjacent to the new Royal Adelaide Hospital. On 3 August 2012, I represented the federal Minister for Health, Tanya Plibersek, in joining South Australian Premier Jay Wetherill and South Australian health minister John Hill for the tree-topping ceremony, marking a significant point in the construction of the building which will be the new home to the South Australian Health and Medical Research Institute. Having been given a full briefing and tour of the partially constructed building, it is clear that this will be a state-of-the-art medical research centre that will engage in world-leading research, with the capacity to employ up to 600 researchers. That facility is only possible because of $200 million of federal government funding. That facility will be, I believe, a leading facility throughout the world for research. In speaking to some of the researchers that are going to be working within the building, I know of their excitement and their appreciation of the federal government support for that new facility.

Another similar research facility—again funded by this government to the tune of $40 million—is the new Materials and Minerals Science Building at the University of South Australia in my electorate at Mawson Lakes. The new facility, which Minister Chris Evans opened on 6 August, sets new benchmarks for collaborative learning, research, innovation, sustainability and excellence, and it will complement the globally recognised work of the Wark Research Institute and the Mawson Institute.

Those are two very clear examples of direct funding by this government into research facilities that will be of huge benefit to Australians into the future. Again, they are facilities that would not have been possible were it not for the commitment of this government to research and science.

The third area I want to very briefly touch on is the investment made by this government in many of the science facilities in secondary schools. I can talk about, within my own electorate of Makin, the new science facilities at Para Hills High School, Scoresby East High School, Banksia Park High School, Valley View Secondary School and the Golden Grove joint campus facility shared by Golden Grove High School, Gleson College and Pedare Christian
College. I have been to all of those facilities and I note all of them have multimillion-dollar additions to their schools which will enable science based learning for their students, which is an investment in the future scientific research that will be undertaken here in Australia. In fact, only last week I was at Valley View Secondary School's new electronic technology facility opening where I saw for myself how that school is working very closely, as many of the other schools are, with both the industry sector and the universities in terms of developing science based careers in this country. The member for Bruce outlined some of the contributions made by the government to research but I am aware that more broadly, when it comes to health and medical research, the government is, in fact, maintaining all-time-high levels of funding to the National Health and Medical Research Council in the 2012-13 budget and that the budget commits $771 million to the NHMRC for health and medical research. (Time expired)

Mr CRAIG KELLY (Hughes) (11:26): I rise to speak on the member for Melbourne's motion. I congratulate him on the words that he has put together in this motion, calling on the Treasurer to 'guarantee that science and research funding will be protected this financial year' and calling on the Treasurer to 'rule out any attempt to defer, freeze or pause' research grants for our science and medical facilities. The problem is that the member for Melbourne has been gazumped by the Treasurer. Only last week we had released the MYEFO, in which we have seen $500 million worth of cuts to our research funding, and it goes further than that. With the freezes taken in, we are looking at about $1 billion worth of cuts that this government has made. Universities Australia have said the research freezes and other cuts would slash $1 billion from our universities. Is this the time when we should be cutting funding given the need for our research and development? I have an interesting quote from Universities Australia chief executive Belinda Robertson:

By reducing research funding we are cutting the very area that provides us with the greatest hope of underpinning long-term industrial diversification and economic transformation.

The chief executive is right. This is not the time for us to cut funding for our research. Why are we cutting it? As the member for Melbourne notes in his motion, it is 'an attempt to achieve a budget surplus'. Those on the other side of this House have not delivered a budget surplus for over 21 years. An entire generation of Australians have not seen a single budget surplus from those on that side. In fact, what they have seen over the last four years are combined deficits of no less than $174 billion—and here we have this latest attempt to achieve a budget surplus which we all know is nothing other than a political charade, a fix, an accounting fudge and a money shuffle by transferring money from one year to the other to come up with what they expect as a $1.1 billion surplus.

What if they were even to achieve this $1.1 billion surplus? We know, following the brilliantly designed mining tax which has failed to raise even one single cent, that they have already spent the money, so we know the surplus has gone and we know it is a fudge but let us take them at their word that they do achieve this $1.1 billion surplus. To undo the damage of the last four years with the $174 billion in deficits they have run up it is going to take us over 120 years to repay, so that is for that $1.1 billion surplus, just to undo the damage of the last four years.

Although government funded research is important, we must make sure that it is targeted to improve the productivity of the nation and to improve health outcomes. We must make sure
this research is not wasted. Unfortunately, one of the reasons we are in the budgetary mess that this government has made is the great waste created from their grants program. In the time remaining, I would like to go through a few of the grants that this government has handed out over recent years. We have seen this government hand out a grant for $85,000 for a study of garden statues in Renaissance gardens. We have seen this government hand out a grant for $185,000 to produce a biography on Labor opposition leader Doc Evatt during the 1950s and how his life resonates with modern challenges in a time of global warming. I am not sure what Doc Evatt's life has to do with global warming. We have also seen a grant of $65,000 for a study of who reads books by Thomas Keneally. I myself have read books by Thomas Keneally, but do we really need to spend our research grant money, taking away money from cancer research and from other important areas of research that our economy relies on, on a study of who reads books by Thomas Keneally? And then there is my favourite: a grant of $60,000 for the study of Marxism and religion and the relationship between theology and politics. We need to get rid of these grants and get the focus back on the things that are important to our economy.

Debate adjourned.

**Code of Conduct for Members of Parliament**

Debate resumed on the motion by Mr Oakeshott:

That this House:

(1) endorses the draft code of conduct at Appendix 5 of the report of the House of Representatives Standing Committee of Privileges and Members Interests, Draft Code of Conduct for Members of Parliament; and

(2) requests the Leader of the House to bring forward urgently for the House's consideration the proposed changes to standing orders and resolutions of the House necessary to give effect to the Code, procedures for considering complaints under the Code, and for the role of the Standing Committee of Privileges and Members Interests in oversight of the Code.

Ms BRODTMANN (Canberra) (11:31): There is a deep disillusionment among many parts of the Australian community at the moment that currently wishes a pox on all our houses. Recently, I attended the triennial conference of the National Council of Women of Australia and was presented with a petition calling for:

A more civil and dignified approach to parliamentary debate at the federal level and for greater respect to be demonstrated to the office of the Prime Minister.

The petition went on to say:

The increasingly crude, juvenile, disrespectful and overly combative behaviour of many members degrades parliamentary process, creates an inappropriate behavioural model for our youth and causes ridicule in the eyes of world nations.

The petition was triggered by a speech I gave to the ACT arm of the council earlier this year in which I said that, for most of the time, parliament is a 'functioning, calm and respectful place' and that members are 'doing their best to represent their local constituents and good work is being done'. But I added that, at times, parliament can be unbearable, and it is question time that makes it so. During question time, I often look up at some of the young Australians who come to watch us and I wonder, 'What must they think?"
I understand that, as a contest of ideas, politics is conflict. I know that the contest can, and sometimes should, be quite willing, and I certainly get the fact that the hung parliament has poured rocket fuel on the contest. But what I have witnessed in question time is a menacing tone that journalists and colleagues of long standing tell me they have never seen before. The Speaker seeks to bring civility to question time, and she does her best, but that menacing tone is still there. There is often a deeply sinister undertone. Indeed, the current nature of public discourse in this country I find profoundly unsettling because politics is now almost never about a contest of ideas; it is entirely focused on the personal. I am worried because the decency in debate that protects society from its most base urges has cracked. In the process, that belittles people and denigrates the institutions that bind our society.

There are parts of our society that are clearly uncomfortable with a female prime minister and with female leaders. Question time, the recent debate about sexism and the tone of recent debates has very much highlighted that. Question Time has also set this tone, and behind it roils a tsunami of bile and prejudice that plays out on talkback radio, in email campaigns and on Twitter and Facebook. It is not just the abuse that is the issue; it is the role-modelling. When one of the schools in my electorate comes up to Parliament House for an education tour, I drop by to say hello and answer their questions. Sometimes I find the students in the public galleries and sometimes I find them role-playing in the model lower house chamber. What is deeply disturbing is that teachers tell me their students' behaviour and language can get quite fresh, in keeping with what they have seen or heard at question time. This behaviour and language would not be tolerated in the classroom, in the schoolyard or in any workplace, but it is seen by students as a signature of parliament and the acceptable face of Australian political discourse. However, it does not need to be so.

Here in parliament we need to moderate the pitch and tone of the debates we engage in. We need to show that a contest of ideas about what is best for our nation's future can be conducted with civility. I became the member for Canberra because I have a strong and enduring faith in the decency of the Australian people. I believe in the power of our legal and political institutions to enhance that. Our nation is founded on the best principles of the Enlightenment. Our nation has been at the vanguard of social reform and has wrestled with and overcome its fears. Most of this has not been fashioned by making new laws but through good leadership on all sides of politics over generations. Nations reflect their leaders. Leaders can call out the better angles of our nature or stir the darkest fears and hatreds that lie in every human heart.

I want decent and civilised debate on issues that matter in Australia, devoid of personal attack, particularly on the grounds of gender. I call on leaders on all sides of politics, in the media and in the community to invoke the values and spirit of two of Australia's greatest Prime Ministers, so beautifully articulated in a sign along the RG Menzies Walk. The day Menzies resigned as Prime Minister of Australia in August 1941 he sent a short note to John Curtin, Leader of the Labor Party, thanking him for his magnanimous and understanding attitude:

Your political opposition has been honourable and your personal friendship a pearl of great price.

Curtin replied:

Your personal friendship is something I value ... as a very precious thing.

(Time expired)
Mr CIOBO (Moncrieff) (11:36): I am pleased to rise to speak to the motion on a code of conduct for members of parliament. Let me state clearly right at the outset: I certainly do not support a code of conduct. The reason is quite straightforward. I hear all the hand-wringing speeches from members of parliament who lament the way question time is conducted. They do not like the fact that the public generally view parliamentarians with low esteem—understandable given the types of behaviour they see. Believe you me, it is not lost on me that we have in this parliament some of the most untoward parliamentary conduct, in particular by two members of the lower house. That notwithstanding, I do not attempt to condone in any way, shape or form their behaviour or more broadly the types of behaviour that we see in question time, which the previous member spoke about at length. I do not condone that, but I also am not so foolish as to believe that some bit of paper labelled a code of conduct and some other additional public servant role named an integrity commissioner or some such is going to do anything to change this parliament.

When I read through the Draft Code of Conduct for Members of Parliament, I noted that the House of Representatives Standing Committee on Privileges and Members' Interests did not make a firm recommendation about whether or not a code of conduct should be adopted. The reason for that is very sound: those who argue that a code of conduct is going to be the silver bullet—the panacea to re-establishing in the heart of our nation the people's faith in the institutions of the lower house and the upper house—know full well that they cannot justify that position based on experience in other jurisdictions, both domestically and internationally.

If it were as simple as passing some meaningless code of conduct with some other quango in the form of a so-called integrity commissioner, we would have seen results in other jurisdictions. We have not seen results because it does not mean anything. We can pass all the bits of paper we want, we can have all the codes of conduct we want, we can have all the laws we want but if people do not abide by them, if people do not respect them, there is no point. The simple reality is this. When it comes to the behaviour of parliamentarians, each and everyone of us is subject currently to the best scrutiny around—that is, the scrutiny of the opposite side. Whether you are in government or opposition, other members of parliament are watching closely and other political parties are contesting your seat while watching your activities closely. That is why things often bubble to the surface. But even more than that—I think all members would recognise the black humour in this—the greatest check on any member of parliament is their own side.

Make no mistake: we all know that there is no shortage of ambition among parliamentarians or, indeed, from those who aspire to be parliamentarians. I have no doubt that, if a parliamentarian is doing the wrong thing, it would take all of about five seconds for someone on their own side to pull out a big trusty knife and slit their throat, as we all know. I think that there is already a couple of fairly good checks and balances.

In addition to that, there is media scrutiny. We know that the media through their investigative journalists—some of whom in Australia are among the best in the world—have the opportunity to ensure that behaviour that is unacceptable is routed out. Then, in addition to that, we have the laws of both the state and federal parliaments. These laws have at their disposal a police force to undertake investigations and to bring action if it is warranted. So, on every level, for members of parliament, there are already checks and balances in place.
The reason that there is still behaviour that people frown upon is that, fundamentally, it comes down to individual choice. Simply adding one more document to a pile of documents and simply having one additional public servant called an integrity commissioner is not going to change a thing. Anyone who believes that it will is delusional. It has not changed things in other jurisdictions. It is not as if in the United Kingdom or in the state of Queensland, where these types of vehicles exist, there is this great love of the parliament or towards parliamentarians. No. The same problems exist in those jurisdictions. This is nothing more than a feel-good exercise that will deliver no net tangible benefit whatsoever.

Fundamentally, I say to all those that like to champion this argument that there should be a code of conduct and an integrity commissioner: why hasn’t it worked elsewhere? More importantly, if they are serious about making changes then, as Gandhi would say, ‘Be the change you want to see in the world.' I say to them that they should change their behaviour. (Time expired)

Ms OWENS (Parramatta) (11:42): I am actually pleased to stand and speak on this motion concerning the code of conduct for members of parliament. Sometimes I think that we are our own worst enemy. We can be very good at bagging ourselves, and sometimes we deserve it. There is no doubt that sometimes the style of parliament is one that would not be accepted in any other place—certainly any other workplace—and there is no doubt that, at times, we all look at it and wonder what is going on in our parliament. I also try to look beyond that to the content. Sometimes I think that the style that we use in parliament overwhelms the very content.

I remember after the last week of parliament, for example, if you went out into the community and you watched the news—which I actually did get to do for a few days following parliament; I do not always—you would have thought that the entire parliamentary session that week had been a debate about sexism. That was an important debate, but if you look at what was actually achieved, if you look at the content of the parliament that week, we introduced the legislation to link the emissions trading scheme in Australia to the one in the UK—an important piece of policy work. We introduced the legislation to set up the trust fund to pay the low-wage worker—an incredibly important piece of Labor business. We announced that we would move to ban gag clauses that the Howard government introduced and we abolished in 2008 that prevent not-for-profits from criticising governments. We introduced legislation to ensure that workers of state owned enterprises would have the same protection if that enterprise was sold as the worker in a commercial organisation would have if the enterprise was sold. That is just four out of dozens of pieces of legislation that were actually handled by the parliament in that week. We have almost two stories. We have the story of government and the content of the parliament and what it actually achieves. Then we have the story of the style of politics which is played out very publicly on almost every news media outlet to the detriment of the content.

There is no doubt at the moment that we have a hung parliament. In previous parliaments, if the opposition pulled a stunt—and we did it when we were in opposition; every opposition does it—the government had the numbers to shut it down. Those stunts carry on longer now and they are more aggressive than they were in a parliament where the government had the numbers. The finely balanced numbers on the floor of the parliament make more room for stunts and behaviours on both sides, and certainly the public sees that.
I want to make a point about the conduct of members of parliament. I know that many members of parliament, in fact most members of parliament, take very seriously their role as a member of parliament and carry their obligations for good behaviour into their private lives in extraordinary ways and very small ways. I remember when I became a candidate that one of the things I realised very early on—and this may seem very trivial, but this is the level at which we consider our behaviour—was that I could no longer jaywalk in front of children because they knew who I was. I would be standing at a light and some child would say, 'That's Julie Owens,' just as I was about to jaywalk, and I would think, 'Okay.' I can see the Deputy Speaker is smiling, because I am sure he has been through exactly the same thing. The way that you look at your own behaviour changes profoundly when you become a person who is known in your community. You look at everything you do through the eyes of a person who may see you do something and may copy you or be affected in the way that they think about politics. We live with this every day. I know that for most members of parliament their behaviour in their public life is extraordinarily good and beyond reproach.

It is good to discuss these issues of codes of conduct, but I do think we need to bring a little bit of balance to the argument. It is very easy for us and the media to concentrate on the worst examples and give no attention at all to the extraordinary number of members who carry out their duties in the public sphere with incredible integrity. So I would urge everyone when they consider this issue to actually look not just for the worst elements but for the best as well.

As a government, we made a number of improvements. We introduced substantive ministerial ethics and a code of conduct for ministerial staff. We established a lobbying code of conduct and the public Register of Lobbyists. We have introduced freedom of information legislation. We have reintroduced independent oversight to campaign advertising and our entitlements are open to more scrutiny than under any previous government. (Time expired)

Debate adjourned.

Penalty Rates

Debate resumed on the motion by Ms Smyth:

That this House:
(1) recognises the reliance of many families and individuals across our community on penalty rates as a key component of their income, particularly our lowest-paid workers;
(2) acknowledges that work-life balance is important to the health and welfare of workers, families and our community;
(3) recognises that penalty rates often compensate workers for time they may otherwise spend with family; and
(4) opposes measures that would remove or undermine penalty rates.

Ms SMYTH (La Trobe) (11:47): I am very pleased to be able to speak in this quite timely debate on the importance of penalty rates in our society, particularly for low paid workers. It gives all members of the House an opportunity to acknowledge the importance of penalty rates for workers, particularly those who often work unsocial hours, on public holidays and on weekends and who rely on penalty rates in many ways to make ends meet. I am thinking particularly of women working part-time, women working shifts and women working on weekends or in the evening. I am also thinking particularly of young people who are studying.
or people who are trying to supplement their income so that they can go on to study in order to improve themselves and ultimately to succeed and get careers.

It is a timely discussion for debate in this place since Fair Work Australia is currently reviewing public holiday and penalty rate provisions in a number of modern awards as part of its two-year review of modern awards. It is also timely because the matter has been raised in a different context in the other place. And then it is timely because there are some within the opposition who are still looking back to Work Choices and all of the things that that brought to Australian workers. I note that former Prime Minister John Howard has entered the fray in recent times on this issue. While those opposite will, by and large, remain relatively quiet these days on the question of penalty rates, there are certainly those, including, for instance, the member for Moncrieff, who have looked back at some of the provisions of Work Choices most favourably in recent times.

While those opposite will, by and large, as I said, not comment on penalty rates, not comment on the importance of penalty rates for low paid workers and keep the details of what is to be their industrial relations platform fairly quiet for the time being, we certainly know that the Leader of the Opposition and the Deputy Leader of the Opposition and others within the opposition ranks have remarked on these things unfavourably in the past. I look back as recently as February of 2010, when we had the Leader of the Opposition saying:

When you think of the long-term impact of Labor's new system and the re-emphasis on penalty rates, the weekend as we have known it will no longer exist.

That is another example of the fear mongering perpetuated by the Leader of the Opposition, this time directed towards penalty rates. At the same time, we had the Deputy Leader of the Opposition saying:

The fact is that there are workers now who are suffering under the new awards system. Because it is bringing back penalty rates on weekends …

While people from the opposition benches will no doubt go fairly quiet on the issues of modification of penalty rates—they will describe it as something like flexibility; there is a lot of discussion of flexibility—unfortunately we are all too aware of the views which are more secretly held by those opposite, of the views which were articulated not terribly long ago—only in the last couple of years—about penalty rates. We understand what their real motivations are around penalty rates. It is for those reasons that this debate is timely. It is for those reasons that it is important that members have the opportunity to put on record their support for penalty rates for low paid workers, in particular.

We know that around 65 per cent of agreements entered into under WorkChoices saw penalty rates cut. It was often the case that there was no compensation in return. At the same time, we saw things like reductions in the shift rates of workers, and a reduction in their take home pay. Yet we certainly have seen, in recent times, the former Prime Minister, John Howard, talking about WorkChoices and saying things to the effect that the election loss of the current opposition in 2007 was attributable to a range of things, not just WorkChoices. People are starting to have a bit of a review of WorkChoices, and there is at least one member of the Liberal Party who is remembering it fondly. It is important that through this resolution we recognise that many families and many individuals across our community rely on penalty rates as a key component of their income. That is particularly the case for some of our lowest paid workers. Penalty rates often compensate workers for time that they might otherwise
spend with family or friends, and additional pay gives some acknowledgement that work-life balance is important to workers, their family life and their health and well-being.

I refer members to some of the submissions that were made in the Senate Standing Committee on Education, Employment and Workplace Relations inquiry into the Fair Work Amendment (Small Business—Penalty Rates Exemption) Bill 2012 recently. In particular, paragraph 22 of the submission made by the Australian Catholic Council for Employment Relations quite rightly says:

Penalty rates compensate for working in unsocial hours. Work on evenings, nights, weekends and public holidays is unsocial because of its impact on a wide range of individual and family arrangements. Rest, recreation and family time are valued and work in unsocial hours precludes workers from these opportunities. The loss of these opportunities is no less important for people who work in activities that are by their nature seven day a week operations.

We have heard much in the debate about penalty rates and how, increasingly, industries are finding themselves having longer hours of operation. Notwithstanding all of that, many of us—certainly organisations such as the Australian Catholic Council for Employment Relations—also recognise that there is still an important premium to be placed on family time, on time spent engaging in activities with your family and loved ones. There is an important premium that attaches to public holidays. For those reasons, it is appropriate that wages represent that people are taking on work in what might be regarded as unsocial hours.

Penalty rates are included in industrial awards to ensure that employees who have limited capacity to bargain will not be compelled to work weekends or on public holidays. Ensuring that workers are paid appropriately—particularly low-paid workers—means that they are more likely to spend and contribute to retail spending, to contribute to hospitality spending, and to contribute to our economy as a whole. The false view that somehow this has solely a detrimental impact on our economy, is just that—a false view. Those who are paid penalty rates, those who have additional money in their pockets, particularly people who are amongst our lowest paid workers, are more likely to spend in the retail sector, in hospitality and in other areas and thereby assist our economy.

It is interesting to reflect on community sentiments in relation to penalty rates. A Galaxy poll conducted in August this year found that 87 per cent of those polled considered that workers should be paid a higher rate of pay for working on weekends. Perhaps, unsurprisingly, the rate was 95 per cent amongst those in the under 24 age group, who presumably would be more likely to rely on casual work or who might work weekends. During my time as a student I certainly worked on weekends and in the evenings and was reliant, as many students today would continue to be, on penalty rates to make ends meet and to support myself. Many students and young people continue to do this today.

Australia has paid penalty rates for work on weekends and unsocial hours for almost 100 years. Many of those workers who rely on penalty rates are known to be not generally well paid. We know that certain times of the day and certain days of the year are especially important, and to work at those times means working unsocial hours. Although industries do increasingly operate around the clock, that does not lessen the impact of working unsocial hours. Most members, for instance, would acknowledge that time not able to be spent with their children is time they cannot get back. Most members would be interested to know that working night shifts can have detrimental health impacts, such as an increased risk of
cardiovascular disease, in comparison with those who work day shifts. Things like poor nutritional intake are also more likely to go with that kind of shift work. We also know that studies have demonstrated that employees who work at weekends have reported significantly higher rates of job stress and emotional exhaustion than employees who do not take on weekend work. That is why this resolution is important. That is why the government recognises that adequate compensation for unsocial hours is reasonable, that penalty rates are important and that we continue to support them as a government.

We know that in 2011 around 400,000 employees covered by collective agreements approved in that year actually had agreements that specified ordinary hours of work between Monday and Friday and provided for penalty rates if work was performed outside these hours. I would hope that we can continue to support those employees who benefit from penalty rates, particularly the lowest paid workers. (Time expired)

Ms LEY (Farrer) (11:57): I rise today to speak on this motion moved by the member for La Trobe. I am surprised to hear the member for La Trobe talk about secret views within the coalition, about a secret agenda to return to Work Choices, mentioning one single member of the coalition who had a certain view at a certain time in a certain context, and wrapping a giant conspiracy theory around the issue of penalty rates.

I was listening to the member for La Trobe, and I would like her to indicate where current coalition policy is attacking the issue of penalty rates; is saying that penalty rates are not an important part of the workplace landscape and family income; is saying that penalty rates do not in some way make up for the time spent away from children, from partners and for working unsocial hours. I see this as creating problems where none exist. Maybe it is an opportunity for the member for La Trobe to clarify her own stance on this issue, even though it does contradict that of her colleague the Minister for Tourism who is on the record as stating his concern for the tourism industry by the imposition of higher penalty rates when he claimed:

I hope the bench of Fair Work Australia has given proper regard to the input of the tourism industry in this context because I understand that is the key issue to industry at this point in time.

I do not know if the member for La Trobe and members opposite have taken a walk down the main streets of their suburbs, of their regional towns, of their capital cities on a Sunday or a public holiday in areas where tourism should be alive and well, but in fact is struggling badly.

If so, they would have seen it is a fact that coffee shops and cafes may be closed, that tourism outlets cannot afford to open perhaps because of the penalty rates they have to pay workers, that people who otherwise might be providing a vibrant activity on a weekend or a public holiday are not carrying out that activity. We would simply say that is part of a landscape that you must take into account as members of the government and as members of parliament and you must say, 'We need to take account of that and we need to listen to the concerns that are being expressed to us.' That does not translate into a secret agenda to remove penalty rates. It just translates into members on this side of the House recognising the pain that the small businesses they represent are experiencing and indicating that Fair Work Australia, as the independent quasijudicial body in this space, does have a role and a responsibility to take into account everybody's views in the submissions that are made to it, in the cases that are made to it and in the analysis it makes of what is actually going on in the workplace.
We do stand by the independence of that independent umpire, Fair Work Australia, to make the necessary declarations and statements and note all of the indications that exist around the modern awards process. It is vital that we strike that balance between compensating someone appropriately for their time when they can do work outside mainstream hours and ensuring that business does maintain its viability. There are businesses in this country that cannot afford to open on Sunday—restaurants, corner stores and clothing boutiques—and the real downside of this is that there may be people who are losing an employment opportunity as a result.

Regrettably, this government has overseen an increase in the number of people languishing on unemployment benefits, people who would be grateful for any opportunity to work. This comes from a government that, in the 2011-12 budget, promised an extra 500,000 jobs. As with so many promises from this Labor government, we are able to bear witness to yet another broken one with Labor failing to deliver. This is what the government should be focusing on: getting people off unemployment benefits and into paid work is really the priority. In particular I am gravely concerned by the high number of unemployed young people in this country. The youth unemployment rate for those looking for full-time work is 25.1 per cent, according to the most recent ABS data. That is an average of one in four, and there are some areas where youth unemployment exceeds 40 per cent. In Melbourne—and I am not saying it is in the member for La Trobe's own electorate, but it is not far away—youth unemployment does exceed 40 per cent.

I say to those opposite: please do not avoid this topic like the plague; this is what we should be focusing on. None of us wants to see a hefty portion of the young generation consigned to the unemployment queues. Many of these young people have just given up on getting a job at all. Those sectors that historically have hired larger numbers of teenagers are reluctant to hire, facing ongoing uncertainty—and retail is a prime example where employers are reluctant to hire. Government changes to apprenticeship incentives for part-time employees will further hinder employment opportunities for young Australians.

Those opposite should be looking at the big picture instead of seeking to distract with a debate on penalty rates when responsibility for the setting of these rates rests with this government's own creation, Fair Work Australia. We in the coalition do accept that Fair Work Australia is the independent umpire and we remind those opposite of this. The coalition remains adamant that the determination of modern awards rests with Fair Work Australia now and will continue to do so under a future coalition government. Certainly Fair Work Australia have a duty to ensure that they consider all the facts and the ramifications when setting the minimum wage and linked penalty rates. I have confidence that they are aware of their responsibilities at the broader level and I would like to see some indication from members of the government that they have the same faith in Fair Work Australia's process for setting modern awards including penalty rates.

If you go out into the community—and members opposite should be doing that and I am sure they are because we do need to stay in touch with what is happening in our small businesses, in our part-time working communities and with our students and with our families—you will see that increasingly businesses may be employing people for cash. This is where businesses would otherwise not be able to open or would refuse or choose not to open—like mum and dad businesses on the weekend—because they cannot pay the penalty.
rates that are scheduled. But they may be employing people for cash. The cash economy is alive and well. That is not a good thing. It is not a good thing for the employment security of those it employs. It is not a good thing for long-term wages. It is not a good thing for the award setting process, the modern award system that Fair Work Australia is the custodian of. What it is is an indication that people are unable in many instances to work under the present system, in an economy that is struggling against increasing business uncertainty, that has such little confidence in the present government to deliver the right economic conditions for their prosperity, that is reluctant to employ people and that does not want to take that extra step to give a young person a go. Whether it be an apprenticeship, a traineeship, or someone on the long-term unemployed list, we rely so much on businesses to step up and help us create opportunities for this group of young people that are doing it so tough because the environment where they might otherwise just get a go does not exist.

In conclusion, it is fine for the member for La Trobe to bring this debate on penalty rates to the chamber today, but I would urge her and her colleagues to recognise the wider issues associated with a very flat employment market, particularly with youth unemployment—never mentioned, never discussed and apparently never understood by this government. They need to demonstrate that they do have confidence in their own independent umpire, Fair Work Australia, and that they will support a submission process from every sector of the community to that independent umpire with an outcome that results in benefits both for employers and employees.

Mrs ELLIOT (Richmond—Parliamentary Secretary for Trade) (12:06): I am very pleased to rise today to support the motion by the member for La Trobe, which recognises the importance of penalty rates. It particularly recognises the importance of penalty rates to our lowest paid workers and to those in our community who greatly depend on penalty rates as a very significant part of their income, and is an integral part of their income. Of course, the Labor Party has always had a very strong commitment to penalty rates and the rights and conditions of workers. We understand that penalty rates compensate workers for working shift work or very irregular hours. We understand the impact on individuals and we understand the impact on families. We understand there needs to be relevant and necessary compensation for those hours worked.

This is in absolute stark contrast to the Liberal-National Party, particularly in what we are hearing from them today. We know at a federal level they want to bring back Work Choices. We know that is what they are saying. We know that is actually their plan. When I look to my home state of New South Wales and the actions of the O'Farrell government, what we see is workers' rights being stripped away. What we are actually seeing now in New South Wales with those rights being stripped away is a curtain-raiser to what a federal Liberal-National Party government would do right across the country.

These changes by the O'Farrell government are severely impacting the families in my electorate of Richmond in Northern New South Wales—their cuts are right across the board, but particularly their attacks upon workers. Of course, these changes in my area have had the full support of the local state National Party members; they voted to support all these changes. They have remained silent while the rights of local workers and local families are stripped away.
Penalty rates are an important additional payment to employees who work on weekends, late at night and on public holidays, and they have long been a feature of the Australian workplace relations system. Often the people who work these less family-friendly hours are among the lowest paid, particularly those workers in retail, hospitality and the services industries. The fact is that penalty rates comprise a very vital part of their salaries. Also, many emergency services workers—such as nurses, police, ambulance officers or fireies—work irregular hours, and they deserve to be compensated as well.

I have often believed that you cannot have a full understanding of the challenges of shift work unless you have worked it yourself. As a former police officer, I spent many years working in shift work, and I understand very well a lot of the challenges and difficulties in working irregular hours, and some of the impacts that can have upon individuals and upon their families.

Fair Work Australia has reviewed public holiday and penalty rates provisions in a number of modern awards, as part of its two-year review of the awards. Under the Fair Work Act there are a range of ways to manage penalty rates, including through higher base rates of pay or annualised salaries as well, as long as the employee is better off overall—that is what is important—because removing penalty rates is a gross injustice, and that is exactly, as I have said, what is happening in New South Wales at the moment.

Since coming to government in March 2011, the O'Farrell Liberal-National Party government have made a devastating number of cuts to jobs, to funding, to workers rights and to services. We have seen them strip away public sector workers' rights and cap their wages. We have seen their plan to sack 15,000 workers from New South Wales hospitals, schools, child protection services and fire stations. Important frontline services will be devastated. We are seeing cruel cuts to community services and to disability services. This all comes on top of their massive $1.7 billion in cuts to schools in New South Wales, and every child in every school on the North Coast will be impacted.

We have also seen the O'Farrell government fully strip the New South Wales Police Force of their death and disability protection, destroying a very important safety net for police. We have seen them change the New South Wales Workers Compensation Act in order to reduce support and compensation to injured workers. We have also recently seen the O'Farrell government's plan to change 38 workplace awards, to cut leave-loading entitlements, parental leave, sick leave and penalties for shift workers. The O'Farrell government are systematically destroying workers' rights and, in doing so, they are vandalising local jobs and communities.

While all this devastation continues to occur, we hear absolutely nothing from the local state National Party representatives on the North Coast. They remain silent. The members for Tweed, for Ballina and for Lismore remain silent while services are being ripped away. But that is in fact the National Party way: hide out, pretend that it is not happening, hope that nobody will highlight it and do not admit to people that what you are supporting, what you are voting for, is severely impacting the lives of the people on the North Coast. What it shows to locals on the North Coast is that, at both the state and federal level, you just cannot trust the National Party. As I said, what we are seeing at the state level in New South Wales is a curtain raiser. It is the precursor to what we will see from a Liberal-National government at the federal level.
Ms GAMBARO (Brisbane) (12:11): I have just heard the member for Richmond turn a speech which was supposed to be on penalty rates into a far-reaching political attack on every aspect of every delivery program of every state government. I am going to speak on what the motion is about, which is penalty rates. I rise to speak on this motion brought forward by the member for La Trobe. This motion is particularly relevant to me in the electorate of Brisbane, which has some of the major restaurant, CBD and other hospitality precincts, including James Street in Fortitude Valley, the Caxton Street precinct and the fine hospitality establishments in the CBD. My electorate also has two very large campuses, being the universities based at QUT at Gardens Point and at Kelvin Grove, which have thousands of students. I know that a lot of those students work part-time in the hospitality industry, and I have had the pleasure of working with many students when I worked in the hospitality, restaurant and trade sectors many years back.

As we know, the hospitality and retail industries are arguably the most affected by the requirement to pay employees penalty rates for work outside of usual working hours. This motion is a political one. It is designed to try to pressure the coalition on an issue of penalty rates and industrial relations in general and, with great respect to the member for La Trobe, the motives behind bringing the motion to the House are very clear. The Minister for Employment and Workplace Relations has also engaged in this political game-playing through a ministerial statement that he made to the House on 18 September. No amount of political game-playing or workplace bingo will change the fact that the coalition's position on penalty rates is very clear. We believe that the industrial umpire, Fair Work Australia, should make the decision on penalty rates and individual awards after hearing all of the submissions and balancing all considerations. After all, that is their task. Fair Work Australia is an independent umpire and is currently undertaking a review of modern awards, and part of that review is the consideration of submissions in relation to penalty rates. It should be Fair Work Australia that makes the decisions on penalty rates and individual awards, after considering the full range of submissions, and not the parliament.

It is very clear from feedback from the hospitality industry in particular that more flexibility is required. We know consumer expectations are that of a 24/7 trading environment, we know that the modern lifestyle is a lot different from what from that 20 or 30 years ago and we know that limiting the capacity of businesses to trade in the evenings and on the weekends can significantly undermine the capacity of those businesses to be viable. I recently became aware that a favourite little restaurant/cafe near my office has announced that it will not be open on a Sunday because it just is not viable. I know the local community is really disappointed because it is a great little cafe. However, as I have said, our position is that we respect the decision of the independent umpire on regular reviews into modern awards and applications to vary those awards.

However it is not clear what the decision on this issue is within the Labor Party. After reading this motion and hearing Minister Shorten's recent remarks, imagine my surprise when I read an article on ABC News online, which said, ‘Tourism minister backs penalty change push’. It went on to say:

Martin Ferguson told delegates at a national hospitality conference in Hobart he has received many appeals from businesses struggling to pay weekend loadings and penalties.
He said weekend and public holiday "penalty on penalty" issues were a major obstacle for the industry in challenging economic times.

The minister said it was important the penalty provisions were considered in Fair Work Australia's review which was expected to be completed by the end of the year.

So we have it there. On one hand we have the workplace relations minister and the member for La Trobe saying that we should oppose any measures that undermine or remove penalty rates, and then we have the tourism minister saying that the umpire should give proper regard to submissions to remove penalty rates by the tourism industry.

In conclusion, the importance of penalty rates to some low-paid workers in our community is very important. However flexibility is needed and that is why the coalition believes that Fair Work Australia should make the decision on penalty rates and not have the waters muddied by politically motivated motions like this one.

Mr SYMON (Deakin) (12:16): I speak in support of this motion moved by the member for La Trobe. For a working person bringing home a wage, finances can often be tough especially if that person does not have the benefit of an enterprise agreement to lift their wage above award levels. Allowances, loadings and penalty rates really do make a difference to the pay packet at the end of each week.

As a wage earner for over 20 years before coming to this place, I can certainly speak from experience. Working overtime on a Saturday or a Sunday meant that rather than just paying the household bills and living week to week, some money could be saved, maybe to put on the mortgage, maybe to take the family out to dinner, or maybe even to put some away for a family holiday. Working night or afternoon shifts or abnormal hours on weekdays also brought financial rewards but, as others have already noted, at a cost to quality time with one’s family.

On 16 August this year, Senator Nick Xenophon introduced a private member's bill into the Senate titled Fair Work Amendments (Small Business-Penalty Rates Exemption) Bill 2012. That bill and the explanatory memorandum started with the completely false argument that the Monday-to-Friday week is now outdated. With that, the senator went on in the explanatory memorandum to claim that many part-time or casual employees consider weekends to be part of their regular hours. To me, weekends have never been part of regular hours when it comes to work; they have always been on top of regular hours. With the stated intent of ripping off workers of their overtime penalty rates, the Xenophon bill is just as bad in this area as the widely-hated Work Choices that was consigned to the rubbish bin by this Labor government. It is a bill that is nothing but a blatant and disgusting attempt to rob wage earners of their hard-won entitlements and money in their pockets.

It was not the workers in the hospitality or retail sectors that saw extended shop trading hours. We all know it was the bosses who over many years fought a long and, I must say, largely successful campaign to remove state based restrictions on trading hours. Now they have what they wanted in just about every state and territory. But of course it is not enough. They have decided that their employees get paid too much to work the hours that most people spend at leisure or sleeping. The Xenophon bill would steal these conditions from workers, conditions that have been fought for and earned over decades.

Indeed, as far back as 1909, Justice Higgins in the Conciliation and Arbitration Commission awarded the penalty payment of time and a half for the seventh day in any week.
or an official holiday and for time of work done in excess of the ordinary shift. By 1960, all awards had provisions for extra pay for overtime including the payment of double time in certain circumstances. By 1981, the federal Department of Industrial Relations had outlined a community standard that had time and a half paid for the first three hours of overtime and double time after that beyond the eight ordinary hours, time and a half for Saturday work, and double time for Sunday and public holiday work. Some of these provisions have been built upon since that time, but others have been cut in some awards, such as the Hotels, Resorts and Hospitality Industry Award of 1992.

The attacks on working people's wages and conditions from conservatives, from the Liberal Party, from the employers and their associations have never stopped and, I am sure, they never will. Indeed, it was the Kennett government in Victoria that prohibited the inclusion of penalty rates in awards in 1992 and continued this for the 356,000 unfortunate employees who were transferred from the state to the federal industrial system in 1996 under the notorious schedule 1A of the Workplace Relations Act. The Howard Liberal government introduced Work Choices in 2005—a system that was designed specifically to rip off conditions from workers not covered by enterprise agreements.

I note that in the 2008 book entitled *Fair Work: the new workplace laws and the Work Choices legacy*, Professor Andrew Stewart and Anthony Forsyth provided an excellent example of this. They said:

Thus under WorkChoices it became possible to employ workers under statutory agreements which did not give entitlements to overtime payments, night shift penalties, weekend penalties or public holiday penalties. In the retail industry, for instance, the number of workers on Australian workplace agreements who were entitled to overtime penalty rates fell from 54% to 35%.

The Xenophon bill is just another in a long line of attacks on the working people of Australia that seeks to restore an essential component of Work Choices by destroying penalty rates. I commend the member for La Trobe for bringing this important private member's motion before the House, because an issue that should have been settled many years ago is still on the agenda and working people deserve to get a payment for working the times that other people do not.

**Mrs ANDREWS (McPherson) (12:21):** Let me start by saying that penalty rates should not be a penalty on employers for providing work. A review of the proper application of penalty rates is well overdue and the time has come to move away from entrenched views and positions and to look at the organisation of work to ensure that the system that is in place is one that is conducive to employment and supports the creation of job opportunities rather than acts as a disincentive for employment.

There are many key issues that I would like to cover today, including the changes to the way work is organised, changes to preferred working patterns and the current levels of underutilisation that could be addressed through changes to the application of penalty rates. The days when work was organised to fall generally between the hours of 9 am to 5 pm Monday to Friday, with perhaps Saturday work from 9 am to 12 noon, are long gone. This is the case in many of the industry sectors, but let me just start today with the retail sector where the trading hours for major shopping centres are indicative of the pattern of work for much of the retail sector.
Most major centres around the country operate Monday to Wednesday, 9 am to 5.30 pm, which has been reasonably standard for a number of years. On Thursday and Friday there is generally late night trading from 9 am to 9 pm. Saturday is all day, from 9 am to 6 pm; and Sunday, 10 am to 5 pm. Over a period of seven days, major shopping centres are generally open for about 65½ hours. These hours of operation are a far cry from the days when the retailers were open for 40 to 45 hours a week. The 65-plus trading hours of the major shopping centres are reflected at small local centres that are competing with the major operators. For most retail traders, the cost of their merchandise remains constant, irrespective of the day that it is sold. For example, a shirt costs a customer the same amount on Monday as it does on Sunday, but it costs the retailer much more to sell that shirt on the Sunday than it does on the Monday, and that is because of the increased cost of labour as a result of penalty rates. The retailer cannot pass on this additional cost and therefore they must absorb it.

For restaurants and cafes, core trading times are predominantly evenings, Saturdays and Sundays, when penalty rates are highest. So, again, business operators are being penalised for operating during their peak periods. These are times when many businesses would prefer to have more staff but simply cannot afford to do so, and a significant contributing factor is the penalty rates that apply at those times. For those businesses that are dependent on the leisure and tourist trade, their core operating hours are not necessarily 9 am Monday to Friday either. It is weekends where, again, they pay a premium for operating during their busiest periods.

In many industries the services are required at anything but nine to five on Monday to Friday. They are required during the evenings and weekends when there is a premium that needs to be paid by the employer that in many cases simply cannot be passed on to the customer and must be absorbed. This leads to the question of how best to respond to the increased hours of operation that the community now expects. I accept that many people wish to work nine to five on Monday to Friday but there are many others who prefer to work on weekends and at other hours during the week. This is the case for students and also for the second earners in the family, primarily women, who have care of their children whilst their partner works during the week but would be available and willing to work on weekends when their partner could care for the child or children and the burden of childcare costs is therefore reduced. But the quantum of penalty rates means that opportunities to work during times that suit these potential workers are limited. This is adding to the already high levels of underemployment and underutilisation that we have in Australia.

We know from ABS data that underemployment, where individuals who are currently employed are willing and able to work more hours, has increased from 6.4 per cent in August 2007 to 7.2 per cent in August 2012. The underutilisation rate, which combines the unemployment rate and the underemployment rate, shows an increase from 10.8 per cent in August 2007 to 12.4 per cent in August 2012. When penalty rates are considered against this background, it is clear that we cannot continue to operate in the 21st century with terms and conditions of employment that reflect an era that is long gone. I am not advocating the total removal of penalty rates but I am saying that it is imperative that we move from entrenched positions, recognise consumers expect services to be available for extended hours, recognise the high level of underutilisation of labour that we have in this country, and recognise that a high quantum of penalty rates for Saturday and Sunday work will act as a disincentive for employment. (Time expired)
Ms HALL (Shortland—Government Whip) (12:26): It gives me great pleasure to rise to support the member for La Trobe's motion. In doing so, I would like to congratulate her for highlighting the really key issues that surround penalty rates. It has become quite obvious to me, while listening to this debate, that members on the other side of this parliament do not understand the issue of what it means to workers to actually work on public holidays and do not understand low-paid workers who rely on penalty rates so they can just survive. It is all very well to argue about the price of a shirt on a Monday and on a Saturday, but I would like to respectfully argue that any retailer factors in that cost when they are working out their margins.

People on low incomes really rely on the penalty rates they receive, for working at night or for working on a Saturday or a Sunday, to be able to meet their mortgages. Many on the other side do not understand that. They just do not get it. They do not get the fact that taking away penalty rates is a direct assault on the take-home pay of hundreds of thousands of Australia's lowest paid workers. If you were to take away penalty rates that would immediately result in a significant drop in their standard of living. These are not people who are on $100,000 or $200,000 or even $80,000 a year. These are people that battle each and every day to put food on the table, but the opposition argues that these lower paid workers should not receive penalty rates.

I would also like to put on the table that there are many workers who work in essential services. In actual fact I have a daughter-in-law who is a nurse and has worked over the years many a night shift. She has worked on Christmas Day, when she has had young children. The members on the other side of this House are arguing about people like her—so all those nurses that go along and work in accident and emergency departments and all those nurses that go along and look after the sick in hospitals and all those police who are out in the community and all the fire service workers who are out there keeping us safe on those very special days and all those people who are unable to be there for Christmas lunch—and I say to them it is not all about business. Business is important and we need businesses as employers but we also need workers to work in those businesses and for workers to have money to spend. If workers' wages are reduced by taking away penalty rates, that will impact on businesses as well. It is not all about pushing workers' wages down to the lowest possible level.

Listening to the debate here today, that is what those in the opposition want to do. They have got no respect for workers. All they would like to do is keep wages low and increase employers’ margins. They would like to remove the existing safety nets and entitlements. Every time an opposition member rises to speak on any industrial relations issue, they always attack workers' conditions. I have been in this parliament quite a while now and I have never heard a member of the opposition stand up and say that workers deserve a better deal. To be quite frank, opposition members do not support workers, they do not believe they should penalize rates, they do not acknowledge the fact that they should be compensated for working on those special days and they do not understand how important it is for workers to be able to earn that little extra money that they need to pay their mortgage and put food on the table.

I would like to conclude by congratulating the member for La Trobe for bringing this to the parliament and put on the table the fact that I oppose 100 per cent the removal or undermining of penalty rates. I suggest that opposition members start to rethink their position on this issue.
Mr WYATT (Hasluck) (12:31): Let me say that I do not think there would be any member in this chamber or in this parliament who would not consider workers. They are absolutely critical to our economy and the way of life that we have come to experience. I rise today to speak on this important motion. It is important because once again it shows the hypocrisy and confusion that exist within this government. On 1 July 2009 Fair Work Australia commenced operations. It was set up by this government as an independent body with powers to carry out a range of functions relating to the safety net of minimum wages and employment conditions, enterprise bargaining, industrial action, dispute resolution, termination of employment and other workplace matters. Fair Work Australia was given a wide scope by this government to independently determine policies that are in the best interests of employees and employers. This motion seeks to undermine that independence by calling upon this house to reject any recommendations that Fair Work Australia may take regarding penalty rates. Either this government trusts Fair Work Australia to act in the best interests of both employees and employers or the question must be asked why did this government set up Fair Work Australia in the first place. If the government is not even prepared to listen to what Fair Work Australia may have to say on penalty rates, why do taxpayers' dollars continue to be spent reviewing the penalty rate system?

Further confusion on the government's position came about from Minister Ferguson's comments at the Australian hospitality conference where he said that he hopes a review of awards by Fair Work Australia will ease wage pressures on the hospitality sector. If the minister wants wage pressures reduced, does that mean he wants penalty rates cut or the award rates themselves? Either way this comments terms in opposition to the purpose of this motion moved by the member for La Trobe. Small businesses in Hasluck and right across the country are hurting because of this government's policies. Need I remind members of the effects of the carbon tax on small businesses. Electricity prices rising by 15.3 per cent for the September quarter alone has a significant impact. Consumers are being hit by the effects of the carbon tax as well, which reduces their ability to spend. To protect the Treasurer's promised surpluses we are seeing cash grabs left, right and centre. On the Today show last Tuesday the Treasurer refused to rule out further taxes. All this adds up to a government that is desperate and desperate to cling to power at any cost. This government will put forward any policy that they think sounds popular regardless of its merits. The reverse is that they will cling to any popular sounding policy and would dismiss out of hand what Fair Work Australia may have to say. Let them do their job and assess what is best for the economy. Once we have the advice, we can then debate not just penalty rates but all the recommendations that Fair Work Australia provides in the review, based on facts rather than on populist positions.

A point that my colleague the shadow minister for employment and workforce relations, Senator Eric Abetz, has made in the past is that, if wage costs are too high, businesses may not be able to hire as many staff as they would like. We do not know yet what Fair Work Australia might recommend with regard to penalty rates. They may suggest increasing standard award rates while removing penalty rates, because to do so would see an extra 100,000 people employed. Do we really want to rule out any changes to penalty rates before seeing what benefits might flow from them? Would not a more prudent and wise choice be to see what recommendations Fair Work Australia puts on the table?
In case there is any doubt, our position is clear and has been stated on a number of occasions by the umpire; Fair Work Australia, after hearing all of the submissions, should make the decision after balancing all considerations. Certainly on matters arising from the review by Fair Work Australia, it would be my intention to consult within my electorate all the relevant parties in order to seek perspectives and viewpoints in respect of each of the recommendations and to reflect those positions within the parliament and within the processes that will occur. But the government has to be serious and, particularly given that it is the Prime Minister's handiwork in creating a structure that allows for Fair Work decisions and the Fair Work process to occur, we should take note of the review and recommendations that Fair Work brings forward in respect of penalty rates and other issues arising from the review.

Mr STEPHEN JONES (Throsby) (12:36): I would like to start by commending the member for La Trobe for bringing this important matter to the House. I sat and listened with interest to the member for Hasluck in his contribution to this debate and, if he speaks on behalf of the entire coalition, I have to say that I welcome their sudden affection for the independence of tribunals and courts in general and for the independence of Fair Work Australia in particular. I know that there are at least two members of this House who would welcome that affection for the independence of those courts and tribunals.

As the motion states, penalty rates are compensation paid to employees for working outside normal day and weekly hours. The framework of penalty rates reflects the longstanding idea that not all hours of the day and not all days of the week are the same. Despite the commercialised nature of the world that we live in, some parts of the week are still largely regarded as the preserve of family, and I have to say that I hope that that remains the same. It is good for parents to have time with their children outside the traditional working week, when the pace of life is less hurried, even if it is to do nothing more than to take their kids to a game of sport or to spend time in the backyard with their families. For those who do need to work during this time, it is right that they have an additional payment for the sacrifice to be at work when others are at rest or at play.

Different rates of pay are a fact not just of workplaces but of businesses in general. Many sectors, including airlines, tourism operators, cinemas, electricity companies and taxi companies, to name just a few, feature different pricing arrangements depending on the time of day or the season. Indeed, they have spawned a whole language, with terms such as shoulder rates, peak season, off-season, low time and matinee rates. So to pick on workers and say that, somehow, workers' rates should be treated differently from all those others, I say, is simply unfair.

We have heard much from those on the other side of the House, much wailing from the coalition, on the cost-of-living issues. These are crocodile tears indeed. The hypocrisy of those opposite when it comes to cost-of-living issues is nothing short of astonishing. They argue for flexibility, which we know from our bitter experience during the Work Choices years is simply code for reducing wages. The only cost-of-living issues they seem to care about are those of the big end of town. On this side of the House, we are concerned about those who draw their living from ordinary toil and those who earn penalty rates as a part of their essential take-home pay.

I want to say something about the catering and restaurant industry, an important sector within our economy and indeed within my electorate. I know it is a contentious issue,
particularly in the hospitality and business sector, and there is a campaign being waged against penalty rates. It is indeed highly political. Managing staff in these areas can be difficult, and I know that businesses in this sector are struggling from time to time, particularly as there are downturns in the economy.

I have to say that not everyone within the industry accepts the position that has been taken on by the association. I recently received a letter from a constituent that confirms that he takes a different point of view. My constituent says:

I am appalled at this campaign as I know the hospitality business and in fact all businesses thrive on points of difference, be that service, location, atmosphere et cetera. We are advised by many business gurus that we should not sell our wares and services based on price alone. I can only see that ridding workers' pay packets of weekend penalty rates puts more money in the pockets of the business owner. Then if we continue to compete on price we are no better off in terms of market share. He goes on to make many observations about the fact that reducing workers' wages reduces the income people have to spend in his establishment.

Australia has a proud tradition of egalitarianism. That tradition is threatened by the rising gap between the richest and poorest in this country, as recent reports by non-government organisations have testified to. In 1994-95 households on the top 10 per cent earned an average of 3.78 times more than the bottom 10 per cent but the latest survey in 2009-10 shows that this has grown to 4.21 times. We in this House should be doing everything we can to ensure we are reducing the gap between the top and the bottom, not increasing it. Penalty rates for most workers who earn them are a critical part of their take-home pay. Once again I commend the member for La Trobe for bringing this matter before the House. There is no conflict between us debating this here and having it independently arbitrated somewhere else.

Mrs ANDREWS (McPherson) (12:41): I have already spoken on penalty rates but this topic is clearly of significance to all Australians. I have some additional points I want to put on the record, and I will take this opportunity to do that now. When I spoke earlier I talked about ABS data for underemployment and the underutilisation rate we have in Australia. I think that deserves a little more expansion.

The underemployed are individuals who are currently employed but are willing and able to work more hours. These are predominantly your part-time workers. For example, they may be working 20 hours a week but could be working 24 or 30 hours a week but they just cannot find the work to be able to do that. That is who fits into the underemployment category generally. That rate increased from 6.4 per cent in August 2007 to 7.2 per cent in August 2012.

The underutilisation rate is somewhat different because it picks up the unemployment rate and the underemployment rate, so it represents all individuals who are willing and able to do more work regardless of their employment status. It does not pick up a number of statistics that really should be represented in there. My point here is that the underemployment rate and consequently the underutilisation rate are not really reflective of what is happening in industry and in the population at present because there are some individuals and groups of people who are not represented in the statistics, so, in fact, the rate could be significantly higher. Those people could in some cases be students, second earners and older Australians, who would all be ready, willing and able to take on additional duties in a part-time capacity or for just a
couple of hours on a Saturday or Sunday. These people are out there and they are ready, willing and able to work.

As we all know, employment provides more than just remuneration; it provides a whole range of benefits, including self-esteem and self-worth for the individual. I strongly believe that we should be doing what we can to provide opportunities for those individuals to contribute and to earn money. It is very important that we look at what we are trying to do with the whole penalty rates review and make sure that that addresses those issues in particular so that we are actively enabling people to be employed within the community.

I also spoke previously about tourism. That is an enormous sector of our work on the Gold Coast where my electorate of McPherson is based. For many of those tourism businesses and the businesses that support the tourism sector, their busiest days are Saturdays and Sundays, and it is not just because of tourists, it is because of many locals as well. Some examples would be the wildlife parks and the theme parks et cetera. School holidays are clearly a very busy period simply because of the increased numbers of tourists, but there are also numbers of locals holidaying at that time. But today if we speak specifically about the Saturdays and Sundays, that is the peak period for these parks and that is where the penalty rates apply, creating some real issues with the profitability of those businesses. The rates they charge for entry to their parks on Saturdays and Sundays are generally the same as they have to offer to visitors on Monday to Friday. But Mondays to Fridays are certainly not busy days and they struggle during those days.

What needs to be reviewed as part of the ongoing investigation and analysis of penalty rates is how we can review what is happening in our key industries such as tourism and make sure that we are balancing the needs of the employer and the needs of the employees and needs of our future workers, ensuring that we are coming up with something that is going to be sustainable into the future.

Debate adjourned.

Indigenous Servicemen and Servicewomen

Debate resumed on the motion by Mr Coulton:

That this House:

(1) acknowledges the sacrifices made by those who have served Australia in past and present wars and conflicts and the importance of Remembrance Day in honouring those who have fallen; and
(2) notes that many Indigenous servicemen and women have also made valuable contributions to the Australian Defence Force, and that:
   (a) in the past these contributions have not been fully acknowledged and recognised;
   (b) historically many people of Aboriginal and Torres Strait Islander background experienced difficulties in enlisting due to their race;
   (c) the full extent of the contribution of Indigenous peoples to past wars and conflicts is a subject that is still being researched today;
   (d) more information will only add to the valuable wealth of knowledge that informs Australia’s commemoration ceremonies and enriches the historic record;
   (e) it is estimated that at least 400 Aboriginals or Torres Strait Islanders served in the First World War, and between 3,000 and 6,000 in the Second World War, and limited historical records indicate that these figures may have been much higher; and
(f) the maintenance of all war memorials, including those dedicated to the efforts of Indigenous people, should be a national priority.

Mr COULTON (Parkes—The Nationals Chief Whip) (12:46): by leave—I move:

That:

Paragraph 2 (e) omit "400" and substitute "1,000" and omit "between 3,000 and 6,000" and substitute "at least 3,000".

The DEPUTY SPEAKER (Hon. BC Scott) (12:47): Is the amendment seconded?

Ms Saffin: I second the motion.

The DEPUTY SPEAKER: The question now is that the motion as amended be agreed to.

Mr COULTON: I rise today to speak on this motion that I have introduced to the parliament. The timing of this motion is also to acknowledge the importance of Remembrance Day which is less than two weeks away. I believe that Remembrance Day is one of the days of true national significance in this country and I know that the towns in my electorate take Remembrance Day very seriously.

The commemoration of the armistice at the end of World War I, ending that horrible conflict, and subsequently the memory of other conflicts that have followed, is very important to the Australian people.

It is also important to remember that, as we stand here today, we still have Australian soldiers in overseas conflicts putting their lives at risk. It is important at times like this and on Remembrance Day that we acknowledge those who are still in harm's way. I would like to mention Nathaniel Gallagher, who was tragically killed in Afghanistan a couple of months ago and was laid to rest at Pilliga in the north-west of New South Wales. Attending Nathaniel Gallagher's funeral certainly brought home to me the danger and the impact that our soldiers who are serving overseas have on our community.

It is important to bring forward this motion not only to mark the importance of Remembrance Day, which will be commemorated in coming weeks, but also to acknowledge that there has been, in the past, a shortfall in the recognition of Indigenous people who have contributed to Defence services. This is particularly important to the Parkes electorate, which I believe has the second-largest Aboriginal population, second only to Lingiari in the Northern Territory. Indeed, I represent more than 20,000 Aboriginal people in this parliament.

This motion is an opportunity for the chamber to acknowledge the contributions of Indigenous service men and women. It is important to note that there is significant work being done to appropriately acknowledge the efforts of Indigenous service men and women. During Reconciliation Week in May 2012, services were held in major cities across Australia to acknowledge their efforts. Services for contributions in Defence forces were also held in Canberra this year, as part of NAIDOC Week celebrations. The federal government has also been doing work in this area, such as the creation of the National Indigenous Veterans' Liaison Officer in 2006 under the previous coalition government, and subsequently their state-based counterparts.

I believe it is very positive that the Defence forces are actively recruiting in Indigenous communities at the moment. Many opportunities are available and these opportunities will make a difference, should members of these communities take them up. What has changed, as the Defence Force actively recruits in Indigenous communities, is that during the two world wars and other conflicts there was an official restriction that prevented Aboriginal people
from entering the armed forces. Many were still able to enlist, although due to limited information from the time, we now have an incomplete picture of how many Indigenous people have enlisted over the years.

The involvement of Indigenous people in the armed forces was, in many ways, an exciting time, as they were treated as equals for the first time. It was indeed unfortunate that, on their return, many people who had been comrades in arms could not celebrate together—that hotels had different areas for people of different coloured skin. Indeed, many Aboriginal people who returned from the war were quite devastated to find that not much had changed in the time that they had been away.

War is a unifying experience. The friendships formed over the years by Australians at war were strong and did not take into account a person's background or race. The bonds built during conflicts between whites and Indigenous Australians should be celebrated in our history. Remembrance Day is an especially important time to commemorate these bonds.

I would like to speak about some things relevant to my electorate, and indeed to your electorate as well Mr Deputy Speaker. The only Aboriginal fighter pilot during the Second World War was Leonard Waters, the son of Donald and Grace Waters. In 1924, Leonard Waters was born at Euraba, the mission near Boomi in northern New South Wales, just south of the Queensland border.

When Len Waters was an 18-year-old shearer working in regional Queensland, he joined the RAAF as ground staff and commenced his training as a flight mechanic. Within the next year, Leonard had been selected to undergo pilot training in Victoria. He excelled in training and went on to graduate as a fighter pilot. Leonard Waters served his country with distinction and was laid to rest at St George in the Maranoa electorate in 1993. There is a plaque commemorating Len Waters in the park alongside the Newell Highway in Boggabilla and he is mentioned at the war memorial at Toomelah, which I will speak about in a second. A couple of years ago, I had the privilege of meeting Len's widow, a very feisty and funny lady. She spoke about her courtship with Len Waters, which I think consisted of three dates just after he came home from the war. They were together for over 60 years before Len passed away.

I would also like to mention that at Toomelah, in the northern part of my electorate, is a memorial dedicated to Aboriginal service men and women who have served in all conflicts. I was very privileged to be part of its unveiling. Incidentally, it was constructed by local people under the CDEP program and in a place that has had some bad publicity of late. The community took a great amount of pride in the project and still do—they still care for that memorial. It is a wonderful effort from that community to commemorate past achievements of Aboriginal people.

Also, I would like to mention Councillor Victor Bartley, who is the chairman of the RSL sub-branch at Bourke. Vic approached me some months ago about the state of the war memorial in the township of Bourke. Vic is an Aboriginal chap, but he believes that all the service people in Bourke should be treated the same. Indeed, on that memorial are Aboriginal and non-Aboriginal people, but he is concerned that, because it is in such a central location, the memorial is starting to show the signs of wear and tear just from a lot of public attention. He believes that an effort should be made to upgrade that memorial. Indeed, the local council has put some money aside and has started work on it. I am hopeful that the federal
government will also contribute to the memorial, because it is important. Not only now but in 50, 100 or 200 years time the residents of towns like Bourke will understand what a contribution their forefathers made, particularly their Aboriginal forefathers, who were breaking new ground. They represented their country in conflicts and should be remembered for now and evermore.

Ms Saffin (Page) (12:58): I rise to speak in strong support of the motion put forward by the honourable member for Parkes and commend him on bringing it before the House so that some members get an opportunity to speak to it. It is a commendable motion and one that I know all members would wish to lend their support to. I am happy to agree to the amendments to the motion. When it came to researching the subject, I can say that it was very difficult to get an accurate picture of numbers of service personnel from World War I and World War II or even information on entitlements from the Department of Veterans' Affairs. There were conflicting numbers, so I can understand that the honourable member for Parkes moved the amendment to try to get the numbers as accurate as possible, given we are dealing with inaccuracies in a framework. I looked at figures from the Australian War Memorial as well, but they are a work in progress. I thank the Parliamentary Library for the great research that they did for me; I am going to rely on it heavily in my contribution today.

This motion is about respect, honour and recognition. This was something that I knew about but, having read and reread some of the research, I can only imagine how soldiers must have felt when they went off to be a soldier with their mates, either in the theatre of war or serving in some capacity, and then, having been in the Defence forces, stepping back into everyday life and suffering the discrimination that they suffered. It would have made even the most generous person feel some degree of bitterness. I know it was difficult for the Aboriginal and Torres Strait Islander people to get into the Defence forces. If you read the Defence Act you will see there were certain prohibitions there which were relaxed because they wanted people to join, and there were different pay and conditions. They were discriminatory and not based, as far as I could tell from the research, on any legal grounds. I found that the numbers, which the honourable member for Parkes has put in the amended motion, are consistent with the later work that I found.

As to the First World War, paragraph 61(1)(h) of the Defence Act 1903 exempted from service in time of war persons who were 'not substantially of European descent'. So that Defence Act frustrated Aboriginal people's attempts to enlist, but those recruitment policies were relaxed after heavy losses in 1916 and 1917.

Another thing that happened—and I remember hearing about this and I remember talking to various people about it—was that after the war there were various parts of Aboriginal reserves, which used to be called missions, that were awarded to returning veterans as soldier settlement blocks, and in the records it shows only one Aboriginal veteran is known to have received a soldier settlement block. It was quite shameful that that happened. Reading it, I thought that that must have been a very difficult situation.

At the start of World War II, the Defence Act barred the conscription of full-blooded Indigenous people because it held that, since they were not enfranchised citizens, Aboriginal and Torres Strait Islanders should not be compelled to defend Australia. The three services of the ADF had certain regulations which also could prevent persons who were not substantially of European descent from enlisting. However, despite this, some Aboriginal and Torres Strait
Islander men managed to enlist because they wanted to serve their country. The same thing that happened in World War I happened in World War II—there was a fair amount of discretion on the part of those dealing with enlistment and there was relaxation of rules, with the medical staff relaxing them, and that allowed a lot of people to get in. I will read something from the secretary of the Prime Minister's Department. It says, 'regarding the non-acceptance of full-blooded aborigines, I am to state that when this instruction was issued it was decided that no action was to be taken to discharge full-blooded aborigines who had already been accepted'. It goes on like that, and there were other such letters and instructions.

During World War II, the Torres Strait Light Infantry Battalion was formed to defend the Torres Strait, and it had about 745 Indigenous Australians enlisted. That was in August 1943. I would say there that nearly every able-bodied Torres Strait Islander male had enlisted by 1944, but they did not receive the same rates of pay or conditions as white soldiers; there was a lot of research done on that. It was the same with the formation of the Northern Territory Special Reconnaissance Unit that was created: the research that was done, particularly through the Parliamentary Library, shows that there were 51 Indigenous people who were in that unit, and they were paid three sticks of tobacco per week and only supplied with Army rations when on training. When on patrol, they were expected to find their own food. The unit existed for about 16 months before being disbanded. Similar units were formed on Melville and Bathurst islands and on the Cox Peninsula, and they were used in much the same way as the Northern Territory Special Reconnaissance Unit. There was the same sort of pay and conditions, and I was told that the Melville Island men were given very small act of grace payments during the 1960s. I remember that, from 1983, the Hawke government made the decision to pay veterans of these units compensation and proper disability pensions for their service, so there are certain actions that have been taken since. If you read the history of that, you can see that that has been done over a period of years. It was in 1991 that the Australian government awarded back pay and service medals to surviving members and families of particular units from Melville and Bathurst island, the Cox Peninsula et cetera, and I was pleased to see that happen. After the end of the war the services reinstated the ban on enlistment, but by 1949 the Army had changed that practice.

I was looking at how many Aboriginal and Torres Strait Islander people from my area were enlisted, and so far we have come up with eight from the Lismore, Casino, Kyogle, Grafton and Armidale area. Most of them enlisted in the Lismore area. I am just doing a little bit more research on that. I know some of the families I am reading about in here. I will not mention the names, because I have not had the opportunity to speak with the families yet, but it was really nice to see some of the names there and I realise who some of the families are. I know some of the families and know how proud they are of those men who were serving in the world war—and, of course, some of them never returned; they paid the ultimate sacrifice.

I will just finish in the last few seconds I have by again commending the honourable member for Parkes for bringing this motion to the House. I thank you. (Time expired)

Mr McCormack (Riverina) (13:08): Every capital city, regional centre and remote one-horse town in Australia is immensely proud of its military heritage, and this is certainly so with Wagga Wagga in the Riverina. My progressive, vibrant home town is a tri-service centre and is renowned as the 'home of the soldier'. Every recruit soldier undertakes their initial training at Kapooka, south-west of the city, established in November, 1951. On the
eastern side of Wagga Wagga, the Royal Australian Air Force base at Forest Hill has been an integral part of the local community for nearly 70 years. RAAF Wagga delivers technical and non-technical initial employment and postgraduate training which is fundamental to the delivery of military air and space power in support of national objectives. Four major training units are supported at the base: No. 1 Recruit Training Unit, RAAF School of Technical Training, RAAF School of Administration and Logistics, and the School of Postgraduate Studies. Since 1993, Royal Australian Navy personnel have been undertaking aviation initial technical training at the RAAF School of Technical Training at Forest Hill. Navy usually has an annual intake of 100 trainees undertaking ITT, which is evenly split between aviation technician aircraft and aviation technician avionics courses throughout the year. Military ties are interwoven with Wagga Wagga's economic and social development and have been since World War II.

Understandably, there is no more important an occasion than Anzac Day in Wagga Wagga. Air men and women, sailors and soldiers, watched by large numbers of grateful and solemn citizens, march in perfect step along Baylis Street to the cenotaph in the aptly named Victory Memorial Gardens, where wreaths are laid and speeches made. It is always a grand yet sombre ceremony. For we remember, as do all Australians on 25 April, the enormous price paid so that we may live free. We are mindful of the ongoing sacrifice being made by our troops in Afghanistan, where we have lost 39 of our best and bravest since 2002, as well as other peacekeeping deployments abroad.

Given the enormous significance placed on Anzac Day observances at Wagga Wagga, it was pleasing to see that the 2012 march, for the second year running, had that fine Aboriginal advocate Hewitt Whyman leading 6 Company at the front of the parade. Born in Deniliquin in 1947, Hewitt spent eight years in the Australian Army, called up first for national service in 1968. He served with the Royal Regiment of Australian Artillery's 1st Field Regiment in Nui Dat in the then Phuoc Tuy province in South Vietnam from 17 December 1969 to 4 February 1970, spending time as an acting gun sergeant in a combat support unit and with 5RAR as an artillery signalman. Back home, Hewitt was posted to Kapooka in 1974 as a drill and weapons instructor for recruits, holding the rank of lance-bombardier. He has lived in Wagga Wagga ever since and is thought of highly, not just among Aboriginal people but throughout the wider community.

'Aboriginal people were and are proud to wear the Australian military uniform,' Hewitt told me just yesterday. He acknowledges, however, that recognition of the service of the Indigenous servicemen was not the same as that of those whom they fought alongside. Hewitt referred to the publication *Too Dark for the Light Horse*, based on a saying from the Great War of 1914-18, when Aboriginal and Torres Strait Islander people were seen as undesirable in the armed services. Researcher David Huggonson examined the involvement of Aboriginal and Torres Strait Islander people in the Defence forces. The book tells it straight in its introduction:

The invisible warriors
Aborigines and Torres Strait Islanders have fought for Australia in all our wars through the last century, from the Boer War onwards. Often Aborigines' and Islanders' presence has been an invisible one. The services generally have not identified soldiers by race on enlistment records, and in general the Memorial has not noted a person's race in the photo captions in its collection.
But Aborigines and Islanders are there. We can find them in photos, or their families come forward with their names; often the families themselves still have old photos. Early in the 1930s, the RSL journal, *Reveille*, appealed for information about Aboriginal servicemen in the First World War. Since then, other researchers have added to our knowledge, and today the contribution of Aborigines and Torres Strait Islanders to Australia's defence is at last becoming fully recognised.

**A change in attitudes:**

Look, these blokes are just as good as us, they fought beside us in the [second world] war, they proved themselves. … This change in outlook is terribly important—revolutionary in a way. It has laid the basis for all the other changes that have occurred in the post war years.

That was said by Len Watson in 1974. The introduction continues:

Generally Aborigines have served alongside other races in ordinary units. Conditions of service have been the same as those for Europeans. This has helped to foster understanding and respect between the races.

In the short term, however, little was changed. Aborigines who had experienced equal treatment for the first time in their lives in the armed services came back to find that civilian society treated them with the same prejudice and discrimination as before.

Hewitt Whyman is the descendant of the Firebrace boys from Moulamein: proud Aborigines, dedicated soldiers, men who loved the Australian bush and who were proud to call the Riverina home. The blood ties are through Hewitt’s mother, Lena Jackson. John Arthur Firebrace, 21, and his uncle William Reginald Firebrace, 22, were killed in action in France just six days apart in August 1918, only three months before World War I ended. They paid the ultimate sacrifice on the bloody battlefields of the Western Front.

‘I visit the Australian War Memorial and place a poppy alongside their names every time I go to Canberra,’ Hewitt said. ‘Their service means a lot to my family, to our people.’ Citing the difference in how black and white servicemen were treated upon their homecoming, Hewitt recounted the story of the late Tom Lyons of Narrandera. ‘Tommy was a Rat of Tobruk but had been insubordinate to an officer, so he was not awarded his medals upon his return,’ Hewitt recalled. ‘When others who fought with him were allocated parcels of land to start a farm, Tommy missed out. He had to rely on his mates coming out the back of the RSL to have a drink. But eventually he was handed his medals after his son Cecil and I did some work to put things right. Tommy was presented with them by the Commandant of Kapooka at a special service, and it was such a proud moment.’

War memorials dotted throughout the Australian countryside, in just about every village and town and sometimes on isolated rural roads to mark the contribution made by a particular district, are a fitting reminder of service given, lives lost. Some are mere stone markers, monuments in time simply recording battles fought, campaigns won. There are those which list the names of locals who made the ultimate sacrifice, who did not come home. Others list all local names: those who served and returned; those who lie in foreign soil, including Flanders field, where, as Canadian Lieutenant Colonel John McCrae observed:

… the poppies blow
Between the crosses, row on row …

Sometimes the names are not always in alphabetical order, perhaps because someone with some sort of link to an area was overlooked when names were being collated for the stonemason, or, as someone once told me when he saw me taking a photograph of the
memorial at Nimbin, because they were added later. Their Aboriginality, he claimed, precluded them from originally being placed on the memorial. I put that remark to Hewitt Wyman, who said he had heard the same thing. Thankfully past wrongs are being made right and I commend the member for Parkes, who has one of the largest populations of Indigenous people—second only to Lingiari of the 150 electorates in Australia—in his electorate, for putting forward this motion. It will, alongside other research and recognition work, help to appropriately recognise the marvellous contribution Aborigines and Torres Strait Islanders have made to our nation's military and therefore to our freedom.

In the time remaining, I would like to also commend Mark Coulton for mentioning 'Black Magic', as he was known by his mates and as he himself liked to be known—that is, Sergeant Leonard Victor Waters—who was Australia's only Indigenous fighter pilot in World War II. He was the fourth of 11 children of Donald and Grace Waters, and he was born on 20 June 1924 at Euraba mission, between Boomi and Garah. He left school when he was just 13 years old and he spent four years working as a shearer.

He enlisted with the Royal Australian Air Force on 24 August 1942 and was trained as a flight mechanic. When the RAAF called for air crew trainees, he applied and he was one of the very few accepted for flight training. He undertook initial training at Narrandera in the Riverina, then graduated among the top five in his course, as a sergeant pilot, from Uranquinty, which is just south of Wagga Wagga. He received his wings on 1 July 1944. His training continued at Mildura, from where he was posted to No. 78 Squadron on 14 November 1944. He flew 95 operational sorties against the Japanese from Noemfoor, which is West Irian Jaya in Indonesia; Morotai, Indonesia; and Tarakan, Borneo, Indonesia. With 'Black Magic' painted on the fuselage of his P-40 Kittyhawk aircraft, he logged more than 103 hours of combat flying, and it is no wonder that the member for Parkes is so proud that Len Waters was from his electorate. Len was promoted to flight sergeant on New Year's Day 1945 and to warrant officer exactly one year later. His duty done, Warrant Officer Waters was discharged on 17 January 1946 and he married Gladys Saunders four weeks later. Len never flew again, returning to shearing to make a living. He died at Cunnamulla in Queensland, but his war service was commemorated with the issue of a stamp and an aerogram in Australia Post's 1995 series Australia Remember. We remember Len Waters; we remember all of the Aborigines who have served our country so well.

Ms BRODTMANN (Canberra) (13:18): Aboriginal servicemen and women have proudly served Australia for more than 100 years. Despite this nation's history of racism and prejudice, Indigenous Australians have enlisted and volunteered to represent Australia and to serve our national interests. Going back to World War I, more than 400 Indigenous Australians enlisted to fight overseas in the Great War. They enlisted to fight for their country even though they were prevented from voting, even though they were not counted in the census, even though they could not drink in a pub with their fellow diggers, even though they were not paid the same wages and even though they were not accorded the same rights as other Australians.

About 3,000 Aborigines and Torres Strait Islanders served in the armed forces during World War II. When Australia was under threat during the Pacific campaign, Aboriginal and Torres Strait Islanders enlisted by the hundreds. As the Australian War Memorial here in Canberra attests, many Indigenous Australians were killed in action and some were taken as
prisoners of war. There were even special Indigenous units formed, such as the Torres Strait Light Infantry Battalion, which was constituted to protect the Torres Strait. I have been to Thursday Island, and there is a beautiful memorial in the centre of the town that takes great pride of place amongst the community there. It recognises and honours those who served and sacrificed their lives in various wars. The community is very proud of its contribution to wars in the past and also to the ADF today.

It is with deep shame that we recognise that there were marked differences in pay and benefits awarded to Indigenous servicemen and women. It is to our collective indignity that it wasn't until 40 years after the war that this discrimination was rectified. But Australians have learnt a lot since then and we have grown up as a nation and now respect our Indigenous peoples. And this is reflected in the way Indigenous servicemen and women now operate and serve our country. In particular, I mention the operations of NORFORCE, which well reflect this.

NORFORCE, the North West Mobile Force, was established in the early 1980s. NORFORCE was raised to address our need for surveillance and reconnaissance in Australia's north and north-west. For many reasons NORFORCE is a distinctive part of our defence network. For a start, it is responsible for the largest area of operations in the entire world. Its role in surveillance is critical in maintaining our security but also in responding to issues in these remote parts of the country.

Not surprisingly, NORFORCE is reliant on its Aboriginal soldiers, whose understanding and awareness of the environment is pivotal to its success. NORFORCE has a very high number of Indigenous soldiers—about 500, or 60 per cent of the total contingent—and it is very much supported by local communities. Many of the soldiers are from local Aboriginal communities and being part of NORFORCE is a source of both employment and great pride. Their role as protectors of their land is esteemed and honoured. A few years ago, the Indigenous television program *Message Stick* showcased the importance of NORFORCE to Aboriginal people and their communities. NORFORCE has its genesis 70 years ago with the 'Nackeroos'. Back then Aborigines and whites worked together to patrol our northern borders against the threat from the Japanese. Much of this soldiering was carried out on horseback with primitive communications and few resources.

Today, many Aboriginal people see NORFORCE as providing opportunities to train, to serve and to help their communities. There are now hundreds of Aboriginal drivers, medics, patrolmen and signallers. This is what one soldier, Danny Rashleigh, told *Message Stick* about his work with NORFORCE:

> With my job that I do with alcohol counselling in communities, I thought it could benefit communities, benefit the young boys, myself, and create a few role models especially with [the] problems … they have in the community.

> I think what Norforce looks for in communities for soldiers is someone who wants to give it a go, self-development, and role modelling in the area.

> I recruited a number of men from there last year who I thought showed those qualities, who I thought could excel in those qualities and I thought could also socially develop the community, within themselves, and pass on down to their family plus other young people.
It is now recognised that NORFORCE would not be able to function without its Indigenous soldiers. The knowledge and skills they bring, their passion and commitment, their connections to land and community, are invaluable.

I want to talk now about what Defence is doing for the Indigenous community. Defence was actually at the vanguard of reconciliation action plans. It was the first federal government agency to develop a Reconciliation Action Plan. The department did extensive consultation on the development of the plan across all services and also particularly with the Indigenous community in Defence, the Indigenous serving men and women. It is an incredibly comprehensive document and one of the real benefits of it is that it has a number of KPIs to ensure that Defence is constantly trying to improve the recruitment and retention of Indigenous Australians right throughout the country and throughout every service. One of the real benefits of it is the fact that it encourages an acknowledgement of country on bases if there is an event on a base. It also takes a broad view on compassionate leave for funerals and for other ceremonies. In the past some of these could take quite a lengthy amount of time, particularly if you were on a ship. It could be a bit of a challenge getting off the ship to attend the ceremony. So Defence has got a new model—and it has been around for a number of years now—to accommodate those family responsibilities that a number of Indigenous members have.

In the course of my 10 years working with Defence, I also had the great privilege of working with a number of young Indigenous serving men and women in the Navy, Army and Air Force. What really struck me was their commitment to the service and protecting our national interest but also to being role models for the younger members in their communities. Not only do they play a very active role in the service but also when they go home they are very active not just catching up with family members but going out and talking to community organisations, mentoring young kids and building up the self-esteem and confidence of the young kids, hopefully encouraging them to move into the services themselves because they see the many, many benefits that serving in the Army, Navy and Air Force can bring. They have experienced it personally and they want to share it with their communities. They are very impressive young men and woman.

In closing, I just want to say that it is a tremendous achievement that NORFORCE is the largest employer of Indigenous people within the Northern Territory and the Kimberley area. I commend the ADF and all those involved, especially our Indigenous service men and women for the outstanding contributions that they have made in the past, that they continue to make and that they will make in the future. I would particularly like to commend and thank the member for Parkes for this motion that celebrates these significant achievements.

Debate adjourned.

Sitting suspended from 13:27 to 16:06

BILLS

Law Enforcement Integrity Legislation Amendment Bill 2012

Second Reading

Debate resumed on the motion:
That this bill be now read a second time.
Mr MORRISON (Cook) (16:06): I rise to speak on the Law Enforcement Integrity Legislation Amendment Bill 2012. The purpose of the bill is to amend the Crimes Act 1914, the Australian Crime Commission Act 2002, the Telecommunications (Interception and Access) Act 1979, the Surveillance Devices Act 2004, the Customs Administration Act 1985 as well as the Law Enforcement Integrity Commissioner Act 2006. I wish to note at this point that the overwhelming majority of Commonwealth law enforcement officers are honest, hardworking, good Australians who are dedicated to protecting our communities. However, it is a fact that criminals do target law enforcement officers due to the nature of their work, as they often have access to sensitive information.

Corrupt conduct can take many forms, including improper association, conflict of interest, abuse of power, fabrication or destruction of evidence, inappropriate disclosure of information, theft and fraud. Some crimes of corrupt behaviour involve committing a criminal offence. However, other kinds of corruption, while not criminal, may still undermine the integrity of the Commonwealth law enforcement agency an officer works for. The coalition firmly believes there should be zero tolerance for corruption in the public sector and we urge the government to take steps towards eradicating corruption, which undermines the integrity of our agencies and their ability to achieve their missions to protect our communities or our borders and as consistent with the high expectations that our community has in these agencies.

Integrity tests are operations designed to test whether a public official will respond to a simulated or controlled situation in a manner that is illegal or that would contravene an agency's standard of integrity. An example of integrity testing includes leaving valuable goods or money at a simulated crime scene to test whether an official officer steals the item. Often false information is put into a database to catch an officer suspected of unlawfully disclosing information. It is important to note that integrity testing is not entrapment or inducement. Entrapment is where an officer is induced to commit an offence they would not otherwise have committed, whereas the aim of integrity testing is to give an individual clear and equal opportunities to pass a test or fail a test. It has been reassured to the coalition that the tests will be carefully designed and will be carried out in a way which upholds this distinction.

The introduction of integrity testing at the Commonwealth level was recommended by the Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity on 21 November 2011. In evidence provided to the PJCACLEI inquiry, a number of issues associated with integrity testing were raised, including cost, impact on morale, legal issues such as inducement, and the effectiveness of integrity testing as an integrity measure.

The bill also makes significant changes to ACLEI's jurisdiction. Consequently, increased powers need to be thoroughly examined to ensure any privacy or use and disclosure information issues are addressed appropriately. The Australian Federal Police Association noted in their submission to the Senate Legal and Constitutional Affairs Legislation Committee, who is conducting an inquiry into this bill, as follows:

It is commendable that the AFP executive is considering the implementation of an integrity testing regime at a time where there is no known widespread corruption in the organisation. This provides a stark contrast to the oft-cited example of widespread corruption in New York City during the 1980s and 1990s which led Mayor Rudolph Giuliani to commission the Mollen Report. The results of that report...
led to targeted testing being adopted, and soon thereafter it was consequently in every Australian state jurisdiction including the Northern Territory.

The coalition is off the firm view that for the most part our agencies are not plagued with widespread corruption; however, it is important to ensure that Australia never approaches anything like the levels of corruption seen in New York and other jurisdictions around the world. Eternal vigilance on these matters is what is necessary in our view.

I now turn to the amendments contained within the bill. The amendment contained in schedule 1 will introduce targeted integrity testing for staff members of the Australian Federal Police, the Australian Crime Commission and the Australian Customs and Border Protection Service suspected of corrupt conduct. It will increase the jurisdiction of the Australian Commission for Law Enforcement Integrity to include CrimTrac, Austrack and other prescribed staff in the Department of Agriculture, Fisheries and Forestry. The purpose of schedule 2 is to enhance the powers of the CEO of Customs to deal with suspected corrupt conduct and bring those powers into line with powers currently available to the AFP Commissioner and the ACCC CEO.

I wish to expand upon the amendments in schedule 1, which is to introduce integrity testing for Customs. In their submission to the Senate committee, Customs said that, having regard to the significant consequences of Customs and Border Protections role at the border and controlling the import of prohibited items, including weapons and drugs, access to highly sensitive and classified information and working closely with other law enforcement agencies, the consequences of corruption or misconduct in connection with the service's law enforcement role are very serious.

It is a shame that this Labor government has not seen fit to couple this legislation with an increase in funding for Customs to help it perform these integral duties, such as a controlling the import of illicit goods. In the 2008-09 budget, Labor cut $58.1 million in funding for Customs cargo inspections. As a result, Customs has been placed under greater pressure and been asked to do more with less, putting Customs officers at risk of being vulnerable to being used by organised criminal syndicates. This year in March, Customs was unable to detect 220 guns which were smuggled into Sydney through the Sylvania Waters Post Office, which is in my electorate of Cook. New Wales Police Commissioner Andrew Scipione called this alleged smuggling operation perhaps the biggest illegal syndicate doing this type of illegal gun trafficking that Australia has seen. However, this Labor government refused to refer this incident to a specific inquiry into Customs or Australia Post, independent of these organisations. Labor refused to ask itself the hard questions about the effects its damaging budget cuts have had on our border and law enforcement agencies.

How can the Minister for Home Affairs continue to deny that the $58.1 million in funding that Labor stripped from air and sea cargo screening has not contributed to the problems which have been outlined in this place and many others when it comes to goods and other matters being smuggled across our border and into our communities? Air cargo inspections have dropped from 60 per cent under the Howard government to a dismal 8.3 per cent under this government. With these kinds of drastic cuts to cargo screening, illicit drugs and weapons are flowing through with ease onto our streets and into the hands of organised criminal syndicates. The only thing better than an old gun is a new gun.
Customs in their submission to the Senate committee also noted that this measure was formerly referred to as ‘loss of confidence’. This terminology has been changed to better reflect the intent of the legislation and provide assurance to workers and the community as to how this power will be implemented. If Labor were serious about the integrity of our borders, they would stop the spin and look to reinstate the damaging funding cuts they have made to Customs and reinstate integrity to our borders. We take issues of corruption very seriously and support efforts to prevent corruption in Commonwealth law enforcement agencies. Corruption and abuse of power not only threatens Australia's national security but also compromises the trust that the community has in their role.

The coalition supports this bill in principle and supports measures to eradicate corruption in the public sector. Due to the nature of the wide-ranging amendments, the Senate committee is currently inquiring into this bill and is not due to report until 20 November 2012. The coalition reserves the right to move amendments in the Senate, pending the recommendations of the Senate committee when it hands down its report.

Mr SIMPKINS (Cowan) (16:14): I welcome the opportunity to make a contribution today on the Law Enforcement Integrity Legislation Amendment Bill 2012. This legislation is of particular interest to me due to my membership of the Parliamentary Joint Committee into the Australian Commission for Law Enforcement Integrity, or ACLEI, and my background in the Australian Federal Police and also the military police. The purpose of this amendment legislation is to add three new aspects to the act. It introduces targeted integrity testing for staff members of the Australian Federal Police, the Australian Crime Commission and the Australian Customs and Border Protection Service Officers suspected of corrupt conduct. It increases the jurisdiction of ACLEI to include CrimTrac, AUSTRAC and prescribed staff of the Department of Agriculture, Fisheries and Forestry. Also, it enhances the powers of the CEO of the Australian Customs and Border Protection Service to deal with suspected corrupt conduct and to bring those powers into line with the powers currently available to the AFP commissioner and the Australian Crime Commission's CEO.

I have great confidence in the professional standards of the AFP, the Crime Commission and Customs and the ability of ACLEI to control and to be appropriately involved in integrity testing on behalf of and together with those agencies. Given this, I do not think that we have a significant problem in this country but the reality is that where there is information about crime, drugs and government and defence contracts there will always be the opportunity for someone to make money by acquiring that information.

I will start with the integrity testing component of this legislation, which I note was recommended by the parliamentary committee on 21 November 2011. While the majority of Commonwealth law enforcement officers are trustworthy, honest people who take their role of protecting our community seriously, it is a reality that criminals will target law enforcement officers. That is largely due to their access to sensitive information. So there will always be someone who will try to reach out to officers of the Commonwealth to try to subvert them and get them to acquire information for them. Obviously, no-one joins the Public Service or a law enforcement agency such as the AFP with the intention to become wealthy or to seek out opportunities for corruption, but the trouble is there are times when frustration and other pressures might lead somebody to become vulnerable in their employment and it is then that they might be subject to being subverted by criminals.
Corruption can occur in many forms, including improper association, a conflict of interest, abuse of office or power, fabrication of or destruction of evidence, inappropriate disclosure of information, theft and fraud. While not all of these kinds of corruption are illegal, they still have the power to undermine the integrity of the Commonwealth law enforcement agencies and their employees. The definition of integrity testing, according to the Attorney General's Department, is this:

… 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.

The joint committee's inquiry received a number of submissions and heard evidence directly from those involved or those who are or will be affected by integrity testing. During hearings, we heard about the classic or baseline integrity test which usually involves a scenario of a lost wallet being handed in to a particular officer and a check to see whether that officer then follows the correct procedures. That is without doubt an example of the baseline of integrity testing. However, throughout the inquiry process the committee truly embraced integrity testing as we moved through our examinations of the Commonwealth law enforcement environment. Employees in this area are exposed to information about criminal matters and 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. It is my belief that any person who has the opportunity to access information should, under the right circumstances, have their integrity tested.

The Joint Committee on the ACLEI was 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 that positive or negative decision. Targeted integrity testing is certainly what the committee was most keen on.

In evidence provided to the inquiry, a number of issues regarding integrity testing were raised, including the associated cost, the impact on morale, legal issues such as inducement, and the effectiveness of integrity testing as a measure of integrity. In reference to the cost, the introduction of integrity testing and enhanced power for the CEO of Customs to deal with corruption will have no financial impact, as the agencies will meet costs from within their existing budgets. It was proposed that ACLEI be provided with additional funding of $1.5 million over two years to support that expanded jurisdiction.

I reiterate that I have great confidence in the professional standards of the Australian Federal Police, the Australian Crime Commission, and Customs, and in the ability of ACLEI to control and 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, where there is money to be made, there will always be someone who will try to seek that information and thereby gain financial reward. People will always try to reach out to officers of the Commonwealth to try to subvert them and get them to acquire the information for them. That is why we need to have this integrity measures in place—to make sure that action can be taken when there is suspicion of such actions. Similarly, the coalition firmly
believe that there should be zero tolerance of corruption in the public sector and we urge the
government to take steps towards eradicating such corruption, which undermines the integrity
of our agencies in achieving their missions to protect our communities and our borders.

The coalition support this bill in principle; however, we reserve the right to move
amendments in the Senate, pending the recommendations of the Senate committee when they
hand down their report.

Mr HAYES (Fowler) (16:22): I rise to support the Law Enforcement Integrity Legislation
Amendment Bill 2012. As Chair of the Parliamentary Joint Committee on Law Enforcement
and a member of the Parliamentary Joint Committee on the Australian Commission for Law
Enforcement Integrity, I am very proud that the government has picked up these
recommendations that were made unanimously by the committee, as referred to by the
member for Cowan. One thing about this committee, at least as long I have been associated
with it, is that it has always acted in very much a bipartisan fashion and its recommendations
are carefully crafted, as is the case here with regard to strengthening anticorruption and
integrity measures within its jurisdiction.

The Parliamentary Joint Committee on Law Enforcement's jurisdiction initially covered the
National Crime Authority, which became the Australian Crime Commission, and the
Australian Federal Police. With the changing pattern of activity, the committee has been of a
mind for some time that that should be widened to encompass other jurisdictions that equally
have access to either sensitive or specific information about operations that could be affected
by serious and organised crime. And that is what the bill does; it responds very positively to
those recommendations and enacts them—maybe not in full but certainly enough to satisfy
the committee that the government is acting to do something specific to give greater
confidence in the integrity of our law enforcement agencies.

Part 1 of the bill enables targeted integrity testing. That is something that I know now
exists in state and territory police jurisdictions but to date has been foreign to the Australian

After having discussions with the various organisations representing police officers,
including the Police Federation of Australia as well as the Australian Federal Police
Association, their issue was not about targeted integrity testing; their issue was more
associated with, if this was just going to be at random, it could be tantamount to entrapment,
et cetera, and also it was a reflection on the level of confidence we had in the officers of those
authorities. Each of the organisations representing police officers were in favour of targeted
integrity testing because, as they indicated, the thing they value more than anything is the
preservation of integrity within their profession

This legislation is not something that contravenes the application of employee rights; it is
not something that is seen to be calling into question the integrity of specific officers, other
than those who are suspected of acting in such a way that those actions could amount to a
criminal charge attracting a sentence of I think it is more than 12 months. This is where the
professional standards organisations of the law enforcement bodies already have good reasons
to suspect criminal activity is at play, that this would enable senior officers of professional
standards sections to go out and target and test the integrity of suspected officers. For those
who represent the police profession, this is seen to be a good thing. It is seen to further
support the preservation of integrity within law enforcement and also the integrity of all those officers who serve.

There was also a recommendation to expand the jurisdictions that could be subject to ACLEI oversight. Part 2 of the bill deals with that. The recommendation was to extend ACLEI oversight to AUSTRAC, which is the Australian Transaction Reports and Analysis Centre; to CrimTrac, which is doing vital criminal mapping as well as computer work which is being used by all states and territories at the moment; and also to Customs and the Department of Agriculture, Fisheries and Forestry. These are certainly major changes, and with them obviously there is a change in the work of the Commissioner for Law Enforcement Integrity in respect of his staffing and also the ability to conduct investigations amongst those wider based agencies.

As I say, this measure will extend ACLEI's jurisdiction, which was previously limited only to the AFP, the ACC and Customs. It is designed to extend the reach of ACLEI to those areas where there is what would be regarded as a potential high level of risk by infiltration of organised crime groups and ensuring that ACLEI is in a position to make all possible endeavours to prevent, detect and investigate suspected instances of corruption.

Part 3 of the bill will also make amendments to the Crime Commission Act 2002, the Surveillance Devices Act 2004 and the Telecommunications (Interception and Access) Act 1979. Again, these are vital in terms of implementing the integrity testing regime. The variation of the ACC's act will enable them to now have targeted integrity testing within that organisation.

Earlier this year the government took steps to ensure that ACLEI's jurisdiction was extended to Customs and its staff, and this legislation will now extend that much more broadly. From talking to officers of the AFP, they see this as extending the jurisdiction to all those who naturally fit in what would be considered a law enforcement role. All those organisations which will now, under this bill, be covered by ACLEI undertake, in their own way, law enforcement activity on behalf of the Commonwealth.

Further adjustments will be made to the Customs Act to allow various activities which are similar to what occurs in the AFP and the Australian Crime Commission—that is, to rules relating to drug and alcohol testing of staff. Further, if a police officer is suspected of a serious breach of integrity, clearly there is no point in having the person wait around—retaining access to vital and sensitive information which could corruptly be spirited off to other areas. So in each state and territory jurisdiction there is what is known as a commissioner's confidence arrangement. This arrangement was also extended to the Australian Crime Commission last year in light of certain activities which occurred there. The government considers it appropriate for the CEO of Customs, in ensuring the integrity of his organisation, to have a similar confidence provision. The bill does not do anything to circumvent the normal industrial rights available to a staff member aggrieved by the employer standing them down. But the arrangement ensures the integrity of the operations of these organisations by ensuring that the person can be denied access to sensitive information by the commissioner—or, in this case, the Customs CEO.

As the minister is here, I will conclude by saying, on behalf of the committee, that it is very gratifying the government has acted so swiftly to pick up our recommendations. It shows that
this government is concerned to do everything possible to ensure the integrity of our law enforcement agencies.

Mr CLARE (Blaxland—Minister for Home Affairs, Minister for Justice and Minister for Defence Materiel) (16:32): I thank all members for their contribution to this debate and for their support for this important legislation. As all members have said in their contributions, the overwhelming majority of law enforcement officers are good, honest, hard-working people—but it is a fact that, because of the nature of the work they do, they can be targeted by organised crime. Because this is a fact, we need to ensure that we have the right legislation and the right frameworks in place to identify corruption where it occurs and weed it out—and to prevent it in the first place. That is why I have brought this legislation before the parliament.

The bill contains important amendments to give our law enforcement agencies the power to prevent corruption and the tools and powers to weed it out. It contains three key measures. The first is the introduction of targeted integrity testing of Federal Police, officers of the Crime Commission and officers of the Customs and Border Protection Service who are suspected of corruption. Secondly, it doubles the number of law enforcement agencies covered by ACLEI. Thirdly, it strengthens the powers of the chief executive officer of the Australian Customs and Border Protection Service to deal with suspected corruption.

This strengthening of the powers of the CEO of Customs includes three things. The first is the power to authorise drug and alcohol testing. The second is the power to issue orders, including mandatory reporting requirements where staff will be required to report suspected misconduct. The third is the power for the Customs CEO to make an order declaring that the termination of an employee was for serious misconduct. I will expand on that third point just for a moment, because I know there have been some concerns raised about the power and whether an appeal right should exist. This is a power which will not be exercised lightly and will be reserved for the most serious cases of misconduct, corrupt conduct or criminal activity. An advisory panel will be established to consider whether the criteria set out in this legislation for the making of a declaration of serious misconduct has been met.

The panel will then consider and advise the chief executive officer as to whether there is a reasonable basis to terminate employment, and that will include consideration of the following: (1) satisfying itself that the definition of ‘serious misconduct’ for the purposes of the declaration that has been made; and, (2), if it is having or is likely to have a damaging effect on either the professional self-respect or morale of staff or the reputation of the agency.

Customs and Border Protection Services is continuing to undertake consultation with unions and staff on the administration of this provision. A dismissed employee will be able to seek review of the decision in the Federal Court under the Administrative Decisions (Judicial Review) Act 1977. They will also be able to pursue other claims in connection with their employment or their dismissal, such as unlawful discrimination.

As I said in my second reading speech a few weeks ago, this is the first tranche of reforms that I will bring forward. They are the sorts of things that the former government should have done but did not. More work needs to be done to make our law enforcement agencies more corruption resistant, and I am working on those reforms now and will bring them forward when they are finalised. I commend this important legislation to the House.
Question agreed to.
Bill read a second time.
Ordered that the bill be reported to the House without amendment.

CONDOLENCES

Penpraze, Sapper Jordan Ronald

Mr HUNT (Flinders) (16:36): It is with a very and genuinely heavy heart that I speak to give the condolences of the people of Flinders to the family of Sapper Jordan Ronald Penpraze. Jordan was 22 years of age when he passed away on 11 October. It was after a vehicle accident on the Holsworthy range on 8 October. His family lives in not just the electorate of Flinders but my hometown. His mother, Kathleen, and his father, Daryl, and his grandmother, Shirley Blundell. I know from one of Jordan's close schoolfriends, Riley Gay, who works in my office, that the family has obviously been devastated and deeply affected by this loss. Riley himself was a close personal friend of Jordan's, and much of what I know about Jordan, who, as I say, grew up on the Mornington Peninsula, comes from Riley.

Sapper Penpraze enlisted in the regular Army on 3 April this year, and he completed his initial recruit training. He commenced his Royal Australian Engineer Initial Employment Training on 11 July. He was training to do some of the toughest things that Australian soldiers can do. Jordan had always dreamed of following in his grandfather's footsteps to join the Army and to become a combat engineer. He was due to graduate and, as I am advised, was living his dream. He was born at Mornington on 15 August 1990. He was a young man. Prior to enlisting in the Army, he lived with his family in Mount Martha and worked with his father. He was educated just down the road at Dromana Secondary College, where he made lifelong friendships and met his partner, Jacinta, with whom he remained until his death. Jacinta, we pass on our deep awareness of the sadness you must be facing. Jordan enjoyed spending time with Jacinta, with whom he had been for four years. Jordan's partner, Jacinta, said that she and Jordan were planning to move to Townsville together after his graduation. He enjoyed his time in the outdoors. He was an outdoors man, with hobbies that included baseball, scuba diving and motorbike riding. He had a keen interest in technology and computers. His was the youth of a young man on the Mornington Peninsula who enjoyed life, who lived life and who was being his best self.

Most importantly, he looked out for his family and his friends. His quality as a person is exemplified by a very significant event in Sydney while on local leave in Liverpool. Sapper Penpraze and another soldier successfully resuscitated an elderly citizen. Jordan remained with the elderly citizen, maintaining CPR until the ambulance arrived. That was an act of great confidence and great generosity. He had a deep sense of purpose about his role. Although he knew of the dangers, he aspired to become a sapper and to defend Australia. As we know from the latest tragic events in Afghanistan reported just today in the House, this is the most dangerous of occupations; the most confronting of occupations. These are the people who keep our special forces troops safe; that is, they watch the watchers. They keep safe those who keep safe.

He had a deep respect for Australia, for the Australian flag and for Australia Day. He took enormous pride in his country. Jordan was a well-liked and well-respected member of No. 3 Troop. As in all other aspects of his life, he held this stoic determination to achieve what he
had set out to do and was constantly involved in self-improvement. That is the story from Riley and from those who knew him.

He excelled at watermanship. He demonstrated the appreciation of watercraft he gained from years spent on the bay at Mount Martha with his family and in his training, he took on a leadership role in this element of his course. Jordan's motto was: 'Do what you want to do and be what you want to be.' He lived this motto as he overcame many obstacles to achieve his goal of becoming a sapper. He was a young man, but he was a wonderfully successful young man. He was training to be an even better young man, serving Australia in the most significant, important, dangerous and courageous of tasks.

Jordan spread his optimism to his partner and to his siblings. He gave them support when they needed it and he encouraged them never to give up. Today, as Kathleen, Daryl, his siblings, and his grandmother Shirley Blundell are all feeling his loss, there is nothing that can replace the gap—there is nothing that can fill that hole. We simply say to you, on behalf of everybody else in Australia, that Jordan was one of so many young soldiers who help to protect us and his story, sadly, has come to pass all too early. We grieve with you, we thank you and we offer you our deepest support.

Dr MIKE KELLY (Eden-Monaro—Parliamentary Secretary for Defence) (16:43): I acknowledge the words of my colleague, the member for Flinders, who has acknowledged and detailed the concern and the feelings of the general community in Flinders for the loss of a proud son. Certainly, our hearts, our thoughts and our prayers go out to Daryl and Kathleen Penpraze, and of course to his younger brothers, the twins Dan and Jesse, aged 17, and sister Lily, aged 15, and to his girlfriend, the lady who he was in a relationship with, Jacinta Thomas. They will all be trying to come to grips with this loss of a dear and beloved member of their community and their family.

Certainly, they should take pride in the fact that this young man was a high achiever. He had already taken on a challenge that many Australian citizens would shirk at—would blink at, would not be up to or would simply not be interested in because it involves such a hard task, such physical challenges and such risks—just the process of being in a position to wear the proud uniform of the Australian Army and the proud lanyard of the engineers: the black lanyard.

Certainly there is a lot of focus on the casualties that occur in Afghanistan—as there rightly should be—but becoming a member of the Australian Defence Force and acquiring the competencies that are necessary to achieve your professional proficiency carries with it great risk at all times. You strive always to minimise those risks but there is a limit to how much you can do to achieve that. We must prepare our people for the harshest of conditions. We must enable them to survive in the harshest of conditions and to succeed in the nation's endeavours in uniform in combat operations and in some of the most challenging environments on the planet. It would be negligent if we were not trying to make their training and development as realistic as possible while at the same time trying to get the balance of safety right in delivering that professional competency.

Certainly Sapper Jordan Ronald Penpraze was a high achiever in getting through the difficult training at Kapooka and through his initial employment training as an engineer at the School of Military Engineering in Holdfast Troop—'Holdfast' being the call sign of the engineers. As has been outlined by the member for Flinders, not only was he a high achiever
in the courses he conducted as an engineer and through Kapooka but obviously he was someone with a high sense of community commitment and community service, as was evidenced by his rescuing of the elderly citizen. He was able to maintain his skills in first aid. The CPR that was applied actually saved the life of that elderly citizen. We have seen lots of evidence of the capability and achievements of this young man who was community minded. At the service were broader members of the community and the nation at large.

Training is risky. We do lose people. People do suffer injuries. I think about 1,400 incidents and injuries occurred in the last financial year. I saw many of these circumstances through my own career. I have been involved in the aftermath of them and investigations of vehicles that have turned over and helicopters that have crashed—we lost many members in some of those occurrences. Live-firing ranges by their very nature are enormously risky. Over time we have had incidences at pistol ranges, rifle ranges, grenade ranges and the like. I think it is not well appreciated just how many risks there are and how dangerous the very act of being in uniform is for a member of the Defence Force.

I would like to take this opportunity to pay tribute to not only Sapper Jordan Ronald Penpraze but also his brothers and sisters of the engineers of the black lanyard fraternity. We should highlight their service at the present time. At probably no other time in history have we relied so much on the engineers to deliver national interests. The engineers have been very hard at work in the north of Australia delivering outcomes and betterment to Indigenous communities. They have been heavily engaged up there. They have also been hard at work in preparing facilities on Nauru and Manus islands in relation to our asylum seeker challenge. As we all well know and we reflected upon this morning in the chamber, they are heavily engaged in combat operations and in the delivery of national objectives in Afghanistan. The risks involved in delivering that outcome have been well canvassed.

They put themselves in harm's way above all others in delivering a safe operating environment for those who follow in their footsteps. It would have been highly likely that Sapper Penpraze would have ended up in the ongoing operations in Afghanistan in the not too distant future. Our engineers are also playing a very significant role in the planning for the draw down of our operations in Afghanistan and will be heavily involved in the execution of that draw down. We rely very heavily in this country on both our construction engineers and our combat engineers, who are second to none in this world in terms of their professionalism, proficiency and courage and what they deliver in terms of outcomes to this nation. I do not think the full story of what they have done, both domestically and in the broader range of national interests that they have been serving, has yet been told or acknowledged.

Today I salute Sapper Jordan Ronald Penpraze. My heart goes out to his family and we offer our condolences to all those members that I listed. I also acknowledge the wonderful men and women who serve us in the Royal Australian Engineers of the Australian Army.

Ms O’DWYER (Higgins) (16:50): I would like to associate myself with the remarks of the parliamentary secretary and the member for Flinders. It is indeed a very sad duty to stand in this place to speak on a condolence motion for yet another soldier who has died.

Sapper Jordan Ronald Penpraze was prepared to risk his life for his countrymen. This was evident when he joined the armed forces. Sapper Penpraze had only recently enlisted in the Army and completed his Army recruiting training course. He had just embarked on his initial employment training in the engineers. It has been said that Sapper Penpraze had already
committed himself to a lifelong career in the Army, with aspirations of reaching the highest ranks. Tragically, this will not be the case.

During a training exercise a truck overturned, injuring 18 soldiers. Sapper Penpraze sustained critical injuries and was transferred to Liverpool Hospital; however, his condition, sadly, did not improve. When it became apparent that Sapper Penpraze would not recover from his injuries, in what must be the most painstaking and difficult decision any family must make, they made the decision to take him off life support. At only 22, his is a life cut short in its prime, another dedicated soldier lost.

Our nation stands as one as we remember Sapper Penpraze. Our thoughts and prayers go out to his family as they console each other in their time of tragedy. We respect their privacy, as they have wished, and let them know here today that the whole nation owes them a debt of gratitude for the sacrifice their family has made.

Mr FRYDENBERG (Kooyong) (16:52): I rise to pay my respects to Sapper Jordan Ronald Penpraze in this condolence motion and follow the passionate speeches of my colleagues the member for Higgins and the member for Flinders. Sapper Penpraze was born in Mornington on 15 August 1990. He was educated at Dromana Secondary College. He enlisted in the Army only in April this year. He tragically died in a vehicle accident at the Holsworthy range. He was one of 18 members from the Army school of engineering who was injured in that terrible accident.

Sapper Penpraze was training to be a combat engineer. He was only 22 years old and he had completed the Army recruit course at Kapooka. In the statement issued by the Australian Defence Force about Sapper Penpraze they said he was well liked, he was well respected and he had a demonstrated commitment to helping others. In their words: '… they saw him complete his work with no reservations or complaints. He would rather take the hard job or the heavy load to spare a mate that was doing it tough.' According to Chaplain Michael Pocklington, Jordan's motto was 'do what you want to do and be what you want to be'. Sapper Penpraze's life is a testament to this motto.

Our thoughts and prayers are with his family, particularly his mother, Kathleen, his father, Daryl and his partner of the last four years, Jacinta. He never had a chance to live his life to the fullest. But by enlisting in the Australian Army and giving his life in this way, we know that Sapper Penpraze displayed all the characteristics of what is good and great about Australia and our men and women in uniform. Lest we forget.

Mrs PRENTICE (Ryan) (16:54): I rise on behalf of the people of Ryan to join with my colleagues to recognise and remember Sapper Jordan Ronald Penpraze who tragically lost his life last month. He is one of 18 members of the Army who were involved in a vehicle accident on the Holsworthy range on Monday, 8 October this year. Jordan Ronald Penpraze was born in Mornington, Victoria on 15 August 1990, a short 22 years ago. He enlisted in the Australian Regular Army on 3 April 2012 and on completion of his army recruit training at Kapooka he marched in to the Holdfast Troop initial employment training squadron at the School of Military Engineering on 26 June. On 11 July he commenced his Royal Australian Engineer initial employment training. During his time in Holdfast Troop, Sapper Penpraze demonstrated his quick thinking when he and another soldier successfully resuscitated an elderly citizen while on local leave in Liverpool. Sapper Penpraze remained with the elderly citizen, maintaining CPR until the ambulance arrived.
Sapper Penpraze was a respected and very well liked member of the troop. He was a quiet and stoic sapper who possessed a determination to perform to the best of his ability. He took on all lessons immediately with maturity and a strong desire for self-improvement. His commitment to his section and his mates saw him complete his work with no reservations or complaints. He would rather take the hard job or the heavy load to spare a mate who was doing it tough. It was this selfless commitment to his mates that made him such a respected member of 3 troop.

Sapper Penpraze was just days away from graduating from the Australian Army School of Military Engineering before the fatal accident at Holsworthy barracks. He was training to go into an engineering division that has paid a heavy price in Afghanistan. He had signed up to defend our country. I acknowledge the support the Defence Force, through the Defence Community Organisation, has provided to Sapper Penpraze's family through this difficult time. I ask them to continue to support his family, friends and colleagues.

Sapper Penpraze's death at Holsworthy is no less tragic than if he had died in action on overseas deployment. This young man signed on in the full knowledge that in serving his country he would be putting his life on the line. Indeed, Sapper Penpraze's untimely death is a sad reminder to us all of the dangerous job the members of our Defence Force undertake, whether on deployment in a war zone or in training at home. To Sapper Penpraze's family, friends and colleagues on behalf of the people of Ryan I extend my sincere condolences. Lest we forget.

Mr EWEN JONES (Herbert) (16:57): Twenty-two-year-old Sapper Jordan Ronald Penpraze was in a truck which rolled down a steep hill returning from a training exercise. On behalf of the people of Herbert and the people of Townsville I would like to extend my sincere sympathies to his family, his teammates, his unit mates and comrades in Townsville, where there is only one degree of separation—and with Sapper Penpraze this is no different. Our Mayor, Jenny Hill, has a son in the Army who went through basic training with Jordan. Whilst all deaths are a terrible thing, especially that of a young man, to his parents and his family we extend our heartfelt condolences. We know that he chose to go in to a field of service and anyone who puts on a uniform knows that there are inherent risks in that. No doubt his parents were very proud of him as he stood there looking good in green.

To be brave is something I do not know too much about, but he obviously was brave. To be a sapper he would have gone into clear the path for commandoes and this takes a very brave person. As the member for Fadden said, he would go where others literally would walk in his footsteps and this is an act of true bravery and true courage. It is something that should never be diminished. He will be missed, his mates will raise a glass and he will always have a place in the history of our ADF.

As a representative of the garrison city, I know that Townsville takes its responsibilities very seriously when it comes to the men and women of our ADF. We have a very proud tradition. Recently I hosted the shadow defence minister, Senator David Johnston from Western Australia, at Lavarack Barracks and at RAAF Base Garbutt. To be able to sit down and talk to the guys who have been to Afghanistan and have been to Somalia and to Timor Leste, who have been to the Solomon Islands, to be places where your life is at risk, to be places where your training is taking you there and your training is there to be done. We are the deployable forces for Australia in Townsville. We are the cutting edge. Our training is all
about getting to that place. Sapper Jordan Penpraze was not in Townsville, he was at Holsworthy, but his training would have been as pointed and as spot-on as the rest of them. Having spoken to now Major-General Stuart Smith, in training they must get into muscle memory so that when they get into a position where they are under stress it is not so much you have to think, they train until it becomes instinct. When you are a sapper that is what you must do as well. You must jump in there, you must know in advance what you are going to do, where you are going to go, what your actions will be, what your field of vision will be. With those words I say again that Jordan Penpraze will not be forgotten. Another brave man has fallen for the service of his country.

Mr CRAIG KELLY (Hughes) (16:59): I rise to add my voice to those who have spoken before me and to pay my respects to Sapper Jordan Penpraze, who sadly passed on 11 October 2012 at Liverpool Hospital from injuries he sustained in a vehicle accident in Holsworthy Army Base. The training incident on 8 October in the rugged bushland of Holsworthy struck home the dangerous conditions our soldiers face at home as well as abroad. As someone who knows from experience, my colleague the member for Fadden described the rigorous training undertaken by members of the Defence Force. This tragic accident brings to the fore the risks associated with the high levels of training our soldiers undertake in preparation for overseas deployment. As the member for Fadden noted, freedom is never free.

Sapper Penpraze enlisted in the regular Army in April before commencing initial deployment training in July at the School of Military Engineering at Moorebank. At the time of his death he was a trainee combat engineer who was about to qualify as a sapper in the Australian Army. No stranger to hard work, a younger Jordan spent several years labouring as a plumber alongside his father before fulfilling a dream to serve as a sapper in the Australian Army. Sapper Penpraze exemplified all the very best qualities of a young Australian today: hard-working, dedicated to pursuing his dreams of service and service to his country. He was young man devoted to family and his mates. He is now and always will be a member of the Australian Defence Force family. Speaking at his funeral the commanding officer of the School of Military Engineering, Lieutenant-Colonel Alan Hollink, said:

When Jordan enlisted into the Army he not only commenced a new career, he became part of the Army family. This is a close family with strong bonds, and while Jordan will remain in our hearts and our prayers his parents and partner remain part of our family and you will always be welcome with us at the home of the sapper.

It takes a special kind of devotion to embark upon a career in Australia's armed forces. I remain eternally humbled and grateful for both their service and my responsibility of representing the Defence community of Hughes. They are the bravest of all of us and we in the south-west of Sydney in the seat of Hughes respect their service with great pride. We feel their loss with the heaviest of hearts. Lest we forget.

Mr SIMPKINS (Cowan) (17:05): I rise to offer my condolences to the family and friends of Sapper Jordan Ronald Penpraze, who died on 11 October 2012 as a result of the injuries he sustained in an accident at Holsworthy Army Base on 8 October. This tragedy is a reminder that service in the uniform of this country carries with it risk. The risk is not only in the terrain of Afghanistan but also in the wide variety of training conducted to develop our military capacities. It is also, as in the case today, when being transported as part of that training.
A Victorian from Mornington, Jordan Penpraze was born on 15 August 1990 and enlisted in the ARA, the Australian Regular Army, on 3 April this year. Having completed his recruit training at Kapooka, he became an engineer and went off to the School of Military Engineering at Casula in western Sydney. It was on 11 July 2012 that he commenced his IETs, as we called it in the Army, or initial employment training. IET is the first specialist training that a soldier gets for the corps to which they have been allocated. In the case of Jordan Penpraze, this was the Royal Australian Corps of Engineers.

The task of the engineers on the battlefield is varied and there is no doubt it can be highly dangerous. These are the soldiers who build and clear. When I was training as a commissioned military police officer in Sydney in 1990, we visited the School of Military Engineering while the IETs were in training there. People like Sapper Penpraze were there building a bridge across the big creek just near the school. It was impressive but clearly dangerous work. Similarly, during the 2000 Olympics the engineers were involved with the searches and were prepared to deal with the nuclear, radiological, biological and chemical threats that might have faced the games. Again, it was high-risk and potentially deadly work. Of course in Afghanistan the threats they have to deal with are the highly dangerous IEDs, or improvised explosive devices, that have sadly claimed so many of our soldiers' lives.

It was therefore into that sort of life of potential threat that Sapper Jordan Penpraze was heading, and enthusiastically. One sometimes wonders why a person would embrace those sorts of threats when one is aware of the risk. The engineer officers I knew did of course look forward to blowing things up. I know that a fun day as an engineer was clearing obstacles or blowing up suspect objects. They also enjoyed building things or, in the case of soldiers, driving the bulldozers. In the case of Sapper Penpraze, we know he specifically liked operating boats and the water based activities.

I would imagine that the thought of these sorts of activities would have been quite an incentive for a young man like Jordan, along with the belief of doing something significant for his nation. In any case, my point is that he knew that his chosen vocation carried with it a level of excitement along with significant danger and risk. He would have known that he would probably have served in Afghanistan before too long. He probably would not have considered that riding in the back of a Unimog truck or a Range Rover at Holsworthy would be the circumstance that would cost him his life but, as we know, any military training comes with risk. I am not aware of any results yet of the investigations being carried out by Defence, Comcare or the New South Wales Police, but the tragic death of this young man should serve as a reminder that care and attention is warranted during all activities and not just on the explosives range, in the operation of plant or equipment or even in the construction of bridges.

In conclusion, I once again offer my condolences to the family and friends of Sapper Penpraze. His death was a tragedy. He is now forever lost to his family and friends. It is also a tragedy in terms of his being unable to graduate from SME and serve his country as a fully qualified engineer. He would have been magnificent, from all reports. Before concluding, I would add that it was in some way fortunate that this terrible accident did not happen earlier in his time at SME, because then he would not have been in Liverpool on local leave when he helped resuscitate a collapsed elderly person. I would like to thank his family again for providing their son in the great and important service of our nation and for raising the sort of
person who would, as we know, never walk past those in need. Although he was just 22 years old, he made a significant impact on those in his troop, his friends, family and, as we now know, even strangers. In every way he was the sort of Australian that we should all be proud of. May he rest in peace.

Mr TUDGE (Aston) (17:09): It seems that there have been too many of these condolence motions lately. It is all too recently that we spoke in this place about five young military men who gave their lives in Afghanistan. Despite the fact that we have had many such motions before, it does not diminish the great sadness over loss of life that we share today as we mourn the loss of Sapper Jordan Ronald Penpraze. So I too rise to offer condolences over the loss of Sapper Jordan Ronald Penpraze, who tragically died from injuries sustained in a vehicle accident on the Holsworthy range on Monday, 8 October 2012. We mourn with his family, his friends and his partner, Jacinta.

Jordan's father, Daryl, said he could not have been more proud of a son who achieved everything he had ever wanted. Mr Penpraze said Jordan had matured greatly during the last six months and grown into a strong young man. Daryl described his son as a ‘a good mate' with ‘a great sense of humour' who 'never whinged about a hard days work' and said:

… He put his head down and got on with the job.

So that is what his proud dad said. Jordan's grandmother, Lavina Penpraze, said her grandson had been determined to establish his career and had been looking forward to moving to Townsville with partner Jacinta. Jordan had recently told his grandmother, Lavina, that he had never worked so hard in his life. She added:

But he really enjoyed it and decided it was what he wanted to.

She described him as 'a gentle person and a very caring and sensible young lad'. Jordan was from Mornington in Victoria. He had enlisted in the Australian Regular Army as recently as April of this year. Poignantly, he had just completed his final field assessment and had been only days away from graduation as a sapper in Royal Australian Engineer Corps initial employment training when the accident occurred. Sapper Penpraze was described as a promising young soldier who excelled in his training at the Australian Army School of Military Engineering and looked forward to deployment in Afghanistan or beyond, helping soldiers on the move by building bridges and clearing roads of improvised explosive devices and minefields. Jordan had his heart set on a lifelong career in the armed forces. He was, from all reports, exactly the sort of soldier this country needs to defend our nation and support peace and safety around the world.

Jordan maintained his enthusiasm during field training exercises, receiving excellent reports in all field activities. He had a leadership role during this phase of the course on the basis of his previous experience in watermanship. A homegrown hero already, the determined 22-year-old had recently been hailed for quick thinking that helped save a life. While they were on local leave in Liverpool, he and another soldier successfully resuscitated an elderly citizen, Jordan maintaining CPR until an ambulance arrived. Friends and colleagues described Sapper Penpraze as a respected and very well liked member of his troop. A quiet and stoic sapper intent on performing to the best of his ability, he took on all lessons immediately with maturity and a strong desire for self-improvement. Sapper Penpraze's commitment to his section and his mates saw him complete his work with no reservations or complaints. He is described as one who would rather take the hard job or the heavy load to spare a mate who
was doing it tough, and it was his selfless commitment to his mates that made him such a respected member of 3 Troop. Sapper Penpraze completed everything he did to a high standard. He excelled at his beloved watermanship, showing his skills with watercraft and a passion for boats.

As a Victorian and an Australian, I want to add that our state and our nation share his family's and the community's deep sorrow at the tragic and untimely loss of a fine young soldier. Our support and our prayers go to his friends, his partner, Jacinta, and his family. Lest we forget.

Mr McCormack (Riverina) (17:14): It is a tragically sad turn of events that we again stand here to acknowledge the loss of another fine Australian soldier, a soldier who was in training to join his comrades in the fight against terrorism and the pursuit of freedom. A tough price was paid in his training, and that was his life.

Jordan Ronald Penpraze was born in Mornington, Victoria, on 15 August 1990. It does not seem that long ago. He enlisted in the Australian regular Army on 3 April 2012 and completed his Army recruit training at the Army Recruit Training Centre Kapooka; 80 days later marching out, on 22 June 2012. He then moved into Holdfast Troop, Initial Employment Training Squadron, at the School of Military Engineering on 26 June.

Sapper Penpraze died not at war but in training. On 8 October a truck carrying Army personnel rolled during an exercise at Holsworthy Army Barracks. Eighteen men were injured when the multipurpose truck careened off the side of the road and rolled several times, throwing all on board from the vehicle. Sadly, Sapper Penpraze passed away in a Sydney hospital just three days after that tragic accident.

Sapper Jordon Penpraze was a 22-year-old digger training to be a combat engineer, and we heard from the member for Fadden what a great role the engineers do, the sappers do, at times of crisis. They lead from the front. They clear a path so that those who follow can have safety and security. They are the bravest of the brave; the best of the best. Sapper Penpraze was just days away from graduating from his latest round of training and was a respected and very well-liked member of the troop. He was a quiet and stoic sapper who possessed a determination to perform to the very best of his ability. His death is a sad reminder of the hard work and dedication our troops must endure before they face the real conflict on the front line, in the trenches.

Sapper Penpraze's funeral was held on 23 October, a very sad occasion. The military funeral was attended by hundreds of hundreds of family, friends, and colleagues, who came to support Jordan's parents and his partner, Jacinta, and to farewell a good friend, a good friend gone far too soon. Having never reached his goal of a long career in the armed forces, he will be remembered as a fine soldier and a young man who gave his life while in training to prepare to defend our nation and our right of freedom and the freedom of others. And given that he died in training, I think the words of Colonel David Hay, the commandant of Kapooka at the latest march-out, which was held on 13 October, are well worth recounting here in this chamber:

It is an important occasion for all concerned, and I extend a warm welcome to parents, relatives and friends, many of whom have travelled significant distances to be with us—
and that is the Kapooka family: people travel from all over Australia to go to these marchouts, to go and support their loved ones, to go and support Australia's newest recruits. And this occasion was just one of those. Colonel Hay said:

During the past 80 days these soldiers have been trained, led nurtured and encouraged by the staff. Kapooka's long record of achievement is measured by the quality of those who have marched out our gates to become Australian soldiers—

just like Sapper Penpraze—

Our reputation and success rest firmly on the soldiers, the people who fill the positions of instructors and support staff. I acknowledge that, though your efforts come at a personal cost to your families, I thank them too for their enduring support to the recruits.

Today belongs to Army's newest soldiers: and let me focus on you. You now have a title that no-one can ever take away from you. You are a soldier. An Australian soldier. You are the latest to take your place at that long khaki line that stretches forward from Gallipoli, to Kokoda, through Korea to Vietnam, to our current operations in our region and the Middle East, a proud tradition of excellence and success—one that accepts no compromise, one that demands your absolute commitment. So today is a very special day for you: it celebrates continuity as well as change. It is a time to reflect on the achievements of those who have gone before us, who have honoured the uniform that we wear today—resplendent, with its rising sun badge and slouch hat. They are two of the most revered icons of the Australian nation.

And indeed they are. They are revered, just as is the service of our brave men and women who wear the uniform, whether it be the Army, the Air Force or the Navy uniform. We honour them; we praise them. We should always remember the sacrifices they make. Unfortunately, Sapper Penpraze has made the ultimate sacrifice, in training. May he rest in peace. God rest his soul. Lest we forget. Thank you.

Bali Bombing: 10th Anniversary

Ms GAMBARO (Brisbane) (17:19): I rise to make a brief contribution to the motion on the 10th anniversary of the Bali bombings. I have been in this parliament for nearly 14 years representing two electorates and, without a doubt, one of the saddest moments of my political career was attending the funerals of some of the victims of the Bali bombings and attending the memorial service here at Parliament House. The images of that fateful day will remain in our minds forever and ever. The saddest part for me was seeing the families light a candle in memory of their lost loved ones.

The 12th of October 2002 will be forever remembered as the day of one of Australia's worst terror incidents. This deadly attack killed 202 people, including 88 Australians and 38 Indonesian citizens, and a further 240 people were injured. We often remember and commemorate those who serve in uniform, and just a little while ago we heard statements on the death of Sapper Jordan Ronald Penpraze. We come in this House far too often to speak about the death of soldiers, but the majority of people killed in this incident were innocent civilians. They were on holiday. They were enjoying the time of their lives. They were young people. They have saved hard and worked hard. They were doing what many of our young adult children do: enjoying some music, having a few drinks and having a great time. Yet they were mercilessly killed in a mindless terrorist act because they were from a country that respects religious tolerance. They were from a country that respects freedom.
Few will forget those images of injured victims throwing themselves into hotel pools to try to relieve their burns because the hospital facilities were not equipped to cope with the extent of the attack. Some of the saddest images I saw were shown to me by the Minister for Health and Ageing at the time, Senator the Hon. Kay Patterson, of the extent of the injuries and the terrible effect that these injuries had, particularly photos of many of the victims being operated on in hospitals. Those images will never, ever leave my mind.

Remarkable stories also came out of this tragedy. While a tragedy can move us to tears, we often hear stories of incredible heroism. Some amazing individuals came to light—people who rushed in, not fearing for their own safety, to save others, even though they were brutally injured themselves. There was the work of our doctors, nurses and other health professionals around the clock. I see the member for Solomon is here. The hospital in Darwin, in her electorate, played a key role, particularly in the treatment of the injured. Also, I pay tribute to the wonderful work that was done in Perth, particularly the treatment of many of the burns victims. Dr Fiona Wood immediately comes to mind when I mention this incident.

Those of us who were in this place at that time will remember our former Prime Minister, Mr Howard, speaking solemnly for half an hour on the condolence motion moved to mark the event. It was one of the most solemn speeches I ever heard him or any leader give. One of the often quoted remarks he made with regard to the tragedy was: 'The things that unite us as Australians are infinitely greater and much more enduring than the things that divide us.' At the time, the then Leader of the Opposition, Simon Crean, travelled with John Howard to Bali in the days after the bombing as a sign of our solidarity, as a sign of the things that unite us as Australians and as a sign of our strength. On the day of the anniversary, the Leader of the Opposition, the Hon. Tony Abbott, travelled with the current Prime Minister, Ms Gillard, to Bali for the memorial service. That was an indication that Australians will always stand united against the curse of terrorism.

Ten years on, for the families and friends of those who were killed the pain is forever real. We remember and we feel their loss. I acknowledge them in this statement on indulgence on the 10th anniversary of the Bali bombings.

Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (17:24): I rise with other parliamentary colleagues to speak on the 10th anniversary of the Bali bombings and to record again my profound sympathies for all those affected when, at Paddy's Bar and the Sari Club, we saw some 202 people lose their lives, including 88 Australians.

A number of those Australians who lost their lives were people from the eastern suburbs of Sydney, from the electorates of Wentworth and Kingsford Smith. Some 20 or so were from Coogee, Maroubra, Malabar or Matraville. It is appropriate on this 10th anniversary that we pause again and as a parliament reflect on that terrible event, and express strongly our ongoing sympathy and concern for those people's families and friends, and for the survivors, many of whom, as we have just heard, suffered horrific burn injuries.

A number of those who were affected were from the Coogee Dolphins team in my electorate. The home ground is Coogee Oval and the clubhouse, it has to be said, is the Beach Palace hotel at the northern end of Coogee Beach. There is a gathering every year, supported by Randwick City Council, and there is a memorial which was erected on the site. Not only do families and friends from the Coogee Dolphins and others who were impacted by the Bali
bombings attend, it has really become a community event which is also attended by many as an expression of the Australian community's sympathy and support for those people.

There are a number of activities that continue to this day that include the Coogee Dolphins. In fact, they will be playing in the 2012 Remembrance Cup in Las Vegas next month to honour the memory of those who were killed in the Bali bombings. In fact, that club has had quite an extensive response to the losses that they suffered. They have a website that has been created in memory of the six young men who were killed in 2002. They have a number of awards that are dedicated to each of those young men. By doing that, they are not only appropriately recognising and honouring the loss, but they are also providing a focus for all of those current members of the club and the young members who come through—not only to recognise what happened and the enormity of the event but to also be able to continue to develop the club, to build those fraternal relationships that are part of Australians gathering together. I am thinking of the Clint Thompson Award, an annual player of the year award; the Adam Howard Shield; the David Mavroudis Shield that kicks off the Dolphins' calendar when they travel down to Wagga to play against David's old club and mates; the Foley Family Shield, in honour of Shane Foley and his father; the Gerard Yeo Award; the Joshua Iliffe Shield. These are the sorts of activities that take place at the club as a result of what they went through after the Bali bombing.

We also have a number of residents from the suburb of Malabar who lost family and friends at that time. That community is a very close-knit one. They gather at Malabar Beach every year as well to honour and to remember their loved ones. It is a touching ceremony that takes place. It is done out of the glare of the media spotlight, as is appropriate, because the fact is that people still very much feel those losses.

I was struck by an article that I saw in the Southern Courier, which was reflecting on the losses that have been occasioned by families. This was a story in the local newspaper. It referred to the loss of David Mavroudis and included remarks by his sister, Jane Elkin, and the way in which she and her family were responding to that loss.

She said that the pain of David's death would stay with her forever, and that 10 years have flown by. She made the point that you never forget a loss like this; there is no closure of grief. But, at the same time, she said that the family cannot be consumed by this grief, that they have to get on and live their lives. She said that they do talk about David all the time—they do not avoid the topic; they keep his memory alive—but they also recognise that life goes on, and they try to affirm life in remembering his death.

The Bali bombings had a profound impact on the Australian community. I think that one of the things that have come with the personal loss, the suffering and the heartache of people is a mature reflection and a tremendous response from the Australian community to not only recognise those that lost their lives in the Bali bombings but also to recognise that our connections with the community in Indonesia, in Bali, and more widely across the region, must be strengthened. By strengthening our connections, by building our relationships across the region, there is much less space for extreme, intolerant views and for the possibility of the terrible kind of terrorism that we saw take place in Bali ever happening again, and we certainly wish that that is never the case.

On that basis, I want to acknowledge, for those people who live in the eastern suburbs of Sydney, the profound losses they have suffered, and to recognise that the parliament, as
appropriate on the 10th anniversary, is reflecting on that loss and wishes them every comfort and consolation for the future.

Mrs GRIGGS (Solomon) (17:31): I rise to add my voice to the statements of condolence on the 10th anniversary of the Bali bombings. As a lifetime Territorian I have travelled quite frequently to Bali. It is a shorter flight to Bali than to any other capital city in Australia and it is also a lot cheaper. It is for this reason that Bali is quite a popular holiday destination amongst many Territorians. It is not uncommon for people from my electorate to travel to Bali more than five or 10 times. I have been there at least 15 times since I first travelled there in the late eighties.

Like all Australians, I was absolutely in shock when I first heard the news of the terrorist attacks in Bali—a place that I know so well. It really was a wake-up call for all Australians. Terrorists had just attacked us so close to home. In these terrible bombings, 202 people were killed—88 Australians and 38 Indonesians among many of the victims. Hundreds more had been injured. A holiday to Bali would never be the same from that time on, because forever in the back of the minds of travellers is the thought of another attack. That innocence had been lost.

As member for Brisbane said, my electorate had a bit of involvement after the bombings. It is often said that the true human spirit comes out in the most tragic of times, and I think this is true of the Bali bombings. In the immediate aftermath we heard stories of bravery, mateship and sacrifice. One of the stories I am most proud of is the story of the Royal Darwin Hospital. The Royal Darwin Hospital is, as many know, the major public hospital in the Northern Territory, and it happens to be in my electorate of Solomon. It services the needs of people in Darwin and Palmerston and the greater Northern Territory. Now it even plays a role nationally and internationally. After the bombings in Kuta, the Royal Darwin Hospital was put on notice to prepare to receive the injured, because the hospital in Bali was not able to cope—it was not resourced adequately—with the hundreds of people injured in the explosions. We heard stories about how the staff were called in to assist in the preparations. Two surgical wards on the second floor were cleared, with patients being sent home or relocated within the hospital or transferred to the private hospital. Some of the more serious cases were wanting to give up their beds for the bombing victims but, because of their injuries, were forced to stay.

By the end of the emergency, 63 critically injured patients had been treated in Darwin. The staff at the Royal Darwin Hospital and those who came from interstate to help performed well above expectations and, as a community, we were so proud of what they achieved and how hard they had worked. Sixteen Territorians were recognised with honours for their work in the response. Some of the staff include Dr Didier Palmer, Dr Gary Lum and Dr Len Notaras. These three doctors were instrumental in the set-up of the response and they continue to play important roles in the Royal Darwin Hospital today. Dr Notaras is now the Executive Director of the National Critical Care and Trauma Response Centre. Dr Palmer is the Director of Emergency Medicine in the Royal Darwin Hospital and Dr Lum is the Assistant Secretary of the Health Emergency Management Branch in the Office of Health Protection.

These three are just three of the many remarkable people who worked tirelessly over those critical 36 hours looking after the victims of the Bali bombings. Recently Dr Notaras commented that the Royal Darwin Hospital dealt in 36 hours with more casualties than any
other single hospital dealt with in either the 9/11 or the Oklahoma bombing in the United States. That is a pretty impressive comment to make. It is a truly outstanding achievement that all Australians, not just Territorians, can be proud of.

One of the few positives to come out of such an awful act of hatred is the National Critical Care and Trauma Response Centre. The response centre was set up in 2005 with funding from the then federal coalition government. According to the National Critical Care and Trauma Response official website:

The function of the NCCTRC is to ensure enhanced surge capacity for Royal Darwin Hospital to provide a rapid response in the event of a mass casualty incident in the region. As a result the NCCTRC has channelled significant funds into Royal Darwin Hospital to enhance the capacity of the hospital’s surgical and trauma divisions.

Additionally, since its creation the response centre and the Royal Darwin Hospital have dealt with the second Bali bombings in 2005, the East Timor unrest in 2006, the attempted assassination of East Timor President Jose Ramos-Horta in 2008, the Ashmore Reef CF36 incident in 2009, and the Pakistan floods in 2010. Locally, the centre and the Royal Darwin Hospital have been involved in responses to Cyclone Helen, the Ghan derailment and the petrol bomb attack on the TIO office in Darwin City.

In recognition of the 10th anniversary of the bombings, the National Critical Care and Trauma Response Centre held its conference recently, the War and Disaster 2012 Conference. As part of this conference a gala dinner was held on the Thursday night with former Prime Minister John Howard as the keynote speaker. Former Prime Minister John Howard recognised the Royal Darwin Hospital's effort and response to the attacks as a remarkable achievement, saying:

The response, particularly that organised through the Royal Darwin Hospital, was a triumph of what I think I can describe as the gentle efficiency of the Australian people when faced with a great crisis.

Mr Howard acknowledged that the terrorists had failed in their attempt to drive a wedge between Australia and Indonesia. I think that one of the best examples of this failure is the success of the relationship that now stands between the Royal Darwin Hospital and the Sanglah Hospital in Bali, a testament to the strength of the relationship between Australia and Indonesia.

Recently I tabled a private member's motion to acknowledge the work done by our medical profession across Australia in the wake of the Bali bombings. I am happy to say that I have secured support from my coalition colleagues, and I am working to secure support from the Labor government so that we can debate this motion. I think that it is important to recognise the contribution that these people made in 2002, and continue to make today.

The thoughts and prayers of the people of Darwin and Palmerston are with the families and friends of those 88 Australians who died and the many more who were injured. We must also take time to acknowledge our friends in Indonesia, who also suffered a great loss but who continue to offer the hand of friendship to Australians and who stand with us against the menace of terrorism.

Mr HAYES (Fowler) (17:40): Bali is a small tropical island best known for its luxury holiday resorts, beaches, hundreds of Hindu temples sweeping across the coastline and dozens of volcanoes. It has certainly been a holiday destination for lots of Australians. Bali has been one of the most popular tourist destinations for Australians for decades. Kuta is the epicentre
of all that trade, particularly for those who have young sons—the surf at Kuta is renowned. Kuta is filled with hundreds of restaurants, hotels and gift shops. Almost every night, tourists can be seen dancing, having a good time, enjoying themselves and enjoying Bali. Bali also had the image of being a spiritual place—a place of peace, tranquillity and wonder.

But, just after 11 pm on 12 October 2002, terrorists took advantage of the island's nature and its hospitality. Bali was no longer the peaceful place it had been for thousands of Australian visitors, nor was it any longer the place it had been for many Balinese. The first bomb, hidden in a backpack, exploded inside the popular tourist destination, Paddy's Pub at Kuta. Approximately 15 seconds later, a second and much more powerful car bomb was detonated. I understand the bomb was concealed in a van and that it was about 1,000 kilograms. It was remotely detonated in front of the Sari Club. The actual explosion left a one-metre-deep crater in the roadway and blew out almost every window in the town. There was a third bomb. The third bomb was detonated in the street immediately in front of the American consulate. This bomb caused very little damage and only slight injury to one person. But what was significant about this bomb was that it was packed with human excreta. It was designed to cause the maximum moral damage.

The attack by Jemaah Islamiyah claimed 202 lives from people of 22 different countries. Australia, which for years had seen Bali as a safe haven holiday destination, had the most victims—88 Australians died that evening. A further 209 people were injured. The Bali bombings were one of the most horrific acts of terrorism to come close to our shores. It was an act which some would refer to as Australia's September 11—not only because of the large number of Australians who were attacked and killed but because it was Australian citizens who were the actual target.

On the 10th anniversary of the Bali bombings, this House remembers those who were tragically killed or injured. We remember their families and their friends and those who contributed in the aftermath of the tragedy in a very practical way, including the doctors, the other health professionals, the police and the local residents of Bali. Those who have been touched by these bombings would know that the 10th anniversary is more than symbolic. The hurt and the unbelievable sense of grief come flooding back, together with anger and disbelief that such an insane act could be planned and carried out by people against fellow human beings.

I will just digress a little. Over the years, I have had a lot to do with a bloke called Brian Deegan, particularly in relation to our respective views against the death penalty—and, by the way, the death penalty was exactly what was handed down to Amrozi and his co-conspirators in the Bali bombing. Brian was an Adelaide based lawyer who served as a magistrate for some 16 years. He was also on the Youth Court of South Australia from 1988 to 2004 and is best known, from my perspective at least, as a member of the South Australian police tribunal. Brian is the author of a book, Remembering Josh.

Brian lost his son Josh in the Bali bombings. His son was 22 years of age. Josh headed to Bali with his team mates from the Sturt football club after winning a grand final, which Brian tells me was against all the odds. Therefore, this was going to be a major celebration. The very day that Josh and his team mates arrived for their overseas end-of-year holiday and celebrations was the day the terrorists attacked.
Josh had only recently achieved his Bachelor of Applied Arts degree and he clearly was a committed athlete. What has had a lasting impact on me is Brian's statement: 'I do not wish the death penalty for those convicted, for I oppose the death penalty under any circumstances.' He went on to say, 'Due to my own shortcomings, while I understand the murderers' motives, I have yet to find forgiveness and therefore I cannot pray for their lives.'

It is important to recognise the grief, the carnage that took place and the efforts of the various health professionals, both in Darwin, as we have just heard from the member for Solomon, and at the Sanglah Hospital in Bali. I had the opportunity to meet many of the doctors from that hospital when I visited Bali some time ago.

I would also like to take the opportunity to recognise the work that was undertaken by the Australian Federal Police and their counterparts in the Indonesian National Police. As you are aware, Madam Deputy Speaker, the AFP worked very closely with the Indonesian National Police in investigating, forensically analysing and producing the information that eventually led to the successful prosecution of Amrozi and his colleagues.

I specifically mention what the AFP and the Indonesian National Police have been able to achieve with respect to counterterrorism. I had the opportunity a couple of years ago to visit the Jakarta Centre for Law Enforcement Cooperation, which is operated by the Australian Federal Police and which provided vital assistance in the aftermath of the 2002 bombings as well as the other terrorist attacks in Indonesia. The AFP are doing a fantastic job in working with the Indonesian police in sponsoring professional policing skills as well as collaborating on counterterrorism law enforcement strategies. This is a vital and integral part of policing in our region.

The Bali bombings of 2002 are something that this country will never forget as they are now indelibly printed on the psyche of this country. I compliment former Prime Minister John Howard and his government for their response in the aftermath of this tragedy in providing vital assistance to the victims and their families and for what also followed in respect of the development of the National Critical Care and Trauma Response Centre. I think Australia acted appropriately in that regard. We saw this for what it was. This was an attack on Australians. This was an attack on freedom, on democracy—the very principles that this nation stands for. But moreover, this was an attack on Australians.

On the 10th anniversary of the first terrorist act directed principally at Australia and its people, we owe it to the 88 Australians and the 114 people of other nationalities that lost their lives and to their families, who continue to grieve, to stand vigilant and resolute against terrorism. My thoughts and prayers go to the families of all those affected by the Bali bombings. It is something that we shall never forget. We should make all efforts in terms of counterterrorism to ensure that these heinous acts against Australia and its people can never again become reality.

Mrs PRENTICE (Ryan) (17:49): A decade has now passed since Islamic killers brought terror to our doorstep. Of the 202 people who died in the horrific terrorist attacks on the Indonesian island of Bali, 88 were Australians. A further 240 people were injured. Today, on behalf of the people of Ryan, I take this opportunity to put on record our condolences as well as our support for the families and friends who were affected by the terrible events which occurred on 12 October 2002.
The events that happened on the evening of 12 October 2002 will forever remain in the hearts and minds of all Australians. That evening three bombs were detonated on the peaceful island of Bali—two in the tourist district of Kuta and another outside the United States Consulate in Denpasar. It was 11.05 pm on 12 October 2002 when a suicide bomber inside Paddy's Pub detonated an explosive device in his backpack, causing many patrons to flee into the street. Twenty seconds later, a second and much more powerful car bomb hidden inside a van was detonated by a suicide bomber outside the Sari Club, opposite Paddy's Pub. Shortly before the two Kuta bombs exploded, a comparatively small bomb was thought to have been detonated outside the United States consulate in Denpasar, injuring one person and causing minimal property damage. The local hospital was not prepared to deal with the scale of the disaster and was overwhelmed with the number of victims, particularly burns victims. Many of the injured were evacuated to Darwin and Perth for specialist burns treatment.

I, like many other Australians, learned of the tragic events in Bali with the memory of the terrorist attacks of September 11 still fresh in my mind. In many ways, what happened in Bali that night was beyond 'terrorism'. What happened was barbaric, a mass killing without justification—a deliberate and premeditated attack on people caught off guard and unsuspecting while relaxing on holidays at a tourist destination. It was a terrible reminder that terrorism can strike anyone, anywhere, at any time. Australia was no longer immune to terrorism. We lost our innocence that night.

Today we think of the families and the friends of the victims of that terrible night—our thoughts and sympathies will always be with them. For those who survived the bombing, the painful memories are remembered by all of us. We can be justifiably proud of the acts of selflessness and bravery demonstrated by the survivors who helped their friends and did what they could to help the injured. We acknowledge those who contributed so much in the aftermath of the tragedy—the doctors, the health professionals, the police, the government officials and the local residents of Bali. Let us never forget their tireless work.

I also pay tribute to my fellow volunteers who staffed the 24/7 inquiry hotline for Red Cross at Police Headquarters in Brisbane. As the hours turned into days, it became so much more difficult to encourage callers not to give up hope for their loved ones from whom they had not heard. I will forever remember the call from a young wife some three days after the bombing. She had seen her husband off to Hong Kong the week before on a business trip. On hearing reports of the terrorist attack her first reaction was one of relief—that her husband would be safe. Only later did she find out that he had joined a group of friends and gone to Bali for the weekend.

On behalf of the people of Ryan, I once again extend my condolences to all of those affected by the events 12 October 2002 in Bali.

Mr HAWKE (Mitchell) (17:53): I rise to associate myself and the people of Mitchell with the fine remarks of the Prime Minister, the Leader of the Opposition and the Leader of the House commemorating the 10th anniversary of the Bali bombings.

We all remember the horror on that Monday when this hideous act of terror occurred in Indonesia. On the Monday following the bombing in 2002, then Prime Minister John Howard stood in the House of Representatives and stated that the word 'terrorism' was too antiseptic or too technical a term to describe what had occurred the previous Saturday evening, and he was right. That was an evil act—an act motivated by those willing to encourage people and to seek
people to blow themselves up and commit acts of terror in the cause of an evil religious motivation.

It is incomprehensible to us that an individual can become so motivated by such an evil ideology and so driven to cause mass mayhem and destruction that to further that ideology they will murder 202 innocent people, including 88 Australian citizens. Following 9/11, this hideous event woke Australia to the prospect of terror right on our doorstep and, indeed, brought us to some other very important conclusions. These acts are reprehensible, not just for the sheer loss of life but for the lasting impact they have had on the families left behind—the cruelty, the immoral acts of the people involved and the legacy left behind on people in Australia with nothing but broken families and memories of sons and daughters, brothers and sisters, husbands and wives.

These incomprehensible acts forced consequences on Australia which are not all bad. We have seen the best in humanity brought out by such hideous acts—the volunteers, the people who selflessly put themselves in harm’s way to look after fellow human beings, many of them Australians and many local Indonesians and Balinese who were present on the day. We think of all the doctors and nurses who were present, who put themselves at great risk, and ordinary business owners who rescued people and applied first aid and triage. There are so many stories that are impossible to tell here today, but all of them are worthy of praise. The only one I will mention briefly is the story I recall of the very humble Australian nurse, the guy who immediately after the bombing made a triage area and applied first aid all through the night. When DFAT were trying to track him down to award him with an Australian medal eventually they found him a year or two later in Africa continuing to help other people and they had to forcibly pin the Australian metal onto his chest. That is the kind of person we are talking about and that is the kind of strength and endurance which arose out of this hideous tragedy.

Ironically, the Bali bombing had the impact of strengthening our ties with Indonesia, forcing our two nations, which historically do not have a great depth of relationship, into dealing with the problems created by such a hideous affair—strong people-to-people relationships, government-to-government and service-to-service relationships, the Australian Federal Police, the military and security agencies, all working together to oppose such extremism and terror. It is a sad indictment on the world today that events such as this occur, but then we see the great things which come out of them—the forging of human links, the memories of courage and bravery inspired by such events and the grief which we all remember 10 years on.

Today we do not seek to re-open old wounds of pain and suffering; we celebrate the lives that have been lost and reaffirm our fight to preserve and continue the Australian way of life. Our nation is not one that lies down and rolls over at the first hint of terror and tyranny. We stand up and fight and have a lot to be proud of. We continue to seek justice for those wronged by the actions and we commemorate their memory. That is why I am pleased to have spoken for the final consequence—that is, to improve the legislative framework, to consider the fact that we were able to introduce and put in place, with the government moving the same way, a social security amendment to cover victims of overseas terrorists, which was a gap in the Australian system. We have a superior situation from what we had previously. We all
remember the great loss of life and tragedy but also the things which have been produced after what was a terrible tragedy, and we must always remember.

Mr CRAIG KELLY (Hughes) (17:59): The Bali bombings were an act of terrorism and religious extremism which will be forever etched in our memories, a heinous crime which killed 88 Australians, including seven residents from the Sutherland shire. Those seven shire residents were Jodi Wallace, Charmaine Whitton, Jodie O'Shea, Michelle Dunlop, Francoise Dahan, Renae Anderson and her sister Simone Hanley. But those seven residents from the Sutherland shire and the other 81 Australians did not die alone. The bombings also killed 38 Indonesians and 76 others from 22 nations spread across the globe.

On the 10th commemoration of the Bali bombings, I was honoured to speak at a service overlooking North Cronulla Beach at The Seed, a sandstone sculpture and water feature which stands as a permanent tribute to the seven residents of the Sutherland shire who were lost. Those who gathered at North Cronulla on the day reflected on the traumatic events of 10 years ago and the loss of those who were killed and injured, and we did so knowing, 'It could have been me.' For those killed were mates on a footy trip, simply enjoying a beer. Those killed were friends on holidays. Those killed were families and friends celebrating birthdays and weddings. And those killed include schoolteachers, nurses, farmers, hairdressers, miners, mechanics, small business people and students. They were footballers, netballers, rowers, basketballers and triathletes. They represented a cross-section of our Australian society, making the Bali bombings an attack upon us all, an attack upon our Australian way of life.

We remember the words of our Prime Minister Mr Howard at the time, who, in his understated way, when he hugged one of the family members of a victim, said, 'We'll get the bastards who did this.' The members of the terrorist group that planned and committed these crimes have been brought to justice. They have been tried and convicted. Three have been executed, and other major conspirators have been killed during raids by the Indonesian police. However, 10 years on, justice can never completely diminish the pain and grief and, 10 years on, justice can never fully repair the physical scars of those injured.

As for the motivations of the terrorists, not only did they comprehensively fail to achieve their goals but, in fact, the end result was the exact opposite of what they set out to achieve. For, while the terrorists sought to drive a wedge between Australia and Indonesia, the exact opposite happened. Their crimes became a turning point for Australian and Indonesian relations, relations which had suffered following our assistance to the people of East Timor. They produced a compelling reason for both Jakarta and Canberra to work together, and they cemented for all time the emotional and economic connections between Australia and Indonesia. As we have seen in the decade since the Bali bombings, the two-way trade between our nations has increased by over 114 per cent to $14.8 billion.

While the terrorists sought to deter Australians from travelling to Indonesia, again the exact opposite has happened. In 2001, the year before the Bali bombings, 288,000 Australians travelled to Bali. Although there was a short-term downturn after the bombings, last year more than 872,000 Australians visited Indonesia, an increase of 584,000, an increase of over 200 per cent in the decade since the bombings.

And, while the terrorists sought to divide and weaken Indonesia, yet again the exact opposite happened, for their acts of terrorism only galvanised the Indonesian nation to promote freedom, democracy and tolerance. As the Indonesian President recently said, the
'monstrous act of terror' in Bali 10 years ago failed to achieve its objective and only strengthened interfaith cooperation throughout the Indonesian nation.

This act of terrorism brought out the best in our nation. It demonstrated the strength of the Australian character, our toughness and our compassion, our fighting spirit and how we stand together in times of adversity. It gave rise to countless acts of individual heroism and the triumph of the human spirit. It resulted in the biggest peacetime emergency evacuation of Australians. More than 100 patients, some horribly burned and injured, many struggling to stay alive, were flown by our Royal Australian Air Force to hospitals around Australia.

In fact, within 24 hours after the blasts, our military forces had delivered 28 of the most critically injured—some with burns to 90 per cent of their bodies, and others suffering terrible shrapnel and trauma injuries—to the Royal Perth Hospital.

Thanks to a revolutionary spray-on skin technology developed in Australia by Australians—a technology which has since been adopted around the globe as world's best practice for treating burns—incredibly, 25 of the most critically injured survived. Although nothing can diminish the pain, the grief and the suffering of the Bali bombings, in the end it has been shown that the forces of good and decency have triumphed over the forces of evil, religious extremism and hatred. Finally, 12 October is a day in our national calendar on which we recognise that freedom, democracy and tolerance can never be taken for granted and we must be ever vigilant to protect them. To those that died, especially the seven beautiful shire girls, I say that as a nation we will never forget them.

Mr HARTSUYKER (Cowper) (18:05): On 12 October 2012, the 10th anniversary of the terrorist attacks on Paddy's bar and the Sari Club, I attended the Kingsley Football Club in the late afternoon. It was 10 years to the day after the club lost seven of its players in that act of terrorism. To this day, the tragedy affects the club. I say 'affects', but it does not define the club and it does not hang over the club. Kingsley is not held back by the deaths of Dean Gallagher, Jason Stokes, Byron Hancock, Corey Paltridge, David Ross, Jonathon Wade and Anthony Stewart. This is a club where the quality of resilience is evident for all to see. It is a club where something good has come of out of the tragedy and the loss. The 11 Kingsley Football Club members who survived the bomb blasts decided on their return to Australia immediately afterwards that they would plan to build new clubrooms at Kingsley as a memorial to those that had been lost. Upon their return, they unveiled that plan and united the community. Support flowed from the club, from Kingsley and from widely across Perth. In the days that followed, 10,000 people attended the candlelight vigil and the plan began to be implemented. Literally hundreds of individuals and organisations became part of that plan and created the Kingsley memorial clubrooms, which include change rooms, a bar, other rooms and an area where the lives of the seven boys that died can be commemorated.

As I said before, it is from this tragedy that the Kingsley Football Club has gathered its strength and in many ways has been reborn bigger and better. Those boys will never be forgotten, but the club is about more than that tragedy. It will not hold them back but rather give them strength. I thank the president, Mr Keith Pearce, for the invitation to attend that gathering on 12 October. I appreciate the opportunity to be there with my state colleague Andrea Mitchell MLA, the member for Kingsley, and the former MLA for Kingsley, the Hon. Cheryl Edwards, and her husband, Colin, who were so strong for the community when it was needed.
I would also like to thank the Hon. Tony Abbott for the opportunity on 14 September to represent him at the Peter Hughes Burn Foundation fundraising dinner at Frasers Restaurant in Kings Park in Perth. Peter Hughes was severely burned in one of the bomb blasts on 12 October 2002. A very famous scene at the time on the television was from Bali when Peter Hughes was being interviewed. From his facial features, it was clear that he was injured and that he had been burnt. His features were very swollen, but because of his very lucid speech and the way in which he carried himself it did not appear that he was critically injured. Selflessly, on the TV he spoke about how he encouraged others and the staff of the hospital there to treat others before him. But, in a strange and most fortunate outcome of that interview, a doctor that had seen that interview in Australia identified that Peter was actually at extreme risk and that the injuries he had—the burns he had—had resulted in the swollenness in his face and his body, and that he was actually going to be at great risk unless he was treated quickly. So he was brought back to Australia quickly. I believe that he was treated in Adelaide Hospital, but he almost died as a result of not being treated quickly enough. But from that Peter Hughes created his burn foundation to help those severely burnt. Because of Tony Abbott's long-time support he also received an invitation to that dinner, at which I represented him.

From attending that dinner I found that the Bali bombings have greatly affected all those that were there—the actual victims of the blasts and their family members, but also those that were part of providing medical and other support and, in fact, those that reported the tragedy and the aftermath of the tragedy. As I heard the speeches at that dinner and saw the interactions between those that were there and those involved afterwards, I felt the strength of the brotherhood in the room. It was like an intense esprit de corps where the events and the life-and-death challenges of the time created bonds that could never be broken. It was an amazing experience to be seated next to the former AFL player Jason McCartney and his wife and reporters Peter Overton and Mark Readings, who both reported on the attacks and the aftermath. It is difficult to fully appreciate what those who were there went through and what challenges they continue to face, yet what I saw there at that dinner was a group of people who were not cowed by injury, experiences or the death around them but rather have become stronger and more determined people.

I was recently transiting through Bali on parliamentary business, and for six hours I was in Bali. I had the opportunity to visit the Bali memorial, which is situated on a small corner of a traffic island, almost, between the lot that is the Sari Club site and where Paddy's bar has now been rebuilt into shops. It was a sobering experience to look at the vicinity of the greatest terrorist attack against Australians. It was hard to picture the chaos and the carnage that took place that night 10 years ago. But when I stood in front of the commemorative tablet on that small corner block and I saw the names of the 202 dead, and particularly the 88 Australians, I imagined what effect the bombs had on our country and, more particularly, what effect they had on the families that lost loved ones and on those injured through the blasts and burns. It is important that those of us who were not directly affected consider that those who were will live with this for the rest of their lives.

Later today the opposition leader will lead debate on his private member's motion on the victims of terrorism. Retrospective recognition and support for Australian victims should be embraced by this parliament. But on this occasion, the 10th anniversary of the Bali bombings,
I once again offer my condolences to the families of the victims in Cowan and across the whole country, and my best wishes to those injured. I hope that they are as strong and as uncowed by those events as so many of those I have met who were there.

Mr McCormack (Riverina) (18:12): The Riverina, as with the rest of the nation and beyond, mourned deeply on Friday, 12 October 2012, the day which marked the 10th anniversary of the 2002 Bali bombings. Tears were shed for lives cut all too short. Many prayers were said throughout the electorate and certainly throughout the nation and beyond. I attended the very moving national memorial service held here in the Great Hall to mark a decade since that dreadful day. Three young Riverina men—David Mavroudis from Wagga Wagga, Clint Thompson from Leeton and Shane Walsh-Till, originally from Coolamon—were among the 88 Australians and 202 overall who lost their lives on that dreadful day. I knew Shane and I knew the family of David Mavroudis.

Dr Fiona Wood AM gave a truly inspirational address. It was so good that I remarked to Senator Bridget McKenzie from Victoria, who was beside me, that it was the best speech I had ever heard, and I have heard some good ones. Senator McKenzie replied, 'That's a big call,' but she agreed that it was truly moving and truly inspirational. A burn specialist, Dr Wood led a team working to save many patients suffering from between two and 92 per cent body burns, deadly infections and delayed shock. I know all Australians, and especially the families and friends of those who lost loved ones, were feeling a deep sense of sadness that day. During the ceremony survivors, family members and others placed flowers on a national memorial wreath and, fittingly, the Australian flag at Parliament House was at half-mast.

The lives of those 202 people, including the 88 Australians, were not taken by accident. They did not die as a result of a natural disaster and they certainly did not die by choice. They were not fighting a war but they died in a war that was just beginning. Australians have not felt such a loss since World War II or perhaps Vietnam—but certainly not that many on one day. The attack resulted in the greatest single loss of Australian lives overseas in peacetime. That day, 12 October, was the continuation of a modern war for Australians, yet we were fighting it without weapons. The fallen were not soldiers. They were not trained to fight in combat. Their only crime was taking a holiday, getting away from their usual, busy lives. Due to a selfish and callous act, 88 Australians were stolen from their families and friends in a fight they did not know they were involved in, and the lives of those left behind were divided into 'before' and 'after'—life before the Bali bombings and life after, what has transpired since.

The bombs that ripped through the Sari Club in Kuta came after the dreadful 9/11 attacks on the United States in 2011, a great tragedy which destroyed great symbols of American freedom and surely tested their tough exterior. Australians were affected. Some were shaken and others a little bit wary, but no-one could have imagined that we too would face an attack on our doorstep. No great Australian icon or building was destroyed, but the indelible Australian spirit was surely tested, as that of the Americans was on 9/11, our sense of freedom and our feeling of safety tainted, and our innate sense of trust ruined.

As a nation we were hurt, bruised and in a state of shock. However, what followed that frightful event showed that we as a country were not going to lie down. We picked ourselves up and rallied around those who needed the most help, including our many friends in Indonesia. I said our innate sense of trust had been ruined, but it was ruined for only a short time, because it has certainly been picked up, renewed and restored since. In the words of
former Prime Minister John Howard at the 10th anniversary commemoration, the attack had tested Australia's character and it had 'passed with flying colours'. He said:
I salute the Australian spirit that came through at that time …

The bombings in Bali showed just how small our large country is. In a case of two degrees of separation, Australians all over the world felt the impact of the deaths of their countrymen and countrywomen. In some way, people found a connection to those lost, whether it was a neighbour from when they were young, a student at their school or a teammate in their sporting side. Many Australians shared a connection with the families and friends grieving, and the entire nation was left to try to comprehend the horror which had struck.

In my electorate of Riverina, the tragedy struck close to home. The Monday after the bombings, the local press read 'Riverina men missing as death toll mounts'. It was not until Friday, 18 October that the final number of people lost from my regional electorate was, sadly realised: three men were gone forever more. They were husbands, brothers, sons and friends, and the entire Riverina felt their loss.

On 15 October, Leeton man Clint Thompson, 29, and Wagga Wagga man David Mavroudis, the same age, were confirmed as being amongst the dead. Clint had worked 27 hours straight to earn himself a holiday in Bali, and the trip lasted less than 36 hours. The former Leeton man was one of two Riverina boys who were in Bali as part of an end-of-year footy trip with the Coogee Beach Dolphins. Clint was the president and a player on the team, and had helped organise the holiday, which claimed the lives of six other players from their team. Clint was the son of Sandra and Robert Thompson of Leeton. He was the second oldest in a family of seven children. He had five brothers, Trent, Ryan, Brock, Zaide and Caleb, and a sister, Farrah. A number of his brothers played with him at the Coogee Beach Dolphins. Mrs Thompson, who still resides in Leeton, has been a strong voice in bringing justice to those who lost someone in the bombings—in particular, the three lost from the Riverina. She told the local Leeton paper, the Irrigator:
I still believe that along with the other 87 Australians murdered in Bali, they deserve to be honoured with a bush rock opposite the Leeton Visitor Information Centre.

I have seen the amount of Australians that visit the memorial in Coolamon and Sydney and know that nearly everyone knew or is related to someone who was murdered.

Mrs Thompson returned to Bali for the 10th anniversary.

David Mavroudis was also on the end-of-year football trip with fellow Riverina teammate Clint Thompson. David died alongside his football mates, doing what he loved most; photos taken just before the event tell of the good time he was having. David was the only son of John and Colleen Mavroudis of Wagga Wagga, and a loving brother to his sister, Jane. He was a computer programmer and an accomplished sportsman and was described by his mates as a great bloke who touched the lives of many across the state.

Coolamon-born teacher Shane Walsh-Till, 32, with whom I played cricket at St Michael's, was the last Riverina man to be declared amongst the dead. Although missing since the blast, his wife, Melanie, and his family never gave up hope and continued, in vain, to search for him. The former St Francis de Sales College Leeton teacher was residing in Hong Kong at the time of his death and was in Bali on a holiday with his wife, Melanie, and her sister. He stayed, sadly, for one more drink and, unfortunately, that was the time the blast occurred. The
son of Coolamon couple Bill and Barbara Till, Shane was well known in the Coolamon, Wagga Wagga and Leeton communities through his sport and his work as a teacher. He was loved by the kids. The kids thought the world of him. He was one of those people who had infectious enthusiasm. He was a great person and he had so much more to offer as a schoolteacher, as a husband and as a friend.

It has been 10 long years for these three families, and their loved ones are part of a long, sad list of people who went on a relaxing holiday never to return. October 12 is a day to reminisce, reflect and allow families to look on time lost and remember time passed. It is a day marred forever by sadness, but those victims shall not have died in vain. They will live on forever in the hearts of their loved ones and in the hearts of Australians everywhere.

I will finish with the words of Fiona Wood. Before I do, I should also mention at that national memorial service in Parliament House the wonderful welcome to country which was given by Janette Phillips, a Ngunnawal elder, who also spoke of hope. She spoke of how Australians everywhere are united in times of crisis. In that welcome to country she ventured in her speech to things about Bali and to also other things that unify the nation. It was a wonderful speech that she gave. There was also a remarkable address by Dr Wood who spoke of:

The strength of resilience, to face such horror, and to keep going, knowing there is a bright future ahead when we’ve seen the future of so many beautiful smiles snuffed away.

She said:

I see within those hearts, resilience that is inspirational. Love that is selfless. And an energy that as we work in our field to make sure that the quality of the outcome is worth the pain of survival, I see an energy across Australia, in all sorts of areas.

All you have to do is look for it. And to connect with it, and it will grow. So that we can pass on a history that we are proud of.

An Australia that we are proud of, borne on strength, resilience, love and raw human energy.

Doing the best we can for each other.

She certainly did the best for those victims of the Bali bombings. She certainly did the best for those families who needed help, the likes of Jason McCartney, the North Melbourne footballer, and for others for their survival and their return to a normal life. Of course it will not be normal because of what they endured, but those survivors of Bali have contributed so much to society. They will make sure that we never forget the tragedy, and certainly the remarkable efforts of Dr Fiona Wood and others to help those victims is truly inspirational.

As a country we say thanks to them and as a country we say we will never forget that dreadful day.

Mr FRYDENBERG (Kooyong) (18:23): I rise to join my colleagues on both sides of the House in paying respects on the 10th anniversary of the Bali bombings which occurred on 12 October 2002. I follow my colleague and friend the member for Riverina, who gave us a very passionate and insightful speech on his reflections on those tragic events.

The attacks on the Kuta nightclub district, on the Sari Club and on Paddy's Pub saw 202 innocent people lose their lives and more than 200 people injured—88 Australians died, 38 Indonesians died and representatives and citizens from Britain, France, the United States, Holland, Japan, Sweden, Korea and other countries also lost their lives. People of all different
faiths lost their lives that day. The attack was indiscriminate, with the simple goal of wreaking as much havoc as possible. Terrorism does not distinguish between its victims.

On the night of that attack our Prime Minister at the time, John Winston Howard, called it an act of terrorism. He said it was a wicked and cowardly act. He was to say to a father of one of those young people missing, Mr Phil Burchett, 'We'll get those bastards who did this.' Thankfully, through the efforts of Australian, Indonesian and international law enforcement agencies, we were successful in that aim—Amrosi, Mukhlas and Samudra were all punished by execution. Hambali, an ally of Khalid Sheikh Mohammed, the architect of the September 11 attacks and the link between Jemaah Islamiyah and al-Qaeda, was also punished. Khalid Sheikh Muhammad was pulled out of his rat-hole and taken into custody. Noordin Top was killed and the spiritual leader of Jemaah Islamiyah, Abu Bakar Bashir, a man with blood on his hands, was also to pay a price. It is important that we remember and give credit to the men and women in the Australian Security Intelligence Organisation, led by Dennis Richardson, to the men and women in the Australian Federal Police, led by Mick Keelty, and to the men and women in ASIS, which does so much work to protect Australians.

The Howard government, with support from the other side of the political divide, gave these organisations the necessary resources to do their work. I had the honour of working in Mr Howard's office in 2003 and 2004 when much of the work post Bali was still being done. Another one of my former bosses, Alexander Downer, Australia's longest serving foreign minister, worked diligently with his Indonesian counterparts, as well as American counterparts—I remember Colin Powell, the Secretary of State, was one—to ensure everything was done to capture these terrorists. It is important to understand that this was a bipartisan effort. Just as Simon Crean went with John Howard at the time of the attacks on Bali, so too did Tony Abbott go to Bali just weeks ago with Prime Minister Gillard for the commemoration.

But it is not just people in politics and law enforcement agencies who did so much. Fiona Wood, the Australian of the Year in 2005, was a burns specialist whose selfless and skilful work was able to save lives after these tragic events. Military medical teams were sent with limited notice to Bali to work in warlike conditions. Qantas staff quickly despatched planes to bring home the injured. A good family friend of mine, Graeme Southwick, is a plastic surgeon who played such an important role because he happened to be on holiday in Bali at the time. There are all those people in the Darwin and Perth hospitals who gave support and assistance to the injured. Peter Hughes, who was a survivor of the Bali attacks, set up a foundation for burns victims, and Dr David Marsh and his wife Claire, who was a nurse, were there at the time and they have set up a foundation to ensure that medical equipment gets to Indonesian hospitals. So much was done by so many people to save lives after the tragic events of 12 October 2002.

If there is one bright element to this terrible event it is the deeper level of cooperation we now see between Indonesia and Australia. To that end I would like to share some words of Dr Susilo Bambang Yudhoyono, the President of Indonesia. Dr Yudhoyono was Security Minister at the time and since 2004 he has been President of Indonesia. He said: 'The Bali bombings created a set of critical chain reactions—

The DEPUTY SPEAKER (Mr Windsor): Order! It being 6.30, in accordance with standing order 192 the debate is interrupted. The debate is adjourned and the resumption of
the debate will be made an order of the day for the next sitting. The member will have leave to continue speaking when the debate is resumed.

PRIVATE MEMBERS' BUSINESS

Indigenous Servicemen and Servicewomen

Debate resumed.

Mr ROBERT (Fadden) (18:30): I rise to honour the service and sacrifices of those Indigenous Australians who served us in past conflicts. In 1985 I was in year 10 at Rockhampton Grammar School and the school sergeant was a man named Jim Gredrick, Warrant Officer Class 1. Jim was an Aboriginal and a proud man. It turned out Jim also fought in World War II, fought in Malaya, fought in the confrontation, was part of the Australian Army training team in Vietnam and of course served with the 3rd Battalion in Korea. He was one of the most highly decorated men I have met and I have known, this great Aboriginal Australian.

Indigenous servicemen and women have made an enormous contribution to our Defence Force, having first been involved in the Boer War as early as 1899. In fact, several Indigenous Australians participated in the Boer War, serving as trackers with mounted infantry units. In the first half of the 20th century non-Europeans were officially barred from serving in our Defence Force, yet in World War I over 500 Aboriginals and a number of Torres Strait Islanders still managed to enlist in the Australian Imperial Force. Indeed, one of my postings in 1994 was on Thursday Island with Charlie Company 51st Battalion Far North Queensland regiment helping to train the largest Indigenous Army unit, 130 Torres Strait Islander and Aboriginal soldiers. It was one of the great delights of my life working up there and training those soldiers and leading them on operations. They were first class, they were second to none.

Some might find it strange that prior to 1967, when Aboriginals were officially recorded in the census, many of them served, but they did, and they served well with a great tradition of loyalty and patriotism that all Australians can be proud of. Indigenous Australians have been present in every major fight we have had since the campaigns of World War I. Colour knows no difference in the heat of battle. Having served on operations myself, it does not make any difference what colour the bloke next to you or the lady is; what matters is their capacity to fight, their loyalty, their toughness, their fitness, their capacity to look out for one another. I have served with Tongans, with Fijians, with Kiwis, with Maoris and with Aboriginal soldiers and I am proud to say I have served with some of the finest soldiers I have seen on Earth. White and black Australian soldiers have formed great partnerships as Australians for over 100 years. Many have been decorated for outstanding bravery. Corporal Albert Knight of the 43rd Battalion and Private William Irwin 33rd Battalion were each awarded the Distinguished Conduct Medal. Others received the Military Medal. Private William Rawlings, 29th Battalion, was awarded his medal for rare bravery in the performance of his duty in July 1917. He was killed the following year.

Aboriginal and Torres Strait Islander Australians made an even more significant contribution to Australia's defence in World War II, including my good colleague, our school sergeant Jim Gredrick. Many travelled enormous distances to enlist. Torres Strait Islanders Charles Mene and Victor Blanco joined the militia in September 1939 and transferred to the
Second AIF for service overseas, Mene 2/33 Battalion and Blanco 2/31 Battalion and served right through the war including on the Kokoda Trail.

Reg Saunders, perhaps the best-known Indigenous servicemen, joined up in 1940 and served in the 2/7 Battalion in Libya, Greece and Crete, spending a year on the run after the Germans captured the island. He would later serve in New Guinea when the 7th and 9th Divisions returned home. His story is well known. He proved himself an exceptional junior leader. He was sent to an officer training course and commissioned in November 1944. He was Australia's first Indigenous military officer.

He enlisted again in 1950 to serve in the Korean War. Captain Saunders, as he was then, led a company of the 3rd Battalion the Royal Australian Regiment in the Battle of Kapyong. He fought beside my good friend Jim Geedrick. With the advance of the Japanese in the Pacific, Indigenous Australians and Torres Strait Islanders found themselves literally in the front line against those who would seek harm upon our nation. It is no surprise as great Australians they served with honour, dignity and great valour. They were extremely important to our success in the Pacific.

The Torres Strait Light Infantry Battalion was formed in 1943 to provide additional protection to the powerful invasion opening to the north during World War II. It had some 700 members with the majority being Indigenous Torres Strait Islanders. Indeed, Charlie Company 51st Battalion, the Far North Queensland Regiment that I served with as an officer, draws its strength, calibre, capacity and character from that great light infantry battalion.

These men made use of their tradition as warriors to make a unique and vital contribution to the war effort. Their knowledge of local reefs and waters proved invaluable to the 2nd Australian Water Transport Unit, as their knowledge proves invaluable to us today. Indigenous Australians continue to make a substantial contribution to the Defence Force. They continue to serve our nation with great distinction. Programs exist now to make greater use of young Indigenous Australians.

We encourage and welcome all who seek a great career in our Defence Force. They have served with great distinction in the past. They have been and are great Australians. It is with great pride that I honour their service and their sacrifice here this evening.

Mr NEUMANN (Blair) (18:36): For most of our nation's history our Aboriginal and Torres Strait Islander people have been ineligible to vote; however, that has not stopped us allowing them to die for their country. On 29 September 2012 I attended the memorial service at Ipswich Cemetery in Raceview in Ipswich, recognising the service of Aboriginal soldier Trooper Horace Dalton some 56 years after his death. I thank the Ipswich City Council for organising the wonderful service.

Horace Dalton was a trooper in the 11th Light Horse Regiment in World War I in the Middle East. Whilst he fought for the freedom of all Australians he did not enjoy the same rights as other Australians. He was not even considered an Australian citizen. Like many of his military cohort he had to be economical with the truth to enlist—only, at 19, he did not lie about his age, rather, he lied to satisfy the requirement that service people be of substantially European origin.

He served in Egypt from 1918 to 1919 and died in Ipswich in 1956. There was no military funeral for Trooper Dalton. When he returned from war he was not even allowed to attend
reunions. I was proud to be part of that memorial service and dedication of his grave which finally recognised his service to his country. The Ipswich City Council, the local RSL, serving military personnel, clergy and members of the Ipswich and wider community came to show their respects.

Trooper Dalton's 73-year-old son Ken said his father had been a staunch patriot who had felt a duty to defend Australia. In other words, he felt compelled to fight for the rights of Australians that he himself did not enjoy. Ken said his father had been like any young guy who wanted to sign up and help his country. Even though his country had treated him shamefully, he was a proud Australian who was proud of his service.

Ken gave a very moving speech. He did not pull any punches about what his father had to endure and the depth of the institutional racism in Australia at the time of World War I and in subsequent years. But now his children and grandchildren are seeing the benefits and they are enjoying the rights that he himself did not enjoy.

The irony was that Trooper Dalton had to sign a statutory declaration saying he had the correct heritage to be an Australian soldier when he was one of the true owners of the land. Mabo would come many decades later. There was a referendum in 1967 and in 1962 they got the right to vote for the first time—six years after he died.

The recognition of Trooper Dalton is in large part due to the work of Ipswich RSL member Matt Rennie. I thank Matt for his work. Matt had worked to ensure that Trooper Dalton was honoured properly after discovering his grave seven years ago. Trooper Dalton had been buried in an unmarked grave along with 72 other former soldiers at Ipswich Cemetery. His grave now bears a plaque detailing his service.

It is a shameful part of our history that Indigenous Australians were not recognised for the significant role they played in our armed forces. In spite of the restrictions on non-Europeans entering the war, about 1,000 Indigenous Australians fought in World War I. By World War II there were over 3,000 Indigenous Australians in the armed forces of our country, and many of those people lost their lives. However, it may be the opportunity we have now to recognise the bigotry and racism of mainstream Australia in those days, and to recognise what these men had to endure to fight for the country which treated them so shamefully after they came home.

Serving in the trenches was the first time many non-Indigenous Australians had even encountered Indigenous Australians. This had been a time when Indigenous Australians could not enter a public bar, own property or even vote in an election. The beginning of the end of this electoral and economic segregation did not happen until 1962 and 1967, when we recognised Indigenous Australians as citizens and gave them the right to vote. The Australian Defence Force gave these Indigenous servicemen an opportunity to earn a decent wage.

Gary Oakley, a curator in Indigenous liaison with the Australian War Memorial, has noted that the ADF was the first equal opportunity employer of Indigenous Australians. When they came home, like Trooper Dalton, they could not attend reunions or share a beer with their mates. Yet Indigenous Australians have participated in every war and peacekeeping mission since this country has been involved. Today, there are 800 Indigenous Australians serving in the ADF and we should be proud of their service historically and contemporaneously.
Mr SECKER (Barker—Opposition Whip) (18:40): Thank you, Mr Deputy Speaker, and may I congratulate you on your exultation for this honoured job that you have had. It is the first time I have actually had the opportunity to be speaking when you have been in the chair.

The 11th of November 1998, one of the Remembrance Days we are talking about, was very special for me, because on that day I had the honour of seconding the Address-in-Reply to the Governor-General in my maiden speech to parliament—we had only been sworn in the day before. The former member for Blair, Cameron Thompson, moved that debate before 11 am and, appropriately, the former member for Cowan, Graham Edwards, a Vietnam veteran who lost his legs in action, was given the honour of speaking after the one minute silence. I thought that was very appropriate and I had the privilege to follow Graham Edwards in that speech on that day.

Remembrance Day is a time to pause and reflect on the significant sacrifices made by those men and women who have served Australia in past conflicts. It is a time to honour those who have fallen and to acknowledge that our country is the vibrant democracy it is today as a result of men and women who were prepared to sacrifice everything in order to serve in our armed forces and defend our country on the battlefield.

Recently we learnt of the very sad and tragic death of Corporal Scott James Smith. Corporal Smith was born in the Barossa Valley in my electorate of Barker. He joined the Army in 2006, was a member of the Special Operations Task Group and was from the Special Operations Engineer Regiment based at Holsworthy Barracks in New South Wales—they are affectionately known as 'sappers'. I take this opportunity to once again extend my deepest sympathy to the family and friends of Corporal Smith. Our thoughts and prayers are with his family, friends and his fellow soldiers who served alongside him in Afghanistan.

So let us recognise the contributions of our servicemen and women and let us also remember the contributions made by many Indigenous servicemen and women, and that is what this motion seeks to do. It highlights their involvement and ensures that their contributions are fully acknowledged and recognised, because in the past this has not been the case. This motion is also about uncovering the hidden histories of Aboriginal and Torres Strait Islander ex-service men and women, ensuring that their legacy is no longer a silent one.

It is important that we recognise the contributions of servicemen and servicewomen, Indigenous and non-Indigenous. Some years ago, when I served on the Joint Standing Committee on Native Title, I personally saw on their islands many of their memorials for Torres Strait Islanders who had served in conflicts, which is when I first became aware of their valiant efforts.

As Australians, we have a lot to be thankful for. So much is owed to the good work of our military personnel, from World War I, when, of course, November 11 originated, and World War II to Vietnam, Korea and, more recently, Afghanistan and Iraq. Australia has stood up for freedom and democracy and our military personnel have done, and continue to do, what needs to be done to ensure that Australia and its interests are protected from external threats. Australia is also a country that punches above its weight when it comes to our contribution to defending these principles, and that is worth noting as well. That is a reflection of the commitment, dedication and professionalism of our serving forces. Part of honouring our servicemen and servicewomen involves expressing our gratitude for their service and, on behalf of my electorate of Barker, I say thank you. There are many ways that we can say
thank you. We should remember what we have been silent about with our Indigenous servicemen and we say thank you by remembering their stories, we say thank you by maintaining war memorials and we say thank you by ensuring that when our veterans return we see that they are treated with respect and given every support that a nation should provide.

Mr HAYES (Fowler) (18:46): I thank the member for Parkes for bringing this motion before us. With Remembrance Day coming up on 11 November, it is a very fitting time for us to acknowledge and honour the contribution of all brave Australians who have sacrificed or are still sacrificing their lives on behalf of our nation. This year I will have the honour of attending two Remembrance Day services in my electorate, one at the regional war memorial in Bigge Park, Liverpool, organised by the Liverpool sub-branch of the RSL. On the same day I will be participate in the Vietnam Remembrance Day Unveiling and Dedication Ceremony at Cabra-Vale Memorial Park. This event is organised by the Vietnamese Community in Australia—with President Thang Nguyen—and the Vietnam Veterans Associations of Australia. While Remembrance Day is a day that we acknowledge and honour all soldiers who served and continue to serve our nation, I am particularly glad that the member for Parkes has specifically acknowledged the contribution of our Indigenous servicemen and servicewomen. Their contribution is great but I am afraid it has gone largely unrecognised over many years. Aboriginal members have played a significant role in the Australian Defence Force but their contribution would have undoubtedly been even greater had those with Aboriginal background not have had to deal with issues of enrolment due to their race. Despite these difficulties and unclear historical records, we know that at least 400 Aboriginal soldiers served in World War I while a much larger group, up to somewhere around 6,000, were involved in World War II. Today, as I know because I checked with the minister's office, there are 550 Indigenous personnel enrolled at the moment with the Australian Defence Force.

A few months ago I attended the official opening of and a smoking ceremony at the Dreaming Gardens at the Middleton Grange Public School located adjacent to the old Hoxton Park airfield. The school has proudly named one of their sports houses after a guy called Len Waters, who was the first Aboriginal fighter pilot for the Royal Australian Air Force during World War II. Principal Hallie-Ann Baxter and the school should be praised for their recognition of this hero. I was personally moved by Len's history of overcoming very difficult beginnings and obstacles to achieve something extraordinary. Len Waters worked as a shearer before joining the RAAF in 1942. He initially trained as a mechanic but, due to the shortage of pilots, volunteered for flying duties and graduated as a sergeant pilot in 1944. He completed 95 missions while flying in the Pacific theatre, rising to the rank of warrant officer by the end of the war. Clearly he was a man of great courage, fortitude and tremendous skills. Unfortunately, in an era of continued discrimination and despite his heroic service on behalf of our nation, following his discharge in 1946 he was left with little choice other than to return to shearing to support his family, which he did.

Together with the late Senator Judith Adams and the member for Forrest, I had the opportunity a couple of years ago to spend time with NORFORCE in Alice Springs as part of the Australian Defence Force Parliamentary Program. NORFORCE was raised in 1981 and its primary role is surveillance and reconnaissance in the northern regions of Australia, and draws the majority of its personnel from the local Indigenous population. The skills of these
Aboriginal soldiers play a significant and vital role in this regiment. The pride in the uniform of these men and women is absolutely palpable. We are very fortunate for their commitment. As a nation we have progressed far since the first and second world wars. The Defence Force is doing much to ensure that we not only recognise our Indigenous population but that we also do much to avail ourselves of their skills and their talents. We have done much in the way of creating an inclusive, fair society, but, in my humble opinion, there is still much more to be done. I congratulate the member for Parkes for bringing this motion forward.

**Dr STONE (Murray) (18:51):** I too commend the member for Parkes for this very important motion. Indigenous Australians have served in virtually every conflict and peacekeeping mission in which Australia has participated since the start of the last century—from the Boer War through to East Timor—but it is difficult to give an exact number for those who served because we have been quite inconsistent in Australia in recognising the Indigenous status of those who volunteered to serve. Section 61H of the Defence Act 1910 exempted from service in time of war persons who are 'not substantially of European origin or descent'. Although the Defence Act initially frustrated Aboriginal attempts to enlist, recruitment policies were relaxed after the heavy losses in 1916 and 1917. Men who claimed one European parent were sometimes accepted for overseas service. However, Commonwealth and state governments still consistently underestimated Aboriginal contributions because of these definition issues.

At the start of World War II, the Defence Act barred the conscription of full-blooded Indigenous people because it was held that since they were not enfranchised citizens, Aborigines and Torres Strait Islanders should not be compelled to defend Australia. The Indigenous status of service personnel was not recorded on ADF enlistment forms because, quite simply, those forms did not allow it, and so Aboriginal people and Torres Strait Islanders were not able to state their heritage until well after 1980.

There are currently about 820 people in the permanent ADF who identify as being of Indigenous origin. We know however that the families of all of those who have served are well aware of their contributions and we need to share their pride. I am particularly proud of the Aboriginal servicemen from the electorate of Murray who served whenever their country called, including the first and second world wars, despite the fact that when they came back it was without being recognised as full Australian citizens. Certainly they were not allowed to put their hands up for soldier settlement support.

Private Daniel Cooper was born in Barmah, which is right next door to Cummeragunja, the mission on the Murray River. He was born in 1895. He enlisted in the AIF at Broadmeadows on 23 July 1915 and trained in Egypt. He joined the 24th Battalion on the Western Front in June 1916. This was just before the 24th Battalion fought in its first major battles in France—Pozieres in July and Mouquet Farm in August. Daniel went to England briefly with health problems. He returned and rejoined the 24th Battalion. We believe he was with this unit when he was killed in action on 20 September 1917. We think it was 20 September, because there is also an entry that he was killed on 29 September 1917. However, the official record of the Commonwealth War Graves Commission states Daniel's death was on 20 September. At the time, the 2nd Australian Division was fighting in the Battle of Menin Road. It could be assumed that Private Cooper died on the first day of the battle. He is buried at the Perth
Cemetery, China Wall, in Belgium, along with 2,007 of his fellow Commonwealth servicemen.

Private Arthur Charles Nelson was born at Cummeragunja mission in April 1894. He enlisted in the AIF at Echuca in June 1918, giving his address as Barmah. Because he enlisted so late, however, he was recalled to Australia before reaching Europe.

Andrew Cooper was born in Echuca in 1896. He enlisted in the AIF in June 1917. He was discharged as medically unfit before he was sent overseas, but he was there to serve, and he would have done so with great distinction, I know, on behalf of his family, because he felt he was an Australian and he needed to defend his nation. On his enlistment form it states that he was a ‘half-caste’.

I want to particularly acknowledge other Victorian Aboriginal soldiers of World War I who were killed in action: Laurence Henry Booth from Orbost; Daniel Cooper of Barmah, son of the legendary William Cooper; William Alexander Egan from Warrnambool; James Gordon Harris from Healesville; William Fredrick Murray from Orbost; William Reginald Rawlings, also a military medal winner, from Warrnambool; Gilbert Theo Stephen; and Harry Thorpe from Lakes Entrance, who was also a military medal winner.

I want to also mention the Cummeragunja Government Mission women, who did a fantastic job knitting socks, jumpers and balaclavas for the World War II effort. There are some wonderful photos of them, sitting out in the open, all with their knitting—socks and scarves—draped over their knees, and of course the family names of these women are the same as those of the men who put up their hands to serve. Lest we ever forget.

Ms OWENS (Parramatta) (18:56): There is a man in my electorate named David Williams. He is the New South Wales President of the Aboriginal and Torres Strait Islander Veterans and Services Association. Twenty-seven members of David’s family have served in the Australia military and he himself has served in the Navy for 30 years. He is an extraordinary man. If all he had managed to do with his life is raise the amazing children he has raised, that would be enough, but he has also served our country for 30 years.

David joined the military at a time when you could join as an Aboriginal Australian. He has been a proud Aboriginal serviceman ever since, but he spends considerable time reminding me and anyone else who he can find that many, many Aboriginal servicemen have not received the appropriate recognition for the service they gave to their country and were in fact appallingly treated on their return to Australia. Like many servicemen, he also points out that, while serving, they were well treated by their fellow soldiers. It was their return and the conditions of their enlistment which are a stain on our society still today.

We know that Aboriginal Australians served in the first Boer War right back in 1880, the second Boer War, World War I, World War II, the occupation of Japan, the Korean War, the Malayan emergency, the Indonesian confrontation and the Vietnam war. We also know that it was in the Vietnam War itself that they actually became citizens and were entitled to call themselves Australians—that late. Many, many Aboriginal people had served this country before they were given that right. But they served in the first Gulf War in 1990 and 1991, Afghanistan, the second Gulf War and in peacekeeping in East Timor and the Solomon’s. An extraordinary record of contribution.
We know that there were at least 500 Aboriginal servicemen in World War I and maybe 5,000 in World War II, but we do not know the numbers because Aboriginal Australians were restricted by the Defence Act 1903 from joining. In order to join, they had to deny their Aboriginality. Many pretended to be Maoris or Indians to join our services. Again, that is something that must have been difficult for them to do and it indicates an extraordinary commitment to serving this country. We know that over 95 per cent of the entire male Torres Strait Islander population of age served in uniform during World War II. I will repeat that number: 95 per cent of the population of age. They served in either the Torres Strait Island Light Infantry Battalion, the Torres Strait Island coastal artillery or Army small boats units. It was the largest volunteer group from any Australian community. They are known, but what is less known is that they were only paid about one-third of the wages of their white counterpart soldiers and that wrong was only addressed when additional compensation was paid in the early 1980s. Again, it was an extraordinary contribution by the male Torres Strait Islander population at that time.

The government has taken steps so that we can know the stories of our Aboriginal veterans. We do not know all their names; we certainly do not know their tribal names or what tribes they came from. I know from talking to the Aboriginal Australian veterans in my area that knowing the tribal names and the tribe they came from is equally important to knowing when they served. In July, we committed more than $1 million to a major new research project as part of the Australian Research Council's Linkage Projects funding. The project is titled 'Serving our country: a history of Aboriginal and Torres Strait Islander people in the defence of Australia'. It is a four-year project that will be led by researchers from the Australian National University, with partners from the Department of Defence, the Australian Institute of Aboriginal and Torres Strait Islander Studies, the National Archives of Australia, the Department of Veterans' Affairs and the Australian War Memorial. It will commence in 2013 and it will take four years—a massive research undertaking to identify the names and backgrounds of thousands of Aboriginals and Torres Strait Islanders who served this country before they were legally allowed to do so in 1949. It is a remarkable project that will help us understand the full contribution and pay respect that is due to these remarkable Australians.

Mrs PRENTICE (Ryan) (19:02): I rise to support the motion moved by the member for Parkes to recognise the contribution that Indigenous service men and women have made to the Australian Defence Force and, indeed, to the defence of our nation. As we approach Remembrance Day on 11 November, when we reflect every year on the contribution made by thousands of Australians who have died in the defence of our nation, we should take this opportunity to also reflect on the often unnoticed or undocumented contribution of Indigenous Australians to our defence forces.

It is a blight on the history of this nation that Indigenous Australians were not granted citizenship and, indeed, were not recognised as Australians until 1967. Worse than that, even Indigenous troops from both World War I and World War II came from a section of society with very low wages and with little likelihood of moving up the social ladder. In all areas, from education and employment to civil liberties, discrimination against Indigenous Australians was rampant. Regrettably, even in 2012, we continue to associate Indigenous communities with discrimination and disadvantage.
While we continue to lament the fact that military superannuation for all troops under the Defence Force Retirement Benefits Scheme and Defence Force Retirement and Death Benefit Scheme have not been fairly indexed, thousands of Indigenous troops also experienced firsthand discrimination not just from Australians but from the Australian government. Only in 1992 did the Australian federal government grant monetary back pay and recognition in the form of service medals. When times became tough in World War I, the defence forces eased their restrictions on Indigenous Australians joining the military. In October 1917, a military order stated:

Half-castes may be enlisted in the Australian Imperial Force provided that the examining Medical Officers are satisfied that one of the parents is of European origin.

Yet, after World War I, the restrictions on enlistment for Indigenous Australians were reimposed.

Upon returning to Australia after World War II, many Indigenous troops, even while still in their defence uniforms, experienced prejudice and discrimination. Many were refused service in bars or were the victims of racial slurs from their fellow soldiers. During World War II, it is estimated that some 3,000 Aborigines and Torres Strait Islanders served in the armed forces, many in specially raised Indigenous units including the Torres Strait Island Light Infantry Battalion. During that time, an Indigenous Australian serving in an Indigenous unit was paid significantly less—approximately half—than their fellow soldiers and, worse, did not have any access to entitlements as veterans. It took a two-day 'mutiny' in December 1943 for their pay to be raised to two-thirds that of a regular soldier. When they returned home, as I have mentioned, they experienced further discrimination. Most were barred from Returned and Services League clubs, except on Anzac Day.

Sadly, to this day, we still do not have a full record of the contribution of Indigenous Australians to the defence of our nation. As this motion notes, at least 400 Indigenous troops served in World War I and somewhere between 3,000 and 6,000 Indigenous troops served under our flag in World War II. Important work is being undertaken by the Australian War Memorial, the Department of Veterans' Affairs, the ANU and other organisations to recover and document information about the contribution of these Indigenous troops.

They are uncovering stories of contributions from Indigenous troops such as Private Timothy Hughes, who served in the 2nd/10th Battalion, a proud rat of Tobruk who won the Military Medal for bravery under fire while in Buna, Papua. We now know stories from the Queensland 2nd/26th Battalion which included many Aboriginal and Torres Strait Islanders, such as Private John Knox, who died in Changi in August 1942, and Private George Cubby, who died on the infamous Burma-Thailand Railway.

According to Australian Geographic, more than 800 Indigenous Australians are currently serving in the Australian Defence Force, and I welcome their contribution as Australians. Many are serving in our ongoing efforts in Iraq and Afghanistan. Like their predecessors, they continue to defend the land on which all Australians live.

Indigenous Australians today serve in the regular and reserve forces, and we recognise the three regional force surveillance units based in northern Australia. Many reserve and regular troops from Indigenous communities currently serve in the 51st Battalion, Far North Queensland Regiment, the Pilbara regiment in Western Australia and the North-West Mobile Force, NORFORCE, which is based in north-east Western Australia and the Northern
Territory. I welcome these contributions, and I thank the member for Parkes for his motion today which reflects the contribution of thousands of Indigenous Australians for more than a century to the defence of our nation.

Ms HALL (Shortland—Government Whip) (19:06): I would like to congratulate the member for Parkes for bringing this motion into the parliament too. I believe it is a very important motion and one that moves towards greater recognition for Aboriginal and Torres Strait Islanders in our country because not only does it look to what they have achieved in the past; it shows where we have been and where we need to go. I would like to also congratulate the members for Ryan and Parramatta on the excellent contributions that they have made to this debate because I think they really highlighted the issues that are so important.

Aboriginals and Torres Strait Islanders have served alongside non-Indigenous Australians since the Boer War at the turn of the 20th century. As there was no requirement at that stage for recruits to list their ethnic background on their enlistment papers, there are no accurate figures on how many Indigenous personnel served. There was also a disincentive to list that they were Indigenous because Indigenous people were not welcome in the armed services.

Several Indigenous personnel have ranked among the most well known of Australian service men and women. At the moment, as the member for Parramatta highlighted, there is a project that has been funded to develop a complete picture of the contribution of Indigenous men and women have made to Australia's military history. There is $1 million over four years. That project commences in 2013. That will list the names and the backgrounds of those Indigenous Australians who served their country so bravely and so well alongside non-Indigenous Australians and were accepted and welcomed. Their contribution was appreciated by all other service men and women.

Aboriginal and Torres Strait Islander service personnel served in the Army or whatever division of the defence services they chose. But, once they had finished their service, they went back into their communities and they did not receive the same benefits or the same support that non-Indigenous Australians received. I think that goes along with the fact that it is really difficult to ascertain the history of Indigenous Australians and their contribution to the war effort.

Once they left the Army they went back to a life where they were not given special treatment in relation to housing and jobs, and they had to struggle in a way that non-Indigenous servicemen did not. For instance, approximately 500 Aboriginal men served in World War I. They did that because they wanted the experience and the opportunity and sometimes to escape the life on the missions. They hoped that by fighting for Australia they would get recognition and be treated in the same way that non-Aboriginal or non-Indigenous Australians were treated. They thought it would provide them with better economic, social and political opportunities upon their return, but unfortunately that did not happen. Several Aboriginal reserves such as Lake Condah in western Victoria were broken up for housing for ex-servicemen and then given to only non-Indigenous ex-servicemen. I think this really highlights some of the issues. When the war was over their life continued to be marked by discrimination in employment, education and living conditions.

In 2007, 1.4 per cent of ADF members were identified as Indigenous servicemen. Today we recognise and appreciate the role that Indigenous servicemen played. As part of NAIDOC Week, the Chief of the Defence Force, General David Hurley, laid a wreath in honour of
Indigenous service men and women past and present. He said of those Aboriginal and Torres Strait island people who championed change within the defence services, 'They dared to challenge.'

Mr O'DOWD (Flynn) (19:12): I would like to speak today in support of the motion moved by the member for Parkes, which states:

That this House:

(1) acknowledges the sacrifices made by those who have served Australia in past and present wars and conflicts and the importance of Remembrance Day in honouring those who have fallen; and

(2) notes that many Indigenous servicemen and women have also made valuable contributions to the Australian Defence Force, and that:

(a) in the past these contributions have not been fully acknowledged and recognised;

(b) historically many people of Aboriginal and Torres Strait Islander background experienced difficulties in enlisting due to their race;

(c) the full extent of the contribution of Indigenous peoples to past wars and conflicts is a subject that is still being researched today—there are very few records and of the records that we do have some of them could be a bit flimsy. The motion continues:

(d) more information will only add to the valuable wealth of knowledge that informs Australia's commemoration ceremonies and enriches the historic record;

(e) it is estimated that at least 1,000 Aboriginals or Torres Strait Islanders served in the First World War…

Prior to them enlisting, they had very few rights. They had no land ownership, they had no voting rights and they of course were not allowed alcohol. They had low wages, if they had any wages at all, and their living conditions were very poor. A lot of them worked on cattle properties. A lot of them had no jobs whatsoever. However, thankfully, once they were in the AIF they were generally befriended and treated equally and paid the same as Australians. It was pleasing that once they were in the Army they were generally accepted well by the other Australian troops. In 1914, many Aboriginals were rejected on race grounds but by 1917 the recruits were drying up from the ordinary Australian population and more Indigenous people were then enlisted. However, there was a military law that stated that to be enlisted they must have one parent of European origin.

Why did the Aborigines enlist in the first place? They were loyal to their country, they had patriotism, they wanted to prove themselves and they wanted to push for better treatment and recognition after World War I. They were paid six shillings a day, the same as the other troops, and that was classed as good money. But, after the war had finished, they were offered very little support—there were no soldier settlement blocks offered to the Aborigines.

It is estimated that there were 3,000 to 6,000 Aboriginal servicemen in the Second World War, but the limited historical records indicate that these figures could have been much higher than this. Initially, Indigenous recruits were not considered and were deemed necessary or not desirable. However, when the Japanese entered World War II, enlistment by Torres Strait Islanders and Aborigines rose dramatically. They became front-line soldiers. Many were killed on the frontline, and many died in POW camps. Those that survived were full of pride and confidence. By 1949, there were no race restrictions on recruits. This was a great
achievement for our nation. Aborigines and Torres Strait Islanders have served in all major conflicts since those days—in the Air Force, in the Navy and in the Army. They also performed other duties during World War II. The RAAF depended heavily on Aboriginal labour in Northern Australia during the Second World War. Aborigines helped out in camps, they helped out in butchers shops and they helped out by providing services to the men who were out there fighting—and they themselves fought too.

Today the NORFORCE regiment still operates in Northern Australia. Only last week I had the pleasure of meeting some of those reserve army guys up there who are doing a great job protecting our northern borders. They are great Australians and great troops. Lest we forget.  

(Time expired)

Mr STEPHEN JONES (Throsby) (19:17): It is my great pleasure to speak on this motion, which recognises the service of Indigenous servicemen and women in our military forces in defence of the Australian people. Over 400 Aborigines and Torres Strait Islanders served in the First World War, and in excess of 5,000 of them served in the Second World War and have served since then. During my contribution to this debate I will talk about Private Frank Archibald, who was born in Walcha, New South Wales, on 17 February, 1915.

Frank's military service began on 17 May 1940 when, at the age of 25, he enlisted in the AIF along with his younger brother Ron and his uncle Richard Archibald Sr. Frank sailed out of Sydney on 30 August and arrived in Palestine, where he joined his unit, on 30 September. He served in the Battle of Bardia, then in Tobruk, then in Benghazi and then in Crete and Greece. After a short period of leave back in Australia, Frank's unit, 2/2nd Battalion AIF, left Brisbane on 12 September, 1942. They were bound for Port Moresby and the desperate defence of Australia from the northern onslaught of the imperial Japanese forces. Tragically, on 24 November, Frank was killed in action on the Kokoda Track during the Siege of Buna while trying to save a mate of his. His mate survived; he did not.

Sadly, in some ways this is not a remarkable story; many joined our armed forces and served Australia during this time, and too many of them lost their lives in battle as a result. The story is made remarkable by the fact that Frank Archibald was an Indigenous Australian. Hundreds of Indigenous Australians served in the second AIF and the militia under the same conditions as non-Indigenous Australians, in most cases with the promise of full citizenship and rights after the war.

As a good mate of mine, Freddy Moore, tells me, they could not even get a beer in the front bar of a pub. They had to watch as all their mates who were demobbed at the same time as them walked into the front bar and had a beer, and sometimes if their mates were feeling generous they would pony one out the back door for them. They had to sit under a gum tree out the back—a tragic story, repeated hundreds and hundreds of times around the country. These young boys and men risked their lives—in Frank's case, he gave his life—to serve their country.

Since Frank's death in New Guinea in 1942, the Archibald family has felt great sadness that Private Frank, an Indigenous Australian, has been buried away from his traditional country without the necessary Aboriginal traditional rites having been performed to bring his spirit to rest. I am pleased to advise the House today that on Anzac Day this year 12 members of the Archibald family, including members of his family from my electorate, including his only surviving sibling, Grace Gordon, travelled to Kokoda and performed this ceremony. I was
very pleased to be able to assist them. I have to pay tribute to the many corporations and individuals, including Qantas, who funded the trip to ensure that this was a successful ceremony.

This Saturday the Kokoda Aboriginal Servicemen's Campaign Committee is holding a special event to celebrate the 70th anniversary of Kokoda Day at the Kokoda Track Memorial Walkway in Concord. This event will highlight the journey to the war cemetery at Bomana on Anzac Day 2012 to visit the graves of six Aboriginal diggers and bring their spirits home to country, and that will be followed by the unveiling of a memorial plaque commemorating Aboriginal servicemen who fought in the Battle of Kokoda. I wish the organisers all the very best for a successful commemoration of a special chapter of Australia's military history and our Indigenous service. In the spirit of reconciliation, I think it is quite proper that we respect their memories; that we do whatever we can to support the families and their ancestors to ensure that they receive the proper rites, as indeed the Archibald family did. I commend the member for Parkes for bringing this matter before the House.

Debate adjourned.

Asylum Seekers: Sri Lanka

Debate resumed on the motion by Mr Husic:

That this House notes:

(1) with deep concern, proposals being advanced to automatically return any Sri Lankan national seeking asylum in Australia; and

(2) that:

(a) this is a policy that would target only one group of asylum seekers originating from only one particular country;

(b) the automatic return of Sri Lankan nationals without the processing of their claims for asylum fails to comply with the Refugee Convention; and

(c) if enacted, the policy would forcibly return asylum seekers to a country that is not a party to the Refugee Convention.

Mr HUSIC (Chifley—Government Whip) (19:22): Without doubt, one of the few things that nearly everyone in this place agrees upon is that the arrival of asylum seekers by sea presents a massive and unacceptable risk to both those making the journey and those forced to rescue asylum seekers who have met with misfortune because they have fallen foul of that risk. While there is major agreement about this, there is massive disagreement in finding a way forward to manage this risk. In an effort to burst open the deadlock that presents itself, the federal government brought together an eminent trio of Australians tasked with the objective of developing a series of policy proposals to help us deal with one of the most contentious areas of contemporary public policy.

The expert panel was made up of Paris Aristotle AM and Professor Michael L'Estrange AO, and it was headed by former Air Chief Marshal Angus Houston. The report, while carried out in a tight time frame, was thoroughly thoughtful and considered. It canvassed a range of options to help us manage this exceptionally challenging issue, but it was underpinned and its 22 recommendations were underpinned with a set of principles. It urged policy makers to do the same, ensuring a transparent, consistent approach to policy development and management. If members of the public have not read the panel's report yet, I
would urge them to do so because it clearly lays out the scale and nature of the problem and then employs an incentive and disincentive approach to help deal with the issue. For example, the report recommended Australia's humanitarian intake be lifted to help those stuck in refugee camps to have their applications for asylum assessed quicker, instead of risking a journey on a people smuggler's vessel.

At the same time, the report recommended the application of the no advantage principle to ensure no benefit is gained by sidestepping regular migration arrangements. These quick examples illustrate what I referred to earlier about building incentive and disincentive within the way in which we deal with the dangers generated by people smugglers.

What struck me in the report is the breadth of its recommendations founded upon fact and data. It tried to come up with a set of workable arrangements on a tough issue, but it was also fair. It examined proposals put forward by government and examined options advocated by those opposite. It agreed that regional processing was a critical element in frustrating people smugglers and disrupting their trade, but it also looked at the opposition's proposal to tow back boats. From my perspective, it was heavily qualified and needed a number of strict conditions to be met. Again in my view, the notion that those opposite would stop the boats by towing them back is both too simplistic and too dangerous to be taken seriously. It risks the lives of Australian Navy personnel and undermines the very thing we need to tackle a regional problem, and that is regional cooperation. Our neighbours do not like this policy. They do not want a bar of it and the Leader of the Opposition knows it. That is why he stunningly failed to raise a policy initiative he rated as critical during his recent meeting with Indonesian President Yudhoyono.

We only need to contrast the dimensions and detail of the Houston report with the simplistic approach of some in this broader debate. In early September the coalition announced that, if elected, it would simply return any asylum seekers from Sri Lanka intercepted at sea without even assessing or determining their refugee claims. It was a breathtaking announcement for a range of reasons, not least of which that there was absolutely no context provided as to why, out of all the nationalities of asylum seekers arriving here, Sri Lankans have been singled out by the coalition.

What is also noteworthy in this unfathomable hypocrisy is that those opposite have suddenly found a voice, becoming the vocal advocates of the refugee convention. It was why the opposition refused to back our agreement on regional processing with the Malaysian government. They pointed out the fact that Malaysia was not a signatory to the convention, using such inflammatory rhetoric about a country that is a valued partner of ours and prompting Malaysia's Prime Minister to react to the nature of the opposition's claims at CHOGM last year. It even saw Malaysia's High Commissioner to Australia, Salman Ahmad, write to every MP in August urging moderation in the way those opposite were tarnishing the standing of his nation through outrageously offensive rhetoric.

But the convention became a point of principle for those opposite, despite the fact they would turn back boats to Indonesia, another non-signatory nation, and now they would turn back Sri Lankans to a country that is not a signatory to the convention. We have a situation where those opposite refused to support a transfer agreement with Malaysia because it is not a signatory of the refugee convention but then seek to establish a transfer agreement with another country that is not a signatory—Sri Lanka.
But it does not stop there. Refusing to even consider the application of a Sri Lankan seeking asylum and then returning them without regard to their safety on return flies in the face of the requirements of the convention. The opposition simply assume every application made by anyone arriving here from Sri Lanka is false. They effectively pre-empt the assessment process, they carelessly prejudge and they potentially ignore the non-refoulement obligations under the very convention they have become such ardent defenders of.

It is the type of policy that prompted the Human Rights Law Centre to write to the Deputy Leader of the Opposition, who announced this policy, to point out that besides contravening the convention their policy would be 'incompatible with the convention on the elimination of racial discrimination and Australia's own Racial Discrimination Act'. Why? Because in part the policy would single out arrivals from one country and in that process have the effect of singling out one ethnic group from Sri Lanka, the Tamils. It is worth pointing out that the opposition cited human rights concerns as a basis for refusing to support the agreement with Malaysia. Yet they seem to overlook that Sri Lankan Tamils seeking refuge have actually had their claims in Australia accepted due to a genuine fear of persecution stemming from a long, brutal civil conflict that cost the lives of 100,000 Sinhalese and Tamil civilians between 1972 and 2009.

While some may say that things are improving in Sri Lanka, there are some who say there is still a very long way to go. It is worthwhile pointing out that one of our closest allies, the United States, welcomed UN resolutions carried earlier this year calling on Sri Lanka to credibly investigate war crimes alleged to have occurred during that bloody civil war. Further, Secretary of State Hillary Clinton is on the record as saying that Sri Lanka will only achieve lasting peace through real reconciliation and accountability. It is disappointing that the Sri Lankan government has refused to heed this resolution, claiming it needed to complete its own domestic investigations without interference from foreign powers. The human rights abuses that are said to have occurred during the civil war are serious, especially those at the tail end of the war in 2009, when some groups claim that up to 40,000 people died.

These concerns persist today and will be the subject of briefings of parliamentarians which will be conducted as a result of the work of the Australian Tamil Congress, who have invited to Australia Mr M A Sumanthiran, a member of Sri Lanka's largest democratically elected Tamil party, the Tamil National Alliance. Mr Sumanthiran is in Australia at, as I said, the invitation of the congress and they will be highlighting the need for the Sri Lankan government, with the support of the international community, to properly embrace the need for accountability as a vehicle to reach enduring peace in a nation that has suffered so deeply. Taking this into account and considering how recent this terrible war was, there are some genuine concerns about persecution and safety. That is why we have seen 647 permanent visas granted in 2010-11 under our humanitarian program—a relatively regular number considering that 579 visas were granted in 2008-09 and 689 visas were granted in 2009-10. These are not remarkably high but for the people granted asylum it means the world to them and they have made tremendous Australian residents and then citizens. Many have made their home in western Sydney within the electorates that I and my friend and colleague who is present here today, the member for Greenway, represent. I have had the pleasure of meeting many of them and I am proud to represent them in this place.
Given the relatively low numbers who have settled in Australia, the bulk within Victoria and New South Wales, I am simply at a loss to find the reasons driving the coalition's policy in relation to Sri Lankans seeking refuge. It flies in the face of their position, stated in reference to the opposition to the agreement with Malaysia, that such agreements must only be entered with signatories to the convention. It also flies in the face of their position that such agreements must be made with regard to adequate human rights protections. There is no consistency in that approach. There is little logic in that approach. That is why I am so deeply opposed to what they have put forward and it is what has driven me to submit this motion for the House's consideration. It is up to the member for Canning, who follows me in this debate along with the member for Pearce, to outline why this proposal should not be labelled as grossly hypocritical and discriminatory. As opposed to that, the government bases its approach on evidence and does so and manages our obligations consistent with the convention. While we have, as I have outlined, accepted a modest number of people from Sri Lanka seeking asylum, we have returned and will return failed asylum seekers after a thorough assessment of their claim for protection. Into the future, as we implement the recommendations of the Houston report, we will be able to do so in a transparent, understandable way but with an unshakeably firm determination to deny people smugglers the ability to profit from the desperation of others. I commend this proposed resolution to the House.

Mr RANDALL (Canning) (19:32): I thank the member for Chifley for his motion and it gives me an opportunity to respond, and respond I will in terms of some of the issues that he has raised. For example, the premise of his motion is factually incorrect in that people are automatically returned, and I will deal with this later on. The issue arising from his motion that I want to deal with straight away is where he says it is terrible where Sri Lankans are returned to a country that is not a member of the convention. We are saying that Malaysia is not a destination because they are not a member of the convention as well. I will point out to the member opposite the difference is that those coming through Malaysia are not Malaysians; they are Afghans, they are from Iraq and a range of countries. But those coming from Sri Lanka are Sri Lankans, whether they be Tamils or Sinhalese or Muslims. There is a great misunderstanding in this place and I know a little bit about this because I arrived back from Sri Lanka just one month ago, having spent a fair bit of time there. I visited not only those in Colombo as also I went to the north into the war regions and visited people there. I sponsor Tamil families in the north because I am interested in seeing that they get a fair go post civil war.

The member fails to understand that the number of people that are coming here by boat are not just Tamils. Many of them, being a large proportion—and I put the figures to the House the other day—are Sinhalese and a large proportion are Muslims.

Now, before we go any further I must point out, so that there is no misunderstanding, that the coalition has called on the government to intercept illegal boats from Sri Lanka bound for Australia before they enter our territorial waters and come to an arrangement with the Sri Lankan government to send these people back. The government has completely rejected this, and almost 3,000 Sri Lankans have arrived by boat so far this year.

The Sri Lankan government has made significant steps to turn boats around. And, to that end—I would love to be able to table this, but I imagine it would be rejected—here is set of
boats that I visited; 27 boats in Trincomalee Harbour, which had been turned around by the Sri Lankan Navy. Here is a boat, down the bottom of the picture, which is listing badly. The Sri Lankan Navy told me that that boat, under any sea conditions, would have sunk within two days because it was so unseaworthy. What is humanitarian about letting people do that massive journey to Australia by boat with a fear of losing their lives?

I will come to the other people I met shortly. But can I say that our policy is quite clear: where boats can be turned back they will be—and the Sri Lankan Navy is turning boats back and actively being encouraged to get to Australia by people-smugglers—because not only are they likely to lose their lives but, in most cases, they will not get a visa.

I will outline just how genuine, or not genuine, many of the people are who are coming to Australia from Sri Lanka. There is no longer the 'push' factor from Sri Lanka—the civil war is over—it is the 'pull' factor, the sugar coated arrangement that Australia has provided to those coming here. I will give you an example. A document that I have obtained from the Sri Lankan High Commission to the Australian government points out that they have three people here on class XA resident subclass 866 and XB resident subclass 200 visas—or protection visas—who have contacted the Sri Lankan High Commission in Canberra to obtain travel documents to Sri Lanka. These people are Mr L Ibralebbe, passport No. N1608739; Mrs S Sivaharan, passport No. 885920; and Mrs R Somasundaram, passport No. N0174857. These people came and got humanitarian visas from Australia and, within months of getting these visas, sought travel documents to return to Sri Lanka. What sort of danger are you under if you claim to have humanitarian issues in the country and claim that if you stay there you will be tortured and you couldn't live there any more; and as soon as you get a humanitarian visa in Australia, you seek to return to Sri Lanka for a family wedding or funeral? It is just not credible.

I have also been given documents on voluntary repatriation from Australia. As a sample, there were 57 people here that have been repatriated recently, in the last month—names, addresses and the full details. Not only that; some of them have been rung in the last day or so—

The DEPUTY SPEAKER (Hon. DGH Adams): Order! Is the honourable member going to name further refugees or people—

Mr RANDALL: No, these are people who have returned to Sri Lanka. They have been contacted and this is the response. This gentleman spoke to his sister, who stated that 'he arrived at his home and was living without any problems for his safety.' These are real examples of people who have been either deported or voluntarily returned to Sri Lanka.

Another gentleman said he was a crew member, and therefore he did not get any payment like others, and he said he was living normally. Where is the persecution, the lock-ups and the beatings that are claimed? Another gentleman, Pakeewaran Sanmkan, was contacted and said that he was interrogated on arrival but was released, he is living at his home safely, he bought a motorcycle with the money he received and he is living happily. So much for being returned and being treated so badly.

Further, when I travelled to the north, I made it my point to go and visit the aid agencies like IOM and the UNHCR. From the aid agencies, I met with Mr K Vedharaniam, the Coordinator North of the International Organisation for Migration, Kilinochchi office and
Antoine Waldburger, Humanitarian Affairs Officer, UN Office of the Coordination of Humanitarian Affairs, and I said to them that there were these allegations that people are being beaten and tortured when they returned to Sri Lanka. They said, 'What rot! We are given the job of resettling them on behalf of the Australian government. We do it because they've sold everything to get to Australia, and we resettle them because they have nothing.' They just said it was a fallacious argument, and this one of the top migration resettlement agencies. So I go down the road and I speak to UNHCR. I spoke to Yoko Matsumoto, the associate field officer, and Viktoriya Talishkhanova, from the UNHCR office in Kilinochchi, as well. They said the same thing to me—no issues with people returning; they just help resettle them.

When I was in Trincomalee—and after having been on the boats that I just showed you—I had been lucky enough the night before to meet some people that had been returned. Thirty-six people had been returned from a boat that had tried to get to Australia. This gentleman here is a Tamil gentleman who luckily enough spoke perfect English, so he interpreted for me, so nobody can say it was misinterpretation. Here, for the member for Chifley's case, is a Sinhalese fisherman with his wife and a five-week-old baby that they were trying to take on that boat and that could have perished at sea. When I asked the Sinhalese fisherman—not a Tamil fisherman—why he was trying to get to Australia, he said it was because they got paid more money. I went through the whole group of people that I have here—I was able to speak to all of them. Not one of them said that they were coming to Australia for any other reason than that could get more money. In other words, they are economic refugees. I asked each one of them whether they had any issues with being returned in terms of escaping or coming to Australia due to human rights. Not one of them said so, but they did say that should they get to Australia they might have to talk to some of their advisers about applying for visas, which is code for, 'We'll have to find an issue for claiming a human rights visa or refugee status.'

Just to demonstrate the hypocrisy of this, in the Australian recently we had the case of the first Tamil asylum seeker deported from Australia since the end of Sri Lanka's civil war, when Dayan Anthony was released. Mr Anthony had claimed that he had been kidnapped and tortured in 2009 and that he had been seized and thrown into the back of one of Sri Lanka's notorious white vans used in many cases of disappearance. He also claimed he had suffered back pain as a result of beatings sustained in Sri Lankan custody and had even given evidence at a hearing by the UN special rapporteur on torture last year. But yesterday, at home from the Sri Lankan people when he returned, he withdrew all his claims of torture and mistreatment, saying he had lied on the advice of a Malaysian Tamil people-smuggling agent in order to secure a refugee visa.

So that is what is going on. Genuine refugees, yes—for genuine humanitarian entrants. But those coming from Sri Lanka are economic refugees claiming to be humanitarian refugees. They are opportunists trying to get into Australia's soft welfare system.

Ms ROWLAND (Greenway) (19:42): I rise tonight to support this motion. I commend the member for Chifley for moving it. He and I represent an area of Western Sydney with a large subcontinent population, including people of both Sinhalese and Tamil background, and consequently this motion is of great interest to many of our constituents. Firstly, I am pleased to update the member for Canning, who has just spoken, on the latest 2011 census results in my electorate of Greenway, considering his claim in the parliament on 4 July 2011 that it was
home to only 75 people of Tamil origin. I can inform him that, of the 50,151 Tamil speakers in Australia, Greenway alone is home to 4,203. Many of my constituents, including those of both Tamil and Sinhalese background, contacted me to express their rightful concern when, on 2 September, the shadow immigration minister and the shadow foreign minister, backed up by the Leader of the Opposition, stated that Australian authorities should send back asylum seekers to their country of origin, namely Sri Lanka, before assessing their claims.

As for the member for Canning’s speech, there is a lot I could say, but I do not have much time. What I would like to say is that, by making a simple statement that the civil war in Sri Lanka is over and somehow all is right with the world, he really is saying essentially that every independent observer that has gone to this country and observed the atrocities that are still occurring—has observed what is happening in a very dire situation for many people of both Sinhalese and Tamil background—is making it up.

Mr Randall interjecting—

Ms ROWLAND: I have actually been to Sri Lanka, thank you, member for Canning. The dire circumstances in which these people are living, and those of all asylum seekers, must obviously be false!

You might like to tell that to people in my electorate whose relatives back home in Sri Lanka have disappeared since the end of the civil war. They have disappeared. They do not know what has happened to many of their relatives. These are people whom I deal with. These are people who tell me about the consequences in their homeland. So let’s be clear about the relevant statements which appear to represent their new policy on refugees. They are very sensitive on this one.

Mr Randall interjecting—

The DEPUTY SPEAKER: The member for Canning is being disruptive. He will desist from interjecting.

Ms ROWLAND: Both the shadow immigration minister and the shadow foreign minister have articulated a new policy of sending asylum seekers from Sri Lanka back to their country of origin before assessing their claims. What those opposite are advocating is a rejection of the refugee convention and a rejection of our international obligations by not reviewing and determining asylum seeker claims on a case-by-case basis. By indicating that they will ignore the refugee convention and return boats to their country of origin without assessing these individual claims, these statements have shown that some in this place will adhere to the refugee convention only when it is politically convenient.

The member for Canning is getting very uptight, but this recent position advanced by those opposite has exposed their hypocrisy. When we look at their speeches on the migration legislation, speaker after speaker from those opposite got up and claimed that there was no way they could support a regional agreement with Malaysia because Malaysia was not a signatory to the refugee convention. It is a disingenuous and hypocritical play, but we have come to expect nothing less from those opposite. They are not willing to support the Malaysia agreement because Malaysia is not a signatory to the refugee convention, but they are willing to return asylum seekers to Indonesia and Sri Lanka, both countries that have not signed the refugee convention and, in the case of Sri Lankan asylum seekers, do it without assessing their claims at all. As the minister for immigration has stated, Australia has returned and will
return failed asylum seekers to Sri Lanka, but we do not return asylum seekers to their country of origin without fully assessing any claims for protection. Under the convention, Australia cannot return people found to be genuine refugees to a country from which they are fleeing persecution.

I ask the shadow ministers this: what would they do if a boat of asylum seekers came to Australia from Malaysia? Would they return that boat to Malaysia? What country of origin is next to be deemed a source of purely economic refugees by those opposite for whom the refugee convention will be suspended? Afghanistan? Iran? I ask them that.

I will end by saying in the time allotted to me that those opposite are of the extremely misguided view that all Sri Lankan refugees are economic refugees and have no legitimate claim for asylum. By making this blanket claim that they should be returned to Sri Lanka before their claims are checked, the coalition is partaking in a dangerous and extremely concerning approach to asylum seeker policy in this country.

Mrs MOYLAN (Pearce) (19:47): In rising to speak to this motion, first of all I thank the member for Chifley for giving us the opportunity to debate the issue. I do not wish to engage in a debate which is just purely pointscoring. I think that these are serious issues. It is not just about boats; it is about people and people's lives. I think one of the things that the member for Canning has done this evening is point out the complexity in these situations not just with Sri Lankans but with people fleeing from many other places.

I am not sure about the lecture on ethics, because on 9 April 2010 the Labor government, with no warning, declared an immediate freeze on the processing of asylum claims of people from Afghanistan and Sri Lanka on the grounds that developments within those countries meant that they had no basis for asylum claims. That was an arbitrary decision based solely on country of origin which breached our legal and moral obligations to hear the claims of people seeking asylum. People in genuine fear for their lives were left in limbo, indefinitely detained in what I call maximum security prisons because I do not like the phrase 'detention centres'. I think it does not tell the story. Despite the Labor Party's own policy only two years earlier explicitly stating that 'indefinite or otherwise arbitrary detention is not acceptable', that detention should 'only be used as a last resort' and that asylum seekers should be treated 'fairly and reasonably within the law', only when the government finally accepted that persecution continues to threaten lives in countries long after the official end of conflict was the processing reinstated.

Then the government sought to enact the Malaysia solution, which would have seen anyone seeking onshore protection removed, without consideration of their claim, to a country which is not a signatory to the refugee convention. We have seen from this government the spectacle of women and children being shuffled around the country and locked in detention centres. Now the government has decided to implement a no-advantage test, which may see people being held indefinitely pending claims being processed.

We should not forget that these people are fleeing violence and persecution and that it is a significant and unpalatable option for someone to have to leave their home and cross the perilous seas to seek our assistance. Stemming the flow of refugees is best achieved wherever possible by addressing the factors which cause people to flee their home in the first place. Despite the end of the official conflict in Sri Lanka, paramilitaries exist and civilians are still at risk from reprisals from the various factions based on imputed political beliefs or ethnicity.
The Sri Lankan government needs encouragement and assistance to address the internal security situation. Australia should look to countries like India, which has a far greater portion of people fleeing into its areas, to also assist. I know that India has offered Sri Lanka a $1 billion loan to assist in rebuilding after its long internal conflict. That is to be commended. It is also setting up an Indian agency for partnership and development, which will oversee $11 billion of aid being distributed to Sri Lanka, Afghanistan and Bangladesh over the next five to seven years. Australia should work more closely with India to ensure that such development assistance is to some extent tied to improved internal security, which will help stem the flow of refugees. Yet, the government has presided over a consistent downsizing of our foreign affairs. When we should be stepping up our diplomatic engagement we are actually dumbing it down.

In dealing with these policies where life and dignity are at stake a cautious approach must be taken whenever there is a risk of returning people to potential harm. The fact is there are very strict criteria for determining whether a person meets the status of an asylum seeker. Whichever party's policies are in place, that test must be strictly applied to make sure that these matters are dealt with according to our obligations. We should apply that test regardless and we should learn from the mistakes we made with Cambodia where we returned Cambodians because we said the conflict was over because the Hawke government at the time had been involved in the peace process. We need to be very careful when we presume that these people are safe because the conflict is over. We should draw from history and recognise the fact that we could well return people to situations that threaten their lives.

Debate adjourned.

**British Pensions**

Debate resumed on motion by Ms Rishworth:

That this House:

(1) notes the significant impact of the United Kingdom Government’s refusal to index pensions allocated to British expatriates living in Australia under the United Kingdom’s National Insurance Fund;

(2) recognises that:

(a) affected British pensioners have made contributions to this scheme;

(b) British pensions for expatriates continue to be indexed in numerous other countries including the United States of America and within the European Union, but are frozen in mostly former Commonwealth countries, including Australia, Canada, New Zealand and South Africa; and

(c) the United Kingdom Government’s:

(i) current policy discriminates in its treatment of its expatriate pensioners depending on their country of residence; and

(ii) unfair and discriminatory policy has resulted in the erosion of the purchasing power of British pensions for more than 250,000 British pensioners living in Australia;

(3) acknowledges:

(a) that through the Australian pension system, the Australian Government provides more than $100 million each year to recipients of a British pension living in Australia, which helps supplement the shortfall created by the United Kingdom Government’s frozen pension policy; and
(b) the ongoing efforts of the Australian Government in making repeated representations to the United Kingdom Government, calling on it to address the issue of frozen pensions for British expatriates living in Australia;

(4) commends the Minister for Families, Community Services and Indigenous Affairs for her continued efforts in raising the issue with the United Kingdom Government, most recently during her meeting with the United Kingdom Secretary of State for Work and Pensions; and

(5) calls on the United Kingdom Government to treat recipients of a British pension equitably by fairly indexing entitlements regardless of where they choose to retire, so that British pensioners can receive the full benefits they deserve.

Ms RISHWORTH (Kingston) (19:53): This motion on the indexation of British pensions is in essence about fairness. This motion recognises the significant impact of the British government's refusal to index British pensions that have been allocated to British expatriates living in Australia under the United Kingdom's National Insurance Fund. I have raised this issue previously in the parliament. It affects many people in my electorate. I will continue, and I am pleased to see that government ministers have continued, to bring this to the attention of this parliament and indeed the British government.

The 2011 census shows that around 14 per cent of my constituents were born in the United Kingdom. Since I have been elected I have on numerous occasions had residents in my community raise this as an issue. I distributed a survey in 2007 and received an overwhelming response from well over 500 local residents. They said that they believe that the British government continues to fail them in failing to index their pensions and that this is unfair and discriminatory.

As you would know, indexation ensures that the amount received in real terms remains the same over time, accommodating increases in inflation and cost of living. The failure of the British government to index the pension payments of British expatriates living in Australia means that indexation ceases from the point of migration to Australia, so those who migrated to Australia some years—or even decades—ago have been severely affected. As a result of the ever-decreasing buying power of their frozen pensions, some pensioners have not been able to keep up with rises in the cost of living and must rely either on their dwindling savings or on means-tested assistance provided by the Australian government where available.

The UK government's policy has resulted in the erosion of the purchasing power of pensions of more than 250,000 British pensioners living in Australia. I have heard many stories in my local community and in the broader Australian community about the effect this considerable erosion is having on quality of life for affected pensioners. In particular, I refer to Mr Kenneth Ball of Christies Beach in my electorate. He tells me that he receives £42.26 while his wife, Frieda Ball, receives £25.27 pence per week. This is of course exactly the same amount Mr and Mrs Ball received when they first became eligible for the pension in 1995. Mr and Mrs Ball feel they are being treated unfairly, given that they paid into the national pension fund just like every other Briton who is living and working over there. But now, while other pensioners who continue to reside in Britain—and indeed, many countries around the world—have had their entitlements indexed so that in real terms they remain the same, the Balls have been denied this. The impact is most significant of course for those who emigrated some time ago. For example, for residents who emigrated 20 years ago upon retirement, the pension at that time was around £54 a week. That would now have been over £100 per week if it had been properly indexed.
One might ask: why is this unfair? These people have, after all, decided to emigrate to Australia. There are two main reasons why the failure of the British government to index the British pension is unfair and discriminatory. First, it is important to recognise that these British pensioners paid into the National Insurance Fund of the UK, which operates more like a superannuation account than the sort of pension system we are familiar with in this country. It requires compulsory payments from the salaries of workers in exchange for an allocated pension upon retirement. All British pensioners pay into the National Insurance Fund under the same rules. So equity demands that they should be treated the same—that their pensions should now be allocated under the same conditions, regardless of where they choose to live. Instead, the reality for some British expatriates is that they do not receive the full benefits they deserve, despite having contributed throughout their working lives both to this scheme and to the British nation.

Second, the UK government's current policy of not indexing the pensions of British expatriates living in Australia discriminates in its treatment of expatriate pensioners on the basis of the country they reside in. Regular increases in line with inflation and cost of living are made to the pensions of British expatriates living in numerous countries, including the United States of America and the European Union. But pensions are frozen in most former Commonwealth countries, including Australia, Canada, New Zealand and South Africa. This means that British expatriates who choose to retire in Australia are disadvantaged. Their entitlements are less than those of British expatriates who choose to retire somewhere else in the world. They are not, therefore, only at a disadvantage when compared with British pensioners who continue to reside in the UK but also when compared with British pensioners who have decided to retire in a country which is not subject to the frozen pension policy.

Through our own pension system, the Australian government does provide more than $100 million each year to recipients of the UK pension who are living in this country to help supplement the shortfall created by the frozen pension policy of the UK government. This is a significant burden for taxpayers, who would not have to carry it if the British expatriates living in Australia were given the pension they deserve. I know that the Australian government has over recent years repeatedly requested that the UK government reconsider its frozen pension policy, to ensure that there is fairness for British expatriates living in this country and also to bring an end to this situation where Australian taxpayers are forced to meet the shortfall—really created by the United Kingdom government.

I would like to take this opportunity to commend Minister Jenny Macklin, who I know has been a long-standing advocate of this issue. She has raised this matter most recently during her meeting with the UK Secretary of State for Work and Pensions. I would also like to recognise the continuing efforts of Minister Bob Carr, our foreign minister, who has taken up the task of lobbying for pensions for British expatriates living here in Australia to be fully indexed, including by meeting his counterpart in the UK government earlier this year to put what I know he feels is a very strong case for this discriminatory policy to be reconsidered.

This motion does a number of things. It firstly and importantly recognises the problem and the effect that it really does have, which is widespread, as I mentioned: 250,000 people who are affected. It also acknowledges the impact that it has on the Australian government, which does have to pick up the tab when it comes to this issue. Importantly, I think that that needs to be recognised.
It also acknowledges the ongoing efforts of the federal Labor government in making repeated representations and calling for the issue of frozen pensions to be addressed. Indeed, it commends Minister Macklin for her most recent efforts in raising it with the UK Secretary of State for Work and Pensions. We hope that he actually does look at this very seriously. Finally, and importantly, it calls on the United Kingdom government to treat recipients of a UK pension equitably by indexing entitlements fairly, regardless of where they choose to retire.

I hope that this motion will be supported across the House. While I believe that the government has been making very, very good progress in raising this issue, I do believe that we need to provide a united front here. I really do hope that I get the support of the parliament because it would certainly back up the efforts of Minister Carr and Minister Macklin in ensuring that we do get equity and fairness within this.

I know that the British pensioners themselves have not been silent on this. There are a number of organisations around Australia which are really fighting for this justice. I know that they went to a number of international courts to try and get fairness and justice. Unfortunately, they were not able to succeed. But I think it is incumbent on this parliament and incumbent on this government, as well as on other governments in the future, to continue to push this issue until fairness and equality is afforded to British pensioners around this country.

Mr SIMPKINS (Cowan) (20:03): I would like to rise to speak on this motion about the indexation of British pensions, and thank the member for Kingston for raising this important issue. I believe it is the second time that she has put a motion on the Notice Paper about this. As I recall, I also spoke on this matter back in September 2008, but I have raised it again in more recent months in an adjournment debate in this place.

The member for Kingston made mention that the Australian government had been pursuing the British government in recent years with regard to this matter—this injustice. But I was properly informed by the member for Pearce just then that former Howard government minister, Senator Jocelyn Newman, made repeated representations to the British government in pursuit of this matter. And so, I guess that, if anything, what we can say is that this has been a matter where there has been bipartisan support over many years. The trouble is that it has been unsuccessful bipartisan support over many years.

One of the main responsibilities of government is of course to look after those people who have worked in the interests of the nation. However, the British government have had this policy over many years. I believe it was the Attlee government that first had this policy, and successive British governments have followed it, to the benefit of the British taxpayer, obviously. The current British government, like previous British governments, has been unwilling to move on this matter.

When I last spoke on this, which was just two or three months ago, I did the right thing: I called the deputy British high commissioner to tell him that I was going to say some things about the British government and that they were not going to be kind. After I made those comments, I then also asked him if he would pass those on to the British government, and he told me that he would and he did. It is right for us to not only be prepared to go on the record here but also follow it up and make sure our criticism of the policies of, in this case, the British government, reaches them so that they are aware that their former citizens, those
drawing pensions from their country, are represented here and so that the problems and inadequacies of British policy with regard to British pensioners here are highlighted.

Unfortunately, the circumstances of this injustice—the indexation of British pensions—remain the same and continue to have a negative impact on so many former UK residents, including a number from my electorate of Cowan. As is the case with most allocated pensions, the British pension scheme is indexed for increases to the cost of living. This in effect makes sure that, in real terms, the pension retains the same purchasing power over time. This method of indexation is applied to British pensioners who have moved from the United Kingdom to most other countries. The problem is that that is not the case in Australia. In my view and the view of British pensioners in Australia, the British government is refusing to honour what is nothing short of an obligation to those who have made contributions to the National Insurance Fund. Instead, the pension ceases to be indexed from the point at which the pensioner migrates to Australia. The indexation of the British pension is permanently frozen on the date the person leaves the UK for Australia or the date of the granting of the pension, whichever comes first. UK pensioners in Australia are required to rely increasingly on Australian income support because of the UK government's indexation policy, and that means that the value of the UK pension reduces over time and, as has previously been said, it has not in the past been made up by the Australian taxpayer.

I certainly completely disagree with the policy of the UK government and add my voice to calls for the UK government to change that and index the pension—to do the right thing. There are some 555,000 British pensioners worldwide, about half of whom apparently live in Australia and whose British pensions are frozen. Many of these British migrants have contributed to our great country. When travelling through my electorate, I often speak to British migrants are now residing in Cowan and, although they are happy in Australia, I am regularly told about how they are being disadvantaged in the pension payments they receive from the United Kingdom's National Insurance Fund because they migrated to Australia. Britons often leave the UK to join their children, grandchildren or other immediate family members in Australia and by doing so they face a major inequity in their pension payments. Some of these people actually served their country in World War II, putting their lives on the line and suffering the privations of the war years.

In return for their service and their hardship, they were hoping for secure support, and that is not being provided.

As I previously said on this matter, in Australia 190,000 British pensioners who are permanent residents here receive a means-tested Australian age pension to top up their unindexed British pension, at an additional cost of $100 million a year to the taxpayers. But this cost to Australian taxpayers would not be required if the British government applied the same indexation that it has in place for Europe and the United States. The UK government's position on the indexation is not only selective but discriminatory against certain countries such as Australia. As I mentioned, the Australian government is left to subsidise some of those left abandoned by the UK government. However, of the approximately 250,000 British age pensioners in Australia, only 190,000 are citizens or permanent residents and therefore able to access the support of Australia. That still leaves more than 60,000 British citizens who are not Australian citizens but are living in Australia without any assistance or support.
We are constantly reminded that the cost of living is increasing, and with this government's determination to prosecute the carbon tax it is only getting worse. Pensioners are struggling to be able to afford their basic living costs when costs are rising and the pension remains the same. The gap is worsening, and the British pensioners are right in the middle of this. This has been made very clear to me in the past through conversations with Shirley De Andrade and the President of the British Pensions in Australia group, Jim Tilley. From the British pensioners group's autumn 2012 newsletter, one statistic really stands out, and that is the estimate that the UK budget is some 3.1 billion pounds better off in 2012 as a result of so many expatriate pensioners living elsewhere, which the British Pensions in Australia group lists as an offset to the cost of re-indexing their British pensions. It is disturbing that the British Treasury already takes that benefit, resulting in its perception of re-indexation as being a cost to it. So it is both unjust and wrong that the British government is varying the level of support it gives depending on where its pensioners live.

It is clear that the British pensioners are highly motivated on this issue, and each time the cost of living rises the inequity of their situation becomes worse. I remember hearing a story back in 2008 from Mr Beyfus, who served in the Royal Navy and received a small pension for his armed service as well as a 20 per cent disability pension for that same service as a result of a back injury. It is interesting to note that both those pensions are indexed, yet he took the age pension in 1995 and he estimates that the 80 pounds that he got then has not moved since. It is estimated that he would be around 30 pounds better off in indexation were paid. So it is a shame that the UK government is happy for Australia to top up the UK pensions while not trying to advance the issue at all.

In conclusion, I would like to reiterate my view that the British government should acknowledge the contributions that these people have made to their country and index their pensions rather than letting the taxpayers of Australia and other countries pick up the cost for their obstinacy. I also note that this motion is something that has bipartisan support. It is not just a Liberal or Labor position; it is something that we all agree on on behalf of our constituents. So I join with the member for Kingston in calling upon the UK government to redress the injustice that they have created and have continued to ignore for many years. It is time for true indexation to take place, and it is about time the British government got on with fulfilling their obligations.

Ms SAFFIN (Page) (20:13): I speak in strong support of the honourable member for Kingston's motion and commend her not only for bringing this issue before the House by way of the motion before us that we are speaking to but for her ongoing advocacy on this matter—in fact, ever since we both came to this place in 2007. She has spoken on this matter before by way of her previous private member's motion on 15 September 2008. So I thank her for her ongoing advocacy on behalf of all the UK pensioners across Australia.

I have people in my electorate who find themselves in this situation, and they and their family members have made representations to me. It is an almost incomprehensible situation that they find themselves in, particularly when, in other countries that UK people have migrated to on a permanent basis and where they have taken up residence, they get it, but in Australia and a few other Commonwealth countries they do not. So it just does not seem to make sense.
I also commend Australia’s ongoing efforts to get this issue fixed for UK pensioners—but it should be the other way round. The UK should be advocating on this issue. Currently, Australia spends around $110 million a year providing means tested assistance to Britains who have become needy as a result of their frozen pensions. We continually press Britain to rescind the policy. From what I can read, ever since Britain refused to pay it, it has been one of those issues on which Australia has made representations. In recent times, the Minister for Foreign Affairs raised it with his counterpart, the Foreign Secretary. In September of this year, the Minister for Families, Community Services and Indigenous Affairs also raised it with the UK secretary of State for Work and Pensions.

In the House the honourable member for Lyne asked the Prime Minister a question on this. She answered—and I am paraphrasing—that the Australian government considers the United Kingdom’s policy of not indexing pensions in most Commonwealth countries, including Australia, Canada, New Zealand and South Africa, which is where the majority of the expats reside, to be unfair and discriminatory. I think every member in this place, without verbalising people, has said either privately or when speaking to the motion publicly that this practice is really unfair and discriminatory.

Who can forget the case of Mrs Annie Carr reported in the Guardian newspaper on 4 May 2012. The article was titled: ‘The 100-year-old woman whose state pension is frozen at just £6 a week’? It is unconscionable. Thank goodness we have safety nets and systems in place which can cover that.

I would like to put a few things on the record from Pension Justice, which is a campaign being run by the International Consortium of British Pensioners. It is rather sad that they have to resort to having to lobby on this issue, particularly when many of these pensioners have paid into a whole range of things and paid taxes in their country. Pension Justice state:

… 4.4% of pensioners … have their state pensions frozen at the rate first paid when they emigrated to mainly Commonwealth countries or when they have become entitled to a state pension having moved to those countries before retirement age.

… Nearly 5.3% of pensioners … who emigrated to Europe, the USA and over 40 other favoured countries, have their pensions indexed annually, just as if they had stayed in Britain.

Why can’t it happen here? It should just happen here. Further:

The State Pension is paid in accordance with the number of years of mandatory contributions into the National Insurance Fund … made by British workers between the age of 16 and retirement age.

… … …

The National Insurance Fund consists of the balance over and above the cost of paying the State Pension and other benefits. It currently stands at around £40 billion pounds.

I am sure the UK can afford to pay them. *(Time expired)*

Debate adjourned.

**Meals on Wheels**

Debate resumed on the motion by **Mr Coulton**:

That this House:

(1) acknowledges the significant community contribution Meals on Wheels Australia has made to the most vulnerable in our society for nearly 60 years;
values the many Meals on Wheels Australia volunteers that selflessly dedicate their time to ensure that our local communities' most vulnerable members receive warm and nutritious meals;

(3) recognises that Meals on Wheels Australia allows elderly people to maintain their independence and provides them with regular social contact;

(4) acknowledges that nearly one-third of frail patients admitted to hospital are malnourished and that a further 60 per cent are at risk of malnutrition; and

(5) calls on the Government to:

(a) support the Meals on Wheels Australia's initiative to research new ways to improve the nutritional status of elderly Australians; and

(b) recognise that this initiative to improve nutrition has the potential to change the health, happiness and well-being of elderly Australians.

Mr COULTON (Parkes—The Nationals Chief Whip) (20:19): by leave—I move:

That Paragraph 5(a) omit "support" and substitute "consider".

It is a well known fact that there are over 80,000 volunteers and workers at over 750 branches of Meals on Wheels across Australia who every year selflessly dedicate their time and effort to ensure that close to 15 million meals are delivered to our aged residents and people with disabilities. Since its inception 55 years ago, providing meals to only eight people, the service has grown to become one of Australia's most vital volunteer institutions. I might add that the Meals on Wheels was actually started by a lady delivering meals on a tricycle.

What I would like to focus on tonight is the Meals on Wheels Australia's initiative to research new ways to improve the nutritional status of elderly Australians. They had a very good promotion. A very good program that we are seeking funding for. The total cost over three years was $890,000. The Meals on Wheels had secured $464,000 with $426,000 to be funded over three years. On average, $142,000 per year. It already received funding from the Balnaves Foundation and Nestle, and in-kind support from both the universities and Meals on Wheels South Australia. The potential benefits to Australia are massive.

But, unfortunately, the Balnaves funding was subject to federal government funding. Where the Meals on Wheels Association were trying to go is that the statistics that show that 60 per cent of elderly Australians admitted to hospital are either malnourished or at risk of malnutrition. Considering that Meals on Wheels were in that space of delivering 50 million per year, they felt that a nutrition study to clearly identify the nutritional status and needs of elderly Australians would be of great benefit to the Australian people. For the Australian government—that is us—and the taxpayers of Australia to have this organisation filling that gap, largely through voluntary contributions is great. Obviously the government does fund a large part of the meals, but they are delivered on a voluntary basis. It is a huge cost that is removed from the Australian taxpayers.

I think that as our population ages and we clearly are heading to the peak in our population bubble with the baby-boomers reaching that need of high care in the year 2030 and beyond, a clear indication of the nutritional needs of elderly Australians is clearly in order.

I would like to finally acknowledge the great work that Meals on Wheels Australia does; the great work that the 80,000 volunteers do and the need that they have—and I would hope that this House would see its way fit to support them in their endeavours in the future.
Mrs D’ATH (Petrie) (20:24): I rise to echo the sentiments of the member for Parkes and join him in expressing support for the work of Meals on Wheels Australia. Meals on Wheels provide an invaluable service in so many of our communities around the country. In fact, there are over 750 branches operating throughout Australia, delivering meals to around 53,000 people. There is a fantastic level of services, thanks predominately to the dedication and commitment of around 80,000 volunteers. Meals on Wheels is about more than just a meal, as their motto goes. Since its establishment in Australia in 1952, Meals on Wheels has been providing social support and interaction to clients alongside their nutritious, healthy meals. Most of us want to stay in our homes as we age and Meals on Wheels plays an important role in maintaining the independence of our seniors.

Services are provided at low price, usually at cost, and are not means-tested, though many clients are pensioners and on limited budgets. Meals on Wheels can also cater for people with disabilities as well as carers who may not have the skills or the time needed to stay healthy at meal times without assistance. In some cases where volunteer support and finances allow, Meals on Wheels can also provide temporary support to others such as new mums immediately after the birth of a baby or to a partner or spouse following the death of a loved one. The services offered by Meals on Wheels can provide comfort to loved ones secure in the knowledge that someone will be checking in on their mum or dad or grandma at home on a regular basis. We also know that for some Meals on Wheels clients the volunteers dropping off their meals are the only visitors they ever have. In these circumstances a friendly word or a smile from a volunteer can make a world of difference in the lives of the people receiving meals. But the service is not just benefiting its clients. We know the rewards of volunteer work are significant for communities and for individual volunteers. Volunteer work is a great way to be part of and give back to your community, to meet new people and to keep active in unemployment or retirement.

I am proud to say that, according to the 2011 census data, almost 18,000 people in the Petrie electorate are doing or have done volunteer work at an organisation or community group such as Meals on Wheels. That is an amazing number and I pay tribute to every single one of those volunteers. Thank you for your contribution to our community. Meals on Wheels relies almost solely on the support of volunteers and as a result the community spirit instilled into the service and by it is heart-warming. Meals on Wheels gives volunteers the opportunity to make new friends and learn new skills, all the while helping those in need within our community.

On 28 August this year I was pleased to attend the Redcliffe Meals on Wheels annual general meeting. Incidentally, the AGM was held the day before national Meals on Wheels Day, celebrated annually on the last Wednesday in August. I would like to acknowledge the work of this branch, which has been servicing the Redcliffe Peninsula since 1967. I congratulate the new executive, many of whom are long-serving volunteers with the organisation. During its existence Redcliffe Meals on Wheels has delivered over 2½ million meals to local residents. Within my electorate we are fortunate to be serviced by a total of five Meals on Wheels branches. As well as Redcliffe, I acknowledge the work of Sandgate, Deception Bay, Burpengary and Geebung. The number of clients these services alone deliver meals to provides some perspective on the value they bring to our community and how many seniors and families rely on them. Deception Bay delivers around 30 meals a day, Burpengary...
delivers between 250 and 300 meals per week and Sandgate delivers over 1,300 meals weekly. Last financial year the Geebung service delivered over 40,000 meals and this financial year Redcliffe is funded to deliver close to 70,000 meals to locals.

I take this opportunity behalf of my community to congratulate our local services on the great work they do and sincerely thank the volunteers who give up their time for the benefit and well-being of some of our most vulnerable residents. Meals on Wheels is always looking for new volunteers and with Christmas approaching they need all the help they can get, so I urge people considering volunteer work to contact their local Meals on Wheels services and get involved.

In recognition of the value and importance of the Meals on Wheels service, the federal government provides financial support through the Home and Community Care program. This financial year our government is providing $24 million for delivered meal services through HACC. I am pleased to see that over $6 million of that funding is committed in Queensland to support the delivery of more than two million meals statewide. Furthermore, as the member for Parkes may be aware, on 31 July this year the Commonwealth HACC resource unit partnered with Queensland Meals on Wheels to co-host a workshop 'Making the most of nutrition in Meals on Wheels'. The one-day workshop put together Meals on Wheels services, HACC service providers, dieticians, allied health and other health professionals, working with Meals on Wheels services and frail aged clients. Events like this workshop provides an important opportunity for stakeholders to raise issues such as nutrition with frail aged clients. 

(Time expired)

The DEPUTY SPEAKER (Ms Grierson): Is the amendment seconded?

Mr ENTSCH (Leichhardt—Chief Opposition Whip) (20:29): I welcome the opportunity to second the amendment to the motion moved by my friend and colleague the member for Parkes. Meals on Wheels is a cause that is very close to my heart. There is no disputing the fact that this organisation has played an absolutely vital role in our community for more than 60 years. I commend Meals on Wheels Australia for not resting on their laurels but continually looking at ways that they can do things even better. Their initiative to research new ways to improve the nutritional status of elderly Australians should not and cannot be sidelined. I was very disappointed to hear that there has been a distinct lack of support by federal, state and territory governments on the proposed nutrition project. This is despite the Balnaves Foundation in New South Wales agreeing to fund $200,000 of the project's costs. Unfortunately, while waiting for any indication of support from the federal and state governments, that funding commitment has now expired. I have to say: what an absolute waste. This is typical of a government that is determined to splurge billions of dollars it does not have on projects with little or no relevance to the average person but yet cannot support an absolutely vital project such as this.

In my electorate of Leichhardt, the Cairns, Marlin Coast and Port Douglas-Mossman branches of Meals on Wheels together produce more than 1,100 meals per week. Over the year, that is more than 57,000 regular meals. Chris Schreyer, volunteer coordinator at the Cairns branch, told me that Meals on Wheels plays a huge role. Of course we know this. She said that for some people it is just a social visit, while for many others it is the only reason that they can stay in their own homes. Rosemary Klein, from the Marlin Coast branch, said that the service is certainly vital to many people in the region who are 'getting on' a little in
years and know they can no longer cook for themselves but do not want—or, in many cases, cannot afford—to move into a retirement home or an aged-care facility. They are really keen on staying in their own homes. Rosemary told me:

The social support element of our service cannot be underestimated. If people have surgery and go into the hospital, our service is vital in order for them to be released into their homes earlier, so they can recover in their own environment.

Unfortunately, when older people are on their own, the incentive and ability to cook their own meals is one of the first areas that appears to suffer. This is why nearly one-third of frail patients admitted to hospital are malnourished and a further 60 per cent are at risk of malnutrition.

I myself have done volunteer work over a number of years with Cairns Meals on Wheels. Recently I volunteered with Douglas Shire Meals on Wheels and saw firsthand just how these clients appreciated knowing that someone is keeping an eye on them while their families and friends are often away. In my electorate it is no secret that older people, whether self-funded retirees or pensioners, are struggling to make ends meet. Cost of living pressures are a real issue, not only in my electorate but right across Australia. In my area for example, home insurance is going through the roof and food and electricity bills are starting to skyrocket. To get a very generously portioned meal at a subsidised price goes a long way towards helping reduce their financial stress.

I would also like to acknowledge the vital role that Meals on Wheels volunteers play in our communities, as without them the service would not be viable or possible. Day in, day out, these volunteers are up at the crack of dawn, preparing, cooking and packaging filling meals that are delivered to the clients in their homes. There are all sorts of onerous requirements now on many of these volunteers. They often say to me, ‘We come here to help serve meals, not to fill out applications for police checks and a whole range of other things.’ These are people who pay for their own fuel and give willingly of their time. We need to support them and make it easier for them to continue to volunteer.

In closing, I strongly urge the government today to support Meals on Wheels Australia’s nutrition project. Good nutrition is a vital ingredient for a healthy body, a happy mindset and an active lifestyle, so I call on this government to commit to providing some meaningful assistance to the most vulnerable sectors within our community.

Ms Saffin (Page) (20:34): I too want to speak in support of Meals on Wheels, and I thank the honourable member for Parkes for bringing this motion before the House. My seat of Page has seven branches of Meals of Wheels: Lismore, Ballina, Casino, Kyogle District Care Connections, Meals on Wheels Iluka Association Incorporated, Maclean Lower Clarence Meals on Wheels and Grafton Meals on Wheels. The dedicated Meals on Wheels committees lead about 1,200 hardworking volunteers across Page. As I have said in this House before, I suppose that makes it two battalions of people. They cook and deliver an average of 600 meals a week and they operate on Meals on Wheels New South Wales values of compassion, care, respect, teamwork and integrity.

One of what I call my Page priorities was to help the Meals on Wheels Iluka Association Incorporated secure a new meals kitchen. I am pleased to say I opened that kitchen in August last year. I was able to help them with a good grant so they were able to build that kitchen. The modern kitchen is named after two local Meals on Wheels stayers: Mrs Ida Johnson, in
her early 90s, who had a stroke earlier this year and now lives in aged care in nearby Maclean, and Mrs Dorian Cupitt, in her early 80s, of Iluka. So it is called Ida and Doreen’s Kitchen, and it is a great kitchen. Doreen is a foundation member of Iluka Meals on Wheels from when the organisation was first established in 1979 and she is a former treasurer. Ida volunteered with Meals on Wheels for 44 years in Iluka, where she was Meals on Wheels committee president and, before that, in the Central Coast. Her daughter, Marion Kurz, is the current treasurer and managed the kitchen project, so it is quite a family affair and a very local affair.

I would like to pay tribute to the Meals on Wheels committee president Kingsley Cornwall, vice president Colin Kempshall, secretary Kaye Becker, Marion Kurz, Olive Pavey and Aileen Cameron for sticking with their six-year mission to secure a new kitchen. They did not only lobby; they got out and did a lot of hard work and raised funds as well. Iluka Meals on Wheels coordinator Eleanor Moor, relief coordinator Desiree Auer, new cook Natalie Cook and 70 volunteers love their spacious kitchen. They use fresh ingredients and cook hot lunchtime meals for more than 30 elderly residents in Iluka and Woombah.

I would like to praise the Iluka community, including the Iluka Bowls Club, Iluka Golf Club and Sedgers Reef Hotel, for raising a total of $77,000 from raffles, donations, a garage sale and a cent auction sale. A lot of hard work went into raising that $77,000. This was a mammoth effort from a small but strong community and testament to what can be done with a will.

It is the same will that I was able to bring to bear to advocate to get the crucial funding—the extra $240,000—that came by way of a FaHCSIA grant to enable the kitchen to be built. Because the community demonstrated the need, did the hard yards and also raised funds, that always makes the job of lobbying easier. Again, it was not easy, but like the community effort, it was one worth doing and persisting with, and I did, and it paid off with this great community asset.

I also thank Iluka builder Tony Smith and his local subcontractors and Geoff Wotherspoon, of Wotherspoons in Lismore, for going the extra mile in constructing and fitting out the meals kitchen. It is built on land gifted by the New South Wales Department of Lands, so I thank them, and under Clarence Valley Council’s caretakership, so I thank them as well. The total cost of the project was just shy of $400,000, with other contributions coming from Iluka Meals on Wheels, $45,000; New South Wales Ageing, Disability and Home Care, $33,000; and the Department of Veterans’ Affairs, $4,500. It really was a wonderful effort and it is great to see that kitchen up and operating, serving wonderful, tasty, nutritious meals.

Debate adjourned.

Breast Cancer Awareness Month

Debate resumed on the motion by Ms Hall:

That this House:

(1) notes that:

(a) October is Breast Cancer Awareness Month, and that Monday 22 October 2012 is Pink Ribbon Day;

(b) breast cancer is the most common cancer in Australian women (excluding melanoma) and the second leading cause of cancer-related death in Australia; and
Ms HALL (Shortland—Government Whip) (20:39): Breast cancer is the most commonly diagnosed cancer among women in Australia. One in eight women will develop breast cancer in their lifetime. Currently 36 women in Australia are diagnosed with breast cancer every day. In 2012, 14,610 women are predicted to be diagnosed with breast cancer. By 2020, 17,210 women are predicted to be diagnosed with breast cancer every year in Australia. This is an average of more than 47 women a day. Increasing age is one of the strongest risk factors for developing breast cancer. More than two in three cases of breast cancers occur in women aged between 40 and 69 years. On average, seven women die from breast cancer every day in Australia.

Finding breast cancer early increases the chance of surviving the disease. Improvements in survival are attributed to early detection of breast cancer through regular mammograms and improved treatment outcomes for breast cancer. Australian women diagnosed with breast cancers have an 89 per cent chance of surviving five years after diagnosis.

Last Tuesday I held a breast cancer morning tea at the Windale-Gateshead Bowling Club. On that morning we raised over $400, and we had pretty close to 100 women in attendance. We had fantastic speakers. We had Judy Jobling, who is a PhD student. She talked about her research into breast density. Julie Wilson, who is an assistant designated radiographer, spoke about myth busting and the screening process. Jeanette Johnston, who is a breast cancer survivor, bravely shared her experience with us there on the morning. She was not the only survivor present. There were a number of women who had had breast cancer. I think the most poignant story shared with me was from a woman who had been diagnosed three weeks earlier. She was waiting to have surgery. She is going to have surgery on 21 November because she has heart complications and a number of other issues. I think she was very brave to attend the morning tea, and I also believe that she learnt a lot there and felt the support of all those present.

In addition, we had the Hunter Breast Cancer Foundation. It is a not-for-profit organisation. The women from that organisation came along in great numbers to provide support for the breast cancer morning tea. The primary role of the foundation is to offer newly diagnosed women support during their treatment. It was really wonderful to be able to connect the lady who had recently been diagnosed with breast cancer, who was about to undergo surgery and go through that long treatment regime, with the Hunter Breast Cancer Foundation. They were very supportive.

Hunter BreastScreen is a fantastic organisation. I regularly have my breast-screening mammogram, and two years ago I had a recall. When I had the recall I just thought that I had moved during the mammogram or that there was a mistake or something like that, so I ducked back. When I arrived, I was taken into a little anteroom, and there was a breast counsellor nurse who spoke to me, reassured me and went through the whole process. I had a support person appointed for the day, and then I went into a room and there were about 10 other women in the room. I then went through a process of having a second mammogram and an ultrasound. I was lucky because I had no problems at all, and in fact 90 per cent of women who are recalled for a breast screening are found to have no problem whatsoever with their breasts.
Hunter BreastScreen is a wonderful service. I encourage all women to make sure that they have regular mammograms, because 90 per cent of people, when they are recalled, do not have a problem. But, if you do not have the screening, you do not know whether you have a problem. *(Time expired)*

Mr TEHAN *(Wannon)* *(20:45)*: I commend the member for Shortland not only on this motion but also on the speech she has just given and, especially, on her courage in being able to deal with her experiences. I think that I can safely say that all members of this House will support the motion. We all need to talk about breast cancer. One day it could impact any of us, and that is why we need to ensure that the dialogue continues around doing all that we can to overcome this insidious disease. Glenn McGrath showed, by his tireless work along with his wife Jane, that fighting breast cancer requires ongoing work and ongoing funding, and it is very timely that this motion has been brought forward by the member for Shortland.

Only a couple of weeks ago I committed along with five friends to do our little bit to raise awareness about and funds for breast cancer. This commitment came about because a fellow by the name of Pete Delany decided that something needed to be done to try to help—and, rather than talk about it, he decided to do something. So David 'Speed' Robertson, Hamish Officer, Bernie Grant, Nick Finnegan and me have set up a group called Doing the Breast We Can! We are going to contribute to increasing awareness of and raising funds for breast cancer. We will do this by running from Mount Sturgeon to the Star. It is quite a distance to run—from Dunkeld to Port Fairy. It is over 100 kilometres, and the reason we are doing it is that we want to raise not only awareness about breast cancer but also money for the McGrath Foundation. The wife of Hamish Officer has been battling breast cancer. I noted that this year the theme of Breast Cancer Awareness Month is 'strength within', and the way that she has dealt with breast cancer is epitomised by the theme for this month—'strength within' sums up her battle and how she has coped with it. Pete Delany lost his grandmother to breast cancer, and Pete Delany's wife Anna also lost her mother to breast cancer. So, among the six of us, the impact of breast cancer has been felt directly.

I call on all those in my electorate of Wannon and elsewhere to help support us in this venture; it would be greatly appreciated. We need to make sure that we continue to do ongoing work. As the member for Shortland mentioned, when you look at the statistics around this disease you see that they are quite staggering. Thirty-six women a day are diagnosed with breast cancer, and, sadly, seven Australian women lose their lives to breast cancer each day. These are staggering statistics, and we need to address them and make sure that we do all we can to lower the toll which this deadly disease takes from the Australian community.

I will just conclude by saying congratulations again to the member for Shortland for putting this motion forward. I congratulate her for the honesty of her speech. I, along with all members of the House, stand ready to support her on this motion. *(Time expired)*

Ms VAMVAKINOU *(Calwell)* *(20:50)*: I too want to congratulate the member for Shortland for giving the House an opportunity to acknowledge that 22 October is Pink Ribbon Day. On this day each year we all pause to note that the rate of breast cancer amongst women continues to increase and the disease still remains the second leading cause of cancer related deaths in Australia. In noting this fact, we also pause to remember those women, whether they be family, close friends or even those unknown to us, who have lost their lives to breast cancer.
cancer. We pause to remember the lives they lived. We stand in solidarity with their friends and loved ones, but we also pause to give moral support to those women who are currently dealing with breast cancer.

We also acknowledge those women who have survived breast cancer, because despite the increase in breast cancer diagnosis the good news is that so too is there a significant increase in the survival rate of women with breast cancer. To this we owe a great debt to the gifted minds who make up the medical and scientific research community who persevere with amazing dedication in their pursuit of the ultimate breakthrough, and that is of course a cure for cancer related disease and, in this instance, a cure for breast cancer. We acknowledge that Australian doctors and scientists have been at the forefront of medical breakthroughs such as vaccines and other medications, but they have also been at the forefront of preventative measures and screening procedures that are critical to the overall survival rates of people who contract cancer generally and breast cancer specifically.

So 22 October is the standard-bearer of the entire month of October, which is dedicated to breast cancer awareness on an international scale. I have spoken many times in this House about breast cancer and in the course of my parliamentary career I have always focused on playing my role in the critical area of awareness and prevention. In particular I have concentrated on addressing barriers to awareness, which is critical to screening and early detection. I am all too aware of language and cultural barriers that can and do prevent women from taking the necessary steps to protect themselves through the early diagnosis of breast cancer, because one thing is for certain: with this particular condition, early detection is paramount to long-term survival. So access and equity is a fundamental principle that does and should continue to underlie policy and service in this area.

Last year I spoke about a campaign called Women Die Waiting. It is a campaign run by Anglicord Australia and it draws attention to the plight of women who by virtue of living in the Gaza Strip cannot access life-saving treatments or potentially life-saving screening because of the restrictions placed on their freedoms by the Israeli Defence Force. This year I am pleased to bring to the attention of the House another campaign, initiated by Medipalestine, called 'give her back confidence'. It was launched during October as part of an ongoing effort to help women in Palestine struggling with breast cancer diagnosis. Medipalestine is a Swiss not-for-profit association working in Palestine. Funding for the association comes from membership, contributions and donations and its job essentially is to ensure that Palestinian women, regardless of religion, political orientation, nationality or class, have access to high-quality medical care.

One of Medipalestine's projects is the establishment of Dunya, which is a women's cancer clinic in Ramallah. In Palestine breast cancer patients are often left in a huge vacuum. Not only do they have to contend with the initial shock of the diagnosis, but all too often they are left feeling helpless. In cases where a mastectomy is required, women experience all sorts of feelings of inferiority and desperation that are, of course, familiar to all women. For women, a breast is more than just a body part. It is a symbol of her femininity, her sexuality and of course motherhood. So dealing with the results of breast cancer is hard enough without the additional burden of living in the West Bank.
The availability of breast prostheses can alleviate some of this burden and restore confidence to women. The problem is that breast prostheses are very expensive and not affordable to Palestinian women. So Medipalestine is running this campaign in order to raise funds by encouraging people to donate a breast enhancement or a prosthesis. It is expected that throughout the month of October significant donations will be made so as to purchase enough breast prostheses to assist women with breast cancer in Palestine. I want to draw the attention of the House to this particular program and commend it to the House.

Mr McCormack (Riverina) (20:55): October marks Breast Cancer Awareness Month and Monday, 22 October was Pink Ribbon Day. Breast Cancer Awareness Month originated in America in the 1980s and has grown to be the internationally recognised month for cancer awareness. The month and Pink Ribbon Day are a time to highlight the ongoing research into breast cancer which is helping to better understand the disease and provide improvements in its detection and treatment, patient care and health outcomes for people diagnosed with breast cancer.

Breast cancer is a malignant tumour that originates in the cells of the breast. The cancer develops when the cells grow abnormally and multiply. It is the most commonly diagnosed cancer among women in Australia, with one in eight women developing breast cancer in their lifetime. This year, it is predicted 14,610 women will be diagnosed with breast cancer in Australia and, by 2020, this number will leap to 17,210. This will mean an average of 47 women being diagnosed every day. Currently, 38 women are diagnosed with breast cancer each day and, sadly, seven women will die from the disease. Early detection is the best protection against breast cancer and, the earlier the cancer is found, the more significant the increase in a woman's survival rate.

BreastScreen Australia is the national mammography screening program which advises women aged between 50 and 69 to be screened every two years. BreastScreen Australia operates in more than 500 locations throughout Australia, with fixed, relocatable and mobile screening units. National screening began in 1991, and the program has seen a significant increase in the number of women being screened. A total of 1,641,316 women were screened in 2007-08 across the nation; 78 per cent of those women were in the target age bracket of 50 to 69 years. BreastScreen Australia aims to screen 70 per cent of the target age bracket each year.

My electorate of Riverina is also fortunate to have two McGrath Foundation Breast Care Nurses working in the area. Sandra Royal is based at Griffith and has helped 109 women since her commencement in November 2009. Sue Munro, who is based in Wagga Wagga and started with the McGrath Foundation in April 2009, has helped 704 families. The services Sue and Sandra provide to breast cancer patients, as well as to their families and carers, are much needed and, I know, are appreciated by those they assist within the community. There are currently 77 McGrath Foundation Breast Care Nurses throughout Australia, providing this service free of charge, with 85 per cent of nurses located in rural and regional areas. I thank the McGrath Foundation for its outstanding work in assisting breast cancer patients in Australia.

In the Riverina, in addition to the two breast care nurses, there is the Riverina Cancer Care Centre, also run on donations and privately sourced money. The centre provides treatment to
Dr David Littlejohn, a leading Australian breast and oncoplastic surgeon based in Wagga Wagga, has expressed his thanks to the support offered by the McGrath Foundation Breast Care Nurses and the Riverina Cancer Care Centre but points out that this is all private money and there is a total lack of recognition by government of the need to provide resources to regional areas for breast cancer surgery. Dr Littlejohn also spoke about the serious lack of funding for breast cancer patients, stating: 'There is a only basic surgery available at the Wagga Wagga Base Hospital and there is insufficient funding for research'. This is not a criticism from me of any side of politics—indeed, we all can and should do more. Dr Littlejohn was proud to say that, despite Wagga Wagga receiving nowhere near the same resources as teaching hospitals in Sydney and Melbourne, the surgeons and medical professionals in his region are achieving the same results. However, they would like to see more recognition of services to help to advance the treatment of breast cancer. As a leading breast cancer surgeon Dr Littlejohn believes neither patients nor physicians should be limited in treatment, research and medical funding for breast cancer because they do not live in Sydney or Melbourne.

Breast cancer is openly spoken about today, and we have seen significant medical advances in the treatment available to patients. However, women must be vigilant about self-examination and take advantage of programs such as BreastScreen Australia to help ensure early detection as the best protection. My mother, Eileen, detected soreness in a breast in August 2009, and the subsequent mammogram found a lump. Radiotherapy followed and Mum is now in remission but has been summoned by her doctor for a visit tomorrow morning. Her sister Ellen, Sister Mary Denise of the Sisters of Mercy, died of breast cancer in her early forties in 1977. Mum was to have had the medical appointment today but deferred it to attend the funeral of Sue Cohalan, aged just 51, who died last Wednesday having suffered the effects of breast cancer. Sue was a loving mother, wife and friend to many. Breast cancer does not discriminate. It is an insidious disease. I commend the member for Shortland for this motion to raise awareness about it.

The DEPUTY SPEAKER (Hon. BC Scott): Order! The time allocated for the private members’ business debate has expired. The debate is interrupted and the resumption of the debate will be made an order of the day for the next sitting.

GRIEVANCE DEBATE

Debate resumed.

The DEPUTY SPEAKER: The question is:

That grievances be noted.

Border Protection

Mr SECKER (Barker—Opposition Whip) (21:00): Mr Deputy Speaker, I take this opportunity to officially congratulate you on your honoured position in a very unusual situation and I think we are all very thankful that you have been able to take the official Deputy Speaker's position. As I said, it is my first opportunity to speak in the chamber since then and congratulate you.
I rise tonight to express my deep disappointment at the border protection mess—and it can only be described as a mess that Julia Gillard's Labor government has created for this country. The boats keep coming and coming and coming and the government is struggling to keep up, all because Julia Gillard, the Prime Minister, and her cabinet and her Labor Party members are too stubborn to admit that Labor got it wrong. The latest Customs annual report reveals that they are struggling to crew boats and planes and that they have actually had to divert patrols off the Southern Ocean to send them to northern waters. This would not happen if we actually had a border protection system that worked.

In 2010-11 the average boat contained 53 passengers. Now it is up to 73 and each illegal boat costs Australians an average of $12.8 million given all the processing and bringing them in, so it is a lot of money for each boat. What have we had this month? In October we have already seen a record for the number of boats to illegally enter Australia in a month—the third such record in three successive months. With arrivals this financial year running at an average of 2,000 people a month, it is no wonder that there has been a $1.2 billion budget blow-out for this year alone and we are only a few months into it. So $1.2 billion is the price of Labor's vanity on this issue. It is the price of Labor's lack of resolve.

John Howard found a solution; he found a problem and created a solution. Kevin Rudd and Julia Gillard found a solution and created a problem and, as the boats keep coming and coming and coming, billions of dollars will continue to be wasted for no good reason. We know that John Howard's policies have worked before and we know that they will work again. There is no point in being half-hearted about this issue. An effective border protection policy requires a full suite of effective measures to stop the boats. This includes the reintroduction of temporary protection visas and turning the boats around where it is safe to do so. The problem is that the Labor government and the Prime Minister just do not get it, and she is too proud to admit that she got it wrong. Instead of swallowing her pride and admitting that she got it wrong, the Prime Minister has resorted to the politics of smear and distraction. The only problem with this strategy is that there is no substance to back it up and the public knows that Julia Gillard simply cannot be trusted when it comes to telling the truth on this point. Remember that Julia Gillard promised to stop the boats and she has not. She promised to fix the mining tax and it has not raised a cent. And, of course, she said that 'there would be no carbon tax under the government I lead'.

The Australian people simply cannot trust the Gillard Labor government and—guess what?—Kevin Rudd could not trust Julia Gillard either. Two years ago when the faceless man took the prime ministership off Kevin Rudd, Julia Gillard said Labor had lost its way. Two years on, as Labor continues to fight its history wars, this government is still lost. The boats still keep coming, the budget is in worse shape, the debt keeps rising and the carbon tax keeps damaging the economy.

Guess what? The faceless men are at it again—just ask Penny Wong. The faceless men giveth and the faceless men taketh away. Julia Gillard absolutely depends on them to remain Prime Minister. That is why she will not take them on. This is a weak Prime Minister and a weak government. It is a government that has sold its soul to the Greens and is held captive by the faceless man.

The only way to fix the problem is to get rid of this government. The Labor Party needs a stint in opposition and, hopefully, a very long one. Australia cannot afford to have
government that is at war with itself, because every day Labor spends obsessing about itself is another day that it is not focused on the real concerns of the Australian people.

The coalition have a better way. The coalition under the leadership of Tony Abbott will provide hope, reward and opportunity. We know that Australians want a government that will abolish the carbon tax. We know that Australians want a government that can stop the boats. We know that Australians want a government that keeps its word, lives within its means and helps Australia get ahead. That is what will happen should Tony Abbott become Australia's Prime Minister at the next election.

Very recently we have had this so-called misogyny debate. We know that Tony Abbott is not a misogynist. He does not hate women. He has three daughters. He has a loving wife. I have met his loving mother. He does not hate women. But this is the Labor way. They have tried to distract from their own inadequacies through this so-called misogyny debate. We all know it has been led by John McTernan, who is infamous for what he did during the Tony Blair years in the UK.

But we also know that this government is addicted to debt. That is the Labor Party history. If we look back at what happened in the first 90 years of this Federation, from 1901 to 1991, in that time we actually had to fund two world wars and a few other skirmishes in Malaysia, Korea and Vietnam—and those sorts of wars are very expensive to run and fund. We also know that we had to build a new capital city and all the bureaucracies that came with it. We had to fund the universities at a higher rate than had ever happened before, and we thank Robert Menzies for that. In those 90 years, this country accumulated $16 billion worth of debt. It was just $16 billion worth of debt in those 90 years. But for the next five years, the Hawke-Keating government actually increased that 90 years worth of debt by the same amount each year for the next five years. So we went from $16 billion in 1991 to $96 billion in 1996. So what took us 90 years to achieve, the Hawke-Keating government increased the debt by that amount every year for the next five years.

Of course, then we were elected. We had to take the hard decisions when we were elected to government in 1996, just as Campbell Newman has got to take the tough decisions in Queensland and just as New South Wales have had to take the tough decisions. We will have to do it again because not only have we passed the $96 billion that Labor left us when we took government; we have actually gone to $167 billion, and our debt is going up by about $100 million every day.

I know a lot of people get confused and do not really understand the difference between a million and a billion. We all know it has three extra noughts, but, as I like to say to people, the difference between a million and a billion can be shown by this equation: a million seconds is 12 days but a billion seconds is 34 years. That is the difference. So a billion dollars is certainly worth a lot more than a million dollars.

But this government do not seem to understand the difference. They continue to run up debt and they continue to hold out to us this idea that somehow they are going to deliver a surplus. They have not delivered a surplus in 25 years—for the last 25 years no Labor government has delivered a surplus. I have my doubts that they will do it this time around.
National Broadband Network

Mr SYMON (Deakin) (21:10): In September this year I travelled to New Zealand under the auspices of the 2012 New Zealand Committee Exchange Program as part of a delegation from the Joint Committee on the National Broadband Network. As a member of the JCNBN, I was particularly interested in comparing the differences in approach to the rolling out of broadband using fibre optic services in each country. Over the course of 3 days I met with organisations involved in the fibre rollout which, in New Zealand, is called the Ultra-Fast Broadband, or UFB. This included visiting several sites to inspect both old and new facilities firsthand.

The first meeting I attended was with Mr Joe Gallagher from the Engineering, Printing and Manufacturing Union in Auckland and was specifically to talk about labour requirements for the UFB. He told us that chronic labour shortages in the telecommunications industry in New Zealand were widespread. In particular, he referred to the great need for people to operate underground horizontal drilling machines. Rather than find or train those people in New Zealand, 150 operators have been imported from the Philippines.

Whilst some companies in the rollout are training workers, others are not. That leads to the appalling situation of imported workers taking local jobs—because the skills have not been taught. This is a situation not unfamiliar to Australia. In many industries, companies over the last 25 to 30 years have reduced the number of apprentices in training, so we no longer have sufficient skilled labour around to meet our needs. It is, obviously, a problem not unique to Australia; it is much wider than that.

The UFB rollout will create 2,000 to 3,000 jobs across New Zealand between now and 2019. That leaves plenty of time for the companies involved in the rollout to train people and then keep on, for many years to come, the skilled workers they have produced. Again, that can equally apply to Australia. The other problem confronting New Zealand is that workers are poorly paid in comparison to their Australian counterparts. Many workers with skills in demand choose to work in Australia for much greater reward.

Later the same morning, I had a meeting with Graham Mitchell, the CEO, and Rohan McMahon, the strategy director, of Crown Fibre Holdings. Crown Fibre Holdings is the government owned company set up to ensure the implementation of the NZ government's UFB Policy and to manage the contracts for its rollout. From a starting date in 2011, there have been 76,311 premises passed with 1,200 customer connections as at July 2012. Retail service providers have only just started to offer fibre products and there are now 56 different retail service providers in the market. The aim in New Zealand is that, when complete in 2019, the Ultra-Fast Broadband will have passed 1.3 million premises.

That same day I also met with North Power's Graham Dawson, their general manager of network, and Avril Pereria, their business development manager. We met at the company's office in Manakau, a suburb of Auckland, to discuss the UFB overhead rollout in Whangerei, a regional city north of Auckland. North Power has the advantage in Whangerei of being the owner of the electricity network in that city. It therefore does not have to seek access permission to use existing infrastructure. The use of shared infrastructure between power and fibre has speeded up their rollout considerably, with around 3,800 kilometres of overhead and 680 kilometres of underground electricity network already in place that fibre-optic cables can easily be added to.
On 26 September in Wellington I attended a meeting with the Hon. Amy Adams, the National Party Minister for Communication and IT of New Zealand. A part of the discussion covered the uptake of the ultrafast broadband which the government in New Zealand expects to be 35-40 per cent by 2019. Unlike Australia, there is no compulsion to change from copper to fibre once the local rollout has been completed. The problem that I see with this model is the overbuild of the network that results in both fibre and copper services having to be maintained for years if not decades to come and therefore the ongoing maintenance of an ageing copper network that will have declining use over time as more people switch over to fibre. The New Zealand government have set a priority for the rollout of the ultrafast broadband to schools, health, businesses and government.

Later on the same day at a meeting with the Hon. David Cunliffe, the NZ Labour economic development and associate finance spokesperson, I was taken through the recent history of telecommunications reforms from 1990 up until the present, including the program of cabinetisation that was undertaken by Telecom NZ. The cabinetisation program is now complete. However, as a fibre to the node system it has relevance to the situation in Australia as the opposition here has often claimed the superiority of this delivery system over fibre.

As a part of the delegation's program we also undertook a site visit to a FTTN cabinet in the Wellington suburb of Churton Park. Although New Zealand has undertaken structural separation in its telecommunications, there is no functional separation and both Telecom and Chorus, the company that has been set up, are subject to a 10-year regulatory holiday. At the site visit I heard from Gerard Linstrom, industry and communications manager for Chorus, the NZ company with responsibility for rolling out the ultrafast broadband in 24 out of the 33 areas that cover New Zealand. The fibre to the node cabinet I inspected had 260 users connected for ADSL and telephone services. But there was a bit of a mismatch because those households fortunate enough to live next door to the cabinet had services up to 70Mb/s, whilst those living further away, up to 1.5 kilometres, had a guaranteed minimum 10Mb/s service but not necessarily higher. The fibre to the node cabinets, with mains power, battery backup, air-conditioning, noise proofing and remote alarms, are a substantial piece of streetside infrastructure. Just down the same street, however, only 50 metres away, I viewed a brand-new fibre to the premises cabinet that was around a quarter of the size with capacity for many more connections. No power, air-conditioning or noise proofing was needed as there are no moving or powered parts inside this cabinet. Installed into the cabinet I saw the micro-ducting that has been installed to take fibre from the cabinet to the street's residential premises. Fibre-optic conductors can be blown through the micro ducting for up to two kilometres at a later date, alleviating the need to pull through draw wires at the time of installation.

Although I was very impressed by this system, the down side was the duplication with the fibre to the node architecture that meant the street will be serviced by both fibre and copper for many years to come. The lack of compulsion to change from copper to fibre has seen low take-up rates in areas passed so far along with the initial delay in the rollout and the slow entry of retail service providers.

The following day I attended a meeting with Nick Manning, Chorus government relations manager, and others at their office on Jervois Quay in Wellington. Whilst there, I heard of the problems in accessing multiunit apartments and of gaining rights of way through properties that were impeding the rollout. Although access for power, gas and water are not treated the
same in New Zealand, it is definitely an area that is dealt with much better with the NBN rollout in Australia. I also heard from Chorus as to how the shortage of horizontal drilling equipment, drill operators and jointers was impacting on the pace of the rollout. Chorus are currently using 45 per cent of existing ducting for street access and are aiming to increase this, although this is limited in some cases where conduits and ducts are already occupied by copper cabling that cannot be removed due to government regulation. Unlike Australia, where the NBN is installing network terminations into buildings passed by fibre, the New Zealand rollout is installing the fibre ducting to the front boundary of premises for connection at a later date when the household takes up a fibre service.

After meeting with Chorus, I was briefed by the New Zealand Ministry of Business, Innovation and Employment, who are tasked with the oversight of the UFB build progress through the publication of quarterly targets. The expectation of a slow uptake by the ministry is shown by the expectation of a 38 per cent residential take-up by 2019. However, their figure is much higher than the 20 per cent take-up by 2020 quoted by Chorus. To me, this slow take-up rate is mainly due the duplication of infrastructure that has occurred with the rollout of fibre and the retention of copper.

The ultra-fast broadband rollout in New Zealand has some parallels with the NBN rollout in Australia. Both programs have the aim of delivering high-speed fibre-optic broadband services to the vast majority of their respective populations as soon as possible, which is to be commended. However— (Time expired)

**Forde Electorate: Young Voice of Forde**

Mr VAN MANEN (Forde) (21:20): To follow on from the kind words by the member for Barker earlier, I too congratulate you, Mr Deputy Speaker Scott, on your elevation to the deputy speakership. I have the pleasure tonight of reflecting on some of the wonderful youth that we have in our electorate. In particular, I acknowledge my special guest at Parliament House this evening and for tomorrow, Miss Selena Lang, from Rivermount College, who was the Young Voice of Forde this year. Her mother, Barbara, is joining us as well. The Young Voice of Forde competition was open to all year 11 and 12 students in the Forde electorate. It was an essay competition asking students to share their long-term aspirations for themselves, our community and the nation. The importance of this essay competition is that it allowed young people the opportunity to share their views and to speak up and be heard.

I was very impressed with Selena's foresight of the future needs of my electorate, and now I have the honour to take this opportunity to share with all what Selena had to say and what her vision for Forde is:

'Desire is the starting point of all achievement, not a hope, not a wish, but a keen pulsating desire which transcends everything.' Napoleon Hill.

Ladies and gentlemen the change must be desired. As social injustice continues to circulate and begins to control even more, it's what we do now that defines us as people in the future. The Electorate of Forde, encompassing many suburbs needs to focus on providing communities with adequate social needs. Forde must do something, which allows society to get back onto its feet.

Within the Forde Electorate there are many opportunities available, which provide beneficial social skills. At times it seems that there is an endless stream of opportunities for people, but that is why it is so important to understand that these activities and opportunities actually have the ability to educate and affect people's lives. Education is key. It is so important to realise the power that community based
activities have, it is something that needs to be socially and morally encouraged. In the not so distant future, social education ideally needs to be more prominently embedded in the education system but before then, community based activities need to take the lead and teach the generations now and the generations to come, the art of communicating. Communication has been lost in translation, the youth of today struggle to speak up about issues that are affecting them; they are too afraid of what society might think, but ultimately even if they wanted to say something, they wouldn't know how to say it at all. Facebook and other social networking sites have to some extent crippled the communication boundary, so it seems only fitting to put back in, what society has so selfishly taken out.

Infrastructure is another problem, which weighs heavily on the shoulders of the Forde Electorate. South East Queensland is growing rapidly, and the Forde region is no different. In saying that, it becomes even more important to focus on catering for a steadily increasing population. The roads from Logan, moving down south, towards Coomera need particular focus, because at this current stage they simply do not have the ability to cater for the amount of traffic travelling through the region, everyday. In order to help combat this problem the Parliament Members of the Forde Electorate - the people who ultimately have a voice need to sit down and begin planning for the future; a future which needs to be accounted for and future where political correctness is nonexistent. In order to combat infrastructure problems in the future, something needs to be done in the present.

The future of Forde depends on the people in the present. The terms 'past', 'present' and 'future' are often disjoined from each other, each stage seen as a separate entity. However, it's important to learn from the past, make sure that someone is watching the present and that there are people to create the future, because even though each term appears separate from one another, without one there's none. The future of Forde is bright. A future where education needs to be respected, where equality is sovereign and a future where people are confident in their own skin. Forde needs to be working hard to provide people with jobs, in order to break the cycle of government dependency. Confidence and credibility follow shortly after that, as well as an evident decrease in crime and a future where there is a genuinely happy population. The electorate of Forde needs to create a place, which focuses on the people. A place where they don't have to sit in traffic just to get to get to work in the morning, a place where people are allowed to say what their mind is telling them to say - my vision for Forde.

I thank Selena for that wonderful vision and contribution.

I also take this opportunity to mention the runner up, Mckinley Fiveash, a Year 11 Kimberley College student who prepared a fantastic essay on his concerns with NAPLAN. This is a wonderful example of the talented students and youth that we have in the Forde electorate. As we go into our second Forde Young Voice competition next year, there is opportunity for a greater number of students to be involved. I thank Selena and the other students for taking part this year.

As I have touched on already, it is the youth of our community that are our future. It is worth while to consider that, when we leave this place at some point in the future—I hope long in the future—we will all leave some sort of inheritance. The question is: what inheritance will we leave for future generations? With this government's current direction and path, I am afraid to say that some of that inheritance is being spent today. It is being spent on debt and deficit and a billion dollars a month in interest on $256 billion of gross debt. When this government came to power five years ago it had $70 billion in the bank and a budget surplus of $20 billion. Despite the nation's continuing record terms of trade, this government continues to squander the wealth of the mining boom by profligate spending that provides no long-term benefits. And that does not include the NBN, which is not even on the government's balance sheet.
So, when I consider the future for the youth in our community, I am concerned for their future and the debt that they will have to repay as a result of this government's inability to manage its economic finances. But I am heartened that we have youth in our community who have a vision for the future and have something positive to say.

Renewable Energy Target

Mr FITZGIBBON (Hunter—Chief Government Whip) (21:30): I rise tonight to reflect on the Climate Change Authority's draft recommendations on the Renewable Energy Target. The Renewable Energy Target, of course, seeks to deliver on the government's commitment to ensuring that by 2020 the equivalent of at least 20 per cent of Australia's electricity supply comes from renewable sources.

Originally a Howard government initiative, the scheme operates by requiring entities that purchase wholesale electricity to source a proportion of their electricity from renewable sources. Alternatively, they can purchase tradeable certificates which provide a return for investors in the renewable energy sector. As such, the returns to renewable energy generators are funded by existing electricity users either through direct participation in the wholesale electricity market or by the costs passed through from their electricity retailers, who of course bear, in the first instance, the Renewable Energy Target obligation.

When the Howard government first commenced the scheme, its target was some 9,500 gigawatt hours of renewable energy by the year 2020, but of course in 2009 the current government changed the target to some 45,000 gigawatt hours. In percentage terms, John Howard's target was around five per cent. In percentage terms again, the current government's target is 20 per cent.

The Climate Change Authority has indicated in its preliminary report that it does not intend to recommend any major changes to the scheme other than what I would describe as minor red-tape type adjustments to improve the efficiency of the scheme and the administrative cost, if you like, to business. While I respect and acknowledge the expertise of those who serve on the authority and do the research and the modelling, this is a preliminary recommendation which comes as somewhat of a surprise to me. It surprises me for a number of reasons, and I will name just a few of them.

Since the introduction of the original Mandatory Renewable Energy Target, we have seen a number of major changes in our economy and a number of major changes in government policy. I will name four—there are more. First, we now have a $23 per tonne fixed carbon price, a significant market mechanism designed to drive down energy consumption and to do something about our carbon emissions. Second, our economy, as a result of events out of our control, events taking place around the rest of the world, is slowing and our energy prices are rising.

Third, our persistently high dollar is affecting the international competitiveness of our manufacturing and other sectors. Indeed, according to the Aluminium Council, since the inception of the MRET and, later, the Renewable Energy Target, its later cousin, the industry estimates that it has paid approximately $300 million in renewable energy target payments.

Fourth, energy demand is falling, which means that the 20 per cent target is now possibly going to 25 per cent, possibly 26 per cent. As energy demand falls, because it is a fixed amount—45,000 gigawatt hours—as a percentage of our consumption it is actually rising.
Have a think about that for a moment. I ask all members to think about that. Fossil-fuel-rich Australia is now seeking to source one-quarter at least of its energy consumption from renewable sources. Of course, it is our abundance of fossil fuels which in part makes us economically competitive as a nation.

Members of this place hold various levels of conviction on the question of climate change—some very few do not believe in it at all; the majority, I think, believe we are facing some form of radical climate change. They might not believe in man's contribution but there are many in this place who do believe that. However, the overwhelming majority of people in this place agree that there is a risk and we should be acting. I welcome the fact that both the major parties in this place have the same commitment to reduce greenhouse gas emissions by five per cent—that is a given. But I do question the $23 per tonne fixed price on carbon running concurrently with a renewable energy target that now goes through a quarter of our total energy consumption. I am tempted to say we should not have a renewable energy target at all, that we should stick with one market mechanism for dealing with this issue to reduce our carbon price and to encourage investment in renewable energy. But I will not say that because the reality is that the RET is here to stay and businesses have made very important investment decisions based on the fact that we have a renewable energy target. It would be a mistake for government to suddenly say that we do not need it any longer. But I will say that there is cause for reviewing the design of the scheme. There is cause for contemplating, at the very least, whether we should be maintaining the target at 20 per cent of energy consumption. In other words, as energy consumption falls, the 45,000 gigawatt hour target should be reduced to maintain the level at 20 per cent. It is interesting that when John Howard introduced a five per cent target, he was criticised because at that time energy consumption was rising and of course the five per cent became more like something between two and three per cent. We have the opposite situation in place now: as energy consumption falls, the percentage is increasing. I think that is something we all reflect on now.

I have read at least in part what the Climate Change Authority has written—I am not claiming to have read everything the authority has written. I can see the caution and I can see the commitment to business certainty. Entrepreneurial risk is what makes us strong. With some exceptions, where market failure is obvious it is right that government should intervene in the market in those cases. And we do have market failure here in a sense and it is right for government to intervene through a market mechanism like the carbon price. Risk and reward must continue to underpin our business model, our economic model and our entrepreneurial spirit. The Climate Change Authority's main justification for, if you like, a business as usual recommendation is that the renewable industry needs certainty. Reward should always reflect risk. We have to be really careful here that we are not just subsidising what some might describe as the rent seekers and have consumers subsidising those who are investing and making big returns in the renewable sector.

Much of what we say in this place reflects our local electorates, and that is only natural and that should be the case. I represent an electorate where coalmining forms a very important part of our economy. I represent an electorate where coal fired power generation represents an important part of our economy. More importantly, like all of us, I represent consuming businesses and consuming households. Those households and those businesses are really concerned about cost of living issues. They are very concerned about the rising price of
energy, and we all know in this place that there are many reasons for that—the carbon price is only a small part of it. Big network investments, particularly in states like New South Wales, take the lion's share of the blame. I am somewhat critical of the former Labor government in New South Wales for creating that situation.

But all of us in this place should be ever-vigilant about the costs on some of those more traditional industries and on households in our electorate—and I think that, as energy consumption changes, when the dynamic changes, it is appropriate to have a look at the renewable energy target. Business certainty is important but no-one deserves a guaranteed high return on an investment without the risk that business usually takes—and should take—and we should challenge the authorities' preliminary recommendations, have a rethink, acknowledge that things are changing in our economy, forget about the ideology and contemplate the idea of reducing the fixed gigawatt-hour commitment so that the percentage falls with it.

**Australian Political Ideologies**

Mr SIMPKINS (Cowan) (21:40): I would like to take this opportunity to speak on matters that do challenge our country. I do a lot of door-knocking and I see on the streets of Cowan the evidence of what makes this country a great country. I see in my constituents the determination to succeed through hard work—the work vans parked in the driveways of their homes after hours, the Cowan people who put in the long hours in fly-in fly-out role; and in the businesses, the offices and the shops of the electorate. I see the people who have come to this country or to Western Australia prepared to work to achieve their dreams and not sit around and wait for luck or to believe that someone owes them a living. When I say that, I draw the contrast between those who rightly see their destiny in the palm of their own hand and those who have given up and instead believe that society owes them money or they are entitled to a cut of the success that others are getting through their hard work.

I believe in this nation and its people are at their best where we value the strength and the capacity of the individual—and that is why am a Liberal. Some people say that we are the party of business; we are in fact the party of the individual and personal responsibility. This is the contrast between us and those on the other side, because it is in the DNA of the Labor Party and their allies, the Greens, to stamp out self-reliance and instead create a reliance on government and foster a sense of collectivism. The left wants Big Government in the centre of the economic and social life of this country. The left needs its base, and as many voters as possible, to believe that you do not need to work or to work long hours to share in the success created by others.

Big-spending Labor governments say you do not have to spend weeks away from your family and work in hard conditions but, rather, vote for them and you will get the benefits for no effort. The redistribution of income is a socialist principle and that sense of entitlement that suits Labor and the Greens political degrades the value of the individual and the entrepreneurs who will see no point in risk in endeavour when the returns gets redistributed anyway. The long-term problem then becomes less and less GDP and higher expectations with less wealth.

On the matter of expectations, a common problem for some political organisations is the issue of over-promising and under-delivering. This is primarily a problem for the left side of politics, who are driven by dogma and self-belief. A sense of infallibility, faith and belief
amounts effectively to religious fervour. Such is the dogma, they are given to speaking in grand terms. They roll out lines that are designed to inspire and win votes, of course—which is the main objective—because at the heart of their true belief is power. They espouse symbolism and allude to heroism to inspire and generate political momentum.

An example or a lofty term is the 'Education Revolution'—meant to inspire and create support. The trouble is that, through such grand terms, they built very high expectations, and they of course had that objective of eliciting political support, which is part of the objective. The trouble is that, while short-term political gains can be achieved, such as great photo opportunities in front of buildings, the high expectations cannot be easily met. The reason those high expectations cannot be met is that, when each individual thinks on these grand promises, the terms are not clearly defined and therefore mean something different to each person, effectively creating the belief in each individual that the entire society should be working towards that individual's interpretation of the grand statement. Again, this is very much the preserve of the left, where entire political systems such as communism and socialism present illusory perspectives, interpreted differently by the citizens but ultimately not sustainable because they are refusing to value the potential of the individual. In the end such systems' primary objective was always to entrench ruling elites, and they failed because of the ever-reducing national wealth that collectivism inevitably produces when the individual is stifled.

On the influence of religion on politics, it is the Western civilisation's left that derides the influence that the Christian religion has on the right of politics. None do so more than the Prime Minister, Labor and the Greens, alleging the beliefs of Tony Abbott to be negative but doing so for political purposes. They say that the influence is dominating and all-encompassing. That is hypocritical, because on the left they have a belief in their causes, and that belief is, in many ways, fervent and completely dogmatic. They do not understand why everyone does not believe exactly as they do. The left's fundamental belief and absolute faith in their causes in every way amounts to the strong passion of a fundamentalist religion, so great is their fervour and their belief in themselves and their causes. Perhaps it is in the word 'belief', in the left's dogmatic certainty in their views, that they therefore see a threat from the old religions to their new religion. The difference is: the influence of Christianity on the Western right of politics is from outside the party political process. The left, in their fervent beliefs, are very much centred on the inside of the political process. It is not, therefore, possible to separate the left's church and state. And, as I said, it suffers from the collectivist belief that has always failed beyond the short-term political advantages.

Beyond Australia, when we look around the world, where there are non-Western nations where religion is firmly entrenched at the heart of the political process, or nations that mention religion as part of their official name or where the major political party is of a clearly religious nature, then in such countries the rhetoric is about belief, the process is about collectivism and the reality is about the entrenchment of a small ruling elite while the people do not enjoy the rewards of their hard work. In such places, the rights of the individual and, most importantly, the encouragement of the individual, are disregarded in the pursuit of what is alluded to, and the political rhetoric is of a religious paradise on earth.

In the West, the leftist parties may not be formally embracing a defined religion, but their beliefs are at least as strong, and so they, too, pursue grand ideals and a form of paradise on
earth. One such example is the other side's 'light on the hill' concept, where paradise on earth, or the delivery of a utopian egalitarian society, is coming, after everyone works for the belief in the government and the belief that the government will then be able to deliver that paradise. So, after 100 years, the light is not much closer.

Similarly the Greens, the fringe extreme leftists, and so much of the Labor Party have the saving of the world from human-induced climate change as a messianic belief with all the religious fervour of the Spanish Inquisition. As I said before, there is a dogmatic nature to their beliefs and faith in their causes that afflicts those on the left. In every way, the beliefs and faith in those causes amounts to what can only be described as religious zealotry. Such is the feeling that I await the calls for heretics to be burnt at the stake—although, in a political sense, the Labor government has certainly sought to do so with their attempts to crush any form of dissent on human-induced climate change.

I have been critical so far of the left, but I would like to speak also of their successes. The left is good at getting their message repeated by an overwhelmingly left-leaning media. Many of the messages are about undermining the ability of opponents to express opposition to them. An example is that if an opponent is concerned about illegal boat arrivals, any comments are derided by the left as racism. Therefore, any question on that issue means that the critic must be a racist. If one tries to speak about the record of the Prime Minister with regard to policy consistency and reliability then the left defines such criticism as being sexist or misogynistic. If one tries to question the theory of human-induced global warming then that person is called a denier, implying a link to being a Holocaust denier, or a sceptic, which implies a lack of credibility. It is a sad indictment when the political success of the left in a democratic society is about how speech and views can be restricted.

In spite of the attempts by the left to suppress criticism of itself, it is true to say that we still live in a democracy—and the very best of democracies, it being a Western liberal democracy with a robust, multiparty system. Our system is strong and based on the Westminster traditions. It is something that we can be proud of, and we should acknowledge it as the best in the world.

What concerns me is that, just six months ago, a survey by the Lowy Institute found that 60 per cent of Australians believed democracy was a form of government preferable to any other. Sadly, for those between 18 and 29 years old that figure dropped to just 39 per cent. Why, then, is it that 61 per cent of 18- to 29-year-olds are not prepared to willingly endorse democracy over communism, theocracy, et cetera? Perhaps some of those who also called the war in Afghanistan such a terrible crime would still want the Taliban to be running Afghanistan and for girls not to be allowed to attend schools.

The lack of categorical support for democracy smacks of a 'take it for granted' attitude. It is false to believe that the freedoms we have here in Australia are assured. They have come entirely as a result of democracy and the traditions of Western civilisation, which is the foundation upon which they are built and continue to exist. And we should never forget that the price of liberty is eternal vigilance.

In all the things I have spoken about, the central point is that the success of this nation as the best in the world is based entirely upon the value of the individual and the participation of individuals in the Western democratic model of democracy that we have. The value of the individual and the democratic participation of individuals are not guaranteed when they are
not valued by the government or by too high a proportion of citizens who think that freedom is cheap and easily maintained.

Problem Gambling

Mr JENKINS (Scullin) (21:49): In the true traditions of a democracy I respect the right of the member to have the opinions that he has, and I will leave it to those who have listened and those who read his speech to come to the decision that most of what he said is codswallop. Today I am not grieving about his contribution; what I am grieving about is something that the coalition side of politics would defend in the name of freedom—that is, gambling and, more particularly, the use of electronic gambling machines.

Regrettably, the electorate that I live in and represent is one of the electorates in Australia that is hardest-hit by losses on gambling machines. Of the five top hotel-gambling venues in Victoria, three are in the city of Whittlesea. I regret to say that part of my grievance tonight is the influence of one of the big two supermarket chains, Woolworths, in this industry. Woolworths, through its ownership of ALH hotels, has the five biggest gambling venues in low-income areas, and three of these venues are in the electorate of Scullin. They are the Plough Hotel in Mill Park, the Excelsior Hotel in Thomastown and the Bundoora Hotel. The yearly losses on electronic gambling machines at those three hotels in the year 2011-12, in the order that I read them out, is $20.2 million, $18.6 million and $18.5 million. One hotel venue that is not owned by Woolworths is the top venue in Victoria, and it is also in the electorate of Scullin. It is the Epping Plaza Hotel, where the total losses on electronic gambling machines amount to over $21 million.

I apologise that I will be using a lot of statistics here, but I think that I have to use them to illustrate my case. The total losses on electronic gambling machines in the city of Whittlesea, of which the southern end is in electorate of Scullin and the northern end in the electorate of McEwen, was $102 million in the year 2011-12. It had therefore increased from 2008-09, when the losses amounted to $94.9 million. If we look at the average loss per electronic gambling machine in the city of Whittlesea, we see that it had increased from 2008-09, when the average amount lost was $152,000, to $164,000. What intrigues me is that, in the same period, the average Victorian loss per electronic gambling machine in hotels decreased from $101,000 to $100,000 while the average loss per gambling machine in hotels in the city of Whittlesea increased from 2008-09, when it was $181,000, to $198,000 in 2011-12. In other words, there was a 10 per cent increase in Whittlesea over the period while the average throughout Victoria remained static.

If we compare the losses on gambling machines in clubs in the city of Whittlesea with losses on machines in Victoria as a whole over the period that I am talking about, we see that it went from $79,500 per machine to $79,400 per machine, while the average loss per machine in Victorian clubs over the same period decreased from $71,000 to $69,000. So all the evidence points to the fact that the machines on which the most money is lost are in the hotels.

But my concern is that, whilst they have been able to keep that at a static rate on average throughout Victoria, we have seen this great increase of 10 per cent over the period in the hotels in the city of Whittlesea.
My concern is that in the city of Whittlesea, for a decade now, there has been a gambling forum that has operated with membership including the actual venues themselves and many of the agencies that work with problem gamblers. After 10 years without really seeing great results, I am sorry to have to report to the Federation Chamber that those that work with the community groups have decided that enough is enough and they have walked from the forum because they just do not see the value in meeting with people from the venues to try to achieve results. The final straw was when, in the Responsible Gaming Forum, the community support organisations suggested to the representatives of the venues that were there that they put a cap of $200 on withdrawals at ATMs in the venues, and there was just no discussion and no agreement to even look at it. That was the final straw. But one of the really big problems with the Responsible Gaming Forum was that the three hotels owned by Woolworths were not represented. Woolworths did not play a part in the forum.

What then concerns me is that, if we contrast the attitudes of the government and the coalition about this issue, the coalition has decided—and it may be that I should listen to and analyse what the member before me was speaking about—that this is about individual freedoms and that people should be able to go into the venues and lose as much as they like, and then go out into society and do all sorts of things that are antisocial to make up for the losses. If they have to rob from a car to feed their habit, let them do it! I know that that is an exaggeration, and I do not wish to base my case on that, but to simply say that this is something that the problem gamblers themselves must address denies the fact that gambling through electronic gambling machines is something that the state created. The state made it legal. So to those that say we are a nanny state if we put limits—if we suggest that there should be mandatory limits that people have on the losses that they are going to make, they say that this is state interference—I would maintain that this is an industry that has its existence because of actions of the state, so if we do not look at the problems as being a responsibility of the state then we are denying that, and the costs are great: the costs to the individuals, the costs to their families and friends and the costs to the community in general.

I think that it is about time that we step back from the politics of this issue and who can upset one point of view the most, and that we actually have a look at what we might be able to do. I am the first to admit that the position that the government finds itself in may not be the greatest of positions and that the intentions of the government might be better than they are contemplating. But consider this: this is the first time a national government has had proposals in place to see what action a national government can take to improve a situation that is controlled by the states and territories.

One of the things that amaze me is that we have a proposal to have a trial in the Australian Capital Territory—I stress that it is a trial. What is the basis of a trial? To see if something works, and we cannot even get agreement about that. It amazes me that so many people are willing to wash their hands on the basis of some ideological bent that controls their public policy about this area without giving things a chance to be proven. I hope that this parliament can look at this as a problem that we should all come to some agreement about in tackling it, because the people of my electorate cannot continue to suffer because of the losses that they incur.
The DEPUTY SPEAKER (Hon. BC Scott): There being no further grievances, the debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting.

Federation Chamber adjourned at 22:01
QUESTIONS IN WRITING

Diplomatic Visas
(Question No. 1057)

Mr Oakeshott asked the Minister representing the Minister for Foreign Affairs, in writing, on 18 June 2012:

Can he please advise why the daughter of the expelled Syrian diplomat was not allowed to continue her secondary schooling education in Australia in order to complete her Higher School Certificate this year, particularly given the statements of her teacher Judy Talberg to ABC online in the article Syrian diplomat's daughter forced to leave Canberra school of 1 June 2012 which indicated there was no objection to her staying in Australia for these purposes by her school or the ACT Department of Education.

Dr Emerson: The following answer has been provided by the Minister for Foreign Affairs to the honourable member's question:

- The decision to declare the Syrian Chargé d'Affaires, Mr Jawdat Ali, persona non grata applied to family members because the diplomatic visas for family members are tied to that of the officer.
- The decision was made by the Australian Government as an effort to convey to Damascus Australia's grave concerns regarding the Haoula massacre and the Assad regime's lack of commitment to the ceasefire and the Joint Special Envoy's six-point peace plan.

Defence: Budget Cuts
(Question No. 1058)

Mr Robert asked the Minister for Defence, in writing, on 18 June 2012:

(1) In respect of projects that have been affected by the budget cuts contained in the 2012-13 budget, can he list all projects for the (a) Defence Capability Plan, (b) Approved Major Capital Equipment Program, (c) Major Capital Facilities Program, and (d) all other projects, including (i) project name, (ii) whether the affect was a funding cut or deferral, (iii) strategic rationale for the cut or deferral, and (iv) which units, by location, will be affected by the cuts and deferrals.

(2) Can he list the total dollar value of 'absorbed measures' that the Department of Defence (Defence) has been required to take on since the inception of the Strategic Reform Program (SRP) including, (a) projects, (b) infrastructure, (c) personnel, and (d) any other programs, and in each case identify, (i) what amount was absorbed, and (ii) whether or not the saving is recurring or a one-off.

(3) Can he confirm whether the Australian Strategic Policy Institute's 2012-13 Cost of Defence Brief states that Defence did not achieve its savings target under the SRP for 2010-11, and if so, can he explain (a) why Defence did not meet its SRP savings target for 2010-11, and (b) how Defence plans to account for not reaching its own target in future years.

(4) Can he list all (a) SRP savings to date, (b) whether or not those savings have been reinvested in Defence or returned to Government, and (c) if reinvested in Defence, where.

(5) Has he consulted any defence companies or defence industry groups regarding the latest budget cuts contained in the 2012-13 federal budget; if so when were these discussions held and with whom.

(6) Prior to the release of the 2012-13 federal budget, did he ask his department to conduct any modelling on the possible effects of the 2012-13 Defence budget cuts on (a) Defence, and (b) the defence industry.

(7) In any one year what capacity, as a percentage, is (a) Defence, and (b) the defence industry, able to increase its respective productivity.
Mr Stephen Smith: The answer to the honourable member's question is as follows:

(1) (a) Information on the schedule, cost and capability of Defence Capability Plan projects is available in the Public Defence Capability Plan which was released on 10 July 2012.

The Government remains committed to the core capabilities outlined in the 2009 Defence White Paper, including:

- the Joint Strike Fighter;
- the replacement for the Caribou aircraft;
- upgrades to Orion maritime patrol aircraft; and
- upgrades to C-130J aircraft;
- the Growler Airborne Electronic Attack capability.

Of the DCP projects underpinning the 2009 White Paper, 10 have been removed, with those being overtaken by related projects or replaced by newer technologies.

A range of lower-priority capability projects will be deferred.

Other major and minor capability and facility programs will be subject to re-scoping.

(b) Information on the cost, capability and schedule of the top 30 projects by expenditure in the Approved Major Capital Equipment Program is included in the Defence Portfolio Budget Statements 2012-13.

(c) Information on the progress and cost of scope of projects in the Approved Major Capital Facilities Program is included in the Defence Portfolio Budget Statements 2012-13.

(2) Costs 'absorbed' by Defence cover a wide range of activities conducted within the funding provided to Defence by Government without supplementation. This includes new measures, priorities and activities not previously identified. For example, in the 2012-13 Budget, Defence reallocated and reprioritised $2.9 billion to meet a range of new cost pressures which emerged across the portfolio as outlined at Page 18 of the Defence Portfolio Budget Statements 2012-13.

Providing a full list of all 'absorbed' measures would involve an unreasonable diversion of Defence resources.

(3) (a) and (b) As reported in the Defence Annual Report 2010-11 and contrary to the Australian Strategy Policy Institute's 2012-13 Cost of Defence Brief, Defence achieved in excess of its SRP savings target for 2010-11. Defence's SRP savings target for 2010-11 was $1,016 million and savings achievement was $1,064 million. Some of the key areas where cost reductions were achieved include:

- upgrading and consolidating Defence's ageing Information and Communications;
- Technology (ICT) infrastructure;
- conversion of military and contract positions into Australian Public Service (APS) positions;
- improved demand management of travel, training, professional services and garrison support;
- streamlining the maintenance of military equipment;
- making contract improvements across a range of support and sustainment services; and
- changes in the way that financial risk is managed.

(4) (a) With an expected full achievement of $1,284 million in Financial Year 2011-12, to date Defence has achieved a total of $3,370 million in cost reduction savings.

As reported on page 6 of the Defence Annual Report 2010-11 the achievement for Financial Year 2009-2010 was $1,022 million.
As reported on page 8 of the Defence Annual Report 2010-11 the achievement for Financial Year 2010-2011 was $1,064 million.

The expected achievement for Financial Year 2011-2012 is $1,284 million. This will be reported in the Defence Annual Report 2011-12.

(b) and (c) The savings made under the SRP represent a reallocation of funds away from Group and Service operating and sustainment budgets to the core capabilities identified in the White Paper. Savings from cost reduction’s will be reinvested to order to deliver Force 2030. Approximately $18.2 billion will go towards new capital equipment and approximately $2.4 billion for the remediation of areas of under investment such as estate, ICT and Logistics.

(5) The Minister for Defence and the Minister for Defence Materiel meet regularly with defence industry companies and industry groups to discuss Defence industry and acquisition matters.

(6) As part of the 2012-13 budget process Defence undertook analysis of reducing expenditure in support of the Government's fiscal strategy.

(7) The Strategic Reform Program was developed with the purpose of increasing the efficiency and productivity in Defence. The savings achieved under the SRP for 2011-12 will be reported in the Annual Report. They are not reported on a six-monthly basis. Defence will further enhance productivity through the implementation of further shared services reform, tighter recruitment practices, and a prioritisation of Australian Public Service (APS) positions. This includes reductions in the growth in APS positions announced in the 2011-12 and 2012-13 Budgets. Defence has also been subject to a range of efficiency dividends on its non-operational, non-capability funding, which Defence has achieved through greater cost consciousness, improved economies of scale, and a prioritisation of activities.

Defence: Personnel
(Question No. 1064)

Mr Robert asked the Minister for Defence, in writing, on 18 June 2012:

(1) As part of the 2012-13 federal budget, what cuts has Defence made to leave or travel entitlements for Australian Defence Force (ADF) personnel.

(2) In respect of Defence recreational leave travel entitlement, in (a) 2007, (b) 2008, (c) 2009, (d) 2010, and (e) 2011, (i) how many single personnel aged over 21 utilised their entitlement, (ii) what proportion of single personnel aged over 21 utilised their entitlement, and (iii) what was the total annual cost of Defence personnel utilising their entitlement.

(3) Can he confirm whether the online version of PACMAN, under section 9.5 - Recreational Leave Travel, states that members are entitled to recreational leave travel; if so, when will this be amended to reflect the cutting of this entitlement.

(4) Will Defence personnel who have already booked a trip to see their next of kin under the recreational leave travel entitlement be required to (a) cancel the booking, or (b) reimburse Defence.

(5) How many Defence funded trips are married ADF personnel entitled to each year for personnel (a) under 21 years of age, and (b) over 21 years of age.

(6) In respect of the cutting of the recreational leave travel entitlement, (a) when will the cut come into force, (b) can he confirm that Defence will not suffer, (i) a reduction in recruits, and (ii) an increase in separations, (c) will ADF personnel who enlisted prior to the cut, (i) be entitled to a commensurate offset in their pay or allowances, and (ii) receive any type of pay or allowance increase in lieu thereof, (d) does the cut form part of the Strategic Reform Program, and (e) will the savings generated from the cut be, (i) reinvested in Defence; if so where, or (ii) returned to consolidated revenue.
Mr Stephen Smith: The answer to the honourable senator's question is as follows:

(1) ADF leave has not been cut.

(2) On 1 July 2012, Defence made changes to the recreation leave travel policy. In summary those changes were:

- Setting an upper age limit of 20. Previously there was no age limit. This age limit will not apply to trainees who remain eligible to travel up to three times a year regardless of age.
- Removal of the second recreation leave travel benefit provided to Navy members. This brings them into line with their Army and Air Force counterparts.
- Limiting the assistance to travel within Australia. Previously trainees and members undergoing training were provided with travel to overseas destinations.
- Reducing the number of times per year that members undergoing training (not trainees) can access the benefit from three to one.

On 13 September 2012, the Government removed the age restriction that had applied to recreation leave travel since 1 July 2012.

Since 13 September 2012, members without dependants serving in Australia have been eligible for return travel to where their nominated family lives in Australia. No age limit applies.

In summary, the following recreation leave travel benefits apply from 13 September 2012:

- Members without dependants who are trainees are eligible for up to three return trips in a leave year. Members undergoing training are not trainees.
- Any other eligible members without dependants, including members undergoing training, are eligible for one return trip in a leave year.
- Travel assistance is for travel within Australia only.

For responses 2a to 2e inclusive (including parts [i] and [iii]) please see the table below.

Information is not available to answer part ii of this question.

<table>
<thead>
<tr>
<th>Year</th>
<th>Members without dependants aged 21 or older utilised a recreation leave travel benefit</th>
<th>Annual cost of Defence personnel utilising their recreational leave travel entitlement*</th>
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<tr>
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<td>10,671</td>
<td>$32.5m in 2007-08</td>
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<tr>
<td>2011</td>
<td>11,613</td>
<td>$29.3m in 2010-11</td>
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</tbody>
</table>

*The total annual cost has been calculated in FBT financial year periods for Defence personnel utilising their recreational leave travel entitlement (FBT inclusive).

(3) For the changes made with effect Sunday 1 July 2012, the online version of PACMAN was amended and uploaded to the Defence Intranet on Monday 2 July 2012. From 21 June 2012 the actual Defence Determination that created the changes was available online.

For the changes made on 13 September 2012, the online version of PACMAN was updated, including the Defence Determination at 1430h on 13 September 2012.

(4) For the 1 July 2012 changes, transitional arrangements were put in place to assist members who had already made travel plans:

- If before 9 May 2012, the date the changes were announced, a member without dependants was granted a recreation leave travel benefit to travel on or after 1 July 2012, the member would continue
to be eligible for that benefit. The travel must have been undertaken by 30 June 2013. The leave year for ADF members runs from 1 July to 30 June each year.

- A member without dependants may retain a benefit that had been deferred from the current leave year into the leave year commencing on 1 July 2012.
- If before 25 June 2012, a member without dependants was approved an advance of recreation leave travel from leave year 2012/13 to travel in leave year 2011/12, the member continued to be eligible for that benefit.

(a) Travel that had been approved for a member without dependants who would have been no longer eligible for recreation leave travel (unless the member's circumstances were included in the transitional arrangements) was to be cancelled.

(b) The recreation leave travel benefit is a return economy class airfare from the member's posting location to the location of their nominated family. This travel should be booked by Defence in order for Defence to be able to claim back the value of the GST. So in most cases cancellation of the benefit would simply involve cancellation of the travel booking. If members were covered by the transitional arrangements, they would not have their travel cancelled nor be required to pay back the cost of the trip. A discretionary provision exists in the ADF Pay and Conditions Manual which enables approving authorities to approve payment of the reasonable costs of travel and related expenses for certain persons who would not otherwise be eligible for those benefits.

For the changes made on 13 September 2012, the removal of the age limit is not applied retrospectively; therefore no transitional arrangements are required.

(5) (a) and (b) Members with dependants who are accompanied at their posting location by their dependants are not entitled to any Defence funded reunion trips. Members with dependants who live at their posting location in Australia while their dependants live in another location (members with dependants (unaccompanied)) are provided with up to six reunion visits per year. This reunion travel benefit for members with dependants (unaccompanied) applies regardless of age.

ADF members are also eligible for other forms of Defence funded travel, including remote location leave travel. These trips are not age limited and the number depends on whether or not the member is accompanied by their dependants and the grading of the remote location they are posted to.

(6) (a) The changes relating to Mr Robert's question came into effect on 1 July 2012.

On 13 September 2012, following the concerns raised by the Defence community and members of the public, the Government removed the age restriction that had applied to recreation leave travel since 1 July 2012.

(b) (i) and (ii) Defence's employment offer contains a range of other benefits that assist in attracting potential recruits, and retaining serving personnel. When considering the totality of that offer, Defence is confident that it will continue to attract and retain ADF members.

(c) (i) and (ii) No.

(d) The policy changes of 1 July 2012, to recreation leave travel had been under consideration for some time as part of the Strategic Reform Program, Non-Equipment Procurement stream but were brought forward for inclusion as a Budget measure.

(e) (i) and (ii) The minor savings generated from the changes to the recreation leave travel benefit will contribute to both the Strategic Reform Program and the Budget bottom line over the forward estimates to 2015/16.
Sustainability, Environment, Water, Population and Communities: Heritage
(Question No. 1069)

Mr Hunt asked the Minister for Sustainability, Environment, Water, Population and Communities, in writing, on 18 June 2012:

(1) In respect of staff members who work exclusively on cultural heritage, (a) how many staff are there, (b) have staff numbers changed in the past 3 years; if so, by how much, and (c) are there any plans to increase or reduce heritage staff numbers over the forward estimate period.

(2) Can he confirm that page 68 of the Portfolio Budget Statement shows a reduction in funding for Heritage Grants from $8.420 million in 2012-13 to $4.420 million in the forward estimate period; if so, what is the reason for the reduction in funding.

(3) As a result of funding cuts to the Heritage Division, can he confirm whether there has been an increase in the time taken to fulfil its statutory obligations.

(4) Can he confirm that the Australian Heritage Council has no separate budget and is struggling to fulfil its responsibilities; if so, what plans are in place to address this situation.

(5) Can he confirm whether the Heritage Division is satisfactorily funded to enable it to complete the development of the Australian Heritage Strategy.

(6) Can he confirm whether the Voluntary Environment, Sustainability and Heritage Organisations grant given to the Federation of Australian Historical Societies has been cut from $30,000 a year for 3 years to $23,500 a year for 1 year; if so, why has the funding arrangement changed.

(7) Can he confirm whether there has been a move away from supporting heritage organisations to environmental organisations; if so, why.

(8) Can he confirm whether there has been a move away from supporting national peak bodies to small local groups; if so, why.

(9) Does his department regularly review its process for providing grants; if so, how often; if not, why not.

Mr Burke: The answer to the honourable member's question is as follows:

1. As at 30 April 2012 there were 84 staff performing the heritage functions of the department. Staff heritage work on the full complement of heritage matters – historic, natural and Indigenous. The number of staff working in heritage over the past three years has reduced however it is not possible to indicate by how many as the structure of the organisation has changed during this period. Heritage staff numbers may vary over the estimated period in line with the forward estimates and budget parameters.

2. The Portfolio Budget Statement reflects a one-off increase in heritage grant funding of $4 million per annum for the period 2011-12 and 2012-13. The 2013-14 forward estimate shows grant funding returning to its previous level.

3. It is not possible to provide a definitive answer to this question because the nature of each assessment varies due to complexity of the nominated matter.

4. The Australian Heritage Council does not have a separate budget, and it is not struggling to fulfil its responsibilities. The work of Council so far during this calendar year has included: three formal meetings of Council, conducting a workshop with national experts to develop an assessment methodology for heritage aesthetics, facilitating a workshop for key stakeholders and heritage experts to develop themes for the Australian Heritage Strategy, fulfillment of statutory obligations in regard to places nominated by the public for possible inclusion in the National Heritage and Commonwealth Heritage lists, fifteen written assessments against Commonwealth Heritage criteria and one against National Heritage criteria to the minister and support for Australian Heritage Week.
5. Yes.

6. The Federation of Australian Historical Societies (FAHS) has received funding under the Grants to Voluntary Environment, Sustainability and Heritage Organisations (GVESHO), formerly Grants to Voluntary Environment and Heritage Organisations, since the 1999-2000 financial year.

Over the past 5 years, FAHS has been awarded a range of funding: $17,000 in financial year 2007-08; $30,000 in financial years 2008-09, 2009-10 and 2010-11; and $23,500 in financial year 2011-12. Multi-year funding under GVESHO has only been offered on two occasions, in financial years 2004-05 and 2008-09. Multiyear funding was allocated to FAHS on both of these occasions. As funds under the program are limited, historically the majority of successful organisations receive a grant which is less than the full amount requested. Grant amounts in the 2011-12 funding round ranged from $1,300 (local organisations) to $77,000 (large state organisations).

7. Historically the majority of successful organisations receive a grant which is less than the full amount requested as funds under the program are limited. The program follows the longstanding practice of awarding grants based on the rankings assigned to specific applications. As a result the total funding received by the heritage, environment and sustainability sectors will vary each time a competitive grants round is called.

8. There has not been a change in the level of support awarded to national, state, regional or local eligible organisations under the program.

9. The Department of Sustainability, Environment, Water, Population and Communities regularly reviews its process for the administration and awarding of grants. The Grants Administration Framework is reviewed annually to ensure documentation, guidance, resources and tools are aligned with current better practice and legislative requirements. The next review is due August 2012 and is already underway to incorporate the anticipated release of the new Commonwealth Grant Guidelines scheduled for release in July 2012.

**Digital Switchover Household Assistance Scheme**

*Question No. 1079*

**Mr Briggs** asked the Minister for Broadband, Communications and the Digital Economy, in writing, on 20 June 2012:

To ask the Minister representing the Minister for Broadband, Communications and the Digital Economy—in respect of the Digital Switchover Household Assistance Scheme, how many set-top boxes have been installed, and to date, (a) what total sum of money has been spent, (b) what has been the administration cost, and (c) how many complaints have been lodged with the Minister's department.

**Mr Albanese:** The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member's question:

As at 30 June 2012, 82,138 set-top boxes had been installed under the Household Assistance Scheme.

Also as at 30 June 2012:

(a) and (b) the total sum spent on the scheme was approximately $42.53m GST exclusive. This includes the departmental cost of the Department of Broadband, Communications and the Digital Economy for the scheme of approximately $8.68m (GST exclusive). This is under budget, and funds have been returned to the Budget.

(c) Of the 82,138 installations, there had been 2,257 complaints lodged with the Minister's department. These complaints ranged across issues with Centrelink, service contractors, digital reception, Viewer Access Satellite Television and Household Assistance Scheme eligibility. The total represents 1.5 per cent of set-top box installations to that point in time.

QUESTIONS IN WRITING
Treasury: Overseas Travel for Departmental Staff  
(Question Nos 1083 and 1106)

Mr Briggs asked the Treasurer, in writing, on 20 June 2012:

What was the total cost of overseas travel for departmental staff for:
(a) 2008-09,
(b) 2009-10,
(c) 2010-11, and
(d) 2011-12

Mr Swan: The answer to the honourable member's question is as follows:

The total cost for overseas travel for departmental staff is as follows:
(a) 2008-09, $ 2,993,136
(b) 2009-10, $ 3,216,039
(c) 2010-11, $ 2,664,835
(d) 2011-12 $ 2,330,518

The reported costs include airfares; ground transport costs; accommodation costs; travelling allowances; associated medical costs; travel management fees and Whole of government charges.

Home Insulation Program  
(Question No. 1117)

Mr Hunt asked the Minister for Climate Change and Energy Efficiency, upon notice on 21 June 2012:

In respect of insulation contractors seeking compensation under the scheme for Compensation for Detriment caused by Defective Administration, (a) how did his department come up with its list of compliant products published on 23 December 2009, and (b) for the duration of the program, were any products with a thermal rating of less than R3.5 or shown as 'N/A' used in the Sydney area.

Mr Combet: The answer to the honourable member's question is as follows:

(a) The Department of the Environment, Water, Heritage and the Arts published the Approved List of Insulation Products (Approved List) on 23 December 2009.

That list was compiled using publicly available insulation product certification documentation published by accredited testing authorities and the National Association of Testing Authorities.

(b) Under the Home Insulation Program Guidelines, installers were required to ensure that the living areas of dwellings were insulated to the minimum thermal resistance rating (Minimum R Value) required for the location of the dwelling. Installers could meet the R Value requirements by installing insulation products with a sufficiently high R Value. Alternatively, installers were able to use products with R Values less than the Minimum R Value required, if, when combined with the thermal resistance value of existing building elements and air spaces, the Total R Value for the dwelling met or exceeded the required Minimum R Value for the location.

Certain types of products which were certified by testing authorities did not have an R Value specified. This is because for these types of products, the R Value could not be determined until after installation. These included cellulose products, where the R Value is dependent on the way the product is installed, and foil products, where the R Value is dependent on the way the product is installed and other factors.

Accordingly, products on the Approved List which had an R Value lower than R3.5, or an R Value shown as 'N/A', may have been used in the Sydney area.
Rio+20: United Nations Conference on Sustainable Development  
(Question No. 1122)

Mr Fletcher asked the Minister for Sustainability, Environment, Water, Population and Communities, in writing, on 14 August 2012:

In respect of the recent Rio+20 United Nations Conference on Sustainable Development held from 20 to 22 June 2012 in Brazil, can he provide a list of (a) Australian Government attendees, and (b) non-government attendees from Australia.

Mr Burke: The answer to the honourable member's question is as follows:


- The Head of the Delegation was the Prime Minister of Australia, the Hon Julia Gillard MP.
- The Alternate Representatives were:
  - Dennis Richardson, Secretary, Department of Foreign Affairs and Trade;
  - Paul Grimes, Secretary, Department of Sustainability, Environment, Water, Population and Communities;
  - Donna Petrachenko, Chief Advisor International Biodiversity and Sustainability; and
  - Chris Cannan, Assistant Secretary, Department of Foreign Affairs and Trade.
- The remainder of the delegation included:
  - 22 officials from the Department of Foreign Affairs and Trade;
  - 9 officials from the Prime Minister's Office;
  - 9 officials from the Department of Sustainability, Environment, Water, Population and Communities;
  - 4 officials from the Department of Climate Change and Energy Efficiency;
  - 4 officials from the Australian Agency for International Development;
  - 3 officials from the Department of the Prime Minister and Cabinet;
  - 3 officials from the Australian Federal Police;
  - 1 official from the Royal Australian Air Force;
  - 1 medical reserve official from the Australian Defence Force;
  - 1 official from the Attorney-General's Department;
  - 1 official from the Department of Finance and Deregulation;
  - 1 official from the Australian Bureau of Statistics;
  - 1 official from the Australian Maritime Authority; and
  - 2 non-government officials.

(b) The Government is unable to provide a complete list of non-government attendees that attended the Rio+20 Conference in Rio de Janeiro as the Conference was open to civil society. Two non-government attendees were however members of the Australian delegation. They attended the Australian Government side-event to launch the Indigenous Peoples and Local Communities Land and Sea Managers Network.
Foreign Aid
(Question No. 1126)

Ms Gambaro asked the Minister representing the Minister for Foreign Affairs, in writing, on 14 August 2012:

(1) What processes were followed and/or what criteria were used in determining which regions or program line items will be affected by the Government's 2012-13 Budget decision to defer the target spend of 0.5 per cent of Gross National Income on foreign aid by one year.

(2) Why has Australia begun pursuing membership of the African Development Bank in the same year it has deferred spending on foreign aid.

Dr Emerson: On behalf of the Minister for Foreign Affairs, the answer to the honourable member's question is as follows:

(1) The slowing of the growth in the aid program to 0.5 per cent of GNI from 2015-16 to 2016-17 has not resulted in a cut to current aid levels or in reduced Australian aid to any region. Assistance to all regions will increase by 2015-16, with the exception of Latin America and the Caribbean which will be maintained around its current level. The deferral has been achieved through a more graduated increase in aid to most regions than originally planned, and a more graduated increase in our support for multilateral. Growth adjustments were informed by consideration of targets set in the Comprehensive Aid Policy Framework and existing commitments to particular countries, regions, or initiatives.

(2) Membership of the African Development Bank (AfDB) will demonstrate Australia's commitment as a long-term development partner to Africa. To join the AfDB, a full treaty process, the passage of legislation through the Parliament, and agreement from AfDB members is required. These membership processes are not expected to be concluded before 2014.

Australian membership of the AfDB offers the opportunity to extend our reach and impact in Africa and to work more effectively in more development areas than are possible when working alone or through bilateral mechanisms.

The AfDB works in areas that are critical to spurring sustainable growth and reducing poverty in Africa. The Bank received a favourable review in the Australian Multilateral Assessment, which found that funding to the Bank would deliver tangible development benefits in line with Australia's aid objectives and represent value for money.

AusAID
(Question No. 1127)

Ms Gambaro asked the Minister representing the Minister for Foreign Affairs, in writing, on 14 August 2012:

In respect of AusAID funded scholarships to Australian educational institutions for overseas students from developing countries;

(a) what conditions must students awarded scholarships satisfy and what criteria is used to determine whether these conditions have been satisfied,

(b) is there a requirement for students to work in their country of origin once they have completed their scholarship, and

(c) what are the;

(i) intended countries of origin for the 2012-13 scholarship intake, and

(ii) processes followed by AusAID in determining which countries students are selected from.
Dr Emerson: On behalf of the Minister for Foreign Affairs, the answer to the honourable member's question is as follows:

(a) AusAID's Australia Awards are the Australian Development Scholarships, for study in Australia, and the Australian Regional Development Scholarships, for study in the Pacific. Applicants must:

- be 18 at the time of commencing the scholarship;
- be a citizen of an eligible developing country;
- not be married or engaged or in a de facto relationship with a person who holds, or who is eligible to hold Australian or New Zealand Citizenship;
- not be current serving military personnel;
- not have held an Australia Award in the previous two years; and
- be able to satisfy the admission requirements for the relevant education institution.

Applicants for Australian Development Scholarships must also satisfy all of the eligibility requirements set out by the Department of Immigration and Citizenship for a temporary subclass 576 visa.

The proposed area of study for each applicant must be relevant to the development priorities of their particular country, and applicants may also need to satisfy country specific criteria agreed with their government.

Academic transcripts, English language test results, application forms and references are used to assess whether these conditions are met. The Department of Immigration and Citizenship has additional processes in place to determine whether visa conditions are met. Australian tertiary education institutions also have procedures in place in regard to enrolment of students.

(b) Yes.

(c)

(i) See attachment A.

(ii) AusAID's Australia Awards are part of the broader aid program strategies for each country or region. The number of Awards, and the priority areas of study and the level of study for Awards is determined for each country or region on the basis of Australia's development focus and the needs and priorities of the country or region.

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<tr>
<th>AusAID Region</th>
<th>Country</th>
<th>ARDS</th>
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**AusAID**

(Question No. 1128)

Ms Gambaro asked the Minister representing the Minister for Foreign Affairs, in writing, on 14 August 2012:

What measures will AusAID take to ensure that its $5 million donation to the Queen Elizabeth Diamond Jubilee Trust will be used in accordance with AusAID’s Transparency Charter?
Dr Emerson: On behalf of the Minister for Foreign Affairs, the answer to the honourable member's question is as follows:

The Queen's Diamond Jubilee Trust (the Trust) will report to donors on progress, including publishing information on activities on the Trust's website. In line with the Transparency Charter for the Australian aid program, AusAID will publish information about the Trust in a format that is useful and accessible on AusAID's website.

AusAID

(Question No. 1129)

Ms Gambaro asked the Minister representing the Minister for Foreign Affairs, in writing, on 14 August 2012:

In respect of the formulation of AusAID's Community Society Engagement Framework (CSEF),

(a) what

   (i) analysis was undertaken, and

   (ii) legal advice was sought, by AusAID to ensure that the CSEF is compliant with Australia's international and treaty obligations

(b) when was the legal advice in part (a)

   (iii) sought and obtained, and

(c) what consultation process did AusAID undertake with

   (i) Australian Government, and

   (ii) international government agencies.

Dr Emerson: On behalf of the Minister for Foreign Affairs, the answer to the honourable member's question is as follows:

(a) AusAID's Civil Society Engagement Framework addresses commitments made in the Australian Government's aid policy An Effective Aid Program for Australia: Making a difference - delivering real results. The Framework is an overarching policy statement that sets out, among other things, how Australia will work more effectively with civil society organisations in Australia and overseas to increase the impact of aid for the world's poorest.

   (i) In formulating the Framework, AusAID drew on a range of sources including the National Compact between the Australian Government and the not-for-profit sector, AusAID's Head Agreement with Australian non-government organisations, the Australian Council for International Development's Code of Conduct and the Office of Development Effectiveness' report Working Beyond Government: Evaluation of AusAID's engagement with civil society in developing countries.

   (ii) Legal advice was not sought by AusAID in the formulation of the Civil Society Engagement Framework because it is an overarching statement of purpose and strategy for the Government to broaden and strengthen ties with civil society organisations. Compliance with international and treaty obligations is built in to all AusAID agreements with NGOs, which follow the Commonwealth Procurement Rules and the Commonwealth Grant Guidelines. Legal advice is sought on all AusAID contract and grant agreements with NGOs, including advice on whether the organisation is listed as a terrorist organisation under Australian law or under UN regulations.

(b) See (a)(ii) above.

(c) AusAID conducted a broad consultation process during the development phase of the Civil Society Engagement Framework. The draft Framework was made available on AusAID's website for public consultation in March 2012. Nineteen submissions were received.
(i) The Framework draws on whole-of-Government policy statements, including the National Compact between the Australian Government and the not-for-profit sector and An Effective Aid Program for Australia.

(ii) AusAID discussed the draft Framework with donors including the United Kingdom's Department for International Development (DFID) and the Canadian International Development Agency (CIDA). The Framework was informed by the Organisation for Economic Co-operation and Development - Development Assistance Committee's How Development Assistance Committee Members Work with Civil Society Organisations report and the Office of Development Effectiveness' Working Beyond Government report.

AusAID (Question No. 1130)

Ms Gambaro asked the Minister representing the Minister for Foreign Affairs, in writing, on 14 August 2012:

In respect of the formulation of AusAID's Community Society Engagement Framework,
(a) what investigation(s) has AusAID undertaken to ensure that Civil Service Society Organisations (CSSOs) in Australia and overseas are not encouraging or supporting separatist activities, and
(b) what governance processes has AusAID implemented to ensure CSSOs in Australia and overseas are not encouraging or supporting separatist activities.

Dr Emerson: On behalf of the Minister for Foreign Affairs, the answer to the honourable member's question is as follows:

In line with the Commonwealth Procurement Rules and the Commonwealth Grant Guidelines, AusAID's contracts and grant agreements require our civil society partners to comply with:

- laws in Australia, partner countries and any other applicable laws of other countries
- AusAID policies and guidelines (including counter-terrorism)
- UN resolutions, and
- requirements to ensure that funds do not provide direct or indirect support or resources to organisations and individuals associated with terrorism.

NGOs that receive funding from AusAID are required to provide AusAID with financial reports and project plans. Project plans are required to outline objectives, outputs and targets for all activities. These are assessed against the objectives in AusAID's guidelines and are subject to approval before funding is granted.

AusAID's contracts and grant agreements with NGOs require NGOs to have regard for, comply with, and use their best endeavours to ensure that all delivery organisations comply with relevant and applicable laws, regulations and policies, both in Australia and in the partner country. NGOs are also subject to an ongoing program of audits to ensure compliance with these requirements.

Australian NGOs receiving funding under the AusAID NGO Cooperation Program must be accredited. Accreditation is a 'front-end' risk management tool that assesses NGOs' governance, program management capacity, partner management, links with and support from the Australian public, and risk management, including fraud risk.
Home Insulation Program
(Question No. 1134)

Mr Fletcher asked the Minister for Climate Change and Energy Efficiency, in writing, on 14 August 2012:

(1) In respect of a report (Ref No. 4301990) made to his department of a company allegedly making a fraudulent claim under the Home Insulation Program for insulation installed at an apartment complex in Turramurra without consent of the owners corporation, has this company been (a) contacted by or on behalf of the Government, (b) asked to (i) provide its account of the circumstances, and (ii) reimburse any monies claimed, (c) referred to the relevant authorities, and (d) prosecuted.

(2) What (a) sum did this company receive for its claim, and (b) cost did the Government incur for inspecting the premises subsequent to the allegation being reported.

Mr Combet: The answer to the honourable member's question is as follows:

(1) (a) Yes, the company has been contacted by the Department.

(b) (i) Yes, the company has been asked to provide its account of the circumstances to the Department.

(ii) No, the company has not yet been asked to reimburse any monies owing as an ongoing investigation has not been finalised.

(c) No, the Department has not referred the company to outside authorities. The Department's internal Investigation and Intelligence Branch are conducting a criminal investigation under the Commonwealth Criminal Code Act 1995 (Cth). At the conclusion of the investigation a decision will be made whether to refer the company to the Commonwealth Director of Public Prosecutions.

(d) No, the Department's criminal investigation is ongoing.

(2) (a) The company has not received any payment in respect of the Turramurra premises.

(b) The cost of inspections relating to the Turramurra property was $7,386.00 (ex GST).

Agriculture, Fisheries and Forestry
(Question No. 1135)

Mr Oakeshott asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, in writing, on 14 August 2012:

1. Is the Minister aware that the Department of Agriculture, Fisheries and Forestry engaged Acumen Alliance to undertake an independent third-party financial and performance audit of each Commercial Horse Assistance Payment delivery organisation, and provided a final report to the department in August 2008; if so, can the Minister advise whether this report is the independent third-party financial and performance audit.

2. Were individual reports relating to each delivery organisation prepared by Acumen Alliance (or any other auditor) and provided to the Government; if so, are these reports publicly available; if not, why not.

Mr Burke: The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable member's question:

1. Acumen Alliance was engaged to undertake an independent third-party financial and performance audit of each Commercial Horse Assistance Payment delivery organisation. I am advised that the final report provided to the Department of Agriculture, Fisheries and Forestry, in 2008, is that independent third-party financial and performance audit.
2. Reports on individual delivery organisations were provided to the Department of Agriculture, Fisheries and Forestry and informed the findings in the final report. They were not made publicly available. The Department of Agriculture, Fisheries and Forestry is assessing the individual reports and consulting with the delivery organisations to determine whether they could be published on the department's website. The final report is available on the Department of Agriculture, Fisheries and Forestry's website.

**Australia's Gas Reserves**  
(Question No. 1157)

**Mr Fletcher** asked the Minister for Resources and Energy, in writing, on 21 August 2012:
Has the Government undertaken any research or does it hold any data that indicates the amount of natural gas needed if it were to be used as a substitute energy source for all products and vehicles currently powered by petrol or diesel; if so, what does the research or data reveal, including the proportion of Australia's gas reserves required per annum.

**Mr Martin Ferguson:** The answer to the honourable Member's question is as follows:
The Australian Government considers that an efficient and competitive global transport fuel market is the most effective means to deliver transport fuel outcomes for consumers. As such, the Australian Government has not undertaken any research and does not hold any data that indicates the amount of natural gas needed if it were to be used as a substitute energy source for all products and vehicles currently powered by petrol or diesel.

**Australian Conservation Foundation**  
(Question No. 1162)

**Mr Briggs** asked the Minister for Broadband, Communications and the Digital Economy, in writing, on 21 August 2012:
To ask the Ministers listed below (questions Nos. *1159 - *1189)—For (a) 2007-08, (b) 2008-09, (c) 2009-10, (d) 2010-11, and (e) 2011-12, what grants were provided to the Australian Conservation Foundation, including the amount, purpose, and program each was delivered under.

**Mr Albanese:** The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member's question:
The Department has not provided any grants to the Australian Conservation Foundation for the period covering 2007-2012.

**Australian Conservation Foundation**  
(Question No. 1174)

**Mr Briggs** asked the Minister representing the Minister for Finance and Deregulation, in writing, on 21 August 2012:
For (a) 2007-08, (b) 2008-09, (c) 2009-10, (d) 2010-11, and (e) 2011-12, what grants were provided to the Australian Conservation Foundation, including the amount, purpose, and program each was delivered under.

**Mr Swan:** The Minister for Finance and Deregulation has supplied the following answer to the honourable member's question:
The Department has not provided grant funding to the Australian Conservation Foundation dating back to 1 July 2007.
**Australian Conservation Foundation**

(Question No. 1181)

**Mr Briggs** asked the Minister for Climate Change and Energy Efficiency, in writing, on 21 August 2012:

For (a) 2007-08, (b) 2008-09, (c) 2009-10, (d) 2010-11, and (e) 2011-12, what grants were provided to the Australian Conservation Foundation, including the amount, purpose, and program each was delivered under.

**Mr Combet:** The answer to the honourable member's question is as follows:

The Department of Climate Change and Energy Efficiency has provided the following grants to the Australian Conservation Foundation:

(a) 2007-08: Nil.
(b) 2008-09: Nil.
(c) 2009-10: Nil.
(d) 2010-11:

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<td>The Climate Project - Australia: Community education on climate change science, impacts and solutions</td>
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(e) 2011-12: Nil.

**Asylum Seekers**

(Question No. 1192)

**Mr Morrison** asked the Minister for Immigration and Citizenship, in writing, on 23 August 2012:

(1) Is it a fact that his department approved an outing for two 'high risk' asylum seekers in the Villawood Immigration Detention Centre, to the Bella Vista (Sydney) home of Ms Sara Nathan, an 'asylum seeker advocate' of the Australian Tamil Congress or any other 'asylum seeker advocate' in that area; if so, who approved the visit, and why?
(2) Was he or his office notified of the outing prior to it being approved; if so, what attempt did he make to prevent it; if not, on what date was he notified, and by whom?
(3) Is it a fact that a television crew is alleged to have interviewed the two asylum seekers; if so, on what date was he informed, and does he know who conducted the interview, if so, will he name them?
(4) Has he initiated an investigation into this incident; if not, why not; if so, on what date will the investigation conclude, and will he make the results public, if not, why not?
(5) Can he indicate why the two asylum seekers taken on the outing are classified as 'high risk'?
(6) In (a) 2008-09, (b) 2009-10, (c) 2010-11, and (d) 2011-12, how many asylum seeker outings to the home of Ms Nathan or other asylum seeker advocates were approved by his department, and what was the reason for each outing?
(7) Does Ms Nathan or the Australian Tamil Congress receive taxpayer funding; if so, (a) in which financial years, (b) what sum per financial year, and (c) for what purpose(s)?
(8) Has his department approved any subsequent outings to the home of Ms Nathan or any other asylum seeker advocate since the incident in question; if so, what number have taken place, and why,
and will any future outings be cancelled, if not, why not?
(9) Were any sanctions applied to Serco over this incident; if not, why not?
(10) Has he disciplined, or will he discipline, his department over this incident; if not, why not; if so, how?

Mr Bowen: The answer to the honourable member's question is:

(1) Approval was given by Acting Director of Detention Operations NSW/ACT on 26 July 2012 for two high risk asylum seekers to visit the home of Ms Saradha Nathan. Approval was also given for another asylum seeker to attend the home at the same time.

Prior to the decision, the Department's Detention Service Provider undertook a thorough risk assessment of the clients and the location of the visit and submitted an operational plan to the Acting Director of Detention Operations NSW/ACT. She also considered that the two high risk clients at the centre of this excursion are permitted, pursuant to the existing agreement between the Department and their legal representative, visits outside the Villawood Immigration Detention facility. Approval for the visit was given on the basis of risk mitigation strategies outlined in the operational plan.

(2) Neither the Minister nor his office were informed of the visit prior to it occurring. Special Purpose Visits are an operational activity. Notification of operational matters including Special Purpose Visits to the Minister's Office is not required.

(3) The Minister was not briefed on this matter.

(4) This television interview of asylum seekers during a home visit was raised with the Detention Service Provider, Serco, at a meeting following the incident. Serco agreed to provide the Department with a post incident report, which it expects to receive shortly.

(5) The Department relies on the advice of the Detention Services Provider on the likelihood of persons presenting a danger to themselves, others and their likelihood of escape from immigration detention while their status is resolved. The two asylum seekers were rated 'high risk' as a result of their involvement in recent incidents.

(6) The information requested is not held on the Department's electronic data management systems. Obtaining this information would be a resource intensive exercise involving manual extraction of data from hard copy files. As such the Department is not able to provide a response to this question.

(7) No funding has been granted to Ms Nathan or the Australian Tamil Congress by the Department of Immigration and Citizenship.

(8) No further outings have been approved to the home of Ms Nathan since the incident. Approval to visit the privates homes of other individuals are assessed on a case by case basis at each of the detention facilities.

(9) A review of the visit is in progress. Abatements may be applied as part of the performance management framework in which performance of the Detention Service Provider is assessed on a monthly basis.

(10) The Department contracts the Detention Service Provider to manage services for people in immigration detention. This includes managing transport, escorts and visits for detainees. Should there be any issue with the appropriateness or level of service provided by the Detention Service Provider; the Department will take the necessary steps to manage this situation as outlined in the Detention Services Contract.

Australia Post
(Question No. 1195)

Mr Simpkins asked the Minister for Broadband, Communications and the Digital Economy, in writing, on 10 September 2012:
(1) What requests have been received for (a) an Australia Post shop in Landsdale Forum and Darch Plaza Shopping Centres and (b) a Street Posting Box at the Darch Plaza Shopping Centre, and by whom, and on what date.

(2) Is the Minister considering acceding to the community requests for an Australia Post shop to open at the Landsdale Forum and Darch Plaza Shopping Centres in Perth. If so, on what date will the Minister’s decision be made public; if not, why not.

Mr Albanese: The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member’s question:

(1) Records held by Australia Post’s headquarters administration indicate the following requests have been received:

(a) Mr Luke Simpkins MP to Australia Post - October 2010
   Mr Luke Simpkins MP to Minister (Petition) - March 2011
   Ms Margaret Quirk MLA to Minister - April 2012
   Mr Luke Simpkins MP to Minister - August 2012
(b) Mr Luke Simpkins MP to Australia Post - October 2010
   Ms Margaret Quirk MLA to Minister - April 2012

(2) No. Under the Australian Postal Corporation Act 1989, Australia Post is responsible for the day-to-day running of the organisation, including all decisions relating to the provision of postal outlets. Australia Post has carefully considered the requests for postal outlets in Lansdale and Darch and concluded that the current number and spread of existing facilities are meeting the reasonable postal needs of residents.

Resources and Energy: Emerging Renewables Program (Question No. 1214)

Mr Robert asked the Minister for Resources & Energy, in writing, on 10 September 2012:

In respect of the decision on 4 July 2012 to award $2.3 million to BlueScope Steel under the Emerging Renewables Program:

(a) What criteria were used to:
   (i) assess BlueScope’s developmental product proposal; and
   (ii) determine the amount of funding awarded to BlueScope;

(b) What research was conducted on:
   (i) existing domestic suppliers; and
   (ii) international suppliers, of such technology and/or products;

(c) How many Australian companies:
   (i) applied for this grant; and
   (ii) were approached by the Government for the purpose of being awarded this grant; and

(d) Is he aware that other local Australian companies have already conducted research and development activities into more complex and innovative versions of building-integrated photovoltaic systems, without financial assistance from the Government.

Mr Martin Ferguson: The answer to the honourable Member's question is as follows:

(a) (i) The merit criteria used to assess BlueScope Steel's application were:
potential of the renewable energy technology encompassed in the Australian Centre For Renewable Energy (ACRE) Project to deliver economic benefits from lowering the cost and increasing the supply of the renewable energy technology or energy generation in Australia over the long term;

- technical strength of the ACRE Project to deliver clearly defined technical outcomes to progress the renewable energy technology along the technology innovation chain and the national and international significance of the technical innovation involved;

- the contribution of the ACRE Project to ACRE’s renewable energy and enabling technology priorities, as set out in the Information Guide as revised from time to time;

- the capability of the applicant and any proposed supporting consortium to implement the ACRE Project set out in the proposal, including (as relevant):
  - management capability and expertise of the applicant;
  - track record of the applicant in undertaking similar projects, including delivering in time and on budget;
  - the roles of consortia members and the status of any relevant agreements; and
  - comprehensiveness of the planning for the ACRE Project, including costings, budgets and readiness to commence the ACRE Project;

- the funding sought from the Program for the ACRE Project in relation to the total ACRE Project costs, taking into account:
  - other expected sources of funding and evidence of any funding that has been secured;
  - the financial capacity of the applicant to fund its expected contribution to the project costs; and
  - the position of the ACRE Project along the technology innovation chain;

- the applicant’s need for funding for the ACRE Project taking into account the extent of funding for the ACRE Project from other government and private sector sources; and

- the overall risk associated with the ACRE Project as set out in the proposal, including without limitation compliance, technical and financial risks.

(ii) BlueScope Steel requested $2,284,800 in its application for the project. The ACRE Board assessed this amount of funding as part of the merit assessment and determined it was appropriate for the proposal and represented value for money.

(b) (i) In assessing the innovative nature of the proposal, expert due diligence consultants and the ACRE Board noted a lack of equivalent commercially developed building integrated photovoltaic technology in the domestic and international markets, and that BlueScope Steel presented strong evidence of being able to develop a product which would contribute to the renewable energy mix in Australia. No other building integrated photovoltaic proposals have been presented to the Emerging Renewables Program.

(ii) see answer to (b) (i).

(c) (i) The Emerging Renewables Program is an open, non-competitive grants program, where grant applications are assessed on their individual merit. Therefore, the number or quality of other applications to the program was not a factor in assessing the BlueScope Steel application for funding.

(ii) None, as the Australian Government does not approach companies to award grants under this Program.

(d) While there are several technologies under development that relate to building integrated photovoltaic (BIPV) applications across several building structures (such as roofing tiles), I am not aware of any Australian companies which are developing BIPV products using the same innovations as that of BlueScope Steel. The BlueScope Steel project aims to develop a new roofing profile that joins
Australian steel roofing and inverter systems with international second-generation thin-film solar technologies.

The program has responded to enquiries from companies currently developing building integrated photovoltaic technology in regards to several structures, although, as noted, no funding proposals have resulted from these enquiries.

**Resources and Energy**

(Deadline No. 1215)

**Mr Robert** asked the Minister for Resources and Energy, in writing, on 10 September 2012:

How many (a) Australian, and (b) international, companies currently (i) research, (ii) develop, and (iii) build, building-integrated photovoltaic systems.

**Mr Martin Ferguson**: The answer to the honourable member's question is as follows:

The Department of Resources, Energy and Tourism does not maintain this information. Your question may be more appropriately directed to agencies / institutions such as:

- The Australian Photovoltaic Association (APVA)
- Australian Building Codes Board
- International Energy Agency, especially the Multilateral Technology Initiatives.
- Buildings and Community Systems
- Demand Side Management
- Photovoltaic Power Systems
- Solar Heating and Cooling

**Commonwealth Grants**

(Deadline Nos 1239 and 1262)

**Mr Briggs** asked the Treasurer, in writing, on 18 September 2012:

(1) For (a) 2008-09, (b) 2009-10, (c) 2010-11, and (d) 2011-12, how many Commonwealth grants were approved by the Minister's department, and at what total cost.

(2) For 2012-13 (to date), how many Commonwealth grants were approved by the Minister's department and at what total cost, and of these, how many have (a) signed funding agreements, and at what total cost, and (b) been paid to the approved recipients, and at what total cost.

**Mr Swan**: The answer to the honourable member's question is as follows:

(1) Details of grants approved by the Department of the Treasury are located on www.treasury.gov.au.

(2) (a) The grant approved for 2012-13 has a signed funding agreement consistent with the information on www.treasury.gov.au.

(b) No payment has been made.