INTERNET


Proof and Official Hansards for the House of Representatives, the Senate and committee hearings are available at http://www.aph.gov.au/hansard

For searching purposes use http://parlinfo.aph.gov.au

SITTING DAYS—2014

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>February</td>
<td>11, 12, 13, 24, 25, 26, 27</td>
</tr>
<tr>
<td>March</td>
<td>3, 4, 5, 6, 17, 18, 19, 20, 24, 25, 26, 27</td>
</tr>
<tr>
<td>May</td>
<td>13, 14, 15, 26, 27, 28, 29</td>
</tr>
<tr>
<td>June</td>
<td>2, 3, 4, 5, 16, 17, 18, 19, 23, 24, 25, 26</td>
</tr>
<tr>
<td>July</td>
<td>14, 15, 16, 17</td>
</tr>
<tr>
<td>August</td>
<td>26, 27, 28</td>
</tr>
<tr>
<td>September</td>
<td>1, 2, 3, 4, 22, 23, 24, 25, 30</td>
</tr>
<tr>
<td>October</td>
<td>1, 2, 20, 21, 22, 23, 27, 28, 29 ,30</td>
</tr>
<tr>
<td>November</td>
<td>24, 25, 26 ,27</td>
</tr>
<tr>
<td>December</td>
<td>1, 2, 3, 4</td>
</tr>
</tbody>
</table>

RADIO BROADCASTS

Broadcasts of proceedings of the Parliament can be heard on ABC NewsRadio in the capital cities on:

<table>
<thead>
<tr>
<th>City</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADELAIDE</td>
<td>972AM</td>
</tr>
<tr>
<td>BRISBANE</td>
<td>936AM</td>
</tr>
<tr>
<td>CANBERRA</td>
<td>103.9FM</td>
</tr>
<tr>
<td>DARWIN</td>
<td>102.5FM</td>
</tr>
<tr>
<td>HOBART</td>
<td>747AM</td>
</tr>
<tr>
<td>MELBOURNE</td>
<td>1026AM</td>
</tr>
<tr>
<td>PERTH</td>
<td>585AM</td>
</tr>
<tr>
<td>SYDNEY</td>
<td>630AM</td>
</tr>
</tbody>
</table>

For information regarding frequencies in other locations please visit http://www.abc.net.au/newsradio/listen/frequencies.htm
FORTY-FOURTH PARLIAMENT
FIRST SESSION—SECOND PERIOD

Governor-General
Her Excellency the Hon. Quentin Bryce AC, CVO

House of Representatives Office holders
Speaker—Hon. Bronwyn Kathleen Bishop MP
Deputy Speaker—Hon. Bruce Craig Scott MP
Second Deputy Speaker—Mr Robert George Mitchell
Members of the Speaker’s Panel—Mrs Karen Lesley Andrews MP,
Mr Russell Evan Broadbent MP, Mr Alexander George Hawke MP,
Mr Ian Reginald Goodenough MP, Mrs Natasha Louise Griggs MP,
Mr Ewen Thomas Jones MP, Mr Craig Kelly MP, Hon. Charles Christian Porter MP,
Mr Donald James Randall MP, Mr Ross Xavier Vasta MP, Mr Brett David Whiteley MP

Leader of the House—Hon. Christopher Pyne MP
Deputy Leader of the House—Hon. Luke Hartsuyker MP
Manager of Opposition Business—Hon. Anthony Stephen Burke MP
Deputy Manager of Opposition Business—Hon. Mark Dreyfus QC MP

Party Leaders and Whips
Liberal Party of Australia
Leader—Hon. Anthony John Abbott MP
Deputy Leader—Hon. Julie Isabel Bishop MP
Chief Government Whip—Hon. Philip Maxwell Ruddock MP
Government Whips—Mr Scott Buchholz MP and Ms Nola Bethwyn Marino MP

The Nationals
Leader—Hon. Warren Errol Truss MP
Deputy Leader—Hon. Barnaby Thomas Gerard Joyce MP
Chief Whip—Mr Mark Maclean Coulton MP
Deputy Whip—Mr George Robert Christensen MP

Australian Labor Party
Leader—Hon. William Richard Shorten MP
Deputy Leader—Hon. Tanya Joan Plibersek MP
Chief Opposition Whip—Mr Christopher Patrick Hayes MP
Opposition Whips—Ms Jill Griffiths Hall MP and Ms Joanne Catherine Ryan MP

Printed by authority of the House of Representatives
<table>
<thead>
<tr>
<th>Members</th>
<th>Division</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abbott, The Hon. Anthony John</td>
<td>Warringah, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Albanese, The Hon. Anthony Norman</td>
<td>Grayndler, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Alexander, Mr John Gilbert OAM</td>
<td>Bennelong, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Andrews, Mrs Karen Lesley</td>
<td>McPherson, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Andrews, The Hon. Kevin James</td>
<td>Menzies, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Baldwin, The Hon. Robert Charles</td>
<td>Paterson, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Bandt, Mr Adam Paul</td>
<td>Melbourne, VIC</td>
<td>AG</td>
</tr>
<tr>
<td>Billson, The Hon. Bruce Fredrick</td>
<td>Dunkley, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Bird, The Hon. Sharon Leah</td>
<td>Cunningham, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Bishop, The Hon. Bronwyn Kathleen</td>
<td>Mackellar, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Bishop, The Hon. Julie Isabel</td>
<td>Curtin, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Bowen, The Hon. Chris Eyles</td>
<td>McMahon, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Briggs, The Hon. Jamie Edward</td>
<td>Mayo, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Broad, Mr Andrew John</td>
<td>Mallee, VIC</td>
<td>NATS</td>
</tr>
<tr>
<td>Broadbent, Mr Russell Evan</td>
<td>McMillan, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Brodtmann, Ms Gai Marie</td>
<td>Canberra, ACT</td>
<td>ALP</td>
</tr>
<tr>
<td>Brough, The Hon. Malcolm Thomas</td>
<td>Fisher, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Buchholz, Mr Scott</td>
<td>Wright, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Burke, Ms Anna Elizabeth</td>
<td>Chisholm, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Burke, The Hon. Anthony Stephen</td>
<td>Watson, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Butler, The Hon. Mark Christopher</td>
<td>Port Adelaide, SA</td>
<td>ALP</td>
</tr>
<tr>
<td>Butler, Ms Terri Megan</td>
<td>Griffith, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Byrne, The Hon. Anthony Michael</td>
<td>Holt, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Chalmers, Dr James Edward</td>
<td>Rankin, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Champion, Mr Nicholas David</td>
<td>Wakefield, SA</td>
<td>ALP</td>
</tr>
<tr>
<td>Chester, The Hon. Darren</td>
<td>Gippsland, VIC</td>
<td>NATS</td>
</tr>
<tr>
<td>Chesters, Ms Lisa Marie</td>
<td>Bendigo, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Christensen, Mr George Robert</td>
<td>Dawson, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Ciobo, The Hon. Steven Michele</td>
<td>Moncrieff, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Clare, The Hon. Jason Dean</td>
<td>Blaxland, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Claydon, Ms Sharon Catherine</td>
<td>Newcastle, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Cobb, The Hon. John Kenneth</td>
<td>Calare, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>Coleman, Mr David Bernard</td>
<td>Banks, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Collins, The Hon. Julie Maree</td>
<td>Franklin, TAS</td>
<td>ALP</td>
</tr>
<tr>
<td>Conroy, Mr Patrick Martin</td>
<td>Charlton, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Coulton, Mr Mark Maclean</td>
<td>Parkes, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>Danby, The Hon. Michael</td>
<td>Melbourne Ports, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Dreyfus, The Hon. Mark Alfred QC</td>
<td>Isaacs, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Dutton, The Hon. Peter Craig</td>
<td>Dickson, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Elliot, The Hon. Maria Justine</td>
<td>Richmond, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Ellis, The Hon. Katherine Margaret</td>
<td>Adelaide, SA</td>
<td>ALP</td>
</tr>
<tr>
<td>Entsch, The Hon. Warren George</td>
<td>Leichhardt, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Feeney, The Hon. David</td>
<td>Batman, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Ferguson, Mr Laurie Donald Thomas</td>
<td>Werriwa, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Fitzgibbon, The Hon. Joel Andrew</td>
<td>Hunter, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Fletcher, The Hon. Paul William</td>
<td>Bradfield, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Frydenberg, The Hon. Joshua Anthony</td>
<td>Kooyong, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Gambaro, The Hon. Teresa</td>
<td>Brisbane, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Members</td>
<td>Division</td>
<td>Party</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>--------------</td>
<td>-------</td>
</tr>
<tr>
<td>Giles, Mr Andrew James</td>
<td>Scullin, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Gillespie, Dr David Arthur</td>
<td>Lyne, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>Goodenough, Mr Ian Reginald</td>
<td>Moore, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Gray, The Hon. Gary AO</td>
<td>Brand, WA</td>
<td>ALP</td>
</tr>
<tr>
<td>Griffin, The Hon. Alan Peter</td>
<td>Bruce, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Griggs, Mrs Natasha Louise</td>
<td>Solomon, NT</td>
<td>CLP</td>
</tr>
<tr>
<td>Hall, Ms Jill Griffiths</td>
<td>Shortland, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Hartsuyker, The Hon. Luke</td>
<td>Cowper, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>Hawke, Mr Alexander George</td>
<td>Mitchell, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Hayes, Mr Christopher Patrick</td>
<td>Fowler, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Henderson, Ms Sarah Moya</td>
<td>Corangamite, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Hendy, Dr Peter William</td>
<td>Eden-Monaro, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Hockey, The Hon. Joseph Benedict</td>
<td>North Sydney, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Hogan, Mr Kevin John</td>
<td>Page, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>Howarth, Mr Luke Ronald</td>
<td>Petrie, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Hunt, The Hon. Gregory Andrew</td>
<td>Flinders, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Husic, The Hon. Edham Nurreddin</td>
<td>Chifley, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Hutchinson, Mr Eric Russell</td>
<td>Lyons, TAS</td>
<td>LP</td>
</tr>
<tr>
<td>Irons, Mr Stephen James</td>
<td>Swan, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Jensen, Dr Dennis Geoffrey</td>
<td>Tangney, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Jones, Mr Ewen Thomas</td>
<td>Herbert, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Jones, Mr Stephen Patrick</td>
<td>Throsby, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Katter, The Hon. Robert Carl</td>
<td>Kennedy, QLD</td>
<td>AUS</td>
</tr>
<tr>
<td>Keenan, The Hon. Michael</td>
<td>Stirling, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Kelly, Mr Craig</td>
<td>Hughes, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>King, The Hon. Catherine Fiona</td>
<td>Ballarat, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Laming, Mr Andrew</td>
<td>Bowman, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Landry, Ms Michelle Leanne</td>
<td>Capricornia, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Laundy, Mr Craig</td>
<td>Reid, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Leigh, The Hon. Dr Andrew Keith</td>
<td>Fraser, ACT</td>
<td>ALP</td>
</tr>
<tr>
<td>Ley, The Hon. Susan Penelope</td>
<td>Farrer, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Macfarlane, The Hon. Ian Elgin</td>
<td>Groom, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Macklin, The Hon. Jennifer Louise</td>
<td>JagaJaga, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>MacTierman, The Hon. Alannah Joan Geraldine Cecilia</td>
<td>Perth, WA</td>
<td>ALP</td>
</tr>
<tr>
<td>Marino, Ms Nola Bethwyn</td>
<td>Forrest, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Markus, Mrs Louise Elizabeth</td>
<td>Macquarie, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Marles, The Hon. Richard Donald</td>
<td>Corio, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Matheson, Mr Russell Glenn</td>
<td>Macarthur, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>McCormack, The Hon. Michael Francis</td>
<td>Riverina, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>McGowan, Ms Catherine AO</td>
<td>Indi, VIC</td>
<td>IND.</td>
</tr>
<tr>
<td>McNamara, Mrs Karen Jane</td>
<td>Dobell, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Mitchell, Mr Robert George</td>
<td>McEwen, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Morrison, The Hon. Scott John</td>
<td>Cook, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Neumann, The Hon. Shayne Kenneth</td>
<td>Blair, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Nikolic, Mr Andrew Alexander AM, CSC</td>
<td>Bass, TAS</td>
<td>LP</td>
</tr>
<tr>
<td>O'Connor, The Hon. Brendan Patrick John</td>
<td>Gorton, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>O'Dowd, Mr Kenneth Desmond</td>
<td>Flynn, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Members</td>
<td>Division</td>
<td>Party</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>--------------</td>
<td>-------</td>
</tr>
<tr>
<td>O'Dwyer, Ms Kelly Megan</td>
<td>Higgins, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>O'Neil, Ms Clare Ellen</td>
<td>Hotham, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Owens, Ms Julie</td>
<td>Parramatta, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Palmer, Mr Clive Federick</td>
<td>Fairfax QLD</td>
<td>PUP</td>
</tr>
<tr>
<td>Parke, The Hon. Melissa</td>
<td>Fremantle, WA</td>
<td>ALP</td>
</tr>
<tr>
<td>Pasin, Mr Antony</td>
<td>Barker, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Perrett, Mr Graham Douglas</td>
<td>Moreton, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Pitt, Mr Keith John</td>
<td>Hinkler, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Pliibersek, The Hon. Tanya Joan</td>
<td>Sydney, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Porter, The Hon. Charles Christian</td>
<td>Pearce, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Prentice, Mrs Jane</td>
<td>Ryan, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Price, Ms Melissa Lee</td>
<td>Durack, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Pyne, The Hon. Christopher Maurice</td>
<td>Sturt, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Ramsey, Mr Rowan Eric</td>
<td>Grey, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Randall, Mr Don James</td>
<td>Canning, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Ripoll, The Hon. Bernard Fernando</td>
<td>Oxley, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Rishworth, The Hon. Amanda Louise</td>
<td>Kingston, SA</td>
<td>ALP</td>
</tr>
<tr>
<td>Robb, The Hon. Andrew John AO</td>
<td>Goldstein, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Robert, The Hon. Stuart Rowland</td>
<td>Fadden, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Rowland, Ms Michelle Anne</td>
<td>Greenway, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Roy, Mr Wyatt</td>
<td>Longman, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Ruddock, The Hon. Philip Maxwell</td>
<td>Berowra, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Ryan, Ms Joanne Catherine</td>
<td>Lalor, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Scott, The Hon. Bruce Craig</td>
<td>Maranoa, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Scott, Ms Fiona Meryl</td>
<td>Lindsay, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Shorten, The Hon. William Richard</td>
<td>Maribyrnong, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Simpkins, Mr Luke Xavier Linton</td>
<td>Cowan, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Smith, The Hon. Anthony David Hawthorn</td>
<td>Casey, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Snowdon, The Hon. Warren Edward</td>
<td>Liniari, NT</td>
<td>ALP</td>
</tr>
<tr>
<td>Southcott, Dr Andrew John</td>
<td>Boothby, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Stone, The Hon. Dr Sharman Nancy</td>
<td>Murray, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Sudmalis, Ms Ann Elizabeth</td>
<td>Gilmore, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Suckar, Mr Michael</td>
<td>Deakin, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Swan, The Hon. Wayne Maxwell</td>
<td>Lilley, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Taylor, Mr Angus James</td>
<td>Hume, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Tehan, Mr Daniel Thomas (Dan)</td>
<td>Wannon, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Thistlethwaite, Mr Matthew James</td>
<td>Kingsford Smith, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Thomson, The Hon. Kelvin John</td>
<td>Wills, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Truss, The Hon. Warren Errol</td>
<td>Wide Bay, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Tudge, The Hon. Alan Edward</td>
<td>Aston, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Turnbull, The Hon. Malcolm Bligh</td>
<td>Wentworth, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Vamvakinou, Ms Maria</td>
<td>Calwell, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>van Manen, Mr Albertus Johannes</td>
<td>Forde, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Varvaris, Mr Nickolas</td>
<td>Barton, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Vasta, Mr Ross Xavier</td>
<td>Bonner, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Watts, Mr Timothy Graham</td>
<td>Gellibrand, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Whiteley, Mr Brett David</td>
<td>Braddon, TAS</td>
<td>LP</td>
</tr>
<tr>
<td>Wicks, Mrs Lucy Elizabeth</td>
<td>Robertson, NSW</td>
<td>LP</td>
</tr>
</tbody>
</table>
**Members of the House of Representatives**

<table>
<thead>
<tr>
<th>Members</th>
<th>Division</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wilkie, Mr Andrew Damien</td>
<td>Denison, TAS</td>
<td>IND.</td>
</tr>
<tr>
<td>Williams, Mr Matthew</td>
<td>Hindmarsh, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Wilson, Mr Richard James</td>
<td>O'Connor, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Wood, Mr Jason Peter</td>
<td>La Trobe, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Wyatt, Mr Kenneth George AM</td>
<td>Hasluck, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Zappia, Mr Antonio</td>
<td>Makin, SA</td>
<td>ALP</td>
</tr>
</tbody>
</table>

**PARTY ABBREVIATIONS**

ALP—Australian Labor Party; LP—Liberal Party of Australia; NATS—The Nationals; IND—Independent; NATS WA—The Nationals WA; CLP—Country Liberal Party; AUS—Katters Australia Party; AG—Australian Greens; PUP—Palmer United Party

**Heads of Parliamentary Departments**

Clerk of the Senate—R Laing  
Clerk of the House of Representatives—D Elder  
Secretary, Department of Parliamentary Services—C Mills  
Parliamentary Budget Officer—P Bowen
## ABBOTT MINISTRY

<table>
<thead>
<tr>
<th>Title</th>
<th>Minister</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Prime Minister</strong></td>
<td>The Hon. Tony Abbott MP</td>
</tr>
<tr>
<td><strong>Minister for Indigenous Affairs</strong></td>
<td>Senator the Hon. Nigel Scullion</td>
</tr>
<tr>
<td><a href="#">Minister Assisting the Prime Minister for the Public Service</a></td>
<td>Senator the Hon. Eric Abetz</td>
</tr>
<tr>
<td><a href="#">Minister Assisting the Prime Minister for Women</a></td>
<td>Senator the Hon. Michaelia Cash</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Prime Minister</strong></td>
<td>The Hon. Josh Frydenberg MP</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Prime Minister</strong></td>
<td>The Hon. Alan Tudge MP</td>
</tr>
<tr>
<td><strong>Minister for Infrastructure and Regional Development</strong></td>
<td>The Hon. Warren Truss MP</td>
</tr>
<tr>
<td>(Deputy Prime Minister)</td>
<td>The Hon. Jamie Briggs MP</td>
</tr>
<tr>
<td>Assistant Minister for Infrastructure and Regional Development</td>
<td></td>
</tr>
<tr>
<td><strong>Minister for Foreign Affairs</strong></td>
<td>The Hon. Julie Bishop MP</td>
</tr>
<tr>
<td><strong>Minister for Trade and Investment</strong></td>
<td>The Hon. Andrew Robb AO MP</td>
</tr>
<tr>
<td><a href="#">Parliamentary Secretary to the Minister for Foreign Affairs</a></td>
<td>Senator the Hon. Brett Mason</td>
</tr>
<tr>
<td><strong>Minister for Employment</strong></td>
<td>Senanor the Hon. Eric Abetz</td>
</tr>
<tr>
<td>Assistant Minister for Employment (Deputy Leader of the House)</td>
<td></td>
</tr>
<tr>
<td><strong>Attorney-General</strong></td>
<td>Senator the Hon. George Brandis QC</td>
</tr>
<tr>
<td><strong>Minister for the Arts</strong></td>
<td>Senator the Hon. George Brandis QC</td>
</tr>
<tr>
<td>(Vice-President of the Executive Council)</td>
<td></td>
</tr>
<tr>
<td>(Deputy Leader of the Government in the Senate)</td>
<td></td>
</tr>
<tr>
<td>Minister for Justice</td>
<td>The Hon. Michael Keenan MP</td>
</tr>
<tr>
<td><strong>Treasurer</strong></td>
<td>The Hon. Joe Hockey MP</td>
</tr>
<tr>
<td><strong>Minister for Small Business</strong></td>
<td>The Hon. Bruce Billson MP</td>
</tr>
<tr>
<td>Assistant Treasurer</td>
<td>Senator the Hon. Arthur Sinodinos AO</td>
</tr>
<tr>
<td><a href="#">Parliamentary Secretary to the Treasurer</a></td>
<td>The Hon. Steven Ciobo MP</td>
</tr>
<tr>
<td><strong>Minister for Agriculture</strong></td>
<td>The Hon. Barnaby Joyce MP</td>
</tr>
<tr>
<td><a href="#">Parliamentary Secretary to the Minister for Agriculture</a></td>
<td>Senator the Hon. Richard Colbeck</td>
</tr>
<tr>
<td><strong>Minister for Education</strong></td>
<td>The Hon. Christopher Pyne MP</td>
</tr>
<tr>
<td>(Leader of the House)</td>
<td></td>
</tr>
<tr>
<td>Assistant Minister for Education</td>
<td>The Hon. Sussan Ley MP</td>
</tr>
<tr>
<td><a href="#">Parliamentary Secretary to the Minister for Education</a></td>
<td>Senator the Hon. Scott Ryan</td>
</tr>
<tr>
<td><strong>Minister for Industry</strong></td>
<td>The Hon. Ian Macfarlane MP</td>
</tr>
<tr>
<td><a href="#">Parliamentary Secretary to the Minister for Industry</a></td>
<td>The Hon. Bob Baldwin MP</td>
</tr>
<tr>
<td><strong>Minister for Social Services</strong></td>
<td>The Hon. Kevin Andrews MP</td>
</tr>
<tr>
<td>Assistant Minister for Social Services (Manager of Government Business in the Senate)</td>
<td>Senator the Hon. Mitch Fifield</td>
</tr>
<tr>
<td>Minister for Human Services</td>
<td>Senator the Hon. Marise Payne</td>
</tr>
<tr>
<td><a href="#">Parliamentary Secretary to the Minister for Social Services</a></td>
<td>Senator the Hon. Concetta Fierravanti-Wells</td>
</tr>
<tr>
<td><strong>Minister for Communications</strong></td>
<td>The Hon. Malcolm Turnbull MP</td>
</tr>
<tr>
<td><a href="#">Parliamentary Secretary to the Minister for Communications</a></td>
<td>The Hon. Paul Fletcher MP</td>
</tr>
<tr>
<td><strong>Minister for Health</strong></td>
<td>The Hon. Peter Dutton MP</td>
</tr>
<tr>
<td><strong>Minister for Sport</strong></td>
<td>The Hon. Peter Dutton MP</td>
</tr>
<tr>
<td>Assistant Minister for Health</td>
<td>Senator the Hon. Fiona Nash</td>
</tr>
<tr>
<td>Title</td>
<td>Minister</td>
</tr>
<tr>
<td>-----------------------------------------------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td><strong>Minister for Defence</strong></td>
<td>Senator the Hon. David Johnston</td>
</tr>
<tr>
<td>Minister for Veterans’ Affairs</td>
<td>Senator the Hon. Michael Ronaldson</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for the Centenary of ANZAC</td>
<td>Senator the Hon. Michael Ronaldson</td>
</tr>
<tr>
<td>Assistant Minister for Defence</td>
<td>The Hon. Stuart Robert MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Defence</td>
<td>The Hon. Darren Chester MP</td>
</tr>
<tr>
<td><strong>Minister for the Environment</strong></td>
<td>The Hon. Greg Hunt MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for the Environment</td>
<td>Senator the Hon. Simon Birmingham</td>
</tr>
<tr>
<td><strong>Minister for Immigration and Border Protection</strong></td>
<td>The Hon. Scott Morrison MP</td>
</tr>
<tr>
<td>Assistant Minister for Immigration and Border Protection</td>
<td>Senator the Hon. Michaelia Cash</td>
</tr>
<tr>
<td><strong>Minister for Finance</strong></td>
<td>Senator the Hon. Mathias Cormann</td>
</tr>
<tr>
<td>Special Minister of State</td>
<td>Senator the Hon. Michael Ronaldson</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Finance</td>
<td>The Hon. Michael McCormack MP</td>
</tr>
</tbody>
</table>

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 Human Services in the Social Services portfolio and 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.
<table>
<thead>
<tr>
<th>Title</th>
<th>Shadow Minister</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leader of the Opposition</strong></td>
<td>Hon Bill Shorten MP</td>
</tr>
<tr>
<td>Shadow Minister Assisting the Leader for Science</td>
<td>Senator the Hon Kim Carr</td>
</tr>
<tr>
<td>Shadow Minister Assisting the Leader for Small Business</td>
<td>Hon Bernie Ripoll MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Small Business</td>
<td>Julie Owens MP</td>
</tr>
<tr>
<td>Shadow Cabinet Secretary</td>
<td>Senator the Hon Jacinta Collins</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>Hon Michael Danby MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>Dr Jim Chalmers MP</td>
</tr>
<tr>
<td><strong>Deputy Leader of the Opposition</strong></td>
<td>Hon Tanya Plibersek MP</td>
</tr>
<tr>
<td>Shadow Minister for Foreign Affairs and International Development</td>
<td>Senator Claire Moore</td>
</tr>
<tr>
<td>Shadow Minister for Women</td>
<td></td>
</tr>
<tr>
<td>Manager of Opposition Business (Senate)</td>
<td>Senator the Hon Don Farrell</td>
</tr>
<tr>
<td>Shadow Minister for the Centenary of ANZAC</td>
<td>Hon Matt Thistlethwaite MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Foreign Affairs</td>
<td></td>
</tr>
<tr>
<td><strong>Leader of the Opposition in the Senate</strong></td>
<td>Senator the Hon Penny Wong</td>
</tr>
<tr>
<td>Shadow Minister for Trade and Investment</td>
<td>Dr Jim Chalmers MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Trade and Investment</td>
<td></td>
</tr>
<tr>
<td><strong>Deputy Leader of the Opposition in the Senate</strong></td>
<td>Senator the Hon Stephen Conroy</td>
</tr>
<tr>
<td>Shadow Minister for Defence</td>
<td></td>
</tr>
<tr>
<td>Shadow Assistant Minister for Defence</td>
<td>Hon David Feeney MP</td>
</tr>
<tr>
<td>Shadow Minister for Veterans’ Affairs</td>
<td>Senator the Hon Don Farrell</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Defence</td>
<td>Gai Brodtmann MP</td>
</tr>
<tr>
<td><strong>Shadow Minister for Infrastructure and Transport</strong></td>
<td>Hon Anthony Albanese MP</td>
</tr>
<tr>
<td>Shadow Minister for Tourism</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Regional Development and Local Government</td>
<td>Hon Julie Collins MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Regional Development and Infrastructure</td>
<td>Allannah MacTiernan MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Western Australia</td>
<td>Hon Warren Snowdon MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for External Territories</td>
<td></td>
</tr>
<tr>
<td><strong>Shadow Treasurer</strong></td>
<td>Hon Chris Bowen MP</td>
</tr>
<tr>
<td>Shadow Assistant Treasurer</td>
<td>Hon Dr Andrew Leigh MP</td>
</tr>
<tr>
<td>Shadow Minister for Competition</td>
<td>Hon Bernie Ripoll MP</td>
</tr>
<tr>
<td>Shadow Minister for Financial Services and Superannuation</td>
<td>Hon Ed Husic MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Shadow Treasurer</td>
<td></td>
</tr>
<tr>
<td><strong>Shadow Minister for Finance</strong></td>
<td>Hon Tony Burke MP</td>
</tr>
<tr>
<td>Manager of Opposition Business (House)</td>
<td></td>
</tr>
<tr>
<td><strong>Shadow Minister for Environment, Climate Change and Water</strong></td>
<td>Hon Mark Butler MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for the Environment, Climate Change and Water</td>
<td>Senator Louise Pratt</td>
</tr>
<tr>
<td><strong>Shadow Minister for Higher Education, Research, Innovation and Industry</strong></td>
<td>Senator the Hon Kim Carr</td>
</tr>
<tr>
<td>Shadow Minister for Vocational Education</td>
<td>Hon Sharon Bird MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Manufacturing</td>
<td>Tony Zappia MP</td>
</tr>
<tr>
<td>Title</td>
<td>Shadow Minister</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
<td>------------------------------------------------------</td>
</tr>
<tr>
<td>Shadow Minister for Communications</td>
<td>Hon Jason Clare MP</td>
</tr>
<tr>
<td>Shadow Assistant Minister for Communications</td>
<td>Michelle Rowland MP</td>
</tr>
<tr>
<td>Shadow Attorney General</td>
<td>Hon Mark Dreyfus QC MP</td>
</tr>
<tr>
<td>Shadow Minister for the Arts</td>
<td></td>
</tr>
<tr>
<td>Deputy Manager of Opposition Business (House)</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Justice</td>
<td>Hon David Feeney MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Shadow Attorney General</td>
<td>Senator the Hon Lisa Singh</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for the Arts</td>
<td>Hon Michael Danby MP</td>
</tr>
<tr>
<td>Shadow Minister for Education</td>
<td>Hon Kate Ellis MP</td>
</tr>
<tr>
<td>Shadow Minister for Early Childhood</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Education</td>
<td>Julie Owens MP</td>
</tr>
<tr>
<td>Shadow Minister for Agriculture</td>
<td>Hon Joel Fitzgibbon MP</td>
</tr>
<tr>
<td>Shadow Minister for Resources</td>
<td>Hon Gary Gray AO MP</td>
</tr>
<tr>
<td>Shadow Minister for Northern Australia</td>
<td></td>
</tr>
<tr>
<td>Shadow Special Minister of State</td>
<td>Hon Warren Snowdon MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Northern Australia</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Health</td>
<td>Hon Catherine King MP</td>
</tr>
<tr>
<td>Shadow Assistant Minister for Health</td>
<td>Stephen Jones MP</td>
</tr>
<tr>
<td>Shadow Minister for Mental Health</td>
<td>Senator Hon Jan Mclucas</td>
</tr>
<tr>
<td>Shadow Minister for Sport</td>
<td>Hon Bernie Ripoll MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Health</td>
<td>Hon Amanda Rishworth MP</td>
</tr>
<tr>
<td>Shadow Minister for Families and Payments</td>
<td>Hon Jenny Macklin MP</td>
</tr>
<tr>
<td>Shadow Minister for Disability Reform</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Human Services</td>
<td>Senator the Hon Doug Cameron</td>
</tr>
<tr>
<td>Shadow Minister for Housing and Homelessness</td>
<td>Senator the Hon Jan Mclucas</td>
</tr>
<tr>
<td>Shadow Minister for Carers</td>
<td>Senator Claire Moore</td>
</tr>
<tr>
<td>Shadow Minister for Communities</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Families and Payments</td>
<td>Senator Carol Brown</td>
</tr>
<tr>
<td>Shadow Minister for Immigration and Border Protection</td>
<td>Hon Richard Marles MP</td>
</tr>
<tr>
<td>Shadow Minister for Citizenship and Multiculturalism</td>
<td>Michelle Rowland MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Immigration</td>
<td>Hon Matt Thistlethwaite MP</td>
</tr>
<tr>
<td>Shadow Minister for Indigenous Affairs</td>
<td>Hon Shayne Neumann MP</td>
</tr>
<tr>
<td>Shadow Minister for Ageing</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Indigenous Affairs</td>
<td>Hon Warren Snowdon MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Aged Care</td>
<td>Senator Helen Polley</td>
</tr>
<tr>
<td>Shadow Minister for Employment and Workplace Relations</td>
<td>Hon Brendan O'Connor MP</td>
</tr>
<tr>
<td>Shadow Minister for Employment Services</td>
<td>Hon Julie Collins MP</td>
</tr>
</tbody>
</table>
CONTENTS

TUESDAY, 4 MARCH 2014

Chamber
PARLIAMENTARY OFFICE HOLDERS—
Speaker's Panel........................................................................................................... 1501

BILLS—
Governor-General Amendment (Salary) Bill 2014—
Second Reading.............................................................................................................. 1501
Third Reading................................................................................................................ 1508
Excise Tariff Amendment (Tobacco) Bill 2014—
Customs Tariff Amendment (Tobacco) Bill 2014—
Second Reading.............................................................................................................. 1508

STATEMENTS BY MEMBERS—
Ministry of Food Pop-Up Kitchen .................................................................................. 1520
International Women's Day ............................................................................................ 1520
Chisholm Electorate: Huntingdale Railway Station ......................................................... 1521
Herbert Electorate: Dalrymple Road .............................................................................. 1521
Burgess, Mr John ........................................................................................................... 1521
Clean Up Australia Day .................................................................................................. 1522
Broadband ..................................................................................................................... 1522
Mobile Phone Services.................................................................................................... 1523
Indi Electorate: Yackandandah Historical Society .......................................................... 1523
Bennelong Electorate: SWEETNESS The Patisserie ....................................................... 1524
General Practice ............................................................................................................. 1524
Robertson Electorate: Veterans ...................................................................................... 1524
Charlton Electorate: 48th International Children's Games ............................................. 1525
Durack Electorate: Algae Farming ................................................................................... 1525
Venezuela ......................................................................................................................... 1526
Keep Australia Beautiful ............................................................................................... 1526
Pettifer, Mr John Athol CBE .......................................................................................... 1527
Clean Up Australia Day ................................................................................................. 1527
General Practice ............................................................................................................. 1528
Rare Disease Day ............................................................................................................ 1528

SHADOW MINISTERIAL ARRANGEMENTS.................................................................. 1528

QUESTIONS WITHOUT NOTICE—
Qantas............................................................................................................................... 1530
Qantas............................................................................................................................... 1531
Employment .................................................................................................................... 1532
Qantas............................................................................................................................... 1532
Qantas............................................................................................................................... 1533
Fishing Industry .............................................................................................................. 1534
Employment .................................................................................................................... 1535
Qantas............................................................................................................................... 1536
Carbon Pricing ............................................................................................................... 1536
Qantas............................................................................................................................... 1537
CONTENTS—continued

Carbon Pricing ................................................................. 1538
Qantas ........................................................................... 1539
Small Business ................................................................. 1539
Qantas ........................................................................... 1541
Higher Education ............................................................... 1541
Qantas ........................................................................... 1542
Qantas ........................................................................... 1543
Asylum Seekers ................................................................. 1544
International Development Assistance .............................. 1546
Qantas ........................................................................... 1547
Intercountry Adoption ....................................................... 1548
DISTINGUISHED VISITORS .................................................... 1548
QUESTIONS WITHOUT NOTICE—
Assistant Minister for Health: Staffing ......................... 1549
Gilmore Electorate: GP Superclinic ................................. 1549
PERSONAL EXPLANATIONS .................................................. 1550
DOCUMENTS—
Presentation ..................................................................... 1550
MATTERS OF PUBLIC IMPORTANCE—
Aviation Industry ............................................................... 1551
COMMITTEES—
Membership .................................................................... 1565
BILLS—
Excise Tariff Amendment (Tobacco) Bill 2014—
Customs Tariff Amendment (Tobacco) Bill 2014—
  Second Reading ................................................................. 1565
  Third Reading .................................................................. 1582
Customs Tariff Amendment (Tobacco) Bill 2014—
  Second Reading ................................................................. 1582
  Third Reading .................................................................. 1582
Tax and Superannuation Laws Amendment (2014 Measures No. 1) Bill 2014—
  Second Reading ................................................................. 1582
  Third Reading .................................................................. 1613
Appropriation Bill (No. 3) 2013-2014—
Appropriation Bill (No. 4) 2013-2014—
  Appropriation (Parliamentary Departments) Bill (No. 2) 2013-2014—
    Second Reading ................................................................. 1613
ADJOURNMENT—
Legal Aid ........................................................................ 1631
Ovarian Cancer ................................................................. 1632
Bendigo Electorate: Manufacturing .................................... 1633
Deakin Electorate: Ringwood Chamber of Commerce and Industry .......... 1634
Charitable Organisations .................................................... 1636
Former Member for Fisher ............................................... 1637
NOTICES ........................................................................ 1638
The SPEAKER (Hon. Bronwyn Bishop) took the chair at 12:00, made an acknowledgement of country and read prayers.

PARLIAMENTARY OFFICE HOLDERS
Speaker's Panel

The SPEAKER (12:01): Pursuant to standing order 17, I lay on the table my warrant nominating the honourable members for McPherson, Mitchell, Herbert and Canning to be members of the Speaker's panel to assist the chair when requested to do so by the Speaker or the Deputy Speaker.

BILLS
Governor-General Amendment (Salary) Bill 2014
Second Reading

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

Mr GRAY (Brand) (12:01): Labor welcomes the appointment of Peter Cosgrove as the new Governor-General. General Peter Cosgrove has dedicated his entire adult life to serving his country, inspiring others by example and with his leadership. His leadership in a military context is well known. His leadership in our community is deeply understood. His leadership in areas of sport and endeavour brand General Cosgrove in a genuinely special light.

As commander of the international peacekeeping forces in East Timor at the turn of the last century, General Cosgrove helped bring independence and peace to a new nation and stability to our region in difficult times. The brief in East Timor was no easy brief. The brief in East Timor was carried out by General Cosgrove in an authoritative, gentle, tender Australian way, in a way that helped build a nation from the ashes of an invasion. General Cosgrove's contribution to our region as a leader is best understood through his role in East Timor.

As a former Chief of Army and Chief of the Defence Force, General Cosgrove represented the most remarkable qualities of our service personnel both at home and abroad. General Cosgrove continued his unwavering commitment to public service in leading the recovery effort in Far North Queensland following the devastation of Cyclone Larry in 2006. His willingness to be on-site, to be on the ground, to be visible, to speak up where required, to lead by example and to speak directly to all levels of government was not simply appreciated by the community of Far North Queensland. It set an example for how both good public administration and good people can serve our nation in times of need. It added to General Cosgrove an aura of concern, interest and capability for supporting the community that in many ways he had been a leader of his entire life.

I first became aware of General Cosgrove through the role that he played as a vociferous advocate for rugby union, through the Australian Rugby Union and through attempts to establish a licence for the Western Force rugby union franchise in Western Australia. In getting and understanding the particular culture of Western Australia in rugby union, General Cosgrove became not just a great advocate for a great global game but a great advocate for getting that game greater visibility in Western Australia. The great example of leadership,
courage and thoughtfulness that comes out of that game is in many ways the hallmark of the general himself.

General Cosgrove was also recognised as a role model for others when he was named our Australian of the Year in 2001. To become Australian of the year is no mean feat. Not only does our nation look up to Australians of the year but our nation sees the Australian of the year as a great example in so many ways of the best of all of us. There is no way that we could not see General Cosgrove and his wife, Lynne, as being very simply that—a great embodiment of the very best of all that we in Australia look to, both in leadership and also in the men and women that we create in our country.

I would also like to recognise and thank Her Excellency Quentin Bryce for her dedicated service since her appointment as Governor-General in 2008. Ms Bryce is Australia’s first female Governor-General and has brought a renewed sense of appreciation to this high office, in particular serving as a role model and mentor for Australian women.

I am familiar with many of the visits that the current Governor-General, Quentin Bryce, made to Western Australia through the north of Western Australia and through the Kimberley, and I am sure that, when our new Governor-General, General Cosgrove, makes those visits, he will do it in a lot more comfort than he is used to from his past and he will bring to Northern Australia the authoritative presence of a genuinely outstanding Australian. He and his wife, Lynne, will be welcomed wherever they go, and they will bring pride to communities who simply want to see and understand how our governor-generalship works, to provide the most wonderful level of hospitality to our new Governor-General and to provide insights into how regional Australia operates, how Northern Australia operates, how the Kimberley operates and how our mining communities operate.

This role is not simply a role cast in the narrow mould of a vice-regal representative. This role is the very embodiment of the spirit of government and good governance throughout our country. I look forward to seeing the new Governor-General travel throughout Australia and carry with him a message of goodwill, engagement and understanding, bringing back to us as decision-makers, parliamentarians and legislators the insight that he learns from his experience in this role.

Australia has been well served in the office of Governor-General over the 113 years of the office. We have been served by outstanding men and now women, and their generosity and willingness to serve in this role provides not only an important part of our Constitution’s machinery of operation but also a non-political person who can stand above all else in Australia and be simply an Australian and a leader. We all like to see that. We all celebrate in that glow, and our country is made better for the people who fulfil this role.

I of course would like again to congratulate General Cosgrove and his wife, Lynne, on this momentous appointment and to thank outgoing Governor-General Bryce—and her husband, Michael, for the role that he has played in allowing the Governor-General to perform the work that she has performed in the interests of all Australians wherever required to do so. I commend the bill to the House.

Mr IRONS (Swan) (12:10): I rise to speak on the Governor-General Amendment (Salary) Bill 2014 and thank the member for Brand for his words, for adding another Western Australian flavour to this place and for his commitment to the role of Governor-General. The
Tuesday, 4 March 2014

House of Representatives

Bill amends the Governor-General Act 1974 to change the sum payable for the salary of the Governor-General. As I am sure you would be acutely aware, Madam Speaker, Section 3 of the Constitution specifies a salary of 10,000 pounds payable to the Governor-General until 'parliament otherwise provides'.

As the Parliamentary Library has documented, parliament did not legislate on the salary of governors-general until the 1974 act but since then salaries have been set for each incoming governor-general by an amendment to the act. Further to salary provision, the Constitution also provides guidance on the alteration of a salary during the term of a governor-general. As you will find in the explanatory memorandum, section 3 of the Constitution provides that the salary of the Governor-General shall not be altered during their continuance in office. This means it is necessary to consider this matter before our new Governor-General is sworn in on 28 March 2014, and I commend the Leader of the House for recognising this legislative requirement, taking carriage and personal responsibility for the legislation and introducing it to the House in a timely manner. The Leader of the House is obviously a scholar of the Constitution and was on top of the changes that would be needed to ensure the smooth transition between governors-general.

But I say to the Leader of the House that he is also showing courage in taking carriage of this legislation given the history of the issue of the Governor-General's salary in this parliament. The level of the salary and pension of governors-general does go back the constitutional convention of 1897 and has been of some interest to historians, including those in the Parliamentary Library. The research paper of the Parliamentary Library is of some interest, and I will relay to the House some of its contents. The Library notes that the sum of 10,000 pounds first appeared in the financial estimates produced at the 1897 constitutional convention. These estimates were circulated during the consideration of the draft constitution, and a salary of 10,000 pounds was ultimately included in the Commonwealth of Australia Constitution Act 1901 and then paid to our first Governor-General, Lord Hopetoun.

From early on in the history of the Commonwealth the Governor-General's salary has been supplemented—even if this was not straightforward at first. Australia's first Prime Minister, Edmund Barton, made it clear that he believed that the 1897 convention and the framers of the Constitution always intended to provide additional allowances to supplement the salary. However, the bill brought forward by Prime Minister Barton in May 1902, which provided for an additional 8,000 pounds per annum 'to assist in defraying the Governor-General's establishment', was not supported by the parliament and was never brought to a vote as a result. I am sure the Leader of the House has been conscious of this history in his drafting of the bill and will guide the legislation through successfully.

Instead of passing Barton's bill in 1902, the House provided a one-off payment of 10,000 pounds to Governor-General Hopetoun to defray personal expenses incurred during the landmark 1901 royal visit. It was a fiscally responsible decision of the parliament, but, according to the Governor-General's website, Hopetoun felt humiliated and resigned his commission. This incident made subsequent parliaments extremely reluctant to approach the issue of the vice-regal salary, and it was true for a while that many of the activities of the governors-general of Australia were funded privately by the governors-general themselves. This situation remained broadly the same until the Whitlam government introduced the
Governor-General Act 1974 to increase the salary of the Rt Hon. Sir John Kerr, which I am sure was appreciated by Mr Kerr.

In putting forward the legislation, Prime Minister Whitlam's principle was that the Governor-General's salary should be dealt with in a non-partisan way. Since the 1974 bill was passed, the parliament has progressively updated the salary of the Governor-General. The Rt Hon. Sir Zelman Cowen received $37,000; the Rt Hon. Sir Ninian Stephen, $70,000; and the Hon. William Hayden, $95,000. The salary since 1982 has been linked informally to the Chief Justice's salary. Following Hayden, the Hon. Sir William Deane's salary was reduced to $58,000 to take into account the pension he received as a former Justice of the High Court. Major General the Hon. Michael Jeffrey followed this tradition by donating his military pension to charity. I note that the Governor-General designate, General Peter Cosgrove, has honourably followed the example of Deane and requested that regard be given to the Commonwealth funded military pension he will be entitled to receive during his term of office. The proposed salary of $425,000 per annum therefore takes into account General Cosgrove's military pension. Following Deane, it is worth noting there was a major leap in the salary provided—to $310,000—for the subsequent Governor-General. This was due to the amendment of the Income Tax Assessment Act 2001 to make Governor-General's salary subject to taxation. Previously it was tax free.

Contrary to the early days of the Commonwealth, the proposed salary in this legislation is not set by any member of parliament. The proposed salary increase in this legislation is recommended by the Remuneration Tribunal, a body independent of government. In line with past practice, the proposed salary was calculated with reference to the estimated average salary of the Chief Justice of the High Court of Australia over the notional five-year term of the appointment of the Governor-General. There will of course be a financial cost increasing the Governor-General's salary. The net financial impact of the new arrangements is unquantifiable as it is not possible to estimate the exact taxation liabilities, which will depend on the individual financial circumstances of the Governor-General—it will not be large.

There are two amendments required to the Governor-General Act 1974. Item 1 refers to section 3 of the Governor-General Act 1974. Section 3 of the Governor-General Act provides that the annual sum payable for the salary of the Governor-General shall be $394,000. Item 1 omits the annual sum of $394,000 and substitutes a new annual sum of $425,000. Item 2 is a transitional provision to ensure that the amendments do not apply during the continuance in office of the person holding office as Governor-General immediately before the commencement of this part.

I conclude by making some general remarks about the Governor-General designate, General Peter Cosgrove. I note General Cosgrove's distinguished military career and I am sure he will be taking a keen interest in the Centenary of Anzac celebrations next year. General Cosgrove's association with the military began as a cadet at Waverley College, during which time he was selected as the outstanding cadet to be sent to the Royal Military College Duntroon for a four-day visit. This must have provided some inspiration for General Cosgrove as he then entered RMC Duntroon in 1965, graduating as a lieutenant in 1968. This sparked an illustrious military career involving Army service postings in Malaysia, Vietnam, the UK, India and the USA. In 1999, he commanded the international force that secured peace in East Timor. General Cosgrove was widely praised for leading international forces in
difficult circumstances without battle casualties to achieve a successful result. Indeed, the former President of East Timor, Jose Ramos-Horta, has described INTERFET as the first completely successful peacekeeping mission anywhere in the world, according to The Weekend Australian.

In 2000, General Cosgrove was appointed Land Force Commander and then promoted to Chief of Army. In 2001, he was named Australian of the Year. In 2002, he was promoted to full General and made Chief of the Defence Force. As the Prime Minister said in his statement on the usually behind-the-scenes role of the Crown, it is 'to be consulted, to encourage and to warn'—as in Bagehot's phrase. We are certain that General Cosgrove will carry out his duties as the Queen's representative in Australia with vigour and integrity. I would like to thank the Parliamentary Library for their research on this issue and help with this speech. I commend the bill to the House.

Ms BRODTMANN (Canberra) (12:19): I would like to echo the views of the previous speakers on the incoming Governor-General. We are very much looking forward to seeing him out and about in Canberra. He has spent a lot of time here. His children were educated here. We are looking forward to welcoming him to Canberra and Yarralumla. I also echo the congratulations to the incoming Governor-General and acknowledge his distinguished career and his already significant contribution to the Australian community.

Since 1974, the Australian government has approved the salary for each incoming Governor-General through amendment of the Governor-General Act 1974. Section 3 of the Constitution provides that 'the salary of a Governor-General shall not be altered during his continuance in office'—an interesting term. So, before each new Governor-General begins their term, the parliament goes through this almost automatic process of approving their salary. While this amendment is almost a formality and neither political nor controversial, it is nonetheless noteworthy because it signals the end of one Governor-General's term and the beginning of another. So I would like to take this opportunity to pay tribute to our outgoing Governor-General, Her Excellency the Hon. Quentin Bryce AC, CVO.

It has not escaped my attention that, as the member for Canberra, I have the incredible good fortune to have the Governor-General as a resident in my electorate. Of course, Canberra is home to many truly exceptional people, including many of the staff of this place, but she has stood out. Quentin Alice Louise Bryce has spent her lifetime breaking glass ceilings. She has been a pioneer for women and an eternal advocate for those less fortunate. In 1968, she became the first woman to be a faculty member of the law school of the University of Queensland. In 1978, she was appointed to the newly established National Women's Advisory Council, taking on the role of convener in 1982. In 1984, she became the first woman to be a faculty member of the law school of the University of Queensland. In 1978, she was appointed to the newly established National Women's Advisory Council, taking on the role of convener in 1982. In 1984, she became the first woman to be a faculty member of the law school of the University of Queensland. In 1978, she was appointed to the newly established National Women's Advisory Council, taking on the role of convener in 1982. In 1984, she became the first woman to be a faculty member of the law school of the University of Queensland. In 1978, she was appointed to the newly established National Women's Advisory Council, taking on the role of convener in 1982. In 1984, she became the first director of the Queensland Women's Information Service under the umbrella of the Office of the Status of Women and was appointed as the women's representative on the National Committee on Discrimination in Employment and Occupation. In 1987, she became the Queensland director of the Human Rights and Equal Opportunity Commission. In 1988, she became the federal Sex Discrimination Commissioner—a position she served in for five years. In 2003, she became Governor of Queensland, only the second woman to occupy the position. And, of course, in 2008, she became our first female Governor-General.

While her support of marriage equality and of Australia one day becoming a republic has made headlines, her ongoing support of women in crisis throughout her time as Governor-
General has, unfortunately, flown under the radar. I have been privileged to visit Canberra's women's refuges, rape crisis centres and housing complexes with her on more than one occasion, including the Canberra Rape Crisis Centre in my electorate in Holder and Lady Heydon House. The compassion and understanding she showed to the women involved in these services was overwhelming.

To the women in need of housing she provided comfort and support. To the women running the refuges she provided empathy and guidance, sharing her own experience of having set up and run refuges on the smell of an oily rag. During a recent visit to the Canberra Rape Crisis Centre, the Governor-General spoke about the fact that when she was involved in rape crisis centres in the 1970s, setting them up with no money—and we were in a brand-new Canberra facility, beautifully painted and decorated where you could still smell the fresh paint—she talked about her sense of excitement when setting up a refuge when she got some second-hand carpet and manage to lay it in the refuge. She has experience from a very long time ago of working to enhance the experiences of women and also to provide, on the smell of an oily rag, comfort and support to women in their moment of need. The Governor-General is an exceptional woman.

To the women counselling traumatised rape victims she provided strength and appreciation of their commitment, and encouragement for what they are doing. I know that her visits to these services did not occur just in Canberra, that she has visited centres right throughout the country and even internationally. As Governor-General, she has continued to advocate for an end to violence against women—which she rightfully calls our national disgrace—and has provided inspirational support to Australians working hard to make this a reality.

Recent polling suggested that support for an Australian republic was at an all-time low, especially among young people, which was very disappointing for a republican like me. I am sure I am not the only person who wonders whether a contributing factor to the reversal of that trend has been the enormous respect so many Australians have for our current Governor-General. In Canberra, she has been warmly embraced by the community. Her presence at community events was both welcome and frequent. So, too, was her warm hospitality. She regularly opened the house and grounds of Government House to members of the community—recently, for the Canberra Symphony Orchestra concert. Unfortunately, we all sat in the rain, but it was a great night. On Government House open day she could frequently be seen talking to nature enthusiasts about the flora and fauna of the grounds or delighting with children as they explored the grand house. Canberra's community organisations and charities have enjoyed her patronage and unwavering support and I thank her that.

On behalf of Canberrans, I wish to say that it has been our absolute honour to have her as a resident of this city for the last five years. While I am sure she will now return to her beloved Queensland, she will forever be an honorary Canberran and we look forward to welcoming her back. Last year when Ms Bryce delivered the Boyer lecture, she said:

Across my life, I've been inspired by women's work and women's leadership.

Today I would like to say to the Governor-General that we have been inspired by your work and your leadership. Thank you for all you have done for this country, especially for its women, not only in your five years as Governor-General but also throughout your life and career.
Mr BRIGGS (Mayo—Assistant Minister for Infrastructure and Regional Development) (12:26): It is a great pleasure to sum up debate on the Governor-General Amendment (Salary) Bill 2014. As the minister for territories, can I add my congratulations to General Cosgrove on his appointment. He will make an outstanding Governor-General of our country. He is the perfect person to be appointed to high office and I concur with the earlier comments made by the member for Canberra, the member for Swan and the member for Brand. General Cosgrove will be a terrific addition to the national capital. We look forward to the celebrations at the end of March to highlight just how important this capital is for our country and for the institutions it represents. As the minister responsible, I look forward to the celebrations at that time. It will be the big year of celebrations with Prince William and the Duchess of Cambridge visiting Australia and attending on Anzac Day.

Thank you to all the members who have spoken on the Governor-General Amendment (Salary) Bill 2014. The purpose of the bill is to set an annual salary of $425,000 during General Peter Cosgrove's tenure as Governor-General. On 28 January 2014, the Prime Minister announced that Her Majesty the Queen had approved his recommendation to appoint General Peter Cosgrove AC, MC as our next Governor-General following the retirement of Her Excellency the Hon. Quentin Bryce AC. A former Australian of the Year, General Cosgrove has dedicated his life to serving and supporting the Australian community. General Cosgrove's compassion and commitment to Australia was displayed during his time as Chief, Australian Defence Force, and as chairman of the recovery task force that helped rebuild shattered communities following Cyclone Larry in Far North Queensland. The Prime Minister has said that he cannot think of a finer or more suitable person to serve as Governor-General than General Cosgrove.

Section 3 of the Constitution states:
The salary of a Governor-General shall not be altered during his continuance in office.

This means two things: firstly, that the Governor-General's salary is fixed and does not increase from year to year; secondly, that alterations to the Governor-General's salary must occur prior to the commencement of a new Governor-General. The Governor-General Act 1974 was passed in order to determine the Governor-General's allowances and salary. In order to alter the Governor-General's salary, an amendment to the act must be made.

It has been longstanding practice that the Governor-General's salary has been calculated with reference to the Chief Justice of the High Court's salary. The proposed salary has therefore been determined through forecasting and projected wage growth of the Chief Justice's salary over the next five years. The Governor-General's designate has requested that his salary take into consideration his Commonwealth funded superannuation from his previous service in the Australian Defence Force and be reduced by that amount. This is in line with a precedent established by His Excellency Sir William Deane in 1995 and Her Excellency Ms Bryce in 2008, both of whom were entitled to Commonwealth funded pensions through their previous work. The proposed salary of $425,000 per annum therefore takes into account General Cosgrove's military pension and has been calculated in relation to the Chief Justice's salary. I commend the bill to the House.

Question agreed to.
Bill read a second time.
Message from the Governor-General recommending appropriation announced.

Third Reading

Mr BRIGGS (Mayo—Assistant Minister for Infrastructure and Regional Development) (12:31): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Excise Tariff Amendment (Tobacco) Bill 2014
Customs Tariff Amendment (Tobacco) Bill 2014

Second Reading

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

Dr LEIGH (Fraser) (12:32): A few years ago I received an email from a constituent about why we should support efforts to reduce smoking rates. The constituent wrote:

My great grandfather, grandfather, father and one of my uncles all died from smoking related conditions. Each of the latter three died 20 to 30 years before the life expectancy for their generation. My father's addiction contributed to two decades of poor health prior to his premature death, resulting in frequent periods where he was unable to work. My siblings and I grew up in poverty, the effects of which are still evident, and the taxpayer bore the cost of his many hospitalisations as well as the cumulative years of income support our family depended on in lieu of employment. I say this so you will understand my absence of sympathy for the 'principled' argument that tobacco companies have a right to make a profit from pushing legal drugs.

This legislation is a progressive health measure. While the national smoking rate is around 17 per cent, it remains considerably higher for disadvantaged groups. It is 26 per cent for people living in low socioeconomic areas, 34 per cent for Indigenous Australians and 38 per cent for the unemployed. Smokers in these groups also consume more cigarettes, around 15 to 20 per cent more cigarettes than the average smoker.

This bill also has particular benefits for regional Australia. Smoking rates in regional areas are twice as high as in the cities, and people in the bush have higher death rates from lung cancer, heart disease, asthma and chronic obstructive pulmonary disease. This bill will help nonsmokers. We know that smokers harm those around them, including children who inhale passive smoke and the one in six babies born to mothers who smoked while pregnant.

Smoking kills over 15,000 Australians every year. Put another way, for every hour that we spend debating this matter in the chamber, two Australians die of smoking related causes. On one estimate, smoking costs Australia $31 billion a year. It is responsible for 84 per cent of lung cancer cases in men and 77 per cent in women. We know the score when it comes to long-term smoking: the hacking cough, the breathlessness, the fatigue, the chest infections and the bloody phlegm.

We also know what happens when you stop smoking. Immediately you smell better and your hair and clothes are no longer infused with the stench of stale smoke. In a week, most of
the nicotine has left your body and your sense of taste has improved. You gain much more enjoyment from a meal or a drink. One ex-smoker told me that she could finally enjoy herbal tea after she had quit smoking. A month later, better blood flow improves your skin and people will notice that you are looking healthier. Three months down the track, your lung function will have increased by 30 per cent and you will have your breath back. You will have so much air available and will finally be able to feel it reaching right into your lungs. Suddenly, walking and running are much easier. After one year without a cigarette your risk of heart attack has halved. You will also have noticeably more cash in your pocket. Ex-smokers describe quitting as the best thing you will ever do.

If tobacco were discovered today it would be unlikely that most developed countries would legalise it. Uniquely, smoking is harmful even in small doses. That makes it unlike other legal vices, which can be consumed in moderation. The occasional double whiskey or deep fried Mars bar will not kill you but, as the ad says, 'every cigarette brings cancer closer'.

The Excise Tariff Amendment (Tobacco) Bill 2014 and the Customs Tariff Amendment (Tobacco) Bill 2014 amend the Excise Tariff Act 1921 and the Customs Tariff Act 1995 to increase the rate of excise and excise equivalent customs duty on tobacco for a series of four staged increases of 12.5 per cent, commencing on 1 December 2013. The bills also index the rate of excise and excise equivalent customs duty on tobacco to average weekly ordinary time earnings, instead of the consumer price index. The last CPI indexation occurred on 1 August 2013, and the first AWOTE indexation occurred on 1 March 2014, reflecting the unusual historical circumstances of the government being able to adjust excise rates and then come back to the parliament for ratification of those changes.

The measures implement policy that was announced by the former Labor government in the 2013-14 budget and then the 2013 economic statement. The former Labor government announced those policies in order to reduce smoking rates in Australia, to reduce the scourge of cancer to which I referred in my opening remarks. The effects in practical terms—so those listening to proceedings are aware of their effects—will be a 12.5 per cent increase on 1 September 2014, 1 September 2015 and 1 September 2016. The increase will mean an increase in excise from 36c to 40c per stick for cigarettes, and that per-stick excise applies to cigarettes with a tobacco content up to and including 0.8 grams per cigarette. In pack terms, that is $8.04 in excise in a pack of 20 cigarettes or $10.05 in a pack of 25 cigarettes. In international terms, if we look at excise tax as a share of the average price for the most popular brand of 20 cigarettes, the tax share according to a 2013 WHO report in Australia was 51 per cent, but in other countries it was higher: in France, 64 per cent; in the United Kingdom, 62 per cent; in Ireland, 60 per cent; and in New Zealand, 61 per cent. So, in international terms, Australia's tax regime will remain appropriate.

I move:
That all the words after "That" be omitted with a view to substituting the following words:
"whilst not declining to give the bill a second reading, the House is of the opinion that:

(1) tobacco continues to be the world's leading preventable cause of death;
(2) in government, Labor implemented measures to reduce smoking, including plain packaging; and
(3) the National Party continue to accept donations from tobacco companies."

Mr Briggs interjecting—
I find it passing strange, Deputy Speaker Kelly, that the minister at the table is unacquainted with second reading amendments. I do encourage him to put the standing orders on his bedtime reading list.

Labor ceased accepting tobacco donations in 2004. We took a principled stance. Our view was that it was not appropriate for a serious political party to continue to take tobacco money. Since 1999, the Liberal Party has accepted more than $3 million in donations from big tobacco. I pay tribute to those Liberal MPs who spoke out against that practice. For example, Russell Broadbent, Mal Washer, Liberal candidate Bill Glasson and Liberal Premier Colin Barnett encouraged the Liberal Party to change their policy on donations. Eventually, the Liberal Party kicked the habit, as the former member for Gellibrand might have put it. There was a final whopping donation, as has been recorded by the 2012-13 AEC returns: in 2012-13 Philip Morris donated $107,040 to the Liberal and National parties, including $45,000 to the Liberal Party's federal branch and $25,000 to the National Party's federal arm. Philip Morris also made a donation of $6,100 to the Liberal Party division in the seat of Hindmarsh, where Steve Georganas, not supported by big tobacco money, was ultimately defeated; and $10,660 for the seat of Sturt, held by the Minister for Education. At the last election, members opposite in the seats of Sturt and Hindmarsh were assisted by big tobacco money. Big tobacco assisted the Liberal Party in Hindmarsh and Sturt in particular, but also across the board by virtue of the donation to the federal Liberal Party.

This is a coalition government, so it is absolutely worth recognising that the Liberal Party's coalition partner, the Nationals, has not kicked the habit. National Party Federal Director Scott Mitchell confirmed in February that the National Party would continue to take donations from big tobacco. Mr Mitchell said: 'Our position has been that it's a legal product; they're legitimate businesses'. Returns lodged with the Electoral Commission show that over $350,000 has been donated by big tobacco to the National Party.

It is a concern that we saw the government shutting down the Alcohol and Other Drugs Council of Australia, a body which played a vital role—until its pre-emptive closure—in combating the scourge of binge drinking and of substance abuse. Evidence-based policymaking ought to be the bedrock on which all parliamentarians in this place stand. But too often those on the other side of the House have been shutting down the voices of experts, whether it is the Climate Commission or the Alcohol and Other Drugs Council of Australia. There has been an attack on expert evidence, which I believe is regrettable.

I do commend Liberal Party members opposite for their decision to cease taking money from big tobacco—nine years too late, in my view, but it was a good decision by those opposite. I am sure they will be speaking about the principled decision that the Liberal Party has made, but I would encourage them to speak to their National Party colleagues and to encourage the National Party to follow other major political parties in Australia and take a principled stance and no longer accept money from big tobacco.

This bill enjoys bipartisan support. It will increase tobacco excise and is aimed at reducing the scourge of smoking. We on this side of the House are pleased to see the government legislating it. Reducing smoking rates is an issue that all members in this House are committed to. Nobody in this House wants to see young kids taking up smoking. But we need policies in our political parties that will back what we are doing here in the parliament. It is a
vital issue of principle. It is an issue of conscience for the National Party, and I urge them to kick the habit.

The DEPUTY SPEAKER (Mr Craig Kelly): Is the amendment seconded?

Mr Thistlethwaite: I second the amendment.

The DEPUTY SPEAKER: The original question was that this bill be now read a second time. To this the honourable member for Fraser has moved as an amendment that all words after ‘That’ be omitted with a view to substituting other words. If it suits the House, I will state the question in the form, ‘that the amendment be agreed to.’ The question now is that the amendment be agreed to.

Dr SOUTHCOtt (Boothby) (12:46): The previous speaker seemed to be channelling the former health minister and former Attorney-General, talking about 'kick the habit'. What he neglected to say is that, after the Labor Party publicly declared that they would stop taking donations from tobacco companies, they were caught out soliciting a donation from Philip Morris. That is the Labor Party: say one thing and do another.

The Excise Tariff Amendment (Tobacco) Bill 2014 is very simple. It involves increasing the tobacco excise by 12½ per cent per year over four years on 1 December each year—2013, 2014, 2015 and 2016. It also involves the indexation adjustment which happens on 1 March and 1 September being done at average weekly earnings rather than at the CPI. I think this is a welcome piece of legislation and it really does address what we need to look at in terms of further decreasing the smoking rates in our community.

When you look at Australia's track record on tobacco control over the last 30 years you see that we have been very successful. We have seen reductions in smoking rates amongst men and women of the order of 40 to 44 per cent. Very few countries in the OECD have seen such a dramatic fall in their smoking rates. It is not necessarily one way. If you look at Europe you see that smoking rates amongst women have increased. In countries like France and Germany smoking rates have increased amongst women; and, in countries like Greece, they have increased dramatically amongst women. There does need to be a concerted effort made to see these smoking rates come down.

The Preventative Health Taskforce of the previous government reported to the government, and one of their key recommendations in this area was to make tobacco products significantly more expensive. All of the evidence shows that if you increase the cost of tobacco you see fewer people take up smoking to begin with and you see a reduction in the amount people smoke. To quote from the government response to the Preventative Health Taskforce:

Price increases encourage existing smokers to quit and raise the barrier for people considering taking up smoking, especially young people.

All the evidence shows that. In terms of reducing the smoking rates further—and COAG has a goal of a 10 per cent smoking rate by 2018—this will be an important measure.

Going back a little bit, in 2008 a packet of 30 cigarettes cost $13.50 in Sydney, and that was quite a low price by international standards. I do recognise that different jurisdictions have city taxes and so on, but it was still a low price. Using the example of a pack of 25 Winfield cigarettes, which had a retail price of $18.80 before the 1 December 2013 increase, under this legislation the price will go up to $21.26 on 1 September this year, $23.43 on 1
September 2015 and $25.96 on 1 September 2016. This should have a significant impact on reducing smoking rates.

When the Preventative Health Taskforce were talking about increasing the price of a pack of cigarettes from $13.50 to $20, they thought that the excise increase on its own would reduce tobacco consumption by six per cent and the number of smokers by two to three per cent and that 87,000 Australians would give up smoking. This is something that has wide support in the community. A 2007 Australian Institute of Health and Welfare survey found that two-thirds of Australians support increasing the tax on tobacco to discourage smoking. So, in terms of all of Labor's tax grabs, this was a virtuous tax grab. They cannot resist their instinct to make a grab for cash and to increase taxes, but this was a virtuous one, and in opposition we suggested similar things.

I want to touch on the issue of illicit trade in tobacco, because it is an important public health issue. The Preventative Health Taskforce touched on this and recommended that the government 'develop and implement a coordinated national strategy to prevent the emergence of illicit trade' in tobacco in Australia. I think it is often the case that health bureaucrats dismiss this as being something that is raised by tobacco companies. It is not; it is a serious issue. The National Drug Strategy Household Survey estimated that illicit tobacco was smoked regularly by 4.6 per cent of smokers in 2010. A KPMG report had the percentage as high as 13 per cent.

If we look at tobacco detections, we see an increasing number of cigarettes being seized by the Australian Customs and Border Protection Service. In 2010-11, 82 million sticks were seized, which was potentially $135 million in duty evaded. In the next year, 141 million sticks were seized with a potential $125 million in duty evaded. In the most recent year that I have figures for, 2012-13, 200 million sticks were seized with a potential $151 million in duty evaded. So it is a serious issue and it needs attention. One of the suggestions that we had in opposition was to look at a track-and-trace scheme in the Australian context. Australia is generally seen as a country which has a fairly low rate of illicit and counterfeit tobacco, but I think it is important, as it is a significant public health measure, that we continue to make sure that that avenue, which is a way of having cheaper tobacco, is really cut out.

The WHO Framework Convention on Tobacco Control explicitly recognises illicit tobacco as a public health concern. As I said before, the tobacco companies raise this issue, and I think that is one of the reasons that illicit tobacco gets dismissed. The previous government focused a lot on plain packaging, but they really missed the boat on illicit tobacco. The WHO Framework Convention Tobacco Control was signed during the period of the Howard government, and there are a number of parts of that framework that look at implementing a track-and-trace regime for tobacco products and strengthening the legislation against illicit trade in tobacco—and I think that is something that does need more attention. Article 15 and article 20 of the WHO framework recommend a track-and-trace scheme—something that the previous government in their six years were inactive on.

The draft protocol to eliminate illicit trade in tobacco products, published by the WHO, states that the obligations of each party to the FCTC 'shall not be performed by or delegated to the tobacco industry'. In other words, if you have a track-and-trace scheme it needs to be a neutral scheme. Unfortunately, the previous government, with their plain packaging, decided that the alphanumeric code markings could be used by tobacco companies on a voluntary
basis. In opposition, when we considered plain packaging, we called on the government to look at a neutral track-and-trace system for tobacco products—a scheme that could be managed by the Australian Customs and Border Protection Service in conjunction with the Australian Taxation Office. When the House of Representatives Standing Committee on Health and Ageing looked at the plain packaging bills, they noted that there were 'a range of sophisticated anti-counterfeiting measures which could be adopted'.

In welcoming this bill, there are two points to be made. The first point is that an increase in the price of tobacco will have an impact on reducing our smoking rates and reducing the amount of tobacco that is consumed in Australia—and that will benefit our health in the long term. The second point to make is that illicit tobacco is a serious public health issue and the government really need to look at how they can best address this. Legislation is not by itself enough. Many countries that have strong records, similar to Australia—low-smoking countries—have implemented track-and-trace systems, and I think this is something that the government needs to act on.

Ms KING (Ballarat) (12:57): It is a pleasure to follow the member for Boothby, someone who has been championing prevention for his entire career. I acknowledge his former profession as a doctor and I also acknowledge the contribution that he has made to prevention during his time here in the parliament.

I rise to speak on the Excise Tariff Amendment (Tobacco) Bill 2014 and the Customs Tariff Amendment (Tobacco) Bill 2014, which amend the Excise Tariff Act and the Customs Tariff Act. Both of these bills increase the rates of excise and excise equivalent Customs duty on tobacco through a series of four-staged increases of 12.5 per cent commencing on 1 December 2013 and index the rates of excise and excise equivalent Customs duty on tobacco to average weekly ordinary time earnings instead of the CPI. The last CPI indexation occurred on 1 August 2013 and the first average weekly ordinary time earnings indexation occurs on 1 March 2014. The previous Labor government announced these measures as part of the 2013-14 budget and the 2013-14 economic statement. These measures continue to implement Labor's world-leading approach to tobacco control and measures to reduce tobacco consumption.

World-wide tobacco continues to be the leading preventable cause of death, killing approximately six million people each year—a staggering number—including 600,000 deaths from second-hand smoke; all of which is preventable. According to current projections, tobacco will kill one billion people in this century. In Australia over 15,000 people die each year from smoking related illness, and in 2003 tobacco smoking accounted for nearly eight per cent of the entire total burden of disease. We know tobacco smoking is a major risk factor in coronary heart disease, stroke, peripheral vascular disease and numerous cancers, including mouth, lung, oesophagus, larynx, kidney, pancreas, bladder, stomach and cervical cancer. The health problems linked to passive smoking or second-hand smoke are just as serious: asthma in children, lower respiratory tract infections, lung cancer and coronary heart disease.

In recognition of the devastating impact of tobacco consumption on health, the previous Labor government made significant efforts to reduce tobacco consumption, which included the world's first tobacco plain packaging legislation. The objectives of plain packaging tobacco included: reducing the attractiveness and appeal of tobacco products to consumers, particularly young people—in other words, to remove the last form of advertising the tobacco
companies had, particularly when marketing to young people; increasing the noticeability and effectiveness of mandated health warnings; reducing the ability of retail packaging of tobacco products to mislead consumers about the harms smoking; and contributing to efforts to reduce smoking rates in combination with a broader suite of tobacco control measures.

Australia is now recognised as a world leader in tobacco control, and around the world we are seeing a number of other countries, including New Zealand, Ireland and Scotland, following suit with plain packaging laws of their own. Results from behavioural research on the implementation of plain packaging indicate that those who are smoking from plain packs as compared with branded-pack smokers perceived that their cigarettes were of a lower quality, perceived that their cigarettes were less satisfying than a year ago, were more likely to have thought about quitting at least once a day in the past week and rated quitting as a higher priority in their lives. These results certainly suggest that plain packaging is meeting the original objectives that I outlined earlier.

Plain packaging was not the only measure we took to reduce tobacco consumption. This bill in fact goes to the heart of that matter. Increasing tobacco prices through effective taxation is one of the most effective measures that can be taken to reduce premature death and disease due to smoking. Price increases on tobacco products reduce cigarette consumption, increase attempts to quit and reduce smoking prevalence. We know it is an effective measure that works, and it has been working increasingly across the world.

This measure increases the percentage of excise tax on the retail price of a mainstream pack of 20 cigarettes from around 49 per cent to 62 per cent by 1 September 2016. After the first rise of 12.5 per cent on 1 December last year, the Treasury had estimated the number of Australians aged 18 and over who smoke would decrease by around 60,000. In fact, when tobacco excise was last increased under Labor in April 2010, a post-implementation review conducted two years later by Treasury showed a decrease in consumption of tobacco by 11 per cent, as compared to consumption immediately prior to the increase. In the coming years, further estimates by Treasury suggest that as excise increases tobacco consumption will decrease by as much as a further seven per cent by September 2016.

Modelling aside, and despite what we are still seeing from big tobacco as recently as today, we do know that taxation measures on tobacco control are already working. It is certainly one of the most effective measures in making the decision that people need to make to quit and in making the uptake of cigarette smoking less attractive, particularly to young people. For example, in the *State of preventative health 2013* report, the Australian National Preventive Health Agency outlined that there had been relatively large drop in smoking prevalence in the most disadvantaged areas between 2007-08 and 2011-12, and the National Prevention Health Taskforce reported that cost is a major trigger to quit smoking among smokers of lower socioeconomic status, who often bear the largest part of the burden of disease for smoking-related illnesses. Further, a study of Victorian smokers by the Cancer Council Victoria showed that after the April 2010 excise increases heavy smokers reduced consumption dramatically.

Labor's announcements of tobacco excise increases over the coming four years, and the government's commitment in these bills to implement that decision, will contribute to achieving the Council of Australian Governments' targets for smoking. It is a very important
measure and, again, a measure the complements all of the measures that are across the suite of trying to reduce rates of smoking and uptake of smoking in Australia.

In addition to the measures that I have already mentioned, Labor's tobacco control package included investment of more than $135 million in anti-smoking social marketing campaigns—important campaigns to start targeting those population groups, particularly groups of young men aged 18 to 25, that have been more difficult to get the message to with regard to smoking. It is very important to try and work with them using methods that they would understand and hear to make sure that they actually understand what smoking is doing.

Labor also introduced updated and expanded graphic health warnings on tobacco products. I particularly reflect on my own experience internationally. I was asked to represent the then Minister for Health and Ageing, Nicola Roxon, in Moscow at the WHO precursor to the noncommunicable diseases convention, which was to be held in New York later in that year. One of the topics I was asked to speak on was plain packaging. Being in Moscow, a city that has very high smoking rates, and presenting before an international audience, I remember the complete silence in the room when I displayed the plain packaging tobacco pack that has the eye on it. Most people will be familiar with that particular one. They found it absolutely fantastic that Australia had gone this far, but it was incredibly confronting for those countries that had only just started on the pathway of tobacco reform, many of which had, in the first instance, only just started to introduce taxes on tobacco and introduce these price measures. Labor and the Australian people should be justifiably proud. In tackling the issue in the way that we have, we are in fact influencing the world and the world's rate of smoking.

The other measures that Labor introduced were the comprehensive advertising restrictions under the Tobacco Advertising Prohibition Act 1992, including internet advertising in Australia; a really important health measure of listing of nicotine replacement therapies on the Pharmaceutical Benefits Scheme, something long advocated for by those in the medical community and certainly by Quit; and the extended listings of smoking cessation drugs. We also saw under Labor the largest ever investment in support for Aboriginal and Torres Strait Islander communities to reduce their smoking rates, including $14.5 million for the Indigenous Tobacco Control Initiative, which funded innovative tobacco control projects in 18 Indigenous communities. This is an initiative which I must admit is not sitting within the health portfolio anymore, and I have some concerns about what may be happening with that project. There was also $100.6 million for the tackling smoking measure and $35.6 million for the healthy lifestyle measure to support Regional Tackling Smoking and Healthy Lifestyle program teams in 57 regions around Australia. Through Medicare Local networks, not-for-profit organisations and through medical organisations, we need to be able to look at those communities where we have not been as successful in getting smoking rates down and introduce initiatives specifically trying to assist those communities and those people to reduce smoking.

These measures were all included as endorsed strategies for reducing tobacco consumption under the World Health Organization Framework Convention on Tobacco Control. That convention is a treaty to address the health, social, environmental and economic consequences of tobacco consumption and exposure to tobacco smoke worldwide, a very important convention that has set the framework for all of the measures introduced in Australia and the measures that are progressively being introduced internationally.
As I have said, Labor made significant efforts to reduce tobacco consumption and the harms associated with it. I have high hopes that these efforts will not be wasted, and it is great to see the Liberal Party make the decision to no longer accept tobacco donations. That has long been an issue and I am very pleased to see that the Liberal Party have finally made that very important decision. I do have to point out that, unfortunately, the National Party have stated that they will continue to take tobacco donations. In this day and age, when we have so much research linking tobacco consumption to such poor health outcomes, and the big numbers of people in Australia and worldwide that are dying from tobacco related illness, it leaves me wondering how any political party would willingly accept financial donations from a company associated with such a product, frankly. I have said in this place before that I think it is untenable when you have an Assistant Minister for Health who is meant to be responsible for prevention accepting that her party will continue to accept tobacco donations. It is something that is untenable and I certainly hope very much that the National Party reflects upon the very difficult position in which they have placed that Assistant Minister for Health. I have had other things to say about her, but they have placed her in a difficult position.

Unlike this government, Labor does put health as a priority. It was a priority for us when we were in government and it remains absolutely a priority for us now. We support the measures in this bill, no less than the World Bank and the World Health Organization supported Labor’s position on tobacco control. It was Labor who committed to the most comprehensive suite of tobacco reform measures in order to reduce tobacco consumption in Australia, and the increase in tobacco excise over the next three years will continue this tobacco control legacy. I am pleased to see on the list of speakers that the former Minister for Health, the member for Sydney, will also contribute to this debate. I want to particularly pay tribute to both her and, before her, Nicola Roxon for staring down industry and many people on tobacco control initiatives. It took some tough negotiations and tough leadership to get those through and I think that is a legacy that Labor is truly and justly proud of.

Dr GILLESPIE (Lyne) (13:12): I rise to speak in favour of the Excise Tariff Amendment (Tobacco) Bill 2014 and the Customs Tariff Amendment (Tobacco) Bill 2014. The excise and excise equivalent in customs duty on tobacco will rise as a consequence of this in four staged increases of 12.5 per cent. The first of these has occurred. It will also index the rates of excise and excise equivalent customs duty against average weekly ordinary time earnings rather than CPI. The net effect of these rises over four years will amount to $6.5 billion over the forward estimates. That will include $560 million of GST, which will be payable to the states, which incidentally bear the brunt, directly and indirectly, of running public hospitals. Against the cost of an average pack of 25 cigarettes, the first increase puts the cost up for consumers by $1.86, the second $4.02 and the third $6.56. We should not shrink from these increases in cost to the consumer because it is the government, at least in this country, that bears the responsibility for managing the health of those same consumers either directly or indirectly. If health were the sole responsibility of citizens of this nation, I could see why they would object. But we are all beneficiaries of a wonderful health system that is paid for by the government. So it is well within the remit of any government that is responsible for funding such a scheme to enact measures that will lead to a reduction in the health burden.

To put things in perspective, smoking is the single largest preventable cause of death and disease, both worldwide and here in Australia. We could run through a litany of diseases,
though the ones that spring to mind are cancers, and lung cancer in particular. But the end organ damage of the horrible habit of smoking goes well beyond cancer of the lung. Smoking increases the risk of many other cancers: throat cancer, cervical cancer—even bowel cancer has a doubling in the risk if one smokes—along with cancers of the bladder, kidneys and oesophagus. But the things that really lead to major morbidity and death are heart disease—coronary heart disease in particular—and damage to the peripheral arteries of our bodies. One sees people with gangrene of their toes and feet; amputees; people with longstanding and slowly creeping emphysema, where patients slowly suffocate because they smoke the essence of their lungs away; or people spending their life attached to oxygen bottles, or wheezing and coughing their way through winter, interspersed with three or four hospitalisations.

It is not just the smoker who suffers from smoking, unfortunately. Their families suffer. In particular, they suffer from the scourge of passive smoking. Initially that was thought to be drawing a long bow, but now there is overwhelming evidence that passive smoking does cause damage to those who inhale. Imagine young children with two smoking parents in a small house: they would be getting the hazards of smoking from a very early age, particularly if their parents are heavily addicted smokers.

We know that increasing the cost prevents early uptake, and I will mention some figures later for young smokers. Also, if the cost is prohibitive, not only does that reduce the lure of smoking to young teenagers and those even younger, but also it puts a brake on even the most voracious physical addiction because of the sheer cost. So, even though it is an excise and a revenue-raising exercise, which everyone realises, it is a very powerful health improvement vehicle. It is preventive, and it reduces and limits harm. If you halve the amount you smoke, your lung cancer risk reduces, and similarly with other cancers. The greater the volume of nicotine you put between your lips and inhale into your lungs, the greater the risk of emphysema and bronchitis, and the same applies to all those other diseases I have mentioned.

We know that these benefits will occur because we have statistics to back that up. Overall, in 2001, 27.2 per cent of the Australian populace was smoking. With the increase in costs, that has dropped down to 20 per cent. Amongst females, as opposed to overall, a 21 per cent incidence dropped to a 16 per cent incidence. If you look into it in more detail, amongst the more socially disadvantaged the effect is just as great or greater. Amongst Aboriginals and Torres Strait Islanders, for instance, the overall smoking incidence was 49 per cent. In 15- to 17-year-olds, those who are enticed by the social prop that cigarettes are or by the social acceptance of smoking with their friends would stop and think if the cost were prohibitive. But by the time people are 15 years old up to five per cent of males and one in 10 females are already smoking regularly. Amongst another very vulnerable group of youths, young teenage mothers, the incidence is 35 per cent. Amongst those with chronic mental illness it is about 32 per cent. So, as we can see, the scourge of smoking and the ravages that it causes affects those who are most vulnerable, and also those who will then turn to the health system to salvage their problems later on in life.

So, what is better than solving problems? It is preventing them. An increase in costs will cause some social disharmony amongst those who are unfortunately addicted to smoking and get pleasure from it. I understand that; everyone understands that. But if, as I mentioned earlier, you then turn to the state to fix your problems, when you get your peripheral vascular disease or emphysema or asthma and you want your asthma puffer drugs on the PBS and you
want to be able to see the doctor and get your antibiotics to fix up your pneumonia, well, the government is saying: we think this is not a good thing, and if we can add this to the suite of manoeuvres that will reduce this burden on society then well and good.

The cost of smoking does not work alone as a prevention. It is coupled with smoking cessation manoeuvres. One only has to think of the Quitline which we have seen ads for on TV, or nicotine replacement therapies that are also advertised on TV—both of these are funded by the Medicare system. With these increases we expect to see, over the forward estimates, a 60,000 nominal reduction in active smokers. That does not account for people who have reduced the volume of their smoking, which will also add a benefit. And if you look at the cost of Medicare, one or two hospitalisations with this could be $20,000 or $30,000 at least to a public hospital budget.

One thinks of all the presentations to general practitioners with all the various complaints—high blood pressure, chronic heart disease, chronic asthma, chronic bronchitis—and all those visits to oncologists treating not just your lung cancer but your cervical cancer, bowel cancer and bladder cancer, let alone the unsightly ageing effects of smoking. If teenagers were aware of the dermatological impact of smoking on their good looks, they would think twice, but what will make them think twice even sooner is if the cost is $25 as opposed to $20. It sounds hard, but it seems quite logical to me.

When the government brings in costs like this, there will be, undoubtedly, some complaints from people who, as I mentioned, are addicted to it, but we cannot resile from making hard decisions that in the long run will benefit the whole community. I commend these changes to you, Mr Deputy Speaker. They are common sense. They are a financial burden on the addicts, but the addicts will hopefully get a better outcome because they will not be in hospital as much. They will not be buying as many asthma puffers. They will not be taking as many blood pressure pills. They will not have to deal with the stack of cards that can be dealt them when they get a malignant disease. I commend these amendments and the associated legislation to the House because overall the nation will be better off.

Ms RISHWORTH (Kingston) (13:24): I rise to speak on the Excise Tariff Amendment (Tobacco) Bill 2014 and the Customs Tariff Amendment (Tobacco) Bill 2014. I think it is very important that we have in this place a debate about prevention and particularly about the prevention of tobacco related diseases, because it is estimated that over 15,000 people die each year from smoking related illness. It is really important to recognise that the suffering that goes along with that, not just through the deaths and through the suffering of families but also in the diseases themselves, such as cancer and cardiovascular diseases that are exacerbated by tobacco, is preventable. We can try and prevent some of this suffering by really focusing on prevention.

I am very pleased about the focus that we in the previous government had on prevention. I have to say that I was very, very proud to stand in this parliament and pass legislation that led to plain packaging. That saw a world-leading tobacco control measure brought in here in Australia. I have to take this opportunity to note that it was not welcomed by every member of this House. I remember the fierce debate that ensued, but we are now seeing the early benefits of this.

As to some of the benefits, researchers at the University of Sydney found, as published in the Medical Journal of Australia, that calls to the stop smoking Quitline rose by 78 per cent
following the appearance of plain packaging. While they found it difficult to distinguish whether it was the olive-green package or the big new anti-tobacco advertising, we did see a lot more people looking at taking that important step. Indeed, research by Cancer Council Victoria's Professor Melanie Wakefield, published in the British Medical Journal in July 2013, found that plain packs reduce the appeal of smoking and increase smokers' thoughts about quitting.

I remember that in that debate the then health minister, Nicola Roxon, made a very strong argument that we needed to reduce the appeal for young people of taking up smoking. We are now seeing the evidence coming through that indeed there is less appeal in taking up smoking with the plain packaging that was brought in. So I am very proud, and I would like to join the shadow minister for health in commending both Nicola Roxon and the member for Sydney for pursuing this landmark reform. It is something that I think we will reflect on in many years to come as having an effect in reducing tobacco related illness.

Of course, there is no silver bullet for reducing tobacco related illness. Part of the package is an increase in tobacco excise but also an increase in antismoking social-marketing campaigns, which was also part of the package brought in by the previous government.

Importantly, I think one issue did get missed a little bit in the public discussion but was not lost on electors in my electorate, and that was the listing of nicotine replacement therapies on the Pharmaceutical Benefits Scheme. I remember very clearly a number of people coming up to me in the shopping centres. One lady in particular at Seaford shopping centre said, 'Now that it's been listed and now that they are subsidised, I've been able to afford to get nicotine patches.' She was a cleaner at the Seaford shopping centre, and for the first time she was able to attempt quitting. One thing we know is that tobacco addiction is significant. Nicotine addiction is significant. So making this accessible to people who had not been able to access it before actually made a difference to people's lives out there in the community. I certainly very much supported that move, and I think it will continue to make a difference.

Also, I must recognise the investment that the former government made in support for Aboriginal and Torres Strait Islander communities to reduce their smoking rates. We see much higher smoking rates in Aboriginal and Torres Strait Islander communities. Indeed, the $14.5 million Indigenous Tobacco Control Initiative, which funded innovative tobacco control projects in 18 Indigenous communities, was an important contribution in reducing smoking rates.

So there is a wide range of evidence—and I realise that I have limited time here—that there is no silver bullet, but some of the things that Labor in government put in place are starting to make a difference. I am pleased to see that the coalition, despite a lot of argument while in opposition, are now coming to the party. I hope that this will continue. I hope that this is not the only step in tobacco control and preventative measures when it comes to smoking related illness. I hope that this is just the start and that they will pursue and continue the things that Labor did in government.

The DEPUTY SPEAKER (Hon. BC Scott): Order! Debate is interrupted in accordance with standing order 43. The debate may be resumed at a later hour, and the honourable member will have leave to continue her remarks when the debate is resumed.
STATEMENTS BY MEMBERS

Ministry of Food Pop-Up Kitchen

Mr WATTS (Gellibrand) (13:30): I rise to support a campaign aimed at changing the eating habits of people in Melbourne's west through the wit and wisdom of Jamie Oliver. We all know the benefits that a balanced diet can bring. It is the key to fighting a variety of preventable diseases and decreasing the alarming rates of obesity in our community. But in our busy lives, where takeaway food is plentiful, it is easy to forget the importance of healthy eating. In some suburbs in my electorate there are more than six times more takeaway stores than fruit and vegetable stores. Despite the culinary wonders of the Footscray market and the Altona and Newport farmers markets, 50 per cent of my community felt they could not access fruit and vegetables due to low income, physical disability or lack of access.

The eating habits of Melbourne's west are ready for change. And who better to change them than the people's champion of healthy living, Mr Jamie Oliver? Jamie Oliver's programs have already shown millions around the world how to cook and eat wholesome, nutritious food. His most recent project is the Ministry of Food Pop-Up Kitchen, which will settle in an Australian community for 12 months to give hands-on training in healthy eating.

Members of my community including representatives of Victoria University, LeadWest, Maribyrnong City Council and the Macedon Ranges and North Western Melbourne Medicare Local have started a campaign to bring that pop-up kitchen to Melbourne's west. There is nowhere in Australia that would benefit more from the expertise of the Ministry of Food. We have both the need and the community infrastructure to make the Ministry of Food a success. We have world-class facilities in Victoria University's Footscray campus, where the kitchen could be based, close to the people who need it the most. So I say to people in Melbourne's west: join the campaign, like the Facebook page, tell your friends and help bring Jamie Oliver's pop-up kitchen to our community. Jamie Oliver, we are waiting for you. (Time expired)

International Women's Day

Ms O'DWYER (Higgins) (13:31): This Saturday, 8 March, is International Women's Day. This year's theme is inspiring change. To mark this occasion, I had the great honour of representing the Prime Minister at the United Nations International Women's Day breakfast held in Melbourne this morning with 650 of our closest friends. I was joined by some of the most accomplished women in Australia, including Her Excellency the Hon. Quentin Bryce, Governor-General; board member of the Australian National Committee for UN Women, Beth Shaw; Regional Manager of Premier Banking of the Commonwealth Bank, Lisa Maher; Sex Discrimination Commissioner of the Australian Human Rights Commission, Elizabeth Broderick; Executive Director, Women in Business Development, Samoa, Adi Tafuna'i; and journalist, author and public speaker Catherine Fox.

While we know that women in Australia do face a number of challenges in terms of equal rights, workplace opportunities and pay, we know that millions of women around the world face a far more parlous situation. UN Women does great work, particularly in the South Pacific, in Papua New Guinea and the Solomon Islands, and Australia is one of the highest contributors to this cause—making sure that women get equal rights, that they can be safe from domestic violence and that they can be empowered economically through such things as
microfinance schemes so that their financial futures are secure. We should recognise International Women's Day and support the good work that the UN is doing in this space.

**Chisholm Electorate: Huntingdale Railway Station**

Ms BURKE (Chisholm) (13:33): I want to give a big shout out to the over 35 people who turned up on Sunday to help clean up Huntingdale train station. But while I do so I actually want to condemn the state government because it took volunteers in the community to clean up this dreadful mess. I think so many people turned up because they are over the situation of the no-man's-land on this government owned piece of land. This is a bit of land owned by VicRoads that is being leased to Metro Trains which is then in turn sublet to VicTrack. It is a bit of unconcreted gravel in my electorate that is used as a dumping ground and car park. But it is a hazard, it is a disaster, it is a danger and something needs to be done.

I do want to apologise to the drivers who turned up on Monday morning and could not park because of the enormous pile of rubbish that was gathered there. Council turned up on Sunday evening, but we had collected so much rubbish there that they actually could not remove it. This is a ridiculous situation. It has now been going on for my 15 years in parliament. It costs $150,000 to $200,000 to pave this bit of road, this bit of land that is not used by anybody but commuters for parking. It is so vitally needed in my electorate it is not funny. Could we all just get our heads together? Could someone just fess up and say it needs to be done, bite the bullet and make it happen so we do not have to use Clean Up Australia Day to clean up the state government's mess?

**Herbert Electorate: Dalrymple Road**

Mr EWEN JONES (Herbert) (13:35): The Abbott government is building the roads of the 21st century and there cannot be a better example than Dalrymple Road in Townsville. The old Shaw Road crossing in Townsville was one of those things where we would have been happy to build a road of the 20th century to get this one done. In the lead-up to the 2013 election, when the Townsville City Council came to me with their wish list and said that they wanted the Shaw Road crossing and the causeway to be fixed, finally, I went to our people and I said to the Prime Minister and the Deputy Prime Minister that this was a project we wanted in the future.

It is a $40 million project, of which the Townsville City Council told me they had half, and they were chasing the prospective Abbott government to provide the other half. Tony Abbott made the trip to Townsville and made the announcement himself on a Saturday morning. For those people who live in Kalynda Chase, Rupertswood, Rangewood, the fantastic suburb of Greater Ascot which is just springing up, and for a city like Townsville—a city of the 21st century—we need to do better than having these random roads that just keep on going under. You cannot have those sorts of entry statements coming to a city the size of Townsville.

I am pleased that the Townsville City Council had the forethought to push this with me. I am pleased that the federal government was able to commit the money to it. We are bringing the money down in this year's budget and hopefully we will commence work in 2014-15 and get this road finished once and for all. The people of Townsville deserve no less.

**Burgess, Mr John**

Mr BOWEN (McMahon) (13:36): On 19 February, Fairfield city lost one of its most loved residents. John Burgess, the former president of both the Fairfield RSL Memorial Club
and the Fairfield RSL sub-branch from 1995 to 2013, succumbed to cancer. John was a member of the board of directors of the club from 1989 to 1993, then vice-president from 1993 to 1995 and president from 1995 to 2013. He was a very worthy successor to the late Bruce Short as president of the club. I remember when Bruce passed away it left a big hole in the club, and John fulfilled that role very well indeed over many years.

His involvement in the club first began in 1967, when he became a member of the soccer section committee, and he was president of the youth club from 1970 to 1973. John was an icon to the veterans of our community. He and his wife, Jeannette, were constant attenders at every event and recognition of our veterans community, and they were constantly in the service of our veterans community and also the service of the club movement more generally. He served as sub-branch assistant secretary and as vice-president from 1985 to 1987 and was involved in the RSL club movement more generally.

His wife, Jeannette, and he are very well-known residents of Smithfield. My condolences go to Jeannette and their children and stepchildren. Lest we forget. He will always be remembered.

**Clean Up Australia Day**

*Dr JENSEN (Tangney)* (13:38): Last weekend I participated in Clean Up Australia Day in my electorate of Tangney. I, along with other volunteers in the area, spent the morning cleaning up bush area around Karel Avenue in Willetton. For the past 20 years thousands of Australians have set aside this day to take an active role in their community, working hard to make their community and their country a better, cleaner place. It is estimated that over 200,000 tonnes of rubbish has been cleaned up.

I would like to take this time to thank and congratulate Bruce and Jenny Gibbs, who have been organising a clean-up site for the past five years. They take pride in maintaining the bush area along Karel Avenue in Willetton. It is people like Jenny and Bruce who make communities around Australia flourish. Their strong commitment and hard work provide members of the community, including me, with a deep respect and inspiration. Thank you again for all you do for our community, and thank you to all Australians who took part in Clean Up Australia Day this year. It is a noble cause that must continue for the years to come.

**Broadband**

*Ms COLLINS (Franklin)* (13:39): Tasmanians were misled prior to the last federal election by the Liberal Party with regard to the National Broadband Network rollout. Indeed, they led Tasmanians to believe that they would get fibre to the home. Of course, prior to the last election they knew that, under Labor, 210,000 premises would be connected with fibre to the premise. The Liberal Party said then that it would honour existing contracts, and I want to quote a letter to the editor from Liberal senator David Bushby where he says:

> If, as indicated, contracts are in place for the full fibre roll out in Tasmania, then there will be absolutely no difference in who gets fibre to their home in Tasmania under Labor or Liberal.

We now know that that is not true.

Just a few weeks ago we had Ziggy Switkowski, the new head of NBN Co, in Tasmania, where he said that fibre would not be rolled out to all premises as indicated and promised and that many homes would get a mix of technologies. Basically, he said to Tasmanians, 'If you haven't got fibre by the end of this year, you're not getting it.'
In recent weeks we have seen Tasmanian Liberal leader Will Hodgman. He is concerned about the national broadband rollout in Tasmania—so concerned he came begging to the federal Minister for Communications to reconsider the NBN rollout plans in Tasmania. Indeed, he was caught with his microphone on at a community event telling another Liberal candidate that the national broadband issue might cost them the upcoming state election.

Tasmanians are very rightly concerned about this broken promise. (Time expired)

**Mobile Phone Services**

**Mr BROAD** (Mallee) (13:41): I want to talk about low-hanging fruit. In my electorate we know something about low-hanging fruit; the electorate is, of course, a very big horticultural area. But I want to talk about productivity and low-hanging fruit. One of the low-hanging fruits for productivity in my electorate is mobile phone coverage.

Our electorate produces $5.3 billion worth of economic activity for the Australian economy. I think people are surprised when they hear just how influential my electorate is. But recently we put out to our electorate the need for mobile phone coverage, and we had 1,400 inquiries to our office. People want to be able to make a phone call. What we have seen is that, as the uptake of smart technologies and smart phones increases, the actual reach of a mobile phone tower is declining because the data use is increasing. I believe that, if we are going to drive our economy—which we must given the clouds that are on the economic horizon—we need to invest in the low-hanging fruit, and the low-hanging fruit is being able to make a phone call. It is being able to make sure our agricultural businesses in regional areas are First World and competitive. I think that, if we address the low-hanging fruit, the whole country will benefit as a result.

**Indi Electorate: Yackandandah Historical Society**

**Ms McGOWAN** (Indi) (13:42): Today I would like to congratulate the Yackandandah Historical Society on the completion of extension work to its conservation and storage building. I had the honour of officially opening this architect designed and environmentally sustainable building on Saturday. The Yackandandah community raised $50,000 to get this project off the ground.

I want to thank Linton, Jennie, Pam and Brett and to note in particular the work of the President of the Yackandandah Historical Society, Sue Reynolds OAM. Sue has been involved with the society for over 30 years, is responsible for the collection and has been the driving force behind this project. Because of the hard work of Susan and her team the history of Yackandandah and surrounding areas will be accessible to locals and visitors to the area—yet another tourism attraction for Indi. I warmly invite my friends opposite to come visit the wonderful community of Yackandandah.

You may not know how important arts and culture are to the Victorian economy. In 2010-11 the culture contributed $6.1 billion to the Victorian economy and employed 68,000 workers full time. Many visitors come to the area to experience our unique culture and society, and the Yackandandah Historical Society provides us with a great model of how communities can work together to improve their economies through the promotion of arts and culture.

Congratulations, Yackandandah—another wonderful achievement.
Bennelong Electorate: SWEETNESS The Patisserie

Mr ALEXANDER (Bennelong) (13:44): I rise to inform the House of a unique, award-winning business operating at Oxford Street, Epping in my electorate of Bennelong. SWEETNESS The Patisserie is a small business thriving on innovation, passion and hard work. Gena Karpf came from a foodie family and discovered a love for baking sweet treats at a very young age. After moving to Australia from Alaska, Gena turned her passion into a profession and became a fully qualified pastry chef. Gena is now the head of a gifted, hardworking team of pastry chefs who regard themselves as passionate confectioners and purveyors of sweet gift food.

Over the past few years, SWEETNESS has won an array of awards, including delicious. magazine's produce awards, Sydney Royal Regional Food show awards and, most recently, two gold and a silver medal at the Royal Melbourne Fine Foods Awards. SWEETNESS now supply their delicious salted vanilla caramel bonbons to Qantas. SWEETNESS The Patisserie is an example of hard work and inspiration, the result of the right combination of vision, energy and passion that can be tasted in every bite. I recommend to all of my colleagues in this place that they visit me in Bennelong any opportunity they have to taste Gena's genius.

General Practice

Mr GILES (Scullin) (13:45): I rise to express my grave concern that families in Scullin will be amongst those hardest hit by the coalition's GP tax, as new Medicare analysis has shown. In 2010-11, people in Scullin accessed GP services over 980,000 times. This means that people in Scullin could be forced to fork out more than $5.9 million every year to visit the doctor if the Prime Minister breaks another election promise and introduces the GP tax. In an unprecedented attack on Medicare, the Abbott government are considering charging those Australians who can least afford it to see the doctor. This tax will hurt people who can least afford it. Many families in Scullin who are already struggling to make ends meet simply cannot afford to pay to take their sick child or elderly parent to the doctor.

Scullin has the highest bulk-billing rate of any electorate in Victoria, with 93 per cent of services bulk-billed. This means, at present, that 93 per cent of GP visits are free. A GP tax would end this. Hospital emergency departments like those at the Northern in Epping would be under greater pressure as people avoid seeing a GP because of the cost. This is yet another example of a government that knows the cost of everything and the value of nothing. Unconcerned with preventative health or indeed continuing the great work that has been done to enable more people to access bulk-billed GP services, Labor will continue to fight for healthy communities and any attempt by this government to dismantle universal health care in Australia.

Robertson Electorate: Veterans

Mrs WICKS (Robertson) (13:46): Recently, I attended a welcome home and dedication service for our local young veterans who have returned from Afghanistan and Iraq. As a nation and as a community, on the Central Coast we have a responsibility to ensure that their service is never forgotten. The event at Ettalong Beach was an important opportunity to honour these people. I thank Colonel Donald Tait OAM for his address that recognised their service, including those deployed from our community—men and women who have made such great sacrifices at war. It was a great privilege to join in a march before the service down
the streets of Ettalong, a march that was applauded by hundreds of local residents, who lined the short parade route. It showed just how important it is to support those who come home wounded in body and spirit, and to honour them and their families as they adjust to being home again.

The Vietnam Veterans Peacekeepers and Peacemakers Association Gosford sub-branch did an excellent job in organising the march and ceremony, and the proceedings that followed. Thank you to association president Robert Purcell and secretary Robyn Creswell for your work organising the day, and your continued dedication to returned service men and women. It was also an opportunity to dedicate a new memorial at Ettalong Beach, where many people laid wreaths under the immortal words 'Lest we forget'. To all our service men and women, to those who made it home and those who did not, I salute your service. I thank the families and friends of those who serve, who often carry a heavy burden. You have made our world and our community a better place.

Charlton Electorate: 48th International Children's Games

Mr CONROY (Charlton) (13:48): I congratulate the mayor of Lake Macquarie, Jodie Harrison, and Lake Macquarie City Council for their tremendous efforts to prepare our region to host the 48th International Children's Games, the first of its kind to be held in the Southern Hemisphere. As a recognised member of the International Olympic Committee, the games are the largest multisport youth games in the world for athletes between the ages of 12 and 15 years. It will run from 6 to 11 December this year, when the best of the best young sports stars from Australia and the world will come to Lake Macquarie to compete in their chosen sports. But, as is the case with the Olympics, it is not just about the competition; it is about spreading understanding of other cultures and giving competitors, supporters and spectators an opportunity to meet new people from right across the globe.

Athletes from over 90 cities in Australia and from across the world are expected to compete at the games. They will come from cities as far-reaching as Nairobi in Kenya, Alkmaar in the Netherlands, Los Angeles in the USA and Taipei in Taiwan, all of whom have already accepted the invitation to take part. It gives residents of Lake Macquarie great pride to know their home will be the showcase for this event. Our first-class sporting facilities and our breathtaking landscape, including the largest saltwater lake in the Southern Hemisphere, will be on show for the world to see. I congratulate Jodie and the council for bringing them to our town.

Durack Electorate: Algae Farming

Ms PRICE (Durack) (13:49): Today I would like to update the House on an exciting agricultural initiative that is currently being explored by the Shire of Perenjori, which is in my electorate of Durack. Historically, Perenjori is an agricultural town in the heart of Western Australia's wildflower country in the north-east Wheatbelt region. Its key agriculture industries are wheat and sheep, but the town is also home to mining ventures, including Karara's magnetite operations. I was recently invited by the shire to attend a presentation by a leading expert in algae farming, Professor Kirsten Heimann from James Cook University, to discuss the feasibility of producing biofertiliser through algae chemical production both for local use and as a new market to drive this regional economy.
Algae farming is a relatively new concept in Australia which has had growing interest from various industries and stakeholder groups due to its ability to produce a variety of products, including animal feeds, products for human use, biofuels and biopolymers. The shire's proposed study would, however, focus on the viability of using algae to produce fertiliser to meet Western Australia's rising demand. Although the theory behind this concept has been well developed, the key determinant will be its capability to produce market quantities. My thanks to shire CEO Ali Mills and president Chris King for their invitation to attend Professor Heimann's presentation and for giving me the opportunity to support the shire and their initiative to create a sustainable, diverse and productive community.

Venezuela

Ms PARKE (Fremantle) (13:51): A constituent has written to me asking why there is so little attention given to the serious situation in Venezuela at the moment. I am sure some would be aware of the actions of the Venezuelan government and its security forces, which since 12 February have included shooting at crowds of unarmed people, including students involved in legitimate protests against the government; making unlawful arrests of members of the opposition, including relatives of constituents in my electorate; beating detainees; and promoting groups of armed pro-government civilians.

According to a recent Human Rights Watch report, the Venezuelan government began blocking transmission of a TV channel and threatening to prosecute news outlets for their coverage of the violence. Indeed, on 20 February President Nicolas Maduro began proceedings to take CNN off the airwaves. The suppression of the media and the erosion of the rule of law in Venezuela is a very worrying step in the wrong direction for this once prosperous country. In my view, the government-led violence against civilians and the control of the media have no place in a peaceful and democratic Venezuela. I would ask members of this place and the Australian government to give consideration to the serious unrest and instability in Venezuela, and call on the Maduro government to cease the violence against its own people, to restore the rule of law and media freedom, and to observe the principles of good democratic government.

Keep Australia Beautiful

Mr HUTCHINSON (Lyons) (13:52): Sheffield, Tasmania's town of murals, impressed national Keep Australia Beautiful Australian Tidy Towns Judge Dick Olesinski on his recent first visit, after the town won the state competition late last year. Mr Olesinski said that his visit to Sheffield had been a 'real eye-opener'. He said that the town was 'more than up there' with other finalists from around Australia. Sheffield is known Australia-wide as Tasmania's town of murals, with more than 60 murals on public display depicting its pioneer history and local identities. Sheffield is on the way to the iconic Cradle Mountain.

In the past three years, Kentish Council has commenced a major streetscape project which is scheduled to be completed over the next couple of years. The Kentish Council also proposes building a wall of honour for past winners of the annual International Mural Fest. The mural fest this year is to be held between 20 and 26 April. Kentish Council's Aleshea Goss, who helped coordinate the work involved to enter and win the Tidy Town competition, said that there was a real buzz around Sheffield last week when Mr Olesinski was collecting information for the final. Mayor Don Thwaites said that winning the national title would
prove a huge economic and promotional boost to Sheffield. The national winner will be announced on 4 April at Victor Harbour in South Australia.

**Pettifer, Mr John Athol CBE**

Ms BRODTMANN (Canberra) (13:53): I rise today to pay tribute to Canberran John Athol Pettifer CBE, who passed away on 20 January at the age of 94. Jack Pettifer had a unique connection with the Australian parliament. Not only did he rise to serve in the esteemed position of Clerk of the House of Representatives but also he could make the fairly unique claim that Parliament House was his home, having lived at the house as a child when his father was appointed housekeeper in 1933. Jack Pettifer's father, Tom Pettifer, joined the parliamentary staff in 1901, and between them the two Pettifers served on the staff of the federal parliament for more than 81 years. Jack was appointed to the staff of the House of Representatives in 1939. He was Serjeant-at-Arms when the proprietor and editor of a weekly newspaper were accused of breaching parliamentary privilege, brought before the House and sentenced to jail.

He was Deputy Clerk of the House of Representatives in 1975 and he described the dismissal as a 'startling and dismaying experience'. In 1981, he became the first editor of *House of Representatives Practice*, which his son, Ken, describes as the highlight of his career. On his retirement, in 1982, Prime Minister Malcolm Fraser described Jack as 'a great servant of this House and, through it, of Australia'.

In 1980, he was made a Commander of the Order of the British Empire, and he was awarded the Centenary Medal in 2003 for his service to the federal parliament. On behalf of the people of Canberra, I pay tribute to him for his excellent service. I pass on my condolences to his family.

**Clean Up Australia Day**

Mr HOWARTH (Petrie) (13:55): Over the weekend, I joined hundreds of people throughout my electorate to help with Clean Up Australia Day. It is one of those amazing days throughout the year that reveal the magnitude of a community's spirit—schools, families, community groups and individuals, all coming together for the sake of a more beautiful environment. It is also a day that exposes just how much rubbish people are throwing onto the streets and into bushland, rivers and creeks.

On the day, I went to two areas to help, with events organised by the Bracken Ridge Central Lions Club and by the Redcliffe Environmental Forum. I pulled a shopping trolley and a spring bed frame out of a creek at Bracken Ridge. In Redcliffe, I filled two potato sacks with rubbish in about 45 minutes—and these were not big pieces of rubbish; they were cigarette butts, bottles and plastic bags. Every time someone throws a cigarette butt out the window or throws a bottle or plastic bag on the ground, either someone else has to pick it up or it ends up in the creek, damaging habitats. I hope the amount of rubbish that was collected on the day—more than 15,000 tonnes nationally—will encourage wilful litterers to stop. I would like to congratulate the people who helped out on Sunday and to congratulate those who put their rubbish where rubbish should go. Thank you for caring for our environment.
General Practice

Ms BUTLER (Griffith) (13:57): I rise to express my support for salaried doctors who are presently facing an unprecedented attack from the Newman LNP government on their right to bargain collectively. There are some new statutory independent contract arrangements for salaried doctors in Queensland. Among other things I am concerned that the chief executive of Queensland Health has the power to issue directives, without consultation, that override salaried doctors' employment contracts. In other words: one party to the employment contract has the power to unilaterally vary it; the laws are aimed at excluding people from collectively bargaining; the individual contracts exclude people from claiming their dismissal was harsh, unjust or unreasonable and from a host of other rights and protections under Queensland's industrial relations laws; and the laws invalidate private practice terms in existing agreements—a form of economic duress apparently aimed at leaving doctors with no practical choice but to accept one of the new individual contracts.

I am also concerned with the way these new laws are being implemented, and, particularly, I note that, as the usual dispute settlement provisions of the industrial relations laws will not apply, there will be no convenient and inexpensive means of resolving disputes about the contracts—doctors will have to resort to private mediation and will not have the right to be legally represented; the LNP government has given no guarantees about fair rostering—they have committed only that rosters will be developed in consultation with the doctor; there is no set salary that must be applied across an entire classification; and, most concerning, there is no commitment that the doctor must be better off overall compared with the enterprise bargaining agreement.

Rare Disease Day

Mr IRONS (Swan) (13:58): I would like to mention that, yesterday, speeches in the Federation Chamber reminded us of Rare Disease Day last week. I wish to advise the House of the following. I am hosting a barbecue on Thursday in the House of Representatives courtyard, and all members and senators are invited. It starts at 12 o'clock and will be a great afternoon in support of Rare Disease Australia. To entice members and to make sure that all attend, I have here a list of menu items for the barbecue. There will be cucumber sandwiches for the member for Sturt; chicken soup with noodles for the member for Kooyong; plenty of XXXX for the member for Flynn; plenty of salt for Scott Buchholz to harden up his arteries; Italian sausages for the member for Grayndler; vegetarian options for the member for Melbourne; sesame seed buns for the member for Herbert, to remind him of Maccas; a T Rex steak for the member for Fairfax; a slab of red meat for the Prime Minister, if he attends; and some hot meat pies for the Leader of the Opposition. It would be great if you could attend and support the Rare Disease barbecue on Thursday. I look forward to seeing you there. If you have any other menu suggestions, come to see me during question time.

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

SHADOW MINISTERIAL ARRANGEMENTS

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:00): by leave—I present an updated list of shadow ministerial responsibilities.

The document read as follows—
### SHADOW MINISTRY

**18 October 2013**

<table>
<thead>
<tr>
<th>TITLE</th>
<th>SHADOW MINISTER</th>
<th>OTHER CHAMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leader of the Opposition</td>
<td>Hon Bill Shorten MP</td>
<td>Senator the Hon Penny Wong</td>
</tr>
<tr>
<td>Shadow Minister Assisting the Leader for Science</td>
<td>Senator the Hon Kim Carr</td>
<td>Hon Bill Shorten MP</td>
</tr>
<tr>
<td>Shadow Minister Assisting the Leader for Small Business</td>
<td>Hon Bernie Ripoll MP</td>
<td>Senator the Hon Kim Carr</td>
</tr>
<tr>
<td>Shadow Cabinet Secretary</td>
<td>Julie Owens MP</td>
<td>Senator the Hon Jacinta Collins</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>Dr Jim Chalmers MP</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>Hon Michael Danby MP</td>
<td></td>
</tr>
<tr>
<td>Deputy Leader of the Opposition</td>
<td>Hon Tanya Plibersek MP</td>
<td>Senator the Hon Stephen Conroy</td>
</tr>
<tr>
<td>Shadow Minister for Foreign Affairs and International Development</td>
<td>Senator Claire Moore</td>
<td>Hon Tanya Plibersek MP</td>
</tr>
<tr>
<td>Shadow Minister for Women</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manager of Opposition Business (Senate)</td>
<td>Senator the Hon Don Farrell</td>
<td>Hon David Feeney MP</td>
</tr>
<tr>
<td>Shadow Minister for the Centenary of ANZAC</td>
<td>Hon Matt Thistlethwaite MP</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Foreign Affairs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leader of the Opposition in the Senate</td>
<td>Senator the Hon Penny Wong</td>
<td>Hon Tanya Plibersek MP</td>
</tr>
<tr>
<td>Shadow Minister for Trade and Investment</td>
<td>Dr Jim Chalmers MP</td>
<td></td>
</tr>
<tr>
<td>Deputy Leader of the Opposition in the Senate</td>
<td>Senator the Hon Stephen Conroy</td>
<td>Hon David Feeney MP</td>
</tr>
<tr>
<td>Shadow Minister for Defence</td>
<td>Hon David Feeney MP</td>
<td>Senator the Hon Stephen Conroy</td>
</tr>
<tr>
<td>Shadow Assistant Minister for Defence</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Veterans’ Affairs</td>
<td>Senator the Hon Don Farrell</td>
<td>Hon David Feeney MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Defence</td>
<td>Hon Tanya Plibersek MP</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Infrastructure and Transport</td>
<td>Hon Anthony Albanese MP</td>
<td>Senator the Hon Stephen Conroy</td>
</tr>
<tr>
<td>Shadow Minister for Tourism</td>
<td>Hon Julie Collins MP</td>
<td>Senator the Hon Stephen Conroy</td>
</tr>
<tr>
<td>Shadow Minister for Regional Development and Local Government</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Regional Development and Infrastructure</td>
<td>Allanah MacTiernan MP</td>
<td>Senator the Hon Stephen Conroy</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Western Australia</td>
<td>Hon Warren Snowdon MP</td>
<td></td>
</tr>
<tr>
<td>Shadow Treasurer</td>
<td>Hon Chris Bowen MP</td>
<td>Senator the Hon Penny Wong</td>
</tr>
<tr>
<td>Shadow Assistant Treasurer</td>
<td>Hon Dr Andrew Leigh MP</td>
<td>Senator the Hon Penny Wong</td>
</tr>
<tr>
<td>Shadow Minister for Competition</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Financial Services and Superannuation</td>
<td>Hon Bernie Ripoll MP</td>
<td>Senator the Hon Penny Wong</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Shadow Treasurer</td>
<td>Hon Ed Husic MP</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Finance</td>
<td>Hon Tony Burke MP</td>
<td>Senator the Hon Penny Wong</td>
</tr>
<tr>
<td>Manager of Opposition Business (House)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Environment, Climate Change and Water</td>
<td>Hon Mark Butler MP</td>
<td>Senator Louise Pratt</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for the Environment, Climate Change and Water</td>
<td>Senator Louise Pratt</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Higher Education, Research, Innovation and Industry</td>
<td>Senator the Hon Kim Carr</td>
<td>Hon Sharon Bird MP</td>
</tr>
<tr>
<td>Shadow Minister for Vocational Education</td>
<td>Hon Sharon Bird MP</td>
<td>Senator the Hon Kim Carr</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Manufacturing</td>
<td>Tony Zappa MP</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Communications</td>
<td>Hon Jason Clare MP</td>
<td>Senator the Hon Stephen Conroy</td>
</tr>
<tr>
<td>Shadow Assistant Minister for Communications</td>
<td>Michelle Rowland MP</td>
<td>Senator the Hon Stephen Conroy</td>
</tr>
</tbody>
</table>
### QUESTIONS WITHOUT NOTICE

**Qantas**

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:00): My question is to the Prime Minister. The Prime Minister's proposed changes to the Qantas Sale Act means there will be no requirements for thousands of Qantas jobs, including maintenance workers, cabin crew, engineers and pilots, to remain in Australia. Prime Minister, how does exporting Qantas jobs to other countries help Qantas jobs in Australia?
Mr ABBOTT (Warringah—Prime Minister) (14:00): I thank the Leader of the Opposition for his question. I can inform him that Qantas will still be subject to the Air Navigation Act. The Air Navigation Act provides that to be a designated national carrier an airline has to be 51 per cent Australian owned; the chairperson has to be Australian; the majority of the board has to be Australian; and the principal base of operations has to be Australia.

The point I want to make in addition, though, is that by continuing to want to have Qantas shackled by part 3 of the sale act, what the Leader of the Opposition is effectively doing is giving Virgin a better deal than Qantas. I am all in favour of Virgin. I think it is a fine airline, but why should Virgin be given an advantage in running its business that Qantas does not? As long as the Leader of the Opposition persists in his opposition to what the government is proposing, he is giving Virgin a better deal than Qantas.

Mr Champion: Maybe they can be the national carrier then.

The SPEAKER: The member for Wakefield.

Mr ABBOTT: Why would any Australian want to see the big flying kangaroo disadvantaged? As long as the Leader of the Opposition persists in his current position—and we know he does change his mind quite often—he is giving Virgin a better deal than Qantas and that is just not right.

Qantas

Mr COLEMAN (Banks) (14:02): My question is to the Prime Minister. What steps is the government taking to ensure that Qantas has a strong future as one of the world's great airlines?

Mr ABBOTT (Warringah—Prime Minister) (14:03): I thank the member for Banks for his question. I appreciate that the member for Banks has lots of Qantas staff living in his electorate and he wants to give them every chance to keep their jobs and to be a continuing part of one of the world's great airlines. Qantas is one of the world's great airlines, and this government wants to see Qantas continue as one of the world's great airlines, and the best way to ensure this happens is to take the shackles away. That is why the first thing that the government is going to do for Qantas is to repeal part 3 of the Qantas Sale Act, which puts a whole lot of restrictions on Qantas which do not apply to Virgin. What this government wants to see is both big Australian airlines competing on the same playing field. The fair thing is to have both big Australian airlines competing on the same playing field. I have great faith in the staff and management of Qantas to compete. But we have got to take the shackles off. We have got to allow them to compete on the same playing field under the same conditions as their competitors, and that is what this government wants to do.

Ms Macklin interjecting—

The SPEAKER: The member for Jagajaga will desist.

Mr ABBOTT: The other thing we want to do is make it easier for all Australian airlines to compete, to employ and to expand. We want all Australian airlines to flourish, and to do that we are going to repeal the carbon tax. The carbon tax is a tax on Australian airlines which other countries simply do not face. All of Qantas and Virgin's competitors do not face the carbon tax, so we are going to take it away. The carbon tax is a $106-million hit on Qantas jobs; it is a $48-million hit on Virgin jobs; it is a $2½ million hit on Rex jobs; and it should be gone.
Mr Perrett interjecting—

The SPEAKER: The member for Moreton.

Mr Abbott: Let me just remind members opposite that two decades ago under a Labor government this parliament sold Qantas. It was a gutsy call by the then Labor government, but that was a gutsy Labor government. It was a gutsy Labor Party in those days. What we now need to do, having sold Qantas, is to give it its freedom, and that is what this government proposes.

Employment

Mr Shorten (Maribyrnong—Leader of the Opposition) (14:06): I refer to the Prime Minister's words last night, that 'sending Australian jobs overseas may be regrettable'. Can the Prime Minister honestly expect Australians to believe that the only way to save Australian jobs is to send them overseas?

Mr Abbott (Warringah—Prime Minister) (14:06): To those who are frightened about what might happen, to those who are fearful of the future, to those who think that any change in the Qantas Sale Act is some kind of a disaster, I say: look at Virgin. Virgin is employing Australians. It is serving Australians. It is, in every meaningful respect, an Australian airline. Why does this Leader of the Opposition think that Virgin should be given a commercial, competitive advantage that is denied to Qantas?

Ms MacTiernan interjecting—

The SPEAKER: The member for Perth will desist.

Mr Abbott: Why does the Leader of the Opposition think that Virgin should get a better deal than Qantas? I think that both Australian airlines should get the same fair deal. The people who work for Virgin are Australians; they are employed in Australia. The aircraft that Virgin flies are based in Australia; they are serviced in Australia. And what is good for Virgin is good for Qantas. Let's have the same rules governing both airlines.

Qantas

Mr Broad (Mallee) (14:08): My question is to the Deputy Prime Minister and Minister for Infrastructure and Regional Development. Will the minister update the House on how the government's proposal to repeal part 3 of the Qantas Sale Act will allow Qantas to stay competitive while still preserving the heritage of this Australian airline?

Mr Truss (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (14:08): I thank the member for Mallee for the question. We have heard a lot in the last 12 hours or so from the Leader of the Opposition about the threats to Australian jobs once part 3 of the Qantas Sale Act has been repealed. If you believe the Leader of the Opposition, there would be thousands of jobs lost overseas. He refers to the board and the chairman, the cabin crew and the flight attendants, and even the head office being moved overseas. It just shows how little the Labor Party understands about aviation policy.

The reality is that the Air Navigation Act ensures that Australian international airlines have to be majority Australian owned. Our air services agreements require that the boards of international airlines have to be majority Australian—two-thirds have to be Australians. The
chairman has to be an Australian, the head office has to be in Australia, the operational base must be in Australia and of course they must be majority owned in this country.

Mr Perrett: Because we are Australian. We believe in it.

The SPEAKER: The member for Moreton is warned.

Mr TRUSS: So the doomsday scenario that the opposition suggests is simply not going to happen. Even if Qantas were to be like Virgin and separate its domestic arm from its international operations, the Air Navigation Act, the Foreign Investment Review Board, the Corporations Act, the Civil Aviation Safety Regulations, the Fair Work Act and immigration regulations would all continue to apply.

Honourable members may remember that Virgin, Rex and Skywest were all at some stage 100 per cent foreign owned, but I did not notice any foreign crew on board; I did not notice that they were importing food or in fact using foreign ground crew. The reality is that Virgin's head office is in Brisbane, their ground crews are in Australia, 75 per cent of their maintenance is done in Australia, their catering is done in Australia and their flight crews are Australian. Virgin employs about 9,500 people in its operations, and 9,000 of them are Australians.

Mr Snowdon interjecting—

The SPEAKER: The member for Lingiari will curb his language.

Mr TRUSS: Qantas is this proud Australian icon. They are not going to move their head office to any other part of the world, no matter who owns them. Their proudest boast is that they are Australian. And we want to make sure that they remain a strong airline, that they can be free from the restrictions that they have at the present time and that there can be a level playing field for Qantas, our airline. The opposition can give them a chance to save Australian jobs and to build a strong airline by supporting the repeal of part 3.

Qantas

Mr ALBANESE (Grayndler) (14:11): My question is also to the Deputy Prime Minister and Minister for Infrastructure and Regional Development. I refer to the minister's December comment about amending the Qantas Sale Act where he said, 'It would simply be a waste of time and political energy'. He went on to say that this course of action was not favoured by 'the majority of the Australian people'. I ask the Deputy Prime Minister: why is this now the government's sole initiative to assist Qantas?

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (14:12): At that time, I was very pessimistic that the opposition would have sufficient vision and foresight and sufficient faith in Qantas to allow appropriate changes to the Qantas Sale Act. I had little hope that the opposition would put sufficient faith in the national interest to want to make Qantas succeed. Since that time Qantas's position has become even more—

Opposition members interjecting—

The SPEAKER: The member for Grayndler has asked his question. There will be silence on my left so we can hear the answer.

Mr TRUSS: As I was saying, since that time, Qantas's position has become markedly worse. Its credit rating has been downgraded twice. Its losses continue to mount, and it is
obvious that there needs to be reform to give Qantas the chance to be competitive in the future.

Mr Champion interjecting—

The SPEAKER: The member for Wakefield is warned.

Mr TRUSS: That is why the government is putting forward this initiative now—to help create a level playing field for Qantas. I hope that the opposition will, this time, become sufficiently aware of the deteriorating situation of Qantas to actually—

Mr Albanese: Madam Speaker, I rise on a point of order. I am trying to assist the minister here. Perhaps I could table the transcript. I seek leave to table the transcript.

The SPEAKER: There is no point of order.

Mr Albanese interjecting—

The SPEAKER: That is not a point of order, and you know it.

Mr TRUSS: I do not need it to be tabled; I have my own copy. The reality is that over the time Qantas's position has gone from bad to worse, but, wow, the opposition's position has gone from bad to worse as well. Yesterday we said there was one thing that the Labor Party could do to help Qantas be profitable in the future, and that was to get rid of the carbon tax. Now there are two things that they can do: they can get rid of the carbon tax and they can support the repeal of part 3 of the Qantas Sale Act. That will make a difference and it is time that the opposition got on board and helped give Qantas a chance for the future.

Mr Albanese: Madam Speaker, perhaps now it would be appropriate, in accordance with your guidance before—

The SPEAKER: If you are seeking to table a document, say so.

Mr Albanese: I am trying to do it politely, Madam Speaker—to seek leave to table the document—

The SPEAKER: That is a very good try.

Mr Albanese: I do try, Madam Speaker.

The SPEAKER: And sometimes you are a bit trying. Leader of the House, is leave given?

Mr Pyne: The answer is no.

Opposition members interjecting—

The SPEAKER: Before I call the member for Wannon: people who are sitting in this chamber are entitled to hear an answer when it is sought. There has been a wall of noise coming from my left, and it will stop or we will have a few people leave. I call the honourable member for Denison prior to calling the member for Wannon.

Fishing Industry

Mr WILKIE (Denison) (14:15): My question is to the Prime Minister. Prime Minister, the Parliamentary Secretary to the Minister for Agriculture is talking like the federal government could allow supertrawlers into Australian waters after the two-year ban on the Margiris/Abel Tasman expires in November. But the Tasmanian Liberal Party, in election mode, claims to oppose such a proposition. Prime Minister, do you agree with Will Hodgman and will you rule out allowing supertrawlers in Australian waters?
Mr ABBOTT (Warringah—Prime Minister) (14:16): I do thank the member for Denison for his question, because the answer is: yes, I do agree with Will Hodgman. He will be a great Premier of Tasmania should the electors of that great state give him the opportunity in a couple of weeks' time. He will be a great Premier of Tasmania if he gets the support of the people at the election, and he deserves the support of the people.

As for the so-called supertrawler, the supertrawler is banned from Australian waters. It was the Manager of Opposition Business, formerly the relevant minister, who let the supertrawler in in the first place. He then thought better of it. It was banned with the support of members on this side of the House. It was banned; it will stay banned.

**Employment**

Mr TEHAN (Wannon) (14:17): My question is to the Treasurer. Will the Treasurer outline how removing restrictions on businesses creates the environment for competition and growth? What does this mean for the constituents of Wannon?

Mr HOCKEY (North Sydney—The Treasurer) (14:17): That is an exceptionally good question. It means for his constituents that they have got a better chance at a job and a well-paid job. That is what removing restrictions on business does. It gives the opportunity to create jobs. That is why the coalition is proceeding with removing the restrictions on Qantas. We want Qantas to have growth. We want Qantas to create more jobs. That is what we are focused on. Once upon a time there was a Labor shadow minister for transport who said this: Labor is on the record as having an open mind on the relaxing of the 49 per cent foreign ownership cap on Qantas as we recognise that without significant capital investment the airline is putting at risk its future international and domestic competitiveness.

That was a former Labor transport spokesman in 2002. But, in case that was a false press release, in 2004 we had this, under the headline 'ALP rethink on Qantas ownership':

A Labor government would consider lifting the restrictions limiting foreign ownership of Qantas to 49 per cent in a significant shift in policy.

What happened to Labor? For a more contemporary view, I went to the book. I went to the book—the member for McMahon. Don't worry: I didn't buy it, I got it from the library. I don't do retail; I'm half Arab. I can't even find it in a remainder bin. The member for McMahon, the now shadow Treasurer, said:

Political parties have a choice: they can lead the debate on foreign investment, or they can follow it. Tony Abbott's Liberal Party has decided to follow it, and Labor must lead it.

Where is Labor leading us? He goes on to say:

All round, foreign investment is a good thing for Australia. There is an obligation for responsible Australian political parties to lead this debate … Promoting foreign investment to promote growth would be a very Labor thing to do.

You see, we do not know what Labor stands for. They have got a snollygoster as a leader, who doesn't have any consistent principles. Labor is actually going back to a pre-1992 position on Qantas. To the member for Gorton, I want you to know: Qantas is not owned by the government anymore. The Commonwealth Bank is not owned by the government anymore. If there is anything else he needs to know, ring a friend. The Commonwealth Serum Laboratory is not owned by the government. TAA isn't in the skies anymore. I say to the
Labor Party: please be consistent, please be principled, please do the right thing by the Qantas workers.

**Qantas**

Mr BOWEN (McMahon) (14:20): My question is to the Treasurer. I ask the Treasurer: does he still hold the following view about Qantas? I quote: 'This is something I've previously been on the record about. I'm very concerned about any dilution of Australian control of Qantas. We've been concerned for a number of reasons. Our experience has been that when companies have majority foreign ownership or majority foreign control then it actually has had an impact on the social responsibility of those companies in Australia.'

The SPEAKER: I ask the member to return to the box. What is the actual question?

Mr BOWEN: I asked at the beginning of the question whether the Treasurer still holds the views, which I then quoted.

Mr HOCKEY (North Sydney—The Treasurer) (14:21): In relation to Qantas, no.

**Carbon Pricing**

Mr HUTCHINSON (Lyons) (14:22): My question is to the Minister for the Environment. I refer the minister to the list of entities liable for the carbon tax, published by the Clean Energy Regulator on 14 February, that shows that Simplot paid a $1.1 million carbon tax bill in 2012-13. Will the minister outline the negative impact that the carbon tax has had on Australian businesses and why the tax must be repealed immediately?

Mr HUNT (Flinders—Minister for the Environment) (14:22): Only yesterday the Leader of the Opposition told us that he was for action not words. During the election campaign we heard that their action was going to be to terminate the carbon tax immediately. They were going to terminate it. They were not just going to talk about it; they were for action. If the Leader of the Opposition wants to be the action man he claims to be, today is the day. It is up before the Senate. You can have your troops, your senators, go into the Senate to support repeal of the carbon tax. But something tells me that it is not action man, it is not the terminator, it is all talk at the moment.

When the member for Lyons, who is something of an action man— I think he had a 13½ per cent swing at the election; the largest two-party preferred swing in the country— asks about taking real action to protect firms in Tasmania, you can back his words. What do we know about Simplot? Simplot has a $1.1 million carbon tax bill. What did their managing director, Terry O'Brien, say not that long ago in talking about the carbon tax? The managing director of Simplot, talking about the carbon tax, said: Governments should not have to prop up private businesses, but they do have the capacity to make a mess of private business, and over the last few years we have seen legislation and regulation that has impacted us.

But it is not just Simplot; across Tasmania we see Tasmanian Electro Metallurgical, Grange Resources and Bell Bay aluminium smelter and, when you go nationally, a $1.1 billion manufacturing hit. But it is not just $1.1 billion of manufacturing; on top of that, there is also electricity, off-road diesel, gas and refrigeration in the case of food manufacturing firms.

These are the very costs which could be reduced if the Leader of the Opposition took the action to walk his senators into the Senate and repeal the carbon tax. There is a strike at the...
moment. He is the strike leader; he could be the strike breaker. Business more generally has a point here. The Business Council says:
To reduce these costs, Labor should step aside and let the government repeal the carbon tax legislation. ACCI have said:
Abolishing the carbon tax and mining tax and coming up with a pathway back to surplus will go a long way to restoring business confidence.

Mr Perrett: He's a poor man's Christopher Pyne!
The SPEAKER: The member for Moreton will remove himself under 94(a).
The member for Moreton then left the chamber.

Mr HUNT: AMEC have said that 'the repeal of the carbon tax and mining tax will go a long way to recovering some of the lost competitiveness'. It goes on and on with business saying that they want the action of repealing the carbon tax. It is time to take your senators in and repeal the carbon tax.

Qantas

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:25): My question is to the Prime Minister. Can the Prime Minister confirm that a debt guarantee for Qantas was under active consideration by the government as late as yesterday?

Mr ABBOTT (Warringah—Prime Minister) (14:26): They asked for it; we thought about it; and we rejected it.

Opposition members interjecting—

Mr ABBOTT: They asked for it; we thought about it; and we rejected it.

Opposition members interjecting—

The SPEAKER: Order on my left! If anybody is anxious to join the member for Moreton, they will interject further.

Mr ABBOTT: Let me, if I may, outline for the Leader of the Opposition's benefit what his position has done. His refusal to contemplate taking the shackles off Qantas means that Virgin is in a stronger position than Qantas. As I said, I am all in favour of doing the right thing by Virgin, but let's do the right thing by Qantas too. Let's do the right thing by Qantas too.

Mr Burke: On a point of order—

The SPEAKER: Has the Prime Minister concluded his answer?

Mr Abbott: Yes.

The SPEAKER: The Prime Minister has concluded his answer.

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

The SPEAKER: What is the point of order?

Mr Burke: The point of order is under standing order 86. When a point of order is taken, we are meant to get the call and the person speaking is meant to be seated. This week, in particular, you have repeatedly allowed ministers and the Prime Minister to complete their answers before hearing a point of order relevant to exactly what they are saying.
The SPEAKER: There is no point of order, and I might point out that if you are clairvoyant and think you can predict when an answer is completed then you are enormously clever.

Carbon Pricing

WYATT ROY (Longman) (14:27): My question is to the Minister for Agriculture. I refer the minister to the Clean Energy Regulator's list of entities liable for the carbon tax, showing that JBS Dimmore has been hit with a $1.7 million carbon tax bill for 2012-13. Minister, how is the carbon tax impacting on agribusinesses like this one and what can be done about it immediately?

Mr JOYCE (New England—Minister for Agriculture and Deputy Leader of The Nationals) (14:28): I would like to thank the member for his question. In his area they were famous strawberry producers. In fact, as you go down the road, you go past Roys Road. Wyatt Roy—who remains the youngest member of this parliament and will be for decades—has asked this question but it should really be asked by the member for Blair, because Ipswich is in his electorate and this meatworks is the largest employer in his electorate.

But, of course, he is not going to ask this question on behalf of the working families and the people of Ipswich. Oh, no, he is not going to ask this question on behalf of the working families of Ipswich, because he believes in the carbon tax. He believes that they should pay that $1.7 million. You believe they should pay that $1.7 million, don't you? They could actually use that $1.7 million to expand the production facilities. They could actually be employing more people in Ipswich. They could be helping out the people of Ipswich. But, oh, no; you believe that they should pay the tax because, apparently out there in the great vault of heaven, you are changing the climate. Well, congratulations; well done!

But I am a bit worried because since the carbon tax has been in it is all supposed to be better and it is all supposed to be fixed—

Opposition members interjecting—

The SPEAKER: There is too much noise on the left.

Mr JOYCE: but it seems to be around about where you left it. This was the sort of insidious thing, the ridiculous economics, which the Labor Party had—it is the whole reason they are in opposition—but which also affected the people of Ipswich. It still affects the good working families of Ipswich because not only do they pay it in the processing sector but they also pay it on electricity, water and the trucks going in and out of Ipswich employing working men and women. They are going to pay it on that from 1 July. You believe this tax should be everywhere.

Mr Neumann interjecting—

Mr JOYCE: You just sow it home, because the people of Ipswich can go to the member for Blair and say, 'He's not much of a member, but he is changing the climate, which is very good.' It is great to see that your belief—

Mr Neumann interjecting—

The SPEAKER: The member for Blair will desist.

Mr JOYCE: in this is greater than your belief in the working men and women of Ipswich, who you should be standing up for. This carbon tax is such a work of art because if less than
25,000 tonnes of carbon are emitted, they do not pay the carbon tax, but once a beast goes through on the hooks and they go over 25,000 tonnes they do. It is actually a $603,000 beast. You must have been on the working group to work that one out! So what we will do for the people of Ipswich—and thank you, Wyatt Roy, for asking the question—is help the working families and get rid of the carbon tax.

Opposition members interjecting—

Mr Neumann interjecting—

The SPEAKER: There is too much noise on my left. The member for Blair will desist. Before I give the call to the member for Grayndler, if the noise on my left persists as it is, then there will be some people ejected forthwith.

Qantas

Mr ALBANESE (Grayndler) (14:31): My question is to the Prime Minister. Can the Prime Minister confirm that the government commissioned one of the big four accountancy firms as part of a due diligence process relating to a possible debt guarantee for Qantas at expense to the taxpayer?

Mr ABBOTT (Warringah—Prime Minister) (14:32): Qantas asked us to consider a number of initiatives. We investigated them. We are going to free Qantas from the shackles of the Qantas Sale Act. We are not going to give them the debt guarantee that they sought because we do not believe in playing favourites between private companies. We believe in giving all private businesses the same fair deal—

Mr Shorten interjecting—

The SPEAKER: The Leader of the Opposition had better remain quiet or he might be ejected.

Mr ABBOTT: on the same level playing field, and, once upon a time, so did Labor members. But I am afraid this is a very shrunken Labor Party and a very shrunken Leader of the Opposition.

Mr Albanese interjecting—

The SPEAKER: The Prime Minister will resume his seat.

Mr ABBOTT: I have concluded my answer.

The SPEAKER: The Prime Minister has concluded his answer.

Mr Albanese interjecting—

The SPEAKER: I must say that the last time the member for Grayndler had a point of order, it was not one. So I would have hoped it was better.

Small Business

Mr WHITELEY (Braddon) (14:33): My question is to the Minister for Small Business. I refer the minister to the article on the front page of my local paper, The Advocate, this morning reporting a doubling of business owners with payments overdue on their electricity bills. Minister, how on earth is this government helping small business in Tasmania compared to the mess that the party opposite left?

Mr BILLSON (Dunkley—Minister for Small Business) (14:33): That is an outstanding question.
Mr Bowen: Madam Speaker, I rise on a point of order. There was more than just a little bit of argument in that question.

The SPEAKER: The member for Braddon would perhaps like to repeat his question leaving out the argument.

Opposition members: Rephrase it!

Mr Whiteley: Minister, how is the government helping small business in Tasmania?

The SPEAKER: The Minister for Small Business.

Mr BILLSON: Thank you, Madam Speaker, I had a hunch that the question was for me. I want to thank the member for Braddon for his question, and, yes, I have seen the article where there is a doubling of the number of small business customers really grappling with rising energy costs. I draw heavily from Sylvia Sayers, the Devonport Chamber of Commerce and Industry president. She makes the point that 'running a small business is getting more and more expensive' and that 'costs are increasing'. She goes on to say that when costs increase it just puts extra burden on the economy where, in the case of Tasmania, the economy is not that flash and where people are more careful with their expenditure.

She goes on to talk about it being a 'double whammy'. The people in Tasmania know about the double whammy. They have had the double whammy of Labor-Green alliance governments in Tasmania, as they have had previously at a federal level. Madam Speaker, you would remember the carbon tax we were promised we would not have but that we did have. That was a creation of the Labor-Green alliance. What we need in Tasmania is a chance for Tasmanians, who are enterprising people, to have every opportunity to succeed. The abolition of the carbon tax is a really meaningful and constructive step in that direction.

The Tasmanian Liberal opposition have pointed to a reduction in household electricity prices of 5.6 per cent, gas prices becoming more affordable, exporters having another price pressure taken off them so that they can create jobs, a reduction in freight costs and the costs of using the Bass Strait ferry and TasRail internally. The Tasmanian people know that if Labor has its way this tax will not only go up and become even more of a burden and create even greater pressure on those businesses but also that it will actually be extended to freight as well. So in addition to the extraordinary costs of cross-channel freight costs, we will have on-road freight costs going up as well, all adding to the pressure on the Tasmanian economy. It will be cheaper to travel on the Spirit of Tasmania if we get rid of the carbon tax. The flights in and out of the great southern island would be cheaper as well. But what can we do about that? What we can do is get the Labor opposition here to actually get rid of this tax. They do not like being reminded that under Labor 412,000 jobs were lost in small business. Did you know that is 1,320 jobs for every week of the Rudd-Gillard-Rudd government? But did you hear a word from Labor? No.

Let me help the opposition: a small business job is a local job; a small business job is an Australian job. Perhaps the reason they were not interested in 412,000 small business jobs going is that maybe they were not union jobs and perhaps that was why they did not care. But for states like Tasmania to get rid of the double whammy of the Green-Labor alliance and the punishment and pain of the carbon tax, we need to get this Labor opposition off their backside to actually support the efforts of this government to remove this cost impost. The other thing they can do on 15 March is elect Will Hodgman and his team. We know about the natural
system in Tasmania; we need the enterprise ecosystem supported, and you can do that by a change of government in Tasmania as well.

**Qantas**

**Mr SHORTEN** (Maribyrnong—Leader of the Opposition) (14:37): My question is to the Prime Minister. I refer to the Deputy Prime Minister's reported comments that there is no plan B for Qantas. Given that the Prime Minister knows that his package has no chance of passing parliament because it will mean that Qantas can no longer call Australia home, why is there no plan B to save our national carrier and why is the Prime Minister's only plan to play politics with thousands of Australian jobs and our national airline?

**Mr ABBOTT** (Warringah—Prime Minister) (14:38): A previous Labor Party that was a great reforming government in its own way was prepared to sell Qantas.

**Ms Butler interjecting**—

The **SPEAKER**: The member for Griffith is warned.

**Mr ABBOTT**: A previous Labor transport spokesman, someone who was a lion of Labor, a person of great respect in this chamber, was prepared to change Labor's attitude towards the Qantas Sale Act, and I believe even now members opposite have it in them to rise to the challenge of reform. Now, I know that at the moment the Leader of the Opposition is good at complaining and hopeless at leading, he is good at criticising but he is hopeless at governing, but I think he is big enough to rise above this.

**Mr Dreyfus**: Madam Speaker, I raise a point of order. The question to the Prime Minister was directed at what plan this government has, not at policies of the opposition, and you should call him to some faint semblance of relevance to the question.

The **SPEAKER**: I presume the honourable member was asking for direct relevance. The Prime Minister is answering the question.

**Mr ABBOTT**: What we are proposing to members opposite, and this is why I believe there is every chance that what we are proposing will pass the Senate, is to allow Qantas to operate under exactly the same rules that Virgin operates under. Let us look at Virgin. Virgin has gone from zero Australian employees to almost 10,000. That is not bad. Virgin has gone from nothing to being a great Australian airline. Virgin actually started off 100 per cent foreign owned. It is still majority foreign owned but Virgin employs Australians, it flies Australians and it services its planes in Australia. What is so bad about that, and why wouldn't a sensible Labor Party—a Labor Party animated by the same patriotism that the Hawke government was animated by, a Labor Party that spawned people like Martin Ferguson—a decent Labor man; a sensible Labor leader—wake up to itself and allow Qantas to do what Virgin does? To stop giving Virgin an unfair advantage vis-a-vis Qantas I want a level playing field. I want two great Australian airlines. I want Qantas to be able to compete. I want Virgin to be able to compete. I want them to be able to compete on the same level playing field, and if members opposite thought about it for five seconds, if they stopped playing these silly populist games, that is exactly what they would want.

**Higher Education**

**Mr NIKOLIC** (Bass) (14:41): My question is to the Minister for Education. I remind the minister that staff at the University of Tasmania received two significant awards in the
Australian Awards for University Teaching last year. What is the government doing to support the University of Tasmania?

Mr PYNE (Sturt—Leader of the House and Minister for Education) (14:42): I thank the member for Bass for his question about higher education in Tasmania. I can report to him that since this government was elected we have approved $12 million in research grants to the University of Tasmania. We have approved $13 million for industrial transformation training centres. We have expanded the UTAS nursing school. We have expanded its Pathway to Success program and we have approved $26 million for the integrated marine observing system.

Ms Butler interjecting—

The SPEAKER: The member for Griffith will remove herself under 94(a).

The member for Griffith then left the chamber.

Mr PYNE: So we have strongly supported the University of Tasmania because we believe that higher education is the kind of future sector that can strongly support a bustling, growing economy in Tasmania. By contrast, Labor imposed the $2,000 cap on tax deductibility for self-education expenses, hurting nurses and teachers and public servants and others in the process. We scrapped the cap because we saw that the opportunity for higher education is to transform people's lives and the economies in places like Tasmania.

The coalition believe that higher education represents a very bright future for Tasmania, and if on 15 March a Hodgman-led Liberal Party are elected to government in Tasmania they will share that vision for supporting transformative industries like higher education in Tasmania for the future. It is certainly time for Tasmanians to understand that there is no future in another Labor-Green alliance at Salamanca Place in Hobart. There is no future to be found in Tasmania in the vision that Labor and the Greens have of thatched-roofed houses in cosy hamlets with a blueberry led recovery of the Tasmanian economy. That is what the Greens and Labor are offering: the blueberry-led recovery. We love blueberries—they are particularly good for you as an antioxidant—but I am not sure they will replace mining and forestry and higher education in Tasmania.

So I say to the Tasmanian voters: if you want a bright future for Tasmania, vote for a party that is going to support a future economy that is real in that state. Universities can help lead that recovery, along with forestry and mining, and the future for Tasmania is not going to be found in a Greens-Labor alliance in thatched-roof houses with swirling smoke coming out of their chimneys in lovely hamlets like the shire out of The Lord of the Rings. Tasmanians need to vote for an economy that is real and that will create jobs. A Hodgman-led Liberal government will give it to them.

Qantas

Mr ALBANESE (Grayndler) (14:45): My question is addressed to the minister for tourism. How can Qantas continue to support Australian tourism if it no longer calls Australia home?

Mr ROBB (Goldstein—Minister for Trade and Investment) (14:45): I thank the honourable member for his question. It is a bit ironic. Labor has absolutely no credibility when it comes to tourism—none whatsoever. What did they do when they had responsibility for tourism? They increased tourism taxes—a 45 per cent increase in the passenger charge.
They introduced a carbon tax—$115 million, not much different to the $106 million that Qantas has had to incur under a Labor Party carbon tax. There was a 12 per cent reduction in profits because of the carbon tax to the tourism industry alone last year. They reduced funds for Tourism Australia. Our capacity to market effectively on international markets was reduced. The ability for Qantas to take advantage of international visitors was undermined by the Labor Party because they reduced the budget for Tourism Australia. They have also increased penalty rates, which has crippled so much of the tourism industry in Australia. Of the 412,000 jobs that were lost in small business, many have been in the tourism sector. Also they have strangled visa access—

Mr Albanese: Madam Speaker, I rise on a point of order. This was not a general question about—

The Speaker: What is the point of order?

Mr Albanese: 'Give us a few minutes about tourism'—

The Speaker: What is the point of order?

Mr Albanese: It goes to relevance. It is a specific question about Qantas—

The Speaker: The member particularly directed his question to the minister for tourism, which is part of the minister's portfolio. Clearly, he wanted an answer couched in tourism terms. The minister has the call.

Mr Robb: Absolutely correct, Madam Speaker. It is highly relevant to show to those opposite that their capacity to talk with any sense of credibility about tourism is impossible. The fact of the matter is: the coalition is looking to provide Qantas with freedom, remove the ownership shackles—

Ms Chesters interjecting—

The Speaker: The member for Bendigo will join the member for Griffith and remove herself under 94(a).

The member for Bendigo then left the chamber.

Mr Robb: and scrap the carbon tax, because we want Qantas to survive in this country, to be able to take advantage of the tourism opportunities, which will be enormous in the next 30 years but only if we have viable airlines in Australia. Those opposite have shown that they are not interested in creating a market for tourism, much less looking after Qantas, which is one of the great tourism assets in this country. Those opposite need to understand: if locals want to capitalise on the tourism opportunities, we have to maintain the airline, the tourism asset, that is Qantas—that international brand name, that very successful brand name. If you do not move with us on these bills, scrapping the carbon tax and providing that the ownership shackles be removed from Qantas, then you are doing a disservice to tourism.

Qantas

Mr Shorten (Maribyrnong—Leader of the Opposition) (14:49): My question is to the Prime Minister. I refer to the Prime Minister's statements yesterday afternoon blaming Qantas's current issues on the carbon price. I also refer to Qantas's subsequent statements last night that said: 'Qantas's current issues are not related to carbon pricing.' Prime Minister, is Qantas wrong? And, if Qantas is right, when will the government stop playing politics and start fighting for Australian jobs?
Mr ABBOTT (Warringah—Prime Minister) (14:50): I am looking at a document that I understand Qantas released last week, and it says: ‘Since financial year ‘09, Qantas has faced an increasingly challenging environment. Yields are down; the fuel price is up.’ And then it says: ‘Domestic carbon tax unrecovered of $106 million in financial year 2012-13.’ So Qantas know that one of the problems that they have got is a $106 million a year hit—

The SPEAKER: The Leader of the Opposition on a point of order? Has the Prime Minister concluded? The Prime Minister has concluded his answer.

Mr Shorten: I seek leave to table Qantas's statement last night where they said the current issues are not related to carbon pricing.

The SPEAKER: Is leave granted? Leave is not granted. Before I call the member for Forrest, I have noticed that the Leader of the Opposition has taken a habit of rising to his feet before the minister answering has completed the question, and that quite frankly led me to give him the call on the last occasion, because he was on his feet, but it was premature. So I propose—

Mr Burke: Madam Speaker, on a point of order, on the operation of the clocks: not long ago, the Deputy Leader of the Opposition, the moment her time ran out, you were very strict on making sure the microphone was turned off at that moment. It does not happen for the ministers, and it is completely reasonable for the Leader of the Opposition to stand when the time limits—

The SPEAKER: There is no point of order.

Mr Burke: Are you saying the time limits are not part of the standing orders, Madam Speaker?

The SPEAKER: I am saying that the point of order you are making is not relevant at this stage.

Mr Burke: No, Madam Speaker, you just gave a ruling about how the Leader of the Opposition should—

The SPEAKER: The member will resume his seat! Now I propose to give the call to the member for Forrest, and after that I will seek a call from the government benches to even it up. I give the call to the member for Forrest.

Asylum Seekers

Ms MARINO (Forrest—Government Whip) (14:52): Thank you—

Mr Albanese: Madam Speaker, on a point of order: as you would recall, in the last parliament, from time to time government members were tardy in rising. When that occurred, they missed out. That is what happened, and that was the way it was implemented. And I can assure you that as Leader of the House that is one way I kept discipline on our side and encouraged people to jump. If he cannot control his team—

The SPEAKER: The member will resume his seat!

Mr Pyne: Madam Speaker, on the point of order: there is ample precedent. I would point to Speaker Jenkins, who often used to even up the call when this occurred. The opposition, when that occurred, recognised it as a sensible way to manage the House. Of course, we are entirely in your hands, and whatever you decide to do the government will support.
The SPEAKER: The call goes to the member for Forrest.

Ms MARINO: Thank you, Madam Speaker. My question is to the Minister for Immigration and Border Protection. Will the minister update the House on the numbers of illegal boat arrivals reaching Australia? How is Operation Sovereign Borders undermining the business model of the people smugglers?

Mr MORRISON (Cook—Minister for Immigration and Border Protection) (14:53): I thank the member for Forrest for her question because it seems that the Leader of the Opposition still is a little unsure about the progress of Operation Sovereign Borders, which has meant that for the last 75 days there has not been a successful people-smuggling operation or venture to reach Australia.

I say that because this morning he said, 'There is no doubt that the tempo of operations has put an additional strain on our border protection fleet.' I know he may think he was referring to an article in The Australian, but the article he probably should read in The Australian was this one from August 2012, which states, 'Asylum demands breaking Navy fleet as patrol boats crack up.' It reads:

AUSTRALIA'S navy patrol boats are literally cracking up under the strain of intercepting the surge in asylum-seeker vessels …

That was the history under the previous government when they ran the most extensive 24-hour water taxi service in the history of this country, as boat after boat—more than 800—turned up on their watch. That was the history under the now Manager of Opposition Business and former minister. We used to have an average of 26 boats turning up every single month. When the member for Gorton was minister, we had an average of 37 boats turning up every month. For the last two months, there have been none that have turned up with a successful venture to Australia.

I am asked about the impact. The impact of Operation Sovereign Borders and, in particular, our maritime operations has been devastating on people smugglers. People smugglers are having calls on them to hand the money back by the people who have ended up back in Indonesia. They are saying, 'We want the money back,' and the people smugglers are running and hiding. This is happening for one reason: our policies are no bluff. They are no threat; they are real. They happen. If boats seek to come illegally to Australia, then they are removed from our waters. That is what happens under our policies. We do not trumpet it; we do it, and in the doing you get the results. That is what you get.

At the last election, those opposite took a bluff to the election. They took an absolute bluff to the election. What they had was an invisible 10,000-man camp on Manus Island, which the now Manager of Opposition Business used to boast about. There were detailed resettlement arrangements which looked like this: an absolutely blank sheet of paper. And I table the former government's detailed resettlement arrangements for people in Papua New Guinea. I table it. It is a blank sheet of paper. They left the hard work to this government to clean up the mess of more than 800 arrivals, a capacity at Manus Island which was under-resourced, with arrangements which were underdone and not thought through. This government knows that you do not bluff the boats away; you have policies which get the job done. And that is what we have got.
International Development Assistance

Mr WILSON (O'Connor) (14:56): My question is to the Minister for Foreign Affairs. Minister, what is the government doing to cut the previous government's wasteful programs and, in so doing, improve the effectiveness of our foreign aid?

Mr Burke: Madam Speaker, on a point of order: I just draw your attention to the argument in the question.

The SPEAKER: I did not detect any argument. I will let the question stand.

Ms JULIE BISHOP (Curtin—Minister for Foreign Affairs) (14:57): I thank the member for O'Connor for his question because I know that his constituents were concerned about the many reports of wasted aid and untargeted aid under the former Labor government. Reports like 'Aussie millions wasted overseas' were of concern to his electorate and those of others.

On coming to office, yes, the new government has had to clean up the mess of the Labor Party. We all know about the $47 billion of deficit this year, the $123 billion of accumulated deficits and the $667 billion of gross debt that we were heading towards had there not been a change of government. But we have also had to clean up the mess in the aid budget.

You see, what Labor would do is that they would make an announcement about an increase in the aid budget, and then, having promised to increase it, they would strip the money out of the aid budget. In the last 15 months of the Labor government, they stripped away, after announcing it, $5.7 billion from the aid budget. So it was a mirage. They did not even have the courage to take it to an election. They would announce it then strip it away.

In contrast, we said before the last election that we would make savings of $4.5 billion over the forward estimates and that we would stabilise the aid budget to $5 billion a year and thereafter it would increase by CPI. We also said we would focus the aid budget on our region, on the Indian Ocean and Asia-Pacific, and that we would alleviate poverty by promoting economic growth, sustainable growth.

The Deputy Leader of the Opposition sought to justify the mess under Labor by saying in this House on 27 February:

… we looked at every dollar of aid spending to make sure that it was well targeted.

Really? 'Well targeted'? By 'well targeted', does she mean the $375 million that was ripped out of the aid budget in 2012 and again in 2013 to put into the budget black hole caused by the blow-out in onshore detention centre costs?

By doing that, by transferring the money from aid to immigration, the Labor government made itself the third-largest recipient of foreign aid—the Labor government!

Ms Plibersek interjecting—

The SPEAKER: The Deputy Leader of the Opposition will desist!

Ms JULIE BISHOP: By 'well targeted' does she mean Bob Carr's pet projects as he meandered around the globe gathering material for his book? He promised millions of dollars for a rhinoceros program in Sumatra. That is a lovely project for the world wildlife foundation but not for the Australian aid budget. Or does she mean Bob Carr's millions of dollars for architectural preservation in Myanmar? That is fine for some UN organisation but not for the Australian aid budget. Or does she mean by 'well targeted' the millions and millions of dollars promised to Grenada to rebuild their parliament house? Grenada is a country in the Caribbean
that is rated high on the Human Development Index, as opposed to countries in our region that are rated low.

*Ms Plibersek interjecting—*

**The SPEAKER:** The Deputy Leader of the Opposition will desist!

**Ms JULIE BISHOP:** The Australian government has reprioritised the aid projects and we have stopped the waste. *(Time expired)*

**Qantas**

**Mr ALBANESE** (Grayndler) *(15:00)*: My question is to the Prime Minister. I refer the Prime Minister to this article headlined ‘Airlines volunteer to pay carbon tax’, which states: Qantas, Virgin Blue and other domestic airlines will voluntarily pay the carbon tax after lobbying to be included in the scheme.

It continues:

A spokeswoman for Virgin Blue said the carbon pricing scheme would allow the company to source abatement measures at lowest cost.

When will the Prime Minister act in the national interest rather than playing politics with our national airline?

**Mr ABBOTT** (Warringah—Prime Minister) *(15:01)*: Does anyone seriously believe that, at a time like this, Qantas wants to pay $106 million in carbon tax? Here is a company which has just reported a $252 million loss for just a half-year, and this genius opposite thinks they want to keep paying $106 million in carbon tax.

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

**The SPEAKER:** If the member for Grayndler is simply going to read out the piece of paper in his hand instead of having a proper point of order then he will be removed.

**Mr Albanese:** To assist the Prime Minister, I seek leave to table it.

**The SPEAKER:** That is not a point of order. One more time like that!

**Mr ABBOTT:** This idea that Qantas somehow loves the carbon tax, even though the carbon tax adds $106 million to its costs, even though the carbon tax is contributing to a $252 million half-yearly loss, is just crackers.

**Mr Shorten interjecting—**

**The SPEAKER:** The Leader of the Opposition will desist.

**Mr ABBOTT:** It is just crackers, Madam Speaker. Tell them they're dreaming. That's what they're doing: they're dreaming.

**Mr Dreyfus:** 'Crackers'!

**The SPEAKER:** The member for Isaacs will remove himself under 94(a).

*The member for Isaacs then left the chamber.*

**Mr ABBOTT:** They're dreaming. We are going to give Qantas and Virgin the same level playing field to compete upon and we are going to get rid of the carbon tax on all of them. That will save Qantas $106 million a year. It will save Virgin $48 million a year. It will save Rex $2½ million a year. And they will be very, very grateful. Their jobs will be safer and their companies will be more secure.
Mr Albanese: Madam Speaker, I seek leave to table the document 'Airlines volunteer to pay carbon tax'.

Leave not granted.

Intercountry Adoption

Mrs PRENTICE (Ryan) (15:03): My question is to the Minister for Foreign Affairs, representing the Attorney-General. Constituents have raised with me the difficulties involved in our intercountry adoption processes and the need to make it easier for children to find loving homes. Minister, what action is the government taking to assist Australian parents with the intercountry adoption process?

Ms JULIE BISHOP (Curtin—Minister for Foreign Affairs) (15:04): I thank the member for Ryan for her question and I note her ongoing concern and interest in this matter. As she knows, last December our Prime Minister committed this government to delivering reform on overseas adoption, in collaboration with the states and territories. I can confirm that today, just three months after that announcement, that decision to act, the Prime Minister and Attorney-General Brandis have announced the commencement of new laws to streamline the process for Australian families adopting children through Taiwan and South Korea. As the member will know, approximately 40 per cent of overseas adoptions come from South Korea and Taiwan.

These laws will significantly reduce the time frame to finalise adoptions. They will reduce that unnecessary stress on families, allowing them to focus on supporting their child to feel safe and secure in a new home. The legislative amendments will also affect adoptions from Ethiopia that have not yet been finalised in Australia. The decision to include Ethiopia is to assist the small number of families in Australia whose adoptions through the programs have not yet been finalised. The best interests of the child are at the heart of these laws. The Australian government is committed to ethical and responsible intercountry adoption practices consistent with Australia’s international obligations. The laws are consistent with the need to ensure appropriate safeguards are in place to protect children whilst providing this streamlined process for Australian families who wish to adopt.

On behalf of the Prime Minister and the government, I also want to place on record our thanks to Deborra-Lee Furness, for her steadfast advocacy, and Helen McCabe, Catherine McDonnell and John O'Neill, who in fact joined the Prime Minister for the announcement today. Supporting families is a core value of the coalition, and I know that it is a core value of those opposite, so I look forward to the support across the chamber for these laws, in the interests of children being adopted and in the interests of the families who want to adopt these children so they can feel secure and loved in a new home in Australia.

Distinguished Visitors

The SPEAKER (15:06): I inform the House that we have had present in the gallery this afternoon members from a delegation from the National Assembly of the Democratic Republic of the Congo. I would like them to know that they were most welcome in the House.

Honourable members: Hear, hear!
QUESTIONS WITHOUT NOTICE
Assistant Minister for Health: Staffing

Ms KING (Ballarat) (15:07): My question is to the Prime Minister. I refer to the Prime Minister's statement during question time last Wednesday that the Assistant Minister for Health has done nothing wrong. If this is the case, will the Prime Minister release the document detailing how the minister's former chief of staff's conflict of interest was to be managed? If not, why not?

Mr ABBOTT (Warringah—Prime Minister) (15:07): This government, like all governments, respects the confidentiality of this process and it is not in the business of revealing personal information about people.

Gilmore Electorate: GP Superclinic

Ms SUDMALIS (Gilmore) (15:07): My question is to the Minister for Health. I refer the minister to the Nowra GP superclinic in my electorate, which was actually promised more than three years ago, is still not open and is yet to see a single patient. Will the minister update the House on how the delays to the Nowra GP superclinic have affected the provision of health services in my electorate?

Mr DUTTON (Dickson—Minister for Health and Minister for Sport) (15:08): I thank the member for Gilmore very much for her question and her continued interest in getting good health services for the people of Nowra. I come today to heap praise on the former health minister, the member for Sydney. Minister Plibersek trumpeted the GP superclinic program as one of the greatest she ever presided over and one of the greatest programs that Labor ever conjured up. I have a couple of facts to start with. They promised $650 million of taxpayers' money. It was, of course, borrowed money because they had already spent all of the taxpayers' money that they had collected. They promised 64 superclinics but they delivered 27 during their time.

Ms Plibersek: Did you want to see any of them built?

The SPEAKER: The Deputy Leader of the Opposition will desist!

Mr DUTTON: Some of them that were promised in 2007 still have not started construction even.

Ms Rishworth interjecting—

The SPEAKER: And the member for Kingston will desist!

Mr DUTTON: If you look at the one for Nowra, there is a great story to be told. This is where my praise must come in.

Mr Mitchell interjecting—

The SPEAKER: And the member for McEwen!

Mr DUTTON: I concede ground where necessary. This was a program that was promised, as I said, for 64. This one was promised in 2010.

Ms Plibersek interjecting—

The SPEAKER: The Deputy Leader of the Opposition will desist!
Mr DUTTON: The great news for the former health minister is that we are now in 2014 and construction is almost ready to start. Well done!

Ms Plibersek: You've never supported any of them.

Mr DUTTON: The threat of course is that patients will be turning up to a building site expecting to see a doctor but only see a carpenter or maybe a tiler.

The SPEAKER: The Deputy Leader of the Opposition is warned!

Mr DUTTON: I say to people: 'Be patient, because some were promised back as far as 2007.' We want to see better health outcomes for Australians, but we are not going to do it Labor's way. We are not going to do it by promising to put money into clinics that were set up to run in competition with doctors who had already put their own money into constructing their clinics. You had people who were putting at risk their own capital, doctors who had worked hard to build the clinics, yet you had the Labor government coming along with borrowed money—$650 million—saying that they were going to set up a taxpayer funded clinic diagonally opposite the doctors' clinic. It made no sense. In fact, it detracted from the primary care model because young doctors coming through did not want to buy into those existing practices. Labor wasted money—billions and billions of dollars.

We are coming up to the fourth anniversary of the Nowra clinic. It is just about to start construction. It should remain as a legacy of Labor's incompetence into all time.

Mr Abbott: After 23 very well-answered questions, I ask that further questions go on the Notice Paper.

Mr Fitzgibbon: Madam Speaker, I seek leave to table the current government's recent media release in which it announces its commitment to the former government's funding for the blueberry industry in Tasmania.

Leave not granted.

PERSONAL EXPLANATIONS

Mr BOWEN (McMahon) (15:11): Madam Speaker, I wish to make a personal explanation.

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

Mr BOWEN: I certainly do and by the Treasurer. Yesterday in question time the Treasurer said at the dispatch box that I was incorrect when I said that a government guarantee for Qantas debt did not require legislation. In fact, it is the Treasurer who is factually incorrect. I seek leave to table the advice to that effect.

Leave not granted.

DOCUMENTS

Presentation

Mr PYNE (Sturt—Leader of the House and Minister for Education) (15:12): Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings.
MATTERS OF PUBLIC IMPORTANCE

Aviation Industry

The SPEAKER (15:12): I have received a letter from the Leader of the Opposition proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The national interest in maintaining aviation jobs in Australia.

I call upon those honourable members who approve of the proposed discussion to rise in their places.

More than the number of members required by the standing orders having risen in their places—

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (15:12): This is a most important national debate. For all those Australians who are listening and thinking that at last this parliament is having an argument about the future of Qantas and the future of aviation jobs, please be advised that the Prime Minister, the Treasurer and the Deputy Prime Minister—the people who are advocating the sale of Qantas to foreign interests—have walked out of the chamber. So this is the quality of government we have in Australia. They will not be accountable in the parliament of Australia to debate the jobs.

The real shame of this debate about aviation jobs is that the Prime Minister and his team have created only one export industry in Australia since getting elected—and that is the export of Australian jobs overseas. It is not good enough for a government of Australia of whatever politics to advocate the dismantling of Australia's national carrier. It is not good enough to tell thousands of Qantas employees that the only plan the government has is: 'You are out of work.' It is not good enough for the government to tell the flight attendants, the pilots, the flight engineers, the licensed aviation maintenance engineers and the cleaners: 'The only plan we have for you is that your job will go overseas.' Next time government members fly in very safe Qantas planes and are served by very professional staff and see the not-very-well-paid cleaners queuing up on the aerobridge to clean up their mess on the plane, I hope they at least have the courage—because they do not have the courage to be here in the parliament—to say: 'Actually, we don't care about you. We don't care about your jobs. We've run out of ideas—except to ship them overseas.' This is a government that is in love with Orwellian language. Those opposite love that language. They said about the car workers, 'You have been liberated,' and that means: 'You're unemployed.' They have said about Qantas, 'We will free you from your shackles.' Obviously the Prime Minister picked up the word 'freedom' at Mandela's funeral, but he has not understood that there is no freedom in unemployment. There is no freedom in not fighting for Australian jobs. There is no freedom in dismantling the skills of the aviation maintenance industry. There is no freedom in telling flight crews of the international business that they are probably better off getting a job in the gulf or in Asia, because we are not going to fight to keep their jobs here. I for one am grateful—

Mr Whiteley interjecting—

Mr SHORTEN: You can have your crack, sunshine! Your leader isn't here. Why don't you observe the rules? What we say—

Mr Whiteley interjecting—
Mr SHORTEN: Sunshine, you will get your go. Why don't we say to every pilot in Australia—they have spent decades training; they have done the courses; their families have done without them: 'We don't want you here.' I know what happened after Ansett. Thousands of people had to move overseas. Yes, it is a good thing that Virgin is in Australia, but remember that when we had Ansett and Qantas we had thousands more jobs than we do now. I know what happens when you start dismantling an airline: you start downgrading the skills and quality of Australian aviation. Australian aviation served us through two world wars. Australian aviation has served us in helping to get Australians out of Beirut and get people out of Bangkok. I loathe the false patriotism of those people opposite, who say, 'We're trying to free Qantas.' No, you're not. You are trying to kill Qantas.

Let us look at the arguments that those opposite are using. They have never seen an argument they could not turn on its head, that black is not white and white is not black. They say they are doing Qantas a favour. Qantas does not want your favours. It wants you to do what you said to it two or three months ago—give it a debt guarantee. Let us have a look at the cynical, dithering, deceitful conduct we have seen in the last three years from this government. They have tried to blame carbon. They said carbon is to blame. Then last night, somewhat annoyingly, Qantas said, 'Carbon is not the issue.' Have those opposite no shame? Even after Qantas said that carbon is not the issue these people still believe that if they stick with the big lie long enough people will swallow it. No, they won't. Not this time, they won't. Those opposite have also tried to say that they are not into cheque-book support. Tell that to Cadbury. Why is it that chocolate is a preferred Liberal industry but airlines are not? What is it that chocolate has but aviation hasn't? What an inconsistent bunch of roosters you are! Inconsistency is your watchword.

But if we want to talk about the cynicism of those opposite we should talk about this lie about the Qantas Sale Act. They say that if you get rid of part 3 of the Qantas Sale Act it will all be happy days and blue skies and planes flying. No, it won't. I have started to war-game what will happen if the coalition get through their job-killing propositions. First of all, Qantas will have to get another air-operating certificate. Each business has to have one. Qantas has one now; it would have to get a second air-operating certificate. That will take a year. Oh my goodness! We have wasted three months, but these brain surgeons opposite are going to take another year. Then of course you have got to demerge the business—they didn't think about that, did they? The merger of TAA and Qantas in 1996 took one year. Do they think in Abbott land that you can click your fingers, get a pair of scissors, cut the red tape, free Qantas from the shackles and demerge in less than a year? It will take a year. And in the meantime Qantas will struggle.

A government member: Calm down!

Mr SHORTEN: Calm down, he says! You are killing the jobs. You should be more excited about it. Let us look at what else will take time. The employees—did I mention that magic word that never passes the lips of the Liberals? What about the employees? There are 25,000 to 30,000 people working at Qantas. When you split the airline in two according to your great plan you will have 10,000-plus who will have to be transferred to the new business. Have you thought about how you will do that? Have you thought about the redundancies? Of course you haven't thought about them. What a silly question! Then you are going to have to
take 10,000-plus employees and reemploy them. You are going to put some on the same terms; you are going to make some redundant.

Mr Sukkar interjecting—

Mr SHORTEN: You haven't thought about a thing, Member for Deakin, not for some time! What else do we have to do? Let us say that we have spent our year demerging. We have got the air-operating certificate. We have worked out who owns the aeroplanes. We have handled the employees on this great idea to sell the business overseas. Who is going to buy it? The obvious buyers in the industry are from the Middle East or China. They will have to go through a Foreign Investment Review Board process. That will take up to two years.

Ms Scott interjecting—

Mr SHORTEN: It is not a conspiracy; it is just a fact, Member for Lindsay. It is going to take up to two years to get someone to put in some foreign capital under this great rush of blood to the head that the Abbott cabinet had last night. Imagine the Foreign Investment Review Board process. You lot do not fill me with a lot of confidence when it comes to the Foreign Investment Review Board. You panicked on GrainCorp. Qantas is GrainCorp on steroids. You will not have that ticker to do it.

As a solution to Qantas you are proposing to go down a path that will take up to two years to complete. At the end we will have fewer jobs and no doubt, knowing this government in an election year, you will panic when you have a look at who is buying it. What is the reason other than GrainCorp that I am so confident that you will panic? Warren Truss, the well-known luminary and intellectual thinker of the coalition, said:

… if one foreign investor has gotten 49 per cent of the airline, then its strategic policy is likely to change, the attitude of its board would change and we could therefore not be confident anymore that Qantas would put the interests of Australia first.

Warren Truss is proof that even a stopped clock is right twice a day. He is correct. He could not be confident of it putting Australia's interests first. There you have it, people of Australia, ladies and gentlemen: we have a government that is proposing a plan which will send thousands of jobs offshore, which has been the product of some cynical exercise to blame everyone else. But they should buy a mirror and look at the real problem. This plan clearly has more holes in it than Swiss cheese.

Then we get to what I think the real issue is. They want to turn the spirit of Australia into the ghost of Australia. They are saying, 'Here's another company where we won't fight for jobs.' Listen to the roll call: Holden, Toyota, Alcoa, Electrolux, Gove, Qantas. How dare they pretend to be interested in Australian jobs!

They have not fought for any jobs. When will it end?

The problem with the government is that they are zealots—they are extremists. They have never seen an Aussie job they will fight for. The world is too hard. They tell us about level playing fields, but world aviation is not a level playing field. Most aviation businesses in the world have government support. We have these single-minded extremists who will never fight for a job in Australia, so will the last Abbott government minister on the last job turn the lights out? They will not fight for jobs, they will not stand up for Australian aviation, they know that they have taken too long to get to this point and they know their solution is about politics, it is not about jobs. Shame!
Mr HARTSUYKER (Cowper—Deputy Leader of the House and Assistant Minister for Employment) (15:22): I welcome the opportunity to contribute to this matter of public importance discussion on aviation. It appears that we have gone back in time—hearing members opposite talking about protectionism and tariff barriers as an approach to government. Former Prime Minister Gillard wrote a big cheque to Ford to secure Ford's future in this country and what happened? They left! That represented a total chequebook policy, lacking any focus on good industry policy. It may be new to the members of the opposition, but it is not the 1990s anymore. Since the 1990s the planes have changed, the industries have changed, the maintenance required has changed and the global aviation landscape has changed, but the one thing that has not changed is the good old ALP, who are still stuck in the past. The Leader of the Opposition may not be aware that the Super Constellation is no longer part of the Qantas fleet—they have changed aircraft since then. The shadow minister for employment may also be interested to know that the government no longer has a major shareholding in Qantas. These are things of the past.

This MPI purports to be about the national interest in maintaining aviation jobs in Australia. The best thing we can do for aviation jobs in Australia is to have an efficient, competitive, effective aviation industry, not one that is propped up by government. It is time to move into the 21st century and create a level playing field for all airlines based in Australia. By removing part 3 of the Qantas Sale Act 1992 we are creating a single regulatory framework for all Australian international airlines. Australians want a strong and competitive Qantas. The existing Qantas Sale Act places restrictions on Qantas that give its competitors an advantage. Why is the opposition so keen to advantage the competitors of Qantas? We can only wonder. These changes that the government is proposing will deliver flexibility for Qantas consistent with other airlines based in Australia. Any foreign investment will continue to be subject to consideration and approval by the Foreign Investment Review Board. We do not believe in government by chequebook. Labor can only think of giving Qantas a subsidy, but the coalition is not about playing favourites. We want to give Qantas a hand up not a handout. Labor privatised Qantas and now they should join with the coalition and unshackle Qantas from the restrictions that are hampering its ability to compete.

Ten years ago Labor were on the record as having an open mind on changing the foreign ownership restrictions in the Qantas Sale Act—the Prime Minister alluded to that in question time. In 2014, it should be no different. Sadly the xenophobic elements of the Labor Party have been out in the community today, trying to scare Australians about what might happen if foreigners were to suddenly increase their holdings in Qantas. We all know what happens when foreigners invest in Australian airlines—we have got Virgin, we have got Rex and we have got Skywest, all of which have significant levels of foreign ownership. The last time I was on a Virgin flight I found that the crew was Australian. The last time I was on a Rex flight the food was Australian. They continue to provide that Australian service. Labor is wrong when it says that these changes will shift all of Qantas's business overseas. Labor is clearly not familiar with the complex and stringent regulatory system that is in place for airlines operating in this country.

Our international air service agreements impose ownership and control restrictions to ensure only Australian international airlines can access our air traffic rights. Under these restrictions Australian international airlines must be substantially owned and effectively
controlled by Australian nationals, at least two-thirds of the board members must be Australian citizens, the chairperson of the board must be an Australian citizen, the airline’s head office must be in Australia and the airline's operational base must be in Australia. The government has no plans to change these criteria, which will continue to apply to Qantas’s international operations and other Australian international airlines. The Fair Work Act, the Corporations Act, the immigration laws and other regulations will continue to apply just as they apply to other businesses operating in Australia.

The best thing that Labor can do to support Qantas, however, is to support the legislation which the government will be putting into the House but also it can help us scrap the—

**Government members:** Carbon tax.

**Mr HARTSUYKER:** We want to scrap the carbon tax. Have members opposite thought for a moment how many people could we employ for $106 million a year? Have members opposite done that calculation? I would say it is probably more than a thousand, but they have not stopped to think how many jobs they are destroying with their job-destroying carbon tax. We want Qantas to compete in a low-tax, low-cost environment that means getting rid of the—

**Government members:** Carbon tax.

**Mr HARTSUYKER:** It means getting rid of the carbon tax. John Borghetti from Virgin said, and I will read it carefully so that the members opposite can hear:

... the best assistance the government and the opposition can provide is the removal of the—

**Government members:** Carbon tax.

**Mr HARTSUYKER:** He goes on:

... which has cost this industry hundreds of millions of dollars.

Those opposite have all gone—they clearly do not care about the future of Qantas.

Over and above the issue of the carbon tax, there is the issue of a strong economy. We are all about building a strong economy. The best way we can have a strong aviation industry is to have a strong economy so more Australians and more business travellers can afford to travel on our airlines. What is the opposition doing? They are standing in the way of the repeal of the carbon tax. They are standing in the way of the repeal of the mining tax. They are standing in the way of our efforts to reduce red tape. They are standing in the way of our efforts to introduce an ABCC with real bite, that can return the rule of law to our construction industry. They are standing in the way of us returning to a balanced budget, getting the budget back in the black and addressing the black hole of debt that the previous government left us. We have a plan for the future of Australia. It primarily involves a strong economy, but an important part of that plan is a strong, efficient, effective aviation industry. I would look to the members of the opposition—

**A government member:** Where are they? They're not here for their own MPI.

**Mr HARTSUYKER:** Yes, they have all got up and left us—to go back to their electorates, talk to those employees of Qantas and tell them why a carbon tax is good for their job prospects, while it is fact that a carbon tax will probably cost more than 1,000 jobs to Qantas in the years ahead. It is $106 million and rising.

**Mr Albanese:** Rubbish!
Mr HARTSUYKER: You do the sums. The member for Grayndler says 'rubbish'. It is $106 million. The way that the member for Grayndler managed the economy was by running up huge debt and running up budget deficit after budget deficit. Remember the member for Lilley when he came into this place at budget time and said, 'The four surpluses I announce tonight,' and what did he deliver? He delivered the biggest deficit we have ever seen.

Mr Baldwin: He didn't see the minus sign in front.

Mr HARTSUYKER: Yes, he missed the minus sign. The member for Paterson informs me that the member for Lilley, our former Treasurer, missed the minus sign when he was reading the budget papers and said, 'The four surpluses I announce tonight!' We are about working to get the budget back in the black, building a strong economy and delivering surpluses into the future. That is what we are about. Also, very importantly, we are about having a strong, efficient and effective aviation industry. We are not going to achieve that by protectionism. We are not going to achieve that by artificially propping up Qantas. The best way to do that is to free it of the shackles that are impeding its ability to compete in an efficient way against its competitors.

We know that the Labor Party have in the past considered the issue of changing the foreign ownership restrictions; but when the idea comes from the government, what do they do? They immediately oppose it. They know the repeal of the carbon tax would be good for the aviation industry, but what do they do? They oppose the repeal of the carbon tax. They know it is costing jobs. They know it is costing the people that they purport to represent, yet still they continue with this old protectionist dogma. Protection is no substitute for an efficient airline industry run on a competitive basis. I look forward to the members opposite changing their view, seeing the light, as it were, getting behind the government and supporting our proposed change so that we can have a strong, efficient Qantas into the future, so that the aviation industry can prosper and so that the kangaroo can continue to fly.

Mr ALBANESE (Grayndler) (15:33): That was an embarrassing performance from the junior minister in a government that has shown contempt for Qantas as a company, contempt for Qantas's workers and contempt for Qantas's shareholders and walked away from the national interest. They have shown yet again today that they had a plan to get into government but not a plan to govern. So relentlessly negative were they in opposition that they did not think through any of the proper policy principles that they would be called upon when able to make decisions, and it is nowhere more evident than with regard to Qantas.

It is 88 days since the downgrade of Qantas. During 80-plus of those 88 days, those opposite—from the Treasurer to the transport minister to all those responsible—held out the offer of a debt guarantee. They did it in private; they did it in public. They said what the conditions were. And now, at the last minute—after Qantas factored that into the decisions that they made last Thursday and after shareholders factored it in and saw an increase in the share price of some 10 per cent—they pulled the rug out and walked away. Today we know that they even did due diligence. They used taxpayers' funds to get PricewaterhouseCoopers, one of the big four companies, to do due diligence on the proposal that they said on the record they were supporting. Let us have a look at what it was. Qantas were not asking for a handout but for a debt guarantee. The government teased Qantas, they teased the markets and then they walked away from it.
They speak about the level playing field. Well, let us be very clear—Virgin got a capital injection in November from three government-backed airlines: Singapore; Etihad, backed by the government of the UAE; and also Air New Zealand, backed by the government of New Zealand. They got government support not just from Australia but from the governments of Singapore, UAE and New Zealand. That is fine. But, under those circumstances, the Australian government should have provided that support. We know that that is the case. The Prime Minister presents himself as some sort of new broom, a type of ideological terminator, one who will force every company to stand on their own. All he is doing is terminating Australian jobs right across the economy.

In 2009 I produced an aviation white paper—that is what good governments do; detailed policy development over two years of consultation with the sector—and it recommended changes to the 35-25 rules. The government was asked about this:

Mr Hockey the Aviation White Paper, Anthony Albanese flagged a relaxing of our foreign ownership in Qantas and allowing maybe up to 49% to be foreign-owned…

This is what he said:

Well this is something I have previously been on the record about. Very concerned about any dilution of Australian control of Qantas. Qantas has, over the years, tried to increase foreign investment in the airline. We have been very concerned for a number of reasons. First and foremost, Qantas is an Australian icon and Qantas undertakes significant tasks in the national interest …

That is what Joe Hockey had to say very clearly.

And it was not just him. Warren Truss, who was then the shadow transport minister had this to say on the day:

The Government’s decision to allow a single foreign investor to own 49 percent of Qantas would deliver effective control to a foreign investor, including possibly a competitor airline. Loss of effective Australian control could leave Australia without an airline primarily committed to our interests.

That is what he had to say at that time. So do not come here and talk to us about reform! You rejected reform in 2009. Now you are rejecting what Qantas has requested and what you said you would deliver. Had you not gone out there and created that impression in the market, you might have a semblance of credibility. But you have none, because you have refused to stand up for Australian jobs.

The DEPUTY SPEAKER: Before I call the next speaker I might remind both sides of the chamber to refer their comments through the chair, not at the chair. I think I have some credibility! I did not want to pull you up in full flight, member for Grayndler, but it is just a timely reminder to both sides of the chamber. It is a common habit.

Ms GAMBARO (Brisbane) (15:38): Mr Deputy Speaker, I am very pleased to be standing here today to speak to this matter of public importance about maintaining aviation jobs in Australia. What is not in the public's interest at the moment is the manner in which the Leader of the Opposition and the Greens have sought to play politics on this issue to the detriment of the aviation industry in this country and the thousands of Australians that it employs. What the aviation industry in this country needs right now is leadership. It needs the government to get out of its way. It needs to unshackle the legislative obstacles that prevent the industry from operating efficiently and competitively. It does not need political figures misleading the public with false statements and scaremongering for their own short-sighted political advantage and gain.
That is why the Abbott government is levelling the aviation playing field. We have a clear way forward, and that clear way is giving Qantas its freedom. We are making changes that will mean we have two very strong airlines that fly Australians and employ Australians—Virgin and Qantas.

The government will move to a single regulatory framework for all Australian international airlines. As soon as possible, legislation will be introduced to remove the foreign ownership restrictions and conditions that apply to Qantas, and particularly to their business operations contained in part 3 of the Qantas Sale Act 1992. Removing these conditions is the best way to ensure that Qantas can secure Australian jobs now and into the future by making it more competitive—and also by removing the carbon tax. If the opposition had bothered to do their job, and if they had done any homework on this issue they would know that over the last 20 years the passenger aviation industry has undergone some enormous structural changes all around the world. Germany and the UK are probably the most robust examples of where privately-run airlines have been successful and they have not received any government assistance whatsoever. It is time to undertake a complete structural review of the aviation and airline industry in Australia in line with what our needs are for the 21st century. This is the discussion that we need to have, and if the Labor Party and the Greens were serious about maintaining jobs in the aviation industry they would be part of this process and not be doing everything they possibly can to derail it.

Even the Leader of the Opposition has made the point that we should look to G20 nations as a benchmark for our continued protection of a national airline. Yet when we do, we see that since 1987 Japan, Canada, Britain, Italy, France, Germany, Mexico and South Korea have divested themselves of state-owned airlines. Of the G20 countries, only Russia, India, Indonesia, Saudi Arabia, South Africa, Argentina and China maintain any majority holding in their airlines.

Twelve years ago Labor said that they were on the record as having an open mind about changing foreign ownership restrictions in the Qantas Sale Act. In 2014 it should be no different. So rather than misleading the Australian public through scaremongering and preying upon patriotic nostalgia, Labor and the Greens should tell Australians the truth. And the truth is that under the changes the government is proposing Qantas would still be subject to the Air Navigation Act which limits foreign ownership in Australian international airlines to 49 per cent. The Air Navigation Act applies to all other airlines, including Virgin and the Qantas subsidiary, Jetstar. This means that Qantas international would have to stay majority Australian owned. As for the domestic operations, those will be subject to review by the Foreign Investment Review Board.

The changes being proposed by the government are the best policy response to the difficulties that are being faced not just by Qantas but by the aviation industry in this country as a whole. We need to take an important step forward now. Now is the time to unshackle Qantas from the Qantas Sale Act. This opposition should move out of the way and help the government to make Qantas more competitive so that they can operate in a truly international market. This is the path of the future of aviation for Australia.

Ms KATE ELLIS (Adelaide) (15:43): I stand up today because I know that it is my responsibility actually to stand up in this place and fight for the jobs of local residents. It is such a pity that those opposite cannot come to the same simple realisation. Following Qantas's
Tuesday, 4 March 2014

HOUSE OF REPRESENTATIVES 1559

announcement of 5,000 job losses, in my local community in Adelaide we have seen headlines like the following: 'Qantas cuts to hit Adelaide hard', 'Adelaide and Melbourne hardest hit by Qantas cuts' and 'SA Qantas workers angry and shocked'. As a South Australian MP I would particularly like to place on the record my concern and support for these hardworking local residents who now face crippling uncertainty and the ever-present threat of imminent unemployment.

This is particularly hard in my home state because, whilst we have seen in Australia one job loss for every three minutes that the Abbott government has been in office, we know that we have been hit particularly hard in South Australia. First they goaded Holden out of the country. In the PM's words, the Holden workers were 'liberated' from their employment by the decision of Holden to leave. Now we see staff in catering, baggage handling and services facing a similar fate. We know that in Adelaide about 100 local baggage handlers and 150 service staff, including check-in workers, were informed by management of the redundancies. This comes on top of Qantas's previous announcement that 150 jobs would go when Adelaide's Q Catering facility closed at the end of March.

I want to make one thing particularly clear here. These are hardworking, diligent and committed employees. Having had the chance to meet recently with the catering staff and hear from them firsthand of their years of loyal service, of their concern and of their uncertainty, I know that they have done absolutely nothing to deserve this. They deserve a government that will stand up and fight for them in this parliament. Similarly, the baggage handlers at Adelaide airport have worked hard and have successfully improved their productivity. Yet they too now face an unclear and all-too-uncertain future. I note that they told their Transport Workers Union organisers that they feel that they are being punished after they improved productivity. How do you think they feel about having a government that will do absolutely nothing to assist them, will do nothing to support them and has no plan whatsoever for their futures?

This morning I had the chance to speak to someone with a long and proud history of fighting for jobs at Adelaide airport. I spoke to the former member for Hindmarsh, Steve Georganas, who has been down at the airport speaking directly with Qantas workers about how they are feeling at the moment. He told me it is the uncertainty that is killing them. He told me that they believe talk of foreign ownership will mean that even more jobs will be moved offshore and that their jobs will be placed in greater jeopardy. Unfortunately, they are right about this. What those opposite are proposing with the Qantas Sales Act could put at risk tens of thousands of further jobs, with airlines deciding to move their maintenance and facilities offshore.

We do not expect the government to be able to protect every job in Australia. We are not saying that. What we are saying is that we expect the government to act to support workers who are in this situation and we are expect a government who will not make this uncertainty even greater. The new member for Hindmarsh has dismally failed another test. He campaigned citing job security as the biggest issue for his community. He is not wrong about that. But he did not tell the community that he intended to make it worse by voting to jeopardise even more local jobs. We come here with an obligation to fight for our communities, not to sit here mutely and blindly follow the Prime Minister as he threatens to send more of our local jobs offshore. I say to the member for Hindmarsh: if you were so
willing to tell the local community what a big issue job security was before the election, I challenge you to stand up and explain directly to the Qantas workers in your electorate why you are going to use your vote to place their jobs at even greater jeopardy. I challenge you to go and visit them and tell them that face to face. It is not enough to say before the election that you care about jobs if you then come in here and use your situation to place in jeopardy the jobs of Qantas workers at Adelaide airport. I say to all of those opposite, but particularly to the member for Hindmarsh: you need to stand up when it counts for local workers. Your opportunity to stand up for airport workers will come, and you will be judged on how you respond.

Mr WILLIAMS (Hindmarsh) (15:48): The hypocrisy of members opposite on this MPI today is absolutely breathtaking. This is the crowd under which, in six years, one in 10 manufacturing jobs in Australia was lost—one in 10 across the entire country. These are the people on whose watch the unemployment rolls increased by 200,000 people. That is 200,000 people more unemployed and one in 10 manufacturing jobs lost—all in the space of a very, very unpleasant six years. That is the record that we are confronted with. To see their confected outrage and purported affinity for workers, given that record, is really quite outrageous.

The government has a very clear plan for jobs. There are many elements to it. One of them is to get rid of the huge amounts of red tape that the previous government put in place in their six sorry years of stewardship of the country. We will be getting rid of more than 8,000 regulations shortly. We have also put in place important environmental approvals for more than $400 billion worth of projects. That is critical. The last thing you want is big projects tied up in lengthy and opaque approval processes. What you want is jobs in infrastructure. That is what this government is committed to. We will also help to generate jobs through reinstituting the ABCC, to help the very troubled construction industry. It is really very important to identify all of the issues that we are seeing in that industry.

The government's plans in relation to Qantas are absolutely what Qantas and the broader aviation industry needs. What Qantas needs is the ability to stand on its own two feet and to fight in the marketplace like every other company does. The fact is that Virgin and other airlines today have an advantage over Qantas. That advantage is that they can source foreign capital in a way that Qantas cannot. What that means is that Qantas is shackled and it is more difficult for Qantas to invest for growth. In any business, whether it is aviation or the media industry—regardless of what it is—no business wants to be in a position where it is competing in an unfair manner against its competitors. All anybody asks of government is the capacity to show up, do their best work and succeed in the marketplace. That is what Qantas should be allowed to do. We have seen 9,000 new jobs generated by Virgin in the past decade or so as a result of competition in the aviation industry. That is a good thing. That demonstrates that, when you enable companies to compete, to put forward products to consumers and to take some risk and grow, you generate economic activity. You do not generate economic activity by placing a government diktat from on high on the marketplace; you generate jobs by creating a level and fair playing field and enabling businesses to get on and do what they do best, which is to invest in the future of the nation.

Better Labor Parties in previous decades have understood the need to make sometimes difficult decisions. They have understood the need for reform. The Keating and Hawke
governments made some decisions which were, as the Prime Minister said today, difficult at the
time but certainly right for the long-term future of the nation. They had the guts to walk
away from cheap populism. They knew that Australia's future demanded more than an easy
headline and a simple sound bite, that it actually required the policy framework to allow our
economy to grow.

Unfortunately, the current opposition bears very little resemblance to those previous Labor
governments. When we see an opportunity for structural reform, they see an opportunity
simply for a cheap headline. When you are dealing with a matter as important as the future of
the Australian aviation industry, it is absolutely critical not to play politics with it but to do
the right thing by the aviation industry and Qantas. Get rid of the carbon tax and get the
playing field level; that is how you generate jobs.

Ms MacTIERNAN (Perth) (15:53): I am very pleased to be part of this debate today,
because I think there has been the most extraordinary lack of insight on the part of the
government in this matter. I recall September 2001, when Ansett collapsed nationally. This
created chaos across the state of Western Australia not just because of the collapse of Ansett
but also because along with it came the collapse of its wholly owned entity Skywest. This had
a catastrophic impact on tourism across Western Australia, and not only on tourism—on all
business in our regional areas. Outside the mining sector it created an enormous problem for
people running their businesses. We came to understand that, because of the impact of this on
the rest of the economy—not just that company and its employees—we had to take some
extraordinary steps.

We took the step to regulate all of those routes that previously had been flown by Skywest,
with the exception of the Pilbara. We actually created a contestable process where we would
only allow one airline to operate into those routes. We needed to do that not because we were
anticompetitive but because we understood we had to take exceptional measures to restore
those airlines and restore those economies. I put it to you today that this is exactly what we
need to do in this situation.

Qantas has made it very clear that, amendment or no amendment to the Qantas Sale Act,
they will need an underwriting of their capital needs over the next few years, so the solution
that is being proposed is not going to work. Indeed, if it worked, it would come at a very
terrible cost: the cost of the loss of Australian ownership and those obligations to be based in
Australia. It will see a loss of focus on Australia, particularly as it is most likely that, if we are
going to go down this path, Qantas will not just be foreign owned but also be owned by
foreign governments.

I was very surprised when the Prime Minister said yesterday that Labor was still living in
the good old days of state owned airlines but he was not. I hate to say it to the Prime Minister,
but the good old days of state ownership are very much with us in Australia. I do not know
how we can just completely gloss over this. Virgin's parent holding company is 57 per cent
owned by foreign governments, not just foreign owned. We have Air New Zealand. Air New
Zealand owns around 20 per cent, and it is 53 per cent owned by the New Zealand
government. We have Singapore Airlines, which has about 20 per cent, and that is 55 per cent
owned by the Singaporean government. Etihad, which is the other foreign airline, is fully
owned by the Abu Dhabi government.
We understand that the Air Navigation Act requires 51 per cent ownership, but we all understand how the Virgin restructuring has worked. There is no bashfulness about the motivation of those foreign governments for their investment. They have made it very clear that their investment in Virgin Australia is designed to use Virgin domestic to feed their respective airlines' international business. That is fine, but we all have to understand we do not want our entire national airline and all of the airline business in Western Australia, fundamentally, to have direction set by the needs of foreign governments. We need to intervene to protect our airlines in order to ensure that the rest of our economy that is supported by these airlines works.

There are in fact 138 airlines around the world that are owned by governments—

Mr WILLIAMS (Hindmarsh) (15:58): The aviation industry has been one that has shown great ingenuity over the years. The tyranny of distance that besets many of our forebears has disappeared as the industry has grown and developed, making transportation much more accessible. In Adelaide we now think of going over to Melbourne as nothing, whereas previously it was a major undertaking. I love going over to watch my beloved Port Adelaide in the theatre of dreams at the MCG. I know that buck shows and hen shows love travelling to the Gold Coast or Sydney, and that is because of competitive airfares in the aviation sector.

Adelaide Airport is in my electorate and is a major employer, and I feel for the many Qantas workers who have lost their jobs over a number of years, not just in the announcement last week. A number of the workers at the airport have children at my local primary school, where my children go. I know them personally and they will be feeling the brunt of this. Let us remember that there have been major job losses in South Australia, going back to Mitsubishi, when Labor was in power at both the state and the federal level in 2008. Cobham is a major employer in the aviation industry and they work in the mining services sector, a sector that we need to see grow and develop—and we need to get rid of the mining tax.

My office has had discussions with an employer in the engineering section of Qantas who is trying to work out how to best move through these difficult times. We empathise with these workers and their families. These job losses announced last week by Qantas are disappointing and create great uncertainty for families. Let us remember what the Qantas CEO Alan Joyce said last week, ‘Qantas in contrast is restricted from competing effectively due to the Qantas Sale Act, which limits the level of foreign investment in the airline and determines where our operations are performed.’ We have acted quickly to help Qantas. We need to ensure that there is a level playing field for Qantas and that their operations are not adversely affected.

The government call on the opposition to back our changes to help Qantas, whether it be the sales tax, sorry, the carbon tax—I have taxes on my mind when I talk about the opposition—or the changes to part 3 of the Qantas Sale Act. We want to help Qantas navigate through these challenging times. We know that the carbon tax is a $106 million hit to Qantas, just as it is a $27 million hit to Virgin and other airlines. If the member for Adelaide were really sincere about saving jobs, helping the economy and helping Qantas, she would tell her colleagues to repeal the carbon tax and give Qantas that money so they can employ people and save jobs, not lose them. If Labor are really concerned about losing jobs overseas then do not disadvantage Australian companies. Lower taxes and help the consumers who at the
moment are benefiting from competitive airfares and a viable aviation industry. Axe the carbon tax, amend the Qantas Sale Act and get out of the way and help Qantas.

Mr THISTLETHWAITE (Kingsford Smith) (16:02): This morning I rang a Qantas employee, a pilot who has worked for Qantas for 26 years who lives in my electorate. I asked him for his view on what had gone on over the last 24 hours. He is a loyal Qantas employee, proud of the fact that he works for our nation's carrier. His view is that many of the employees are despairing over what has gone on at Qantas. The word he used to describe what this government did to Qantas last night was 'skulduggery'. I could not have put it better myself.

On 6 December Qantas had its credit rating downgraded. Since that time it has been negotiating with this government for assistance, for some form of debt guarantee to ensure that it can go to the market to raise capital to compete with Virgin. The government have been listening; they have been negotiating. On 28 November, the Treasurer said about Qantas that there is significant community benefit in having a national carrier. He also said that the conditions were now in place for Qantas to have government support. What happened last night? Last night, the Prime Minister rolled the Treasurer in cabinet and announced something else. He said to Qantas that the negotiations regarding a debt guarantee would not be met and that they would not have the satisfaction of being able to go to the market with that guaranteed government support—skulduggery, indeed.

Last night this government chopped the tail off the flying kangaroo. They have left it rudderless, open to being split up, with the possibility of its head office going overseas, its board being taken over by foreign companies and its workers' jobs going overseas. Qantas is a very important business to the Australian economy. It employs 30,000 Australians—proud, hardworking, dedicated men and women who work for our nation's carrier. It spends $6 billion on goods and services in the Australian economy, and adds $1.4 billion in direct and indirect taxes, contributing revenue to our nation to fund our hospitals, our roads and our schools. Qantas passengers spend $28 billion on tourism in Australia. As Tim Harcourt, an airport economist from the University of New South Wales, said: 'The United States has Coca-Cola. Germany has BMW. Sweden has IKEA. Finland has Nokia. Italy has Alpha Romeo. Australia has Qantas.'

Qantas is the iconic Australian business, with the world's greatest safety record, and its dedicated and skilled employees are all now at risk because of this government. This government do not listen. Qantas has been seeking support in the form of a debt guarantee for some three months now. It has been asking the government to seriously look at this issue so it can compete with Virgin, who is backed by foreign government owned airlines. Yesterday, Qantas said that its difficult situation had nothing to do with carbon pricing—no issue at all with carbon pricing. Those were the words of the Qantas executive—that it had nothing to do with carbon pricing. What has this government done? It has ignored the pleas of Qantas and acted today to cut off the tail of our nation's airline.

This argument that they are unshackling Qantas is complete garbage. Qantas is allowed a level of foreign ownership of 49 per cent. The current level of foreign ownership of Qantas is 38 per cent. Foreigners can invest in Qantas at the moment. There are no restrictions at the moment because the level of foreign ownership is not at the maximum. The government are also saying that Qantas should be allowed to be split up, that Qantas should be allowed to divide its domestic and international businesses. Yesterday, they worked out that Qantas
international needs to remain an Australian carrier and that a level of investment above 49 per cent is not allowed, but it is allowed for the domestic business. You can split it up and sell off the domestic business. The facts are these: Qantas domestic made a $57 million profit in the first half of this year. Those opposite want to allow Qantas to be split up and the profitable side of the business sold off to foreign investors, with jobs going overseas, whilst we have to maintain an unprofitable, international business here in Australia. (Time expired)

Mr McCormack (Riverina—Parliamentary Secretary to the Minister for Finance) (16:07): The Abbott-Truss government is absolutely committed to maintaining aviation jobs in Australia. We fully recognise the national interest in having a strong, viable aviation sector. That is why we are now taking the responsible action announced yesterday that we will not only ensure the future survival of Qantas but also protect as many aviation jobs in Australia as possible. This proposal, as outlined by the Prime Minister and Deputy Prime Minister, is exactly what Qantas has asked for, and it is the most responsible course of action in the circumstances faced by the company. Responsibility: that is governing. It was not something we saw over the past six years but it is something we are starting to see under a responsible, mature, coalition government.

The government’s proposal is straightforward and even members opposite should understand it. In fact, it is my hope that they support it, but dreams are free. All we are proposing to do is level the playing field so that Qantas can compete on the same basis as its competitors, so that it can operate freely, in a responsible way. We are proposing to remove the shackles that Labor placed on Qantas when it sold the airline off. Labor sold the airline off—something that member for Gorton has not quite worked out yet. Specifically, the government proposes to repeal part 3 of the Qantas Sale Act, which places restrictions on the company’s ownership and governance. By not supporting our proposal, Labor is risking Australian jobs. It is as simple as that.

The next best thing we can do is to remove the carbon tax because it is a massive burden on all airlines, including Qantas. Yet those opposite, particularly the opposition in the Senate, along with Greens, refuse to accept the will of the Australian people. They refuse to accept this government’s pledge to help Australian businesses and families by scrapping the carbon tax and relieving families of the impost placed on them by the previous government.

The opposition refuses to accept that when the Australian people voted on 7 September 2013 the message was patently clear—they did not want a carbon tax, that they did not want a Labor government. Get with the program! So unlike those opposite, who actually privatised Qantas and imposed a carbon tax on Australian businesses and families, we are a government focused on keeping our promises. We are a government committed to removing the carbon tax and repealing the Qantas Sale Act and not playing favourites in the Australian aviation industry. Instead, we want to save the aviation industry money by listening to the Australian people and removing the $106 million cost which the carbon tax placed on Qantas by those opposite. We want Qantas to operate, as the Prime Minister said over and over again today in question time, under exactly the same rules as Virgin and other airlines and we do not want to subject any airline to a job-killing carbon tax.

I represent a regional area and I know you do, too, Deputy Speaker Scott. Regional airlines, such as, Regional Express, Rex, provide a vital service to many communities throughout rural
and remote Australia, just like the member for Farrer, Ms Ley, the minister here at the table. The member for Farrer is a pilot who knows full well the role Rex plays.

Ms Ley: Invaluable.

Mr McCormack: How true. The airline has 48 aircraft flying to 36 destinations. In December 2013, the company carried 84,000 passengers. Rex also faces the challenges of a highly competitive industry—aviation is a tough industry—and cost pressures such as high wage costs and a job-killing carbon tax. Rex profits are down, with a 60 per cent slump in half-yearly profits. Despite this, Rex has not asked for a government debt guarantee or a blank cheque. They have not asked for a handout. In 2012-13, Rex paid $2.4 million in carbon tax—$2.4 million! In the first half of this year, 2013-14, Rex has already paid $1.3 million in carbon tax liabilities. I spoke to the deputy chairman of Rex, John Sharp, in parliament just the other day. He is astounded by the impost that is still being placed on Rex, a fine regional company—albeit foreign owned—doing a great job for regional Australians. John Sharp cannot believe the impost being placed on Rex and the fact that Labor will not get out of the way, or perhaps even get in the way, to help us to remove the carbon tax.

Rex was established in 2002 following the collapse of Ansett in September 2001 and is a merger of the regional passenger arms of Ansett, Hazelton and Kendell. Rex does a fine job but is paying a lot of the profits in the carbon tax. I urge Labor to get on board with us and to remove this job-killing tax.

COMMITTEES

Membership

The DEPUTY SPEAKER (Hon. BC Scott) (16:12): The Speaker has received a message from the Senate informing the House that Senator O'Sullivan has been appointed a participating member of the Joint Standing Committee on Electorate Matters and of the Joint Select Committee on Northern Australia, that Senator McKenzie has been discharged from the Joint Standing Committee on the National Disability Insurance Scheme and that Senator O'Sullivan has been appointed a member of that committee, and that Senator Boyce has been discharged from the Parliamentary Standing Committee on Public Works and that Senator O'Sullivan has been appointed a member of the committee.

BILLS

Excise Tariff Amendment (Tobacco) Bill 2014

Customs Tariff Amendment (Tobacco) Bill 2014

Second Reading

Cognate debate.

Debate resumed on the motion:

That this bill be now read a second time.

To which the following amendment was moved:

That all the words after “That” be omitted with a view to substituting the following words:

“whilst not declining to give the bill a second reading, the House is of the opinion that:

(1) tobacco continues to be the world’s leading preventable cause of death;
(2) in government, Labor implemented measures to reduce smoking, including plain packaging; and
(3) the National Party continue to accept donations from tobacco companies.”

Mr NEUMANN (Blair) (16:13): In support of the Excise Tariff Amendment (Tobacco) Bill 2014 and the Customs Tariff Amendment (Tobacco) Bill 2014, I congratulate the government for taking up what we had suggested when we were in government—that is, to
increase the rates of excise and excise equivalent customs duty on tobacco in a series of four-stage increases of 12.5 per cent commencing 1 December 2013 and indexation of the rates of excise and excise equivalent customs on tobacco to average weekly ordinary time earnings, instead of the consumer price index. The last CPI indexation occurred on 1 August 2013 and
the first new indexation occurred on 1 March.

This is an important piece of legislation. On the face of it, it looks simply like a revenue
measure. But it is more than that; it is not only about raising the excise and customs duty but also about preventative health as well. Tobacco smoking is the largest preventable cause of
disease and death in this country. The social cost of the consumption of tobacco is $31.5 billion year and 15,500 Australians die each year of tobacco related disease. Each year in my
home state of Queensland about 560 people die in Brisbane from lung cancer and other forms of cancer related to the consumption of tobacco. The instance of lung cancer in Queensland in
women has increased 2.3 per cent recently. Fortunately in men it has decreased by 1.6 per
cent. But, sadly, we are seeing about 32,000 Queensland children aged from 12 to 17 smoking weekly. That is simply not good enough. Quit Victoria reports there are now over 19,000 tobacco related deaths each year, higher than the accepted figure of 15,500 per year.

The Cancer Council estimates that the social cost of smoking to the Australian economy is about $31 billion. I congratulate the Ipswich City Council—my home city—which has
banned smoking from pedestrian malls, particularly around Nicholas Street Mall and D'Arcy Doyle Place in the CBD. Not only has it produced a reduction in miscreant elements and criminal activity but it has also seen a beautification of the area as the council has also done up the mall. To say the tenor of the place and the lifestyle of the people of Ipswich in the CBD has improved would be to diminish the efforts of the council. I congratulate Mayor Paul Pisasale and particularly the councillor for the inner city of Ipswich, Councillor Andrew Antoniolli, for their initiative. So at a local government level work can be done, just as work is being done at a federal government level here by this particular piece of legislation.

When we were in government, it was clear that we were strongly committed to taking
action in the consumption of tobacco. We introduced legislation to mandate plain packaging of tobacco products. I am pleased that in the end the coalition came through—they were dragged kicking and screaming. We made nicotine patches available on the PBS for all Australians who wanted to quit. Within the first year of quitting, smokers on average can save about $4,000 on their household expenses as well as reduce their risk of heart attack. Be under no illusions: smoking kills. It is as simple as that.

We need to take steps in this place to set a standard in conduct. Tobacco smoking has a terrible consequence not just for adults but for children who consume second-hand smoke and, as a result of that, themselves die. It is estimated that about six million people worldwide die from tobacco related heart attack, cancer, lung ailments or other disease, and that includes around 600,000 children—more than a quarter of whom will die from exposure to second-hand smoke each year.

CHAMBER
I am pleased that this legislation is before the House. The World Health Organization estimates that the death toll from the global epidemic of tobacco use will rise to eight million by 2020. In fact, it is estimated that 100 million people were killed by tobacco in the 20th century, and tobacco use could kill about one billion during the 21st century if the rates continue.

This is a curse not just in the first world but in South-East Asia, where the largest growth in tobacco consumption has occurred, and it is there for all to see. If anyone chooses to travel to countries in South-East Asia, one of the first things that will strike them is the ever-present tobacco consumption, with a frequency and occurrence that we do not normally see here in Australia—although probably our parents and their parents before that would have seen that.

I have been pleased to see recent reports in my shadow portfolio of Indigenous affairs of a reduction in the consumption of tobacco amongst Aboriginal and Torres Strait Islander people. Again, this is key to improving health outcomes and to closing the gap. The results of the November 2013 release of the 2012-13 ABS Aboriginal and Torres Strait Islander health survey show that 41 per cent of Aboriginal and Torres Strait Islander people aged 15 years and over still smoke on a daily basis. This is a decrease from 51 per cent in 2002. So it represents a progressive decline in consumption and daily smoking rates for Aboriginal and Torres Strait Islander people. We are having success. It has been a slow process but there is clear success across Aboriginal and Torres Strait Islander communities in the country.

We need to set an example in this place in the consumption of tobacco and in our association with this particular industry as well. That is why I as a Labor Party member and as a candidate in the 2004 election was very pleased by our principled decision as a political party to cease taking donations from tobacco companies. It was the right decision from a preventative health point of view. It said that, even though this is a legal product, it is a harmful product to Australian communities, Australian families and Australian individuals. As a major political party—Australia's oldest and, I would argue, best and most national political party—we had to show an example, and we did. That has not always been the way of the coalition.

I moved a motion in the last parliament, on 11 February 2013, calling on all members, senators, candidates and political parties to stop accepting donations from tobacco companies. I then said, 'Mr Abbott, it is time to quit the habit'. The then opposition leader was eventually shamed, by then Prime Minister Kevin Rudd, into not accepting donations during the political campaign. I am pleased he took that up, honestly, and I am pleased the government have taken the step that they have today by this legislation. They have often had an equivocal attitude to this type of industry. Certainly, they have taken huge sums of money from the tobacco industry—millions of dollars after the Labor Party ceased to take donations. By the way, it is around about $3 million that the Liberal and National parties have taken from big tobacco since 2004—from companies like Philip Morris, for example.

The National Party, sadly, has continued to take tobacco donations. As recently as 5 February 2014, reporter Dan Harrison in The Sydney Morning Herald reported that the national federal director Scott Mitchell had confirmed—tragically, shamefully and disgracefully—on the Tuesday before this report, that the National Party was still open to donations:
‘Our position has been that it's a legal product, they're legitimate businesses,’ Mr Mitchell said. ‘Like all other parties we accept money from a broad range of organisations and individuals.

I call on the National Party to follow what the Liberal Party and the Labor Party did years ago and stop accepting donations.

We have senior members of the National Party in the government, like the Deputy Prime Minister, the primary industries minister, the Minister for Indigenous Affairs and, curiously enough, the Assistant Minister for Health, whose responsibility is preventative health in this country. That minister has a responsibility not just in terms of front-of-pack labelling and preventative health but in relation to tobacco consumption as well, I would have thought. Certainly when I was Parliamentary Secretary for Health and Ageing, in the last year of office, I had those types of responsibilities. So it really behoves the National Party to listen to the Liberal Party and follow the longstanding and principled position of the Labor Party in not taking donations.

We stopped in 2004. The Greens, to their credit—and it is pretty hard for me, being from a rural and regional area, to ever give the Greens any credit whatsoever—have never accepted tobacco donations. Tobacco donations were banned in New South Wales. In August the then Leader of the Opposition said they would not take that tobacco funding.

The National Party, when they vote for this particular legislation, should ask themselves this question: ‘Should we continue to take these donations?’ If they want to take a principled and preventative health stand, if they want to stand up for the health of this country, and reduce the cost and burden of the chronic disease inflicted by this terrible product, they should do the right thing and cease to take these donations. I call on them, as they vote in favour of this legislation, to listen to their conscience, to think about doing the right thing, and to set the example, not just in their personal lives but also in their party lives, and stop taking these donations.

Mr CRAIG KELLY (Hughes) (16:26): I rise to speak on the Excise Tariff Amendment (Tobacco) Bill 2014 and the Customs Tariff Amendment (Tobacco) Bill 2014. It is an honour for me to stand here, following speeches from two medical doctors on our side, Dr Andrew Southcott and Dr David Gillespie, and listen to their learned comments about the dangers and the health risks of smoking, which of course we all know. I note that Dr Andrew Laming, another medical doctor who sits with the government, was also due to speak on this bill but, due to a family issue, he has been unable to. Those two doctors detailed the evils of smoking and why we as a government must take proactive steps to reduce the rate of smoking in this country.

These bills actually implement a revenue-raising measure which the coalition inherited from the previous Labor government. The first increase in the cost of a packet of cigarettes under this bill has already taken effect; it took effect on 1 December last year. If we are looking at a standard pack of Winfield 25s, the excise increase that applied at 1 December last year was $1.23 and it took the average retail price for a packet of Winfield’s up to $19.14. There are another three increases in excise under this bill. By 1 September 2016, this bill will have added an extra $6.45 to a standard packet of Winfield 25s, taking the average price, not even allowing for some inflation, close to $26 per packet.

This bill is a revenue-raising measure and it does raise significant revenue for the Commonwealth. In this financial year alone, 2013-14, it will be a net underlying cash benefit
to the Commonwealth of $370 million. By 2016-17, this bill will have provided a benefit to
the Commonwealth bottom line of $2.19 billion. On top of that, the state governments will
also benefit because they will receive an increase in their GST revenue.

Going back to those rather remarkable tax raises, we have to remember that these have
already been factored into the budget and are already factored into the forward estimates.
Despite these very large increases in revenue, we are still facing the situation that, by the end
of the forward estimates period, unless remedial action is taken, this nation will be $667
billion in debt.

This is also a regressive tax. We have to be honest with the people of Australia and admit
that this will actually harm the lowest socioeconomic groups in the country—

Mr Dreyfus: You're meant to be supporting it!

Mr CRAIG KELLY: The most disadvantaged groups are the ones that will pay most of
this tax. I hear the member down there, but we must be honest: this revenue raising measure
will hit the least well-off in our community. Figures from New South Wales show that, across
the general population, 16 per cent of people smoke—14 per cent of women and 19 per cent
of men. For those who are unemployed the smoking rate actually doubles, to 31 per cent.
Thirty-five per cent of people with a mental illness smoke. For those who are in jail it is 75
per cent, and for those who are injecting drugs it is close to 95 per cent. Looking at all the
evidence, the poorer you are, and the lower your socioeconomic status is, the more likely you
are to smoke. This is perhaps something we could use, as tobacco companies portray smoking
as something that is a glamorous luxury. In fact, it is the complete opposite.

We can only justify this being a regressive tax if it is going to drive down the smoking
rates. We have had some success over past years. In fact, Australia can boast of one of the
fastest-declining rates of people smoking. Quite a lot of that success came under the previous
Howard government when the current Prime Minister, Tony Abbott, was the minister for
health. He was the one who first pushed graphic health warnings on cigarette packets. Under
the Howard government the rate of smoking declined by 20 per cent.

Many of my more libertarian friends—whom I mainly agree with and often agree with—
argue that some of the things that were done in the past, such as the health warnings on
cigarettes, are an extension of the nanny state. I disagree with that. One area where I believe it
is legitimate for a government to interfere in the marketplace is the area of misleading and
deceptive conduct in trade or commerce. This is where the government comes in and acts on
behalf of the consumer where a firm is engaging in misleading or deceptive conduct. Of
course, such conduct can be by omission or by silence. I think if you are selling a product that
actually kills your customers, it is misleading or deceptive if you do not have some health
warnings on the packet. Therefore, I reject the claims of my libertarian friends that health
warnings on cigarette packets are nanny state. It is a legitimate step for governments to take to
make sure that, at least, the person who is buying the product is not misled or deceived.

While smoking rates in Australia have been coming down, unfortunately we cannot say
that for many other countries. While Australia's smoking rate is 18 per cent of the population,
a few other countries are not faring so well. In China, 59 per cent of males smoke. In
Indonesia it is 66 per cent of the male population over 18. Malaysia is little better, at 54 per
cent. In Russia, one of the worst, it is 70 per cent and in Vietnam it is 46 per cent. Our rate of
18 per cent is good by world standards but we must continue to have policies that will drive that rate down lower. In doing so, we must always look for unintended consequences. In fact, for every policy that comes through this place we should think through what is known as Mauldin’s law, which states:

For every government law hurriedly passed in response to a current or recent crisis, there will be two or more unintended consequences, which will have equal or greater negative effects than the problem it was designed to fix.

What are the potential unintended negative consequences of this legislation? Firstly, it will increase the risk of the smuggling of illicit tobacco. If there is such an economic advantage, if there is such a big discrepancy between the illegal price and the lawful price, it can only increase the demand for smugglers and for that illicit product. Since the introduction by the previous government of plain packaging we have already seen that borne out. Here are a few figures on the number of cigarettes that Customs agents have intercepted. In 2008-09, 50 million cigarettes were intercepted by our Customs agencies. In 2009-10 it was 82 million. In 2010-11 it had increased to 141 million and in 2012-13—last financial year—our Customs agencies intercepted 200 million cigarettes. It is true that we do not know what is getting through; those numbers are only what has been detected. But a recent study suggested that more than two billion illegal cigarettes are smuggled into this country every year.

Ms Plibersek: It's a tobacco company study. They paid for it.

Mr CRAIG KELLY: I hear the member for Sydney down there, and I am not sure whether she agrees with that study or not—

Ms Plibersek: No, I don't, because tobacco companies paid for it.

Mr CRAIG KELLY: You may be correct on that point. The point is that by increasing the retail price of cigarettes, by increasing the rate of excise on them, you increase the potential and you increase the risk of illegal cigarettes being imported into the country. It may well be true that our detection agencies are doing a better job, but the quantity of illegal cigarettes being seized by Customs has increased substantially over the last four years. That is a fact.

The risk is that these illegal cigarettes that are coming into the country are likely to be of poorer quality and therefore more harmful for the people who are smoking them. So there is a risk that, if the people we are trying to help here to get off cigarettes transfer to illegal products, it will actually be more harmful for them. Another possible unintended consequence is that if we make the price of cigarettes higher and higher there may be a risk that children will instead smoke other substances. These are risks that we have to look at.

I support these bills. I support this parliament doing everything it can to drive down the smoking rates, and I accept that raising the price is a legitimate way of doing that; however, we must be careful. We must monitor this, we must look at it very carefully, and we must make sure that it is actually effective in the years to come in driving down the smoking rates. This legislation cannot simply be about raising revenue to pay down debt; it must truly be about driving down the smoking rate and continuing to reduce the number of Australians in this country smoking. Therefore, I support the bills and commend them to the House.
Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (16:38): I am grateful that the member for Hughes is actually supporting this legislation—although you would not know that from listening to his speech.

Mr Craig Kelly: You had to listen to it carefully.

Ms PLIBERSEK: You had to listen very carefully and suspend judgement. He said that, if cigarettes became dearer, there would be more people buying cigarettes on the black market. In fact, all of the evidence internationally shows the exact opposite is true. The countries that have lower tax regimes and looser laws about smoking actually have more counterfeiting and more illegal tobacco sold in them. So the exact opposite is true, Member for Hughes.

I and the opposition support the Excise Tariff Amendment (Tobacco) Bill 2014 and the Customs Tariff Amendment (Tobacco) Bill 2014. This legislation reflects our longstanding position, as a Labor government in the past and Labor opposition now, on public health and on evidence based policymaking. We know that increasing tobacco excise is one of the most effective ways of reducing smoking rates in Australia, and it is most effective when you are talking about kids taking up smoking.

We are glad that the Liberal Party have decided to pursue this policy. It was very difficult before the election to tell what they were going to do. One could see the dollar signs in their eyes but they were not really thinking about the public health effects of this policy. In 2013, when the Labor government announced this tobacco excise, the now Treasurer said: It is going to increase the cost of living for smokers, but smokers could be pensioners, low-income people, it could be smokes and beers might be the thing that is important to them.

He went on to say:
I want to know what the impact is on lower income people of just increasing their cost of living.
It is very important to think about the cost of living, particularly for people on pensions and fixed incomes. But what we know about increasing tobacco excise is that the people who are most price sensitive are also those people who are on the lowest incomes and those who smoke a great deal, and the more you smoke, the more likely you are to have your smoking behaviour affected by an increase in tobacco excise.

The member for Hughes quite rightly pointed out that people on low incomes are more likely to smoke and that people who have a mental health issue are more likely to smoke and he named a number of other groups as well. I would add to that Indigenous Australians, who are twice as likely as non-Indigenous Australians to smoke. So the people who are most likely to be smokers are also most likely to cut down their smoking or quit because of a tobacco excise increase.

The thing to also remember about this tobacco excise increase is that, because it is introduced over four years—and it was quite deliberately designed in this way—smokers have time to quit or reduce their consumption. If we were just interested in dollars, it would have in fact been much more effective to increase the tobacco excise in one go, at the beginning, and raise more money all the way through. We deliberately did not do that, and the reason was that, by staging increases over time, we were able to telegraph to people to say: 'There is a cost increase coming. We are going to help you give up. These are all the resources we have to help you give up, and here is an added encouragement—the price is going up in the future.'
Smoking rates have dropped, and we on this side of the chamber are very proud that we now have the best five-year cancer survival rates in the world and some of the lowest smoking rates in the world. Yes, there have been efforts on both sides over many years to gradually increase the prominence of graphic health warnings, for example, and to introduce advertising campaigns and so on. From 1991, when about 25 per cent of people smoked, we have seen a drop to just under 16 per cent in 2010. If you look further back to the period after the Second World War, almost half of Australians smoked at one stage. So our achievement as a nation is something to be proud of, but we need to do better.

We have a COAG agreement. All of the states and the territories and the Commonwealth have signed up to a target of lowering smoking rates to 10 per cent by 2018—and here we have one smoker, Mr Deputy Speaker Mitchell, that we are going to get to give up in the next few years. We do need to do more. A 16 per cent daily smoking rate means that there are still about 2.8 million Australians who smoke every day. The cost of that to the health of the smoker—and I hope I am not making you feel bad, Mr Deputy Speaker Mitchell—is a substantial one in terms of health lost as well as the money they spend on smoking. It costs us as a community about $31½ billion a year to look after people who are smoking, with lost productivity and hospitalisation. About 750,000 hospital bed days each year are attributed to tobacco related diseases. So both the personal impacts and the impacts on our whole community of smoking are very substantial.

But there is very good news as well. People who do give up see a very marked improvement in their health. The risk of a heart attack drops sharply after just one year; stroke risk falls to approximately the same as a non-smoker’s after two to five years; risks for cancer of the mouth, throat, oesophagus and bladder are halved after five years; and the risk of dying from lung cancer drops by half after 10 years. So, putting it bluntly, you can have very dramatic health improvements by giving up smoking.

Increasing tobacco prices is one of the most effective ways of reducing the impact of smoking-related illnesses in Australia and the premature death and disability that comes from it. I mentioned earlier in response to the member for Hughes that people who are more likely to smoke—those in lower socioeconomic groups and the range of people he mentioned earlier—are also more likely to have their smoking behaviour affected by an increase in the tobacco excise price.

I want to speak for a moment about Indigenous Australians because I am very pleased that the government has maintained the commitment to closing the gap on life expectancy. One of the most important things we can do to close the gap between Indigenous and non-Indigenous people when it comes to life expectancy is reduce smoking rates in Indigenous communities. There has been some fantastic work done to reduce smoking rates in Indigenous communities that I will refer to in a little while.

I want to talk about kids for just one moment. There is no smoker, no matter how dedicated and how much they claim to enjoy smoking, who says, ‘I want my kids to grow up to be a smoker.’ I think that as policymakers we have to bear that in mind as well. We should be working towards a smoke-free generation. We should be working towards a generation where no young person takes up smoking, and price is a big factor in that. We know that kids are very price sensitive when it comes to testing out smoking, trying it on and seeing how they like it.
When you look at the impact of smoking around the world, there are about six million people who die every year from smoking-related illnesses, including around 600,000 deaths from second-hand smoke. According to our current projections, we will lose one billion people this century to smoking-related deaths. Cigarettes in Australia are the cause of about 15½ thousand deaths every year in this country. I literally cannot imagine another thing that, if it were causing 15½ thousand deaths every year, we would not as a community, as a government or as a country be saying, 'What can we do to get this tragic death toll down?' We do it with car accidents. When we see the road toll creeping up, we change what we are doing. We re-emphasise a reduction in speeding. We send out more random breath testing units. We are always calibrating and renewing our efforts to prevent death and disability from car accidents, and we must do the same with smoking as well.

We have seen the proof. The member for Hughes questioned whether there is any relationship between an increase in prices and a reduction of smoking rates. We saw a 25 per cent increase in the tobacco excise in April 2010, and even the tobacco companies admit it worked. There was a decrease of about a 10 per cent in consumption of tobacco demonstrated through the importation of tobacco products. In fact, in August 2011 in the House of Representatives Standing Committee on Health and Ageing, the head of British American Tobacco, David Crow, stated:

One of the big statements that comes from this government and many governments is that pricing is one of the best means to stop access for children.

We understand that the price going up when the excise goes up reduces consumption.

There was a 25 per cent increase in the excise and we saw the volumes go down by about 10.2 per cent; there was about a 10.2 per cent reduction in the industry last year in Australia.

So from the words of British American Tobacco themselves, they admit that this is a way of reducing tobacco consumption that works.

I want to take a minute to acknowledge the work that the former health minister, Nicola Roxon, did in developing Australia's approach to plain packaging of tobacco products. Increasing prices is one part of it and advertising is another part of it, but our move towards plain packaging of tobacco products really was acknowledged around the world as world leading. In fact, during the time that I was implementing the plain packaging, we had an extraordinary amount of interest from around the world in the implementation of plain packaging.

The initial results from Cancer Council Victoria indicate that plain packaging is meeting its legislated objectives. The early results show that, when compared with branded pack smokers, those who are smoking from plain packs perceived their cigarettes to be lower in quality, tended to perceive their cigarettes as less satisfying than a year ago, were more likely to have thought about quitting at least once a day in the past week and rated quitting as a higher priority in their lives. When I was health minister I knew that because I kept getting phone calls after we introduced plain packaging from people who were really angry that I had changed the taste of their tobacco. Of course we did nothing to reformulate tobacco products, but the psychological impact of seeing that really ugly packaging was actually having an effect on people's desire to smoke.
We also invested more than $135 million in anti-smoking social marketing programs, which particularly targeted the high risk and hard to reach groups we were talking about like pregnant women and people with a mental illness. We had terrific phone apps, ‘Quit for you—Quit for two’ and My QuitBuddy—that were developed and released, and anyone can use them for free. As everybody knows, we updated and expanded the graphic health warnings. We introduced comprehensive advertising restrictions, including a ban on internet advertising from 6 September 2012. We put nicotine replacement therapies on the Pharmaceutical Benefits Scheme and extended the listings for smoking cessation support drugs like Zyban and Chantix.

We focused a great deal on Indigenous Australians and their smoking rates with $15 million for the Indigenous Tobacco Control Initiative, which funded innovative tobacco control projects in 18 Indigenous communities. There were also $100 million for the tackling smoking and $35 million for the healthy lifestyle measures under Closing the Gap. We did not do one thing; we did a suite of things. We need to, as I said, think again in the future about how we will keep our measures up to date. People become immune to one set of warnings, they become immune to one set of advertising, so it is important that we continue to recalibrate our efforts to reduce smoking so that the effect is new with each change.

It is terrific that the Liberal Party have finally been convinced to stop taking tobacco donations. I hope that the National Party will soon do the same. It is impossible to imagine that a government that is profiting from this industry will be as assiduous in its measures to reduce tobacco consumption as it should be for the benefit of the health of all Australians.

I have to say this is one of the things that I am proudest of in my time as health minister. This is a measure that will lead to fewer Australians smoking, and when we consider the toll, those 15½ thousand lives lost every year, 15½ thousand families who lose a loved one because of smoking-related illnesses, I cannot imagine a single other thing that was having this toll on the community, that had this death toll, being allowed to run unchecked in the way that some argue that, since tobacco is a legal product, it should be allowed to run unchecked.

**Dr STONE (Murray) (16:53):** I too rise to speak on the Excise Tariff Amendment (Tobacco) Bill 2014 and the Customs Tariff Amendment (Tobacco) Bill 2014. The bills are unashamedly all about increasing the cost of tobacco products. The customs tariff bill amends the Customs Tariff Act 1995 to enact two tobacco excise equivalent customs duty measures. The object in reducing the use of tobacco is to reduce the disease and premature death due to smoking. We have just heard the previous speaker talk about the 15½ thousand lives that are lost each year through smoking-related illnesses. It is not just that smokers are putting their own health at risk; those who have to work in an environment where there is secondary smoke inhalation also face problems with disease. It is simply not fair that something like this particular product consumption can be such an added burden to the costs of health in Australia when it is a product that has well-known cancerous and other poor health outcomes.

The bill imposes the same measures on imported goods, known as excise equivalent goods, as the Excise Tariff Amendment (Tobacco) Bill 2014 imposes on local goods. This ensures that the imported tobacco products are treated the same as local tobacco products, which is only right. The bill also changes the basis of indexation of excise equivalent customs duty on tobacco and tobacco products by moving from the consumer price index, the CPI, to the...
average weekly ordinary time earnings. The last CPI indexation occurred on 1 August 2013 and the first use of the average weekly ordinary time earnings has occurred in March 2014.

Australia, like most developed countries and now most developing countries, has had serious problems with addiction to tobacco products for probably the last 150 or more years. It has taken a long time for various government policies to really impact on the numbers of people smoking, and I really want to commend all those who went down the path of considering different measures, including the cost of the tobacco products themselves, and this bill is to do with the costs, and also the access. Children under the age of 18 are not allowed to buy tobacco products. Also, governments have looked very hard at how tobacco was advertised, where it could be advertised and when, and the packaging itself. Australia has led the world in introducing what we have colloquially called plain tobacco packaging. Of course it is not all that plain—there are the most gruesome pictures of diseased gums and ulcerated eyeballs. In fact, if you see a cigarette packet lying around somewhere it is the most shocking series of photos you can imagine. When you think it is a voluntary act to smoke, you can imagine that part of the reduction in smoking must be attributed to that plain packaging.

The thing that concerns me very much, though, is that while we have done such a great job with reducing the consumption of tobacco products there is still a growing number of young girls and younger people who smoke, and also there is a very high rate of smoking amongst Aboriginal and Torres Strait Islander communities. I was meeting just today with NACCHO—the National Aboriginal Controlled Community Health Organisation—and they were expressing concern about the continuing use of tobacco products in Indigenous communities. We need to focus on strategies which will work, because those settlements are often remote and those communities are culturally different, and focus on how we can help our Indigenous communities to reduce their tobacco consumption, particularly when we remember that there is also the impact on others who live in the same buildings or drive in the same cars as those who smoke. That secondary inhalation of tobacco smoke is dangerous to the health as well.

There has been a lot of work done on calculating what the costs are to the Australian health budget when it comes to diseases associated with cigarette, cigar or pipe smoking. There is a study that has used a measure known as the disability adjusted life year, reported in Tobacco in Australia: facts and issues, an Australian government organisation study. It is estimated that in 2003 more than 2.63 million disability adjusted life years were lost due to disease and injury in Australia, though this was not just attributed to tobacco smoking. The 14 risk factors that they looked at included six lifestyle behaviours. They were tobacco smoking, physical inactivity, alcohol consumption, low fruit and vegetable consumption, use of illicit drugs, and unsafe sex. When these were further analysed as part of the 14 risk factors, they accounted for 32.2 per cent of the total burden of disease and injury in Australia. They found tobacco was responsible for the greatest disease burden, 7.8 per cent of the total, and it was the cause of 15,551 deaths, as we have already heard mentioned by other speakers, and the loss of 204,778 life years. Tobacco smoking was responsible for 20.1 per cent of the disease burden due to cancer and 9.7 per cent of the disease burden due to cardiovascular disease.

Alcohol is also responsible for a significant disease burden in our country, but also for other life-destroying and life-threatening behaviours like the increase in accidents and domestic violence. Alcohol consumption also causes absenteeism from work. Many are now
concerned as to why it is that in Australia we have been world-first in our addressing of tobacco labelling via the plain package labelling and so effective in making sure that children are not exposed to tobacco advertising on their children's television programs, and we have significantly curtailed tobacco advertising in sport. Once a common feature of sporting events was the robust-looking Marlboro man sitting on his horse smoking away at his cigarette on a big billboard overlooking the footy grounds. We have this incredible hypocrisy where, while we have been so good, so world-beating, in our addressing of the harms due to tobacco, we have not been as rigorous in addressing the harms due to consumption of alcohol, especially high risk levels.

So, I repeat, while we have been world-beating in terms of our tobacco advertising policies and our plain packaging, as a developed country we are one of the few left which still does not mandate alcohol labels on the containers which refer to the risk if you drink to excess or more than a standard number of drinks. We do not have labelling which warns pregnant women of the risks of consuming alcohol while they are pregnant. This is quite extraordinary, given that our wine producers and our brewers, but particularly our wine producers, who export to other countries often have to change their labelling so that they can conform with that other country's regulations in relation to the labelling of alcohol containers to reflect the risks associated with overconsumption. So I am battling to see how we can be as successful in our highlighting of the risks of consumption of too much alcohol. How can we use the lessons learnt in managing to bring down tobacco consumption in Australia? We have to look very carefully at the strategies that have worked for tobacco to see what can be used to reduce dangerous levels of alcohol consumption.

In Australia now we have an enormous focus on advertising alcohol in our sporting television features and programs, and many of these are live broadcasts occurring in children's viewing times. We still have a lot of alcohol sponsorship on uniforms and on sporting equipment around the country, and very often, in telecasts of major sporting events, the uniforms, the caps, the bats, the cars covered in their Jack Daniels signs—those are what are featured and flashed into the sitting rooms and kitchens of Australian homes so that children are fed that constant diet: that alcohol is associated with excellence, sportsmanship and winning, with being sophisticated and having fun.

We have believed for quite a while in Australia that a code of voluntary labelling on alcohol containers would be sufficient to have compliance. The previous government in fact set deadlines for when the voluntary code should be adopted and when we should evaluate that voluntary period to see if in fact we needed to mandate labelling. That evaluation was roughly October last year. We have passed the deadline. Nothing happened under the previous government to mandate labelling in this country, and that is long overdue.

I am also very concerned that the total cost to society of alcohol related problems in 2010 was estimated to be $14.352 billion, and those costs obviously cannot be borne by a country without significant erosion of other spending on things like health and education, or in supporting those who need a safety net. Of that $14.352 billion, $2.958 billion, or 20.6 per cent, represented costs to the criminal justice system—in other words, processing people found to be guilty of crimes associated with drinking over the limit, or drinking in an inappropriate way which led to, for example, violence. Also, of that $14.352 billion, $1.686 billion, or 11.7 per cent, was the cost to the health system of alcohol consumption in
Tuesday, 4 March 2014

Australia; $6.046 billion, or 42.1 per cent, were devolved costs to Australian productivity; and $3.662 billion, or 25.5 per cent, were costs associated with traffic accidents—these were traffic accidents right throughout Australia, but in particular we know that Indigenous communities have more traffic accidents with more horrific consequences for individuals in terms of loss of life and permanent disability.

The estimate of total costs, however, does not incorporate the negative impacts on others, estimated in 2010 to be some $6.807 billion, and these are the costs associated with someone else drinking—someone living with you or someone who you encounter in a public place. These impacts comprised only perceived costs, of course; they have to be calculated, and it is an estimation. But many have been appalled by the random acts of violence that have been occurring outside some public places in New South Wales and Victoria and want to know how you put a price on the loss of a life or on someone being traumatised or perhaps disabled. Clearly, we have productivity losses and a huge cost to our health system. We have reduced workforce and household labour due to premature mortality, reduced household labour due to sickness and reduced workforce participation due to absenteeism, and so it goes on—and this is in relation to alcohol consumption.

In talking about this bill, which is focusing on tobacco consumption in Australia, I want to congratulate previous governments and this government for understanding the huge cost of having an addiction to nicotine when smoking tobacco or tobacco products and the secondary impacts for those who might be living with others who use tobacco products. We are doing well in Australia, I think, in bringing down the consumption of tobacco, but there are still sectors in our community who need more help. Those include the Indigenous populations, newly arrived migrants and also our younger Australians. More women are smoking than they did before.

But I am asking in this debate that we now turn our spotlight on the consumption of alcohol at high-risk levels, because a lot of the tobacco reduction strategies can be applied to reducing the consumption of alcohol—in particular, the labelling and advertising regulations and the messages about the costs to the Australian health system and the loss of enjoyment of life for people who have been disabled or who have to live with someone who is addicted to alcohol.

I commend this bill to the House. I think it is a very sensible way to go. We know that the costs of tobacco products do have an impact on their levels of consumption, just as they do with alcohol consumption, so I commend this bill to the House.

Mr THISTLETHWAITE (Kingsford Smith) (17:08): I support the passage of the Excise Tariff Amendment (Tobacco) Bill 2014 and the Customs Tariff Amendment (Tobacco) Bill 2014 in the terms of the amendment moved by the member for Fraser. These bills seek to increase the rate of excise and excise-equivalent customs duty on tobacco through a series of four staged increases of 12½ per cent commencing on 1 December 2013 and running through to 1 September 2016. They also index the rates of excise and excise-equivalent customs duty on tobacco to average weekly ordinary time earnings instead of the consumer price index. The last CPI indexation occurred on 1 August, with the first AWOTE indexation occurring on 1 March 2014. These measures implement a previous policy announced by the former Labor government in the 2013-14 budget and in the 2013 Economic Statement.

The necessity for these bills is outlined in the following facts. The first fact is that 20 per cent of the male population in Australia still smoke and 16 per cent of females in Australia...
still smoke, and many of these Australian smokers will die prematurely because of their addiction. The cost of treatment and the social cost to the Australian budget is in the vicinity of $31 billion per year associated with smoking in Australia. That equates to about 750,000 hospital bed days in Australian hospitals related to the treatment of smoking related diseases. Quite simply, that is a large burden on the Australian tax-paying population, and it outlines why this legislation is required.

The bills also fit well with Labor's philosophy and long-held action, whilst in government, to reduce smoking. Labor believes that smoking kills, that smoking is an unnecessary and burdensome impost on taxpayers and on our budget and healthcare system and that the Australian government and state governments must do all that they possibly can to reduce the incidence of smoking in Australia and to make it as unattractive as possible to the Australian public, particularly to younger Australians. To do that, price signals in a market are necessary, but they must also be supported by various programs and social infrastructure to help Australians quit.

Labor's record on providing that social and community support to help Australians quit speaks for itself. In 1992 a Labor government introduced a ban on tobacco advertising in Australia. It followed it up some years later by strengthening that ban in relation to internet advertising. A couple of years ago, Labor introduced the world's first plain-packaging legislation, world-leading anti-smoking legislation, and the results of that legislation speak for themselves.

The plain-packaging legislation is working. It is fulfilling its legitimate objectives. This is outlined in research that was undertaken by the Centre for Behavioural Research in Cancer and Cancer Council Victoria that supported the fact that the plain-packaging legislation was meeting its legislated objectives. The results showed that, compared with branded-pack smokers, those who were smoking from plain packs perceived their cigarettes to be of lower quality, tended to perceive their cigarettes as less satisfying than a year ago, were more likely to have thought about quitting at least once a day in the past week and rated quitting as a higher priority in their lives—proof positive that Labor's reforms on plain packaging are working. And they are now being taken up or looked at by other nations.

Labor also updated the graphic health warnings on cigarette packaging. In government, we devoted $135 million to anti-smoking social-marketing campaigns, the development of apps and other social infrastructure to help Australians quit this devastating habit. We listed nicotine replacement therapies on the Pharmaceutical Benefits Scheme. We undertook the largest investment in support for Aboriginal and Torres Strait Islander communities to reduce smoking rates. In April 2010, we undertook a 25 per cent increase in the tobacco excise to send a price signal to smokers in Australia that they needed to quit this devastating habit. Labor's commitment through health and social programs speaks for itself.

Some opponents of this increase in the excise will argue that it is unfair because it hurts lower income Australians—that a larger proportion of Australians who smoke tend to be from a lower income bracket. That is an argument of which I am conscious. It is an argument of which Labor is conscious. I do have some sympathy for low-income Australians who are addicted to nicotine. But I would say to them, particularly those in my community, that I do not seek to punish you by supporting this reform. Labor does not seek to punish you by supporting and putting up this proposal. Labor wants to help you. We want to provide every
encouragement for people to quit smoking. Harsh and unfortunate as it may be, the fact is that such increases in excise and customs duty do work. They do reduce the incidence of smoking within our society. Price increases for cigarettes discourage consumption and result in a reduction in smoking rates.

After the April 2010 increase in the excise, Treasury undertook an investigation into whether or not the price increase had had the legislative effect for which it was intended. Treasury looked at consumption of cigarettes in Australia after the price increase. What they found was that tobacco consumption in Australia reduced by approximately 11 per cent, in terms of the amount of tobacco that was being imported into Australia. There is also evidence that tobacco used amongst low-income groups is more responsive to a price increase than that used by those on higher incomes. That speaks for itself. It is obvious that those who are on lower incomes and do not have as much disposable income are going to be much more susceptible and elastic to an increase in price.

The cost of cigarettes in Australia in terms of the percentage of tax that makes up the price is still relatively low by international standards. In Australia, tax as a percentage of the price is about 60 per cent. In New Zealand it is 74 per cent, in the UK it is 77 per cent and in France it is 80 per cent. This is all evidence as to why this reform is required. Although price increases tend to be a somewhat blunt instrument, as the evidence outlines, they work. They work in reducing the incidence of smoking in Australia.

I have met very few people who have not been appreciative of the fact that they have been able to quit smoking, who have not looked back and said that it was a good decision to quit smoking, not only for their health but also for their family and their friends. That is not to mention the positive effects on the Australian economy, particularly on expenditure through our health budget.

Labor is committed to providing support for those seeking to quit smoking. In government we undertook a record investment in support programs coupled with appropriate price mechanisms when required. This staged increase in the excise and customs duty is an appropriate price mechanism to help Australians quit a deadly and addictive habit. It is an approach that is supported by the World Health Organization and by many anti-cancer campaigners. I commend the bill and the amendment to the House.

Mr STEPHEN JONES (Throsby) (17:18): Earlier today the Leader of the Opposition advised the House that I have been promoted to the front bench, which is a great honour for anybody who sits on this side of the House and any Labor MP. I was promoted to the health portfolio, and I was very keen to ensure that the first speech I gave after being promoted to the front bench was in this important area. This is essentially a public health measure.

The Excise Tariff Amendment (Tobacco) Bill 2014 and the Customs Tariff Amendment (Tobacco) Bill 2014 amend existing acts. Essentially, they increase the rates of excise and customs duty on tobacco through four staged increases of 12½ per cent, commencing on 1 December 2013, and index the rates of excise and customs duty on tobacco to average weekly ordinary time earnings instead of the consumer price index. I support the legislation. I think it is important. It reflects Labor's commitment to improving preventative health across the board and easing the pressure on our public health system.
The legislation that is before the House today had its genesis in a Labor policy initiative. Many who have followed it from go to whoa would be aware that when it was announced it did not enjoy the same bipartisan support it enjoys in the House today. Indeed, the then shadow Treasurer, now Treasurer, had some very unfavourable things to say about this proposal. Indeed, his first, and instinctive, comments were to support the interests of smokers in this area against the interests of public health. Thankfully, more sanity has prevailed and the government is now bringing this legislation before the House. It enjoys our wholehearted support. We support it because we know that tobacco excise works.

Looking around the world, despite the April 2010 increase, taxes are still relatively low in Australia as a percentage of the final price of tobacco products. The World Health Organization recommends that tobacco excises account for at least 70 per cent of the retail prices of tobacco products. According to the 2013 WHO report on the global tobacco epidemic, excise tax as a percentage of the average price of the most popular brand of 20 cigarettes in Australia is around 51 per cent. Australia lags behind other comparable countries in relation to excise tax-price ratios. For example, excise tax as a proportion of price for most popular brands of 20 cigarettes in France is about 64 per cent, in the United Kingdom is 62 per cent and in Ireland is 60 per cent. In New Zealand, our nearest neighbour across the ditch, it is 61 per cent. The contrast for total tax as a proportion of price is even starker. In France, for example, the total tax as a proportion of price for the most popular brand of 20 cigarettes is 80 per cent; in the UK, 77 per cent; in Ireland, 79 per cent; and, in New Zealand, 74 per cent. Compare that to Australia, where total tax as a proportion of the price is only 60 per cent. So there is still a bit of headroom in our taxation and excise arrangements when it comes to tobacco products.

I am pleased that those on the other side of the House are supporting this legislation and bringing it forward as members of the government. I am disappointed that it does not extend to a total approach when it comes to the tobacco industry. We know that tobacco kills people. It is the only product that, as a former Labor health minister said, when used exactly as the manufacturers intended it to be used, will kill you. And yet we find that on the one hand you have sound legislation like this being brought before the House and on the other you have members of the coalition party accepting donations from the tobacco industry.

The Liberal Party has accepted more than $3 million in donations from big tobacco since 1999. Happily, they have been shamed into embarrassment on this, but that cannot be said for all members of the coalition party. As recently as 4 February the National Party's federal director, Scott Mitchell, confirmed that the party was still accepting tobacco donations with open arms. It is extraordinary, isn't it? On the one hand we are bringing this legislation before the House for a proper public health purpose and on the other hand we have members of the coalition party putting their hand up and saying, 'We will support the tobacco industry by taking their donations.' That is extraordinary in and of itself. It is even more extraordinary when you understand that the government minister who is charged with responsibility for preventative health is a member of the party which has its hand out and is accepting donations from big tobacco.

Over the last couple of weeks we have heard much in this House and the other place about the conflicts of interest that exist within the office of the Assistant Minister for Health and that exist now with the financial contributions that have been made to the National Party, the
party of the Minister for Health. It is time, as we see government member after government member come the dispatch box and stand here in support of the legislation, that they do the right thing, take the next step and say, 'From this day forevermore we will disavow donations from big tobacco.' That would be the right thing to do if they want to send an important signal, if they want to send a powerful message, that they stand in a bipartisan way in opposition to big tobacco and the harm tobacco products cause as every new generation of young Australians takes up the habit. Yes, it can be done through the taxation and excise system, and that is a good thing; but, as political and community leaders, we can go a step further and say, 'We will lead by example and we will not take donations from this industry, because we want to see the sunset of this industry and see that happen sooner rather than later.'

This is important legislation. As I have said, it follows from policy initiatives that were brought forward by the previous, Labor, government, and we have a proud record in government of dealing with public health initiatives which are aimed at reducing the incidence of smoking. Our plain packaging legislation was another piece of legislation which originally did not enjoy the support of those opposite. It is now in place and, I hope, entrenched, having survived several legal challenges to its validity. It is this sort of action, this sort of leadership, that is needed if we are to tackle and succeed in ensuring that the scourge of the diseases caused by smoking are addressed. This parliament has a role in showing leadership on the issue. I commend the legislation to the House.

Mr CIOBO (Moncrieff—Parliamentary Secretary to the Treasurer) (17:27): I thank those members who have contributed to this debate. These bills increase excise and excise-equivalent customs duty on tobacco and tobacco related products under a staged process. The first 12.5 per cent increase occurred on 1 December 2013, and further 12.5 per cent increases will occur on 1 September 2014, 1 September 2015 and 1 September 2016. Additionally, commencing 1 March 2014, tobacco excise and excise-equivalent customs duty will be indexed to average weekly ordinary time—AWOT—earnings instead of the CPI. The dates of indexation will change to 1 March and 1 September each year to accommodate the release of data by the Australian Bureau of Statistics. These changes were previously gazetted on 29 November 2013 and tabled in the House of Representatives as excise and customs tariff proposals on 10 December 2013.

The government does not support the opposition's amendment. I note that the member for Boothby appropriately highlighted the hypocrisy of Labor's attempt to play political games with this bill, and I commend him on his contribution to the House. Fundamentally, the Labor Party in this debate has made a raft of inaccurate comments with regard to what they like to call the 'morals' of this side of the House. The reality is that Labor Party should not be in a glass house when they choose to throw stones. We have seen this on an ongoing basis. The Labor Party, last financial year, took $6.1 million from trade unions as donations to their political party—

Mr Albanese: You're comparing unions to tobacco? Are you serious?

Mr CIOBO: Including donations from trade unions where the workers' wages were garnished by trade unions and union organisers who were involved in illegal criminal activity. And we have not seen any refunds, for example, from the Labor Party to those unions where some of the union funds raised had been inappropriately used.
To go to some of the interjections made by shadow ministers Leigh and Albanese at the table, last time I checked tobacco was still a legal product. The Labor Party need to remember the actual lay of the land. The last time I checked legal products were still run by companies operating in a legal way as opposed to some of the donations that have been received by the Australian Labor Party from unions, where corrupt union organisers have overseen the use of the wages, often, of people from some of the most disadvantaged positions in our society. I remind the Labor Party of that background before they get too sanctimonious, as they so frequently do—remembering some of the sanctimony we have already seen from Labor in relation to some other matters that have come before the House. Nevertheless, I take this opportunity to remind the Labor Party of that, that they are not quite as polished as they like to think nor as pure as they like to think. On that basis, I commend these bills to the House.

The DEPUTY SPEAKER (Mr Broadbent): The immediate question is that the amendment be agreed to.

Question negatived.
Original question agreed to.
Bill read a second time.

Third Reading

Mr CIOBO (Moncrieff—Parliamentary Secretary to the Treasurer) (17:32): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Customs Tariff Amendment (Tobacco) Bill 2014

Second Reading

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

Third Reading

Mr CIOBO (Moncrieff—Parliamentary Secretary to the Treasurer) (17:32): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Tax and Superannuation Laws Amendment (2014 Measures No. 1) Bill 2014

Second Reading

Debate resumed on the motion:
That this bill be now read a second time.
Dr LEIGH (Fraser) (17:34): I move:

That all the words after "That" be omitted with a view to substituting the following words:

"whilst not declining to give the bill a second reading the House is of the opinion:

(1) that the government has made clear its intentions of creating a two tiered system of health care by hitting vulnerable Australians with extra out-of-pocket costs while considering further cuts to payments and support;

(2) that savings generated under this Bill must be reinvested to enhance health care affordability and universally accessible health care for all Australians; and

(3) that it was an Australian Labor Government that revolutionised health care in 1983 with the establishment of Medicare and will always defend the right of every Australian to universal, affordable and high quality health care."

The Tax and Superannuation Laws Amendment (2014 Measures No. 1) Bill 2014 before the House goes to matters of taxation, superannuation and health care. They are matters with which Labor are strongly familiar, as the party that laid down many of the key foundations for our tax, superannuation and healthcare system. We think typically of John Curtin as being the Prime Minister who brought the troops home to save Australia against the opposition of conservatives of the day. But as John Edwards's splendid book Curtin's Gift also points out, one of the great enduring legacies of John Curtin was uniform income tax, a centre of Commonwealth power that is the substance of its fiscal policy effectiveness and which gives the Australian Commonwealth a unity of purpose through the taxation system. Labor are also the party that created universal superannuation and expanded universal superannuation—again over the objections of conservatives of the day. Labor therefore support schedules 1 and 2 in the bill, which go to penalties for promoters of schemes that result in the illegal early release of superannuation funds and penalties for contraventions relating to self-managed superannuation funds.

Making sure that promoters do not engage in schemes which undermine the contributions made by working Australians to their superannuation is fundamental to a rigorous superannuation scheme. Labor support schedule 2, which ensures the integrity of self-managed superannuation schemes. Labor is the party of superannuation. By contrast, the Prime Minister said in this place on 25 September 1995:

Compulsory superannuation is one of the biggest con jobs ever foisted by government on the Australian people.

The Prime Minister even said at a press conference on 23 March 2012:

We have always as a Coalition been against compulsory superannuation increases.

By contrast, Labor is proud to have put in place a system which ensures that working people can retire with dignity, a system which makes sure that working people have a nest egg available for them at retirement. So Labor is supporting the superannuation aspects of this bill.

Labor also supports schedule 4, which adds the National Arboretum Canberra Fund and the Prince's Charities Australia Ltd as specifically listed deductible gift recipient funds and extends the existing listing of the Bali Peace Park Association Inc. As a member representing the great city of Canberra, I add my support to the National Arboretum for the work that it has done. It is an extraordinary facility which is there for generations to come. The building of an
The National Arboretum is a classic intergenerational gift because small trees planted today may only be enjoyed by our children and grandchildren. The National Arboretum is a place where Canberrans enjoy recreation, public events and weddings—the Margaret Whitlam Pavilion having become one of the most popular wedding venues in Canberra. I commend the many volunteers and donors who have worked together to make the National Arboretum such a success.

The bill also amends the Income Tax Assessment Act 1936 to phase out the net medical expenses tax offset by the end of 2018-19 income year. From income years 2013-14 to 2018-19, that tax offset will be subject to transitional arrangements. This was a recommendation that flowed from the Henry tax review. The Henry tax review recommended that NMETO be removed, for several reasons. These were that it does not provide assistance when the expense is incurred as claimed at the end of the income year, that it is claimed by an individual but assessed on a family basis, that it is inequitable for individuals who must incur the same cost as a family in order to make a claim and that low-income families with higher out-of-pocket medical expenses cannot claim the offset because of insufficient tax liability. In the jargon, NMETO is not refundable and so is in that sense regressive.

It was a Labor proposal to phase out NMETO, and Labor stands ready to support sensible tax reforms. It is absolutely vital that we have support in this House for an ongoing and sustainable healthcare system. I spoke at the start of my speech about Labor's role in building the tax system and the superannuation system, but it is Medicare which is perhaps one of Labor's great achievements. In an article in 2011, Bill Bowtell, in the journal *Voice*, told the story of the creation of Medicare. He pointed out that in 1969 Medibank was a crucial factor in securing the great swing to Whitlam Labor and to propelling Labor to power in 1972. It was, as Mr Bowtell put it, 'a simple, bold and deeply radical reform'.

The coalition's refusal to pass the Medibank legislation in the Senate helped to bring about the 1974 double dissolution, and Medibank's eventual introduction in mid-1975 helped precipitate the constitutional crisis of that year. Labor maintained its commitment to Medibank, reworking it into what is known as Medicare. That work, done so painstakingly through the years of opposition, ensured that Medicare was an even better system than Medibank by the time of the 1983 election. Mr Bowtell argues that, at that election, Medicare was perhaps the only policy agreed on unanimously by the political and industrial wings of the ALP and across its factions and the branches. The commitment to Medicare had been painstakingly built over almost 15 years between the 1969 and the 1983 elections. The speed with which Medicare was introduced after the 1983 election meant that the scheme could commence operation on 1 February 1984, after the legislation being passed through in the late 1983. But conservative opposition to Medicare continued, as indeed it did to superannuation.

The coalition advocated the repeal of Medicare at the 1984 election, at the 1987 election, at the 1990 election and at the 1993 election. It is staggering to think that a little over 20 years ago, if a coalition government under John Hewson had been elected, Medicare would be gone. Indeed, the only substantial commitment made by John Howard after taking on the leadership was to accept the Medicare system in its entirety. It took from 1969 to 1996, nearly a generation, for Medibank and Medicare to pass from a mere idea into an established order. It is a great lesson for long-game policy reformers about the amount of work that must be done, the public advocacy that must be put in, to bring about these landmark reforms.
All of us on this side of the House are committed to seeing a Medicare system that stands the test of time. We are enormously proud of Medicare and many of us on this side of the House are worried when we hear the Minister for Health floating thought bubbles on health reform that seem to suggest a lack of commitment to the Medicare system and to maintaining the strength of primary health care.

We know when we look at the international statistics that Australia has to do better on primary health care. When a person goes into hospital it is an extremely expensive exercise, so we need to ensure that our primary healthcare system works as well as possible. We on this side of the House are proud defenders of Medicare. We support the substance of this bill today—indeed, we wrote the substance of this bill. We are proud to support a strong income tax system, a strong superannuation system and a strong Medicare system and we will fight for that inside this House and outside.

The DEPUTY SPEAKER: Is the motion seconded?

Mr Albanese: I second the motion and reserve my right to speak.

Mr McCormack (Riverina—Parliamentary Secretary to the Minister for Finance) (17:46): Another amendment, another try-on by the member for Fraser. I am a little bit disappointed by the member for Fraser. I kind of like the member for Fraser. I particularly like it when he gets up and speaks about agricultural issues.

Dr Leigh interjecting—

Mr McCormack: I am sure you did. I do respect his economic views if not his economic philosophies. I know he is a very smart fellow when it comes to economics. But the other day, in fact it was 26 February, I listened earnestly at the table to the speech by the member for Fraser on appropriation bills Nos 2, 3 and 4. In that debate, the member for Fraser quoted Peter Costello, that great Treasurer. He never won the world’s best Treasurer title, unlike the member for Lilley, but for what he did for this country he certainly should have been regarded as the world’s best Treasurer. The member for Fraser quoted Peter Costello not once, not twice, but indeed three times during his speech. One quote that the member for Fraser did not put forward was this one. Peter Costello said:

That makes tomorrow April 21, 2006 Debt Free Day. It is the day we pay off the mortgage.

It was the day the Liberal-National government finally paid back the budget debt left by the Hawke-Keating governments. How much was that? It was $96 billion. It was called the ‘Beazley black hole’ by Peter Costello. It was a good quote, and I am a bit disappointed that the member for Fraser in his research on Peter Costello—and good research it was—did not actually use that quote.

I rise to speak on the Tax and Superannuation Laws Amendment (2014 Measures No. 1) Bill 2014 to which the member for Fraser has just moved amendments. As I said, it is another try-on by the member for Fraser. But we need to understand that on coming to government there were 96 tax and superannuation announcements which had not yet been legislated. We dealt with four as part of abolishing the carbon and mining taxes. This backlog was in large part the result of ad hoc and dysfunctional decision making by the previous Labor government, which created uncertainty and confusion for taxpayers and their advisors. So we moved quickly to provide clarity about those matters about which we would legislate and those which would not be proceeded with. Following the assistant Treasurer’s announcement...
on 14 December 2013, of those 92 measures, we have resolved to proceed with 34 measures; proceed with three measures with amendments; and not proceed with 55 measures. Obviously there are measures that some in the community would like to see implemented but at least they know where we stand rather than being stuck in limbo. Looking to the future, the government has committed to having a tax white paper. This will provide an opportunity for the kind of considered, sensible, rational debate about what kind of tax system will best support productivity growth and rising living standards for the future. And that is so important.

This bill gets on with the task of implementing those 34 measures which we decided would go ahead. It includes provisions which will support a more nuanced approach to the regulation of self-managed superannuation funds by the Commissioner of Taxation. The Productivity Commission's recent research study into regulators' engagement with small businesses highlighted the need for policymakers to provide regulators with a range of enforcement tools and the ability to exercise discretion in their deployment. As a matter of good regulatory design, regulators should be able to take enforcement action which is proportionate and adapted to the nature and seriousness of the compliance breach. This kind of regime empowers regulators to take a risk based approach to their compliance and enforcement activity so that scarce resources are targeted where they are needed most.

I would like to applaud the Parliamentary Secretary to the Prime Minister, the federal member for Kooyong, who, in his 21 February media release entitled Coalition to clean-up statute books, talks about the Abbott-Truss government being committed to cutting a billion dollars in red and green tape as part of its first repeal day on which thousands of pages of spent and redundant legislation and regulation—some of which is more than a century old—will be repealed. It is a shame the carbon tax will not be repealed on that particular day; it is being held up and stymied in the Senate by the Labor-Greens alliance there.

Examples of legislation and regulations which will be repealed are an act from 1904 governing state divisions when the Royal Australian Navy was formed in 1913; a war service homes regulation which changed the rate of interest charged to a purchaser or borrower from four pounds to three pounds 15 shillings when Australia switched decimal currency in 1966; four acts from the 1950s that allowed for the construction of the Snowy Mountains Hydro Scheme, which was completed in 1974; and the Weights And Measures (Amendment) Act 1964, which set standards for calibrating imperial measuring equipment including for pints and gallons when Australia transitioned to the metric system in the early 1970s. I remember it well; I was in primary school when they changed over. We had just learned the old imperial system, and all of a sudden we had to learn metrics. But I digress.

The member for Kooyong said:

... the Rudd and Gillard governments boasted about the amount of legislation they passed, the problem though was much of it was detrimental to the economy, cutting jobs, impeding innovation and deterring investment. The fact is the Labor government introduced 975 new or amending pieces of legislation and over 21,000 additional regulations and now it is our responsibility to clean-up the mess. We have to stop strangling small business. Small business is the engine room of the Australian economy. It is certainly the engine room of regional Australia. It is being strangled by red tape and, worse still, by green tape, and we have to get rid of that red and green tape. As the member for Kooyong states:
To give you a sense of the significant increase in the amount of legislation and regulation, it is worth mentioning that in 1912 the federal parliament passed just 43 acts and created just 254 statutory rules, while in 2012 it passed 206 acts and created 1702 regulations. There are now nearly 800 current acts of Parliament and 50,000 regulations on the Federal Register and the Abbott Government is determined to clean-up the statute books. On the Parliament’s first ever repeal day, we will repeal more than 100 acts and over 8,000 regulations.

I applaud the member for Kooyong for his diligent work in this regard. He goes on to say:

The spent and redundant legislation and regulation will be tabled in the House of Representatives on March 19 and debated as part of the Coalition’s Repeal Day on March 26. And I say: bring it on.

Currently the Commissioner of Taxation’s scope to address breaches by the trustees of self-managed superannuation funds is essentially limited to cases of serious noncompliance. In that situation, the commissioner is empowered to take serious action, such as disqualifying a fund trustee. Under the amendments contained in schedule 2, the commission will be able to issue directions to trustees to rectify their actions or undertake further education, and there will be penalties where those directions and certain other provisions of the superannuation law are not complied with.

Schedule 1 of the bill also bolsters the integrity of the superannuation industry by introducing penalties for those who promote illegal early release schemes. Such schemes are marketed to people as a way of accessing their superannuation savings earlier than they are eligible to under the law. Promoters typically take a portion of their victims’ superannuation savings as their fee. Promoters of illegal release schemes can currently be pursued, in some circumstances, by either the Commissioner of Taxation or by the Australian Securities and Investments Commission. These new provisions will establish a clear and specific regime. Consistent with principles of good regulatory design, schedule 1 employs civil penalties and the scope to escalate to criminal sanctions where dishonesty or an intention to defraud is involved.

Promoters of illegal release schemes exploit vulnerable people and effectively steal a significant part of their retirement savings; their behaviour deserves to be punished. People who have saved hard, worked hard and had that nest egg put away do not deserve this kind of practice, and the coalition is going to move to see that this kind of action receives the appropriate punishment.

Schedule 3 gives effect to the phase-out of the net medical expenses tax offset. NMETO was poorly targeted and ineffective in delivering timely support. As a non-refundable tax offset, NMETO delivered nothing to low-income earners, with small or no tax liability but high out-of-pocket expenses. The National Disability Insurance Scheme is expected to cover all expenses previously covered by NMETO for those who have a funded support plan.

The NDIS is a good idea; it is a very good idea. I certainly support it. In fact, I was the first federal member in New South Wales to actually sign up to the NDIS supporters agreement. It possibly ranks as one of the only good ideas to emerge from the Rudd-Gillard-Rudd era. But it is telling that all we got from Labor in the lead-up to the election was glossy ads and brochures promising some of the most vulnerable members of our community that their lives would be better. I think it is unconscionable to raise the hopes of vulnerable people without knowing that you can deliver. We are in a very economically challenging time, but we will
deliver. The coalition government will deliver. Labor has left us to make good on those promises, and we will. We will deliver an NDIS which supports people with a disability to be independent and in control of their lives to the greatest extent possible.

We will deliver an NDIS that is here to stay, with strong foundations that are financially sustainable. We will also be up-front about the difficult choices we face in ensuring that our healthcare system is sustainable into the future, and it is going to be difficult. Morris Iemma—a former Labor Premier of New South Wales, and a good man; he was also the health minister prior to becoming Premier—once said that, if the New South Wales government had not taken action, the entire state budget would be consumed wholly and solely by the health budget, by the needs and strains placed upon that state health budget.

Those opposite in federal Labor will no doubt continue their scaremongering about a so-called 'GP tax'; yet another blatant attempt to distract from Labor's record in office; and it was not a good record. As one example, Labor promised 64 GP superclinics at a cost of $650 million. Despite being promised since 2007, 26 are still not opened, and less than 10 per cent opened on time.

As the Minister for Health has already made very clear to the parliament, the coalition recognises the importance of primary health care. That is why we are doubling the incentive for general practitioner training, to help build a health workforce which can support people in identifying health risks early and taking preventive action. That is so important, especially in rural and regional Australia, where access to health is not always ready at hand, where the tyranny of distance is an important factor in medical provisions.

I look forward to the opening of the new Wagga Wagga Base Hospital. The mental health wing was a recent great addition to the city. I acknowledged in my address-in-reply the funding that the Labor government provided to the initiative. I also applaud the state coalition government for its vital— and not before time—spending on the Wagga Wagga Base Hospital. The Griffith hospital and the Hillston multipurpose service have also been funded, and that is needed and welcomed by those communities in the west and north-west of the Riverina electorate I am so privileged to serve.

The coalition also recognises that it is essential that the Commonwealth live within its means and starts to pay down Labor's debt. As I said, Peter Costello and the Howard government inherited a $96 billion debt. That is almost a drop in the bucket, Member for Cowper, compared to what we have now.

Mr Hartsuyker: Absolutely. It is a shocking mess that they have left us.

Mr McCormack: It is a shocking mess, but we will pay it back because that is what coalition governments do. That is what we are good at. The member for Cowper—a good regional member who serves the good people of Coffs Harbour and beyond—knows that, in small business, you cannot spend more money than you earn. Families have budgets, and they cannot spend more money than they earn. But, unfortunately, those on that side do not appreciate or recognise the fact that we have debts to pay.

Mr Neumann: I ran a small business for 20 years.

Mr McCormack: I ran a small business for a number of years, too. You wouldn't have run your own small business—

Mr Neumann: I certainly did.
Mr McCORMACK: and paid out more money than you actually received in. I wish you would apply the same principles, Member for Blair, as you did with your colleagues when you had six years on the Treasury benches.

We also recognise that it is our duty to pay down Labor's debt—not just for the parliament's sake but also for the people's sake. They are the people we serve. They are the people we represent. They are the people who work hard, earn money, pay taxes and expect us to do the job that we are paid to do. That is why we have established the Commission of Audit as the start of a conversation about the future of government spending right across the board. It is so important—right across the board. I commend the bill to the House.

The DEPUTY SPEAKER (Mr Broadbent): The original question was that this bill be now read a second time. To this, the honourable member for Fraser has moved an amendment that all words after 'that' be omitted with a view to substituting other words, which I will not read out in length. If it suits the House, I will state the question in the form that the amendment be agreed to. The question now is that the amendment be agreed to.

Mr NEUMANN (Blair) (18:01): I do speak in support of the member for Fraser's amendment. We do agree with much in this particular legislation, the Tax and Superannuation Laws Amendment (2014 Measures No. 1) Bill 2014. The previous speaker talked about the Commission of Audit. If Labor's so-called scare campaign in relation to the impact of a GP tax was completely baseless and fallacious, it could be dispensed with right now. The Minister for Health, the member for Dickson, could walk straight into this chamber and actually rule it out unequivocally and without any reservation whatsoever. But we saw in the recent in Griffith by-election that he was in 'witness protection' the whole time—not able to say anything on the issue. The Liberal candidate in Griffith first came out in support of the $6 tax that you would have to pay every time you go to visit your GP and then he backtracked as far as he could. Fortunately, the good people on the south side of Brisbane had the guts, the courage and the wisdom to elect Terri Butler as the new member for Griffith. She will be a fine addition to this place and will make a great contribution, I am sure. I have known her for a very long time. She, like me and like the member for Port Adelaide here, strongly believes in the universality of a healthcare system.

Being from Ipswich, my local member for many, many years was Bill Hayden as the former member for Oxley, and now he is a good constituent of mine. He and Dallas are up there on their farm around the Somerset Dam, in retirement. He has always been a well-respected and venerable person in our electorate. Bill was instrumental in Medibank—the forerunner, of course, to Medicare. It has been Labor and only Labor which has established the most important reforms we have seen in this country—the PBS, Medicare, the age pension, superannuation and the NDIS. It is only Labor that makes the great reforms.

I will deal briefly with a few of the schedules in this bill and indicate our support in relation to them. We do support what the coalition government wants to do in terms of cracking down on promoters of schemes that result in illegal early release of superannuation. That is in schedule 1. In relation to schedule 2, we support the introduction of administrative directions and penalties for contravention relating to self-managed funds. They include the administrative penalties and also the education rectification directions. These are important, we think, to deal with noncompliance, and so we support them. In schedule 3 the bill makes
amendments in relation to the net medical expenses tax offset, which will end by the 2018-19 income year. There will be transitional provisions in relation to that.

We also support some of the other sensible measures in schedules 1 and 2. We think that they are important to improve the honesty and integrity of the superannuation scheme, and schedule 3 needs to be supported as well. I will not go into schedule 4. The member for Fraser talked about a number of organisations which get deductibility advantages, deductible gift recipient status, which will assist them in their charitable purposes.

Like other speakers in this debate, and dealing with the amendment proposed by the member for Fraser, I want to talk about the universality of our health system, its affordability and the need to prevent the creation of a two-tiered system of health care by hitting vulnerable Australians. I also want to talk about the need for superannuation to assist vulnerable Australians. I am concerned about what I felt was the most outrageous and disgraceful thing the coalition took to the last election, and that was getting rid of the low-income superannuation contribution rebate. This will put 20,900 Blair individuals, principally women, in the position of being taxed an extra $500 a year. We are talking about 3.6 million low-income earners across this country who will end up being taxed at a higher rate than they should be. At the same time, the coalition have made clear—by their actions and their deeds—their support for the approximately 16,000 people who have assets of about $2 million by making sure that they do not pay their fair share in superannuation tax, effectively giving them a big boost to their superannuation balances.

On the one hand they are taking away money from low-income families and, on the other hand, they are giving tax breaks to those people that average Australians—middle- and low-income Australians—would think would be very wealthy people.

This shows the priorities of the coalition government. It is never about struggling Australian families; it is always about ‘giving it’ to struggling Australian families. It is always about helping the rich and not making the rich pay their fair share of tax. They show by their policies their priorities—for example, taking away the schoolkids bonus from about 19,000 children in my electorate and the 1.3 million Australians who would get the schoolkids bonus to assist with their cost-of-living pressures. The coalition think that it is okay to take that money away from mums and dads who need that money for their kids’ schoolbooks, textbooks, IT needs and their sporting and recreational school related needs. So, by their policies, those opposite show their true colours.

In the areas of superannuation and health care, they really show their true colours. We have heard protestations from those opposite, saying that the health system is out of control and we are going to be bankrupt. The previous speaker, the member for Riverina, even said that the whole of the New South Wales health budget would subsume the New South Wales government's budget. Let us put this in context. Australia spends about 9.1 per cent of its gross domestic product on health care. Compare that to Sweden, Britain, Spain, New Zealand, Canada and France, who all spend more. New Zealand spends much more—about 17 per cent of its GDP.

There have been allegations and remarks by those opposite that the sword of Damocles is hovering over our health system, when in fact they know that that is not true. I defy anyone of those people opposite to go to another country and say that they prefer their health system to our health system. Our health system is not perfect—no health system is—but it is a dam
sight better under a Labor government than it ever was when those opposite were in the Howard government, the Fraser government, the Menzies government or any of those other conservative governments.

We first brought in Medibank and had to fight to retain it, lost it and brought it back as Medicare. We fought election after election after election on the importance of the universality of health care in this country. The coalition had an almost road to Damascus conversion experience in 1996. John Howard used to call it a rort, just as the current Prime Minister used to call superannuation a con job. They fought against it and they have always opposed in their hearts and in their DNA the universality of health care. That is why they will not come into this place—they just will not—and rule out a GP tax that every Australian will pay when they go and see a doctor. That they will not is such an affront to us and so offensive to the Labor Party because we strongly believe it is important.

Last weekend in my electorate I launched our petition in this space. We launched it at the Winston Glades shopping centre in Flinders View. We did it 500 metres from where I live in that suburb. It is important that people stand up for Medicare. It is one of the most important defining aspects of Australia's cultural, political and health life. When we were in government we were proud of our health system. Those opposite are now in government and they are not proud of the health system. We made reforms to make Medicare stronger, and what are they doing? They are proposing and teasing us with 'reforms' to make Medicare weaker. We supported a system where your Medicare card mattered. In my electorate, the Medicare coverage is 88 per cent. When the current Prime Minister was the health minister of this country it was 67 per cent. When we left office it was about 82 per cent or better. We made a difference in primary health care across this country.

So do not give us this fake claim that the coalition are the best friends of Medicare. The coalition have never been the best friends of Medicare. Year after year and election after election they opposed Medicare and took a policy to the Australian people that they would get rid of it. It has only been in the last couple of decades that they have finally accepted that they cannot do it. But they will attack it, not front on but with guerrilla tactics on the side—like the GP levy. That is what they will do.

We invested an enormous amount in health infrastructure. The member for Riverina was in here talking about some of the great things that were done in his electorate. When I was Parliamentary Secretary for Health and Ageing and travelling around the countryside I visited numerous hospitals and facilities that we created with money that we invested. We saw 11,000 more doctors, 26,000 more nurses, and more doctors in regional and rural areas. And we had the National Party over there effectively defunding the health systems, and their colleagues and comrades in the states and territories did nothing about it. We invested a huge amount of money in better health training for doctors and shorter emergency waiting times. We saw the 'growing up smiling' package, which has made and will make a big difference. We saw the wiping out of the dental waiting lists in public hospitals, with the investment of a huge amount of money. In my area, the Ipswich and West Moreton area, we saw a five-year waiting period wiped out in a matter of months through the investment of a million dollars or more put in by a Labor government. That is what we did when we were in office. Those opposite would not have the wit or the wisdom to do anything of the kind.
On superannuation, which this legislation deals with, I want to talk about a couple of issues.

Mr Hartsuyker: I'm pleased that you are going to refer to the bill at this point.

Mr NEUMANN: I am referring to the amendment, Member for Cowper, and on the universality of health care.

The DEPUTY SPEAKER: I would remind the House that we have agreed to a wide-ranging debate on this bill.

Mr NEUMANN: I do not think he was quite up on what was happening, Mr Deputy Speaker.

The DEPUTY SPEAKER: I am sure he knows exactly what is happening.

Mr NEUMANN: Labor is the party of superannuation, Member for Cowper. We built the world-class retirement system in this country. We had a $1.8 trillion system, but, tragically, the increase in the superannuation guarantee from nine to 12 per cent, which we proposed and started to process, will be delayed by those opposite. There has never ever been a superannuation guarantee increase at any stage in the political history of this country that those opposite have supported. They have not supported a single one. So what they have effectively done in my electorate by delaying the increase is sacrificed, delayed and hurt the retirement savings of 43,600 workers in Ipswich and the Somerset Region, who once had confidence in their retirement.

Those opposite say they are all in favour of enterprise, financial security, looking after yourself and taking the hand of government off yourself. Guess what: when it comes to superannuation, their policies are the exact opposite. If they believe those words, if they were not weasel words coming from their mouths, then they would support what we are doing on superannuation. But they have a destructive retirement savings policy for working people living in my electorate and in electorates across the country. Those opposite should hang their heads in shame when it comes to health care and superannuation.

I call on my local residents to not accept passively this GP tax, which will affect my electorate to the tune of $4.73 million annually. Sign the petition and stand up for Medicare and superannuation; write to those opposite and tell them they are wrong, as they must know in their hearts.

Mr GILES (Scullin) (18:16): I rise to make a contribution on the Tax and Superannuation Laws Amendment (2014 Measures No. 1) Bill 2014 and in support of the amendment moved by the member for Fraser. I am very pleased to follow the member for Blair—it is a bit disappointing that he is not in the chamber to hear me say so—who articulated very effectively what is at stake, particularly in the health debate. What a difference a Labor government committed to Medicare and universality makes. I also note that what is at stake for the residents of the electorate of Scullin is just that little bit more than for the residents of Blair. The member for Blair spoke of $4.73 million. Unfortunately for Scullin, the GP tax, if implemented, would cost residents in the community I represent nearly $6 million a year.

This bill amends the Superannuation Industry (Supervision) Act 1993, the Taxation Administration Act 1953, the Income Tax Assessment Act 1936 and the Income Tax Assessment Act 1997 and also introduces some consequential amendments to the Fringe Benefits Tax Assessment Act 1986, the Income Tax Assessment Act 1936 and the Income
Tuesday, 4 March 2014  HOUSE OF REPRESENTATIVES  1593

Tax Assessment Act 1997. The substantive components of the bill are set out in four schedules. I will for the most part confine my remarks to matters contained in schedules 1 and 3. Schedule 1 amends the Superannuation Industry (Supervision) Act to introduce penalties for promoters of schemes that result in the illegal early release of superannuation funds, and schedule 3 deals with the phasing out of the net medical expenses tax offset and certain transitional arrangements.

But I should briefly mention schedules 2 and 4. Schedule 2 is of some significance, having regard to the growth in the self-managed superannuation funds sector and also the value of funds held in such accounts. In the circumstances, I believe it is appropriate that we recalibrate the powers of the regulator, the Commissioner of Taxation, to enable noncompliance to be addressed effectively to support the integrity of that sector. Turning very briefly to schedule 4, this schedule in effect adds four new entities to the list of deductible tax recipients. This is uncontroversial and ought to be supported.

In terms of schedule 3, however, like my colleagues on this side of the chamber have done previously, I do welcome the government's adoption of the previous government's saving initiatives. In particular, there is just no doubt that the phasing out of the net medical expenses tax offset with appropriate transitional arrangements is a saving that is founded on sound principles of equity. It recognises that Australians who have high out-of-pocket expenses but do not have a tax liability simply do not benefit from this measure. The parliamentary secretary noted in his second reading speech that it is not well targeted, and I can only agree.

However, I do think the broader context of the bill is worth reflecting on. Given that schedule 3 of the bill results in savings in the health portfolio, surely it would be appropriate that the savings generated through this measure ought to be reinvested back into providing universal healthcare access to all Australians to ensure that they get the care they need, not the care they can afford. And given the coalition's historical opposition to the very notion of universal health care in relation to the bill before us today, surely the government should commit to putting Labor's savings back into supporting a universal healthcare scheme. After all, it was the then Leader of the Opposition who promised not to make any overall cuts to the health or education budgets. In fact, he wanted this government to be the best friend Medicare ever had. I guess anyone getting pally with the now Prime Minister must be feeling just a little bit nervous. He also used to be the best friend of Australian workers. That was another relationship that simply did not survive the transition into government. This is of course a government that says one thing and then does another.

On that note, the government and the health minister in particular have been keen to foreshadow an impending GP tax that they are seeking to impose on the people of Australia, using talk of increasing health budget demands as the pretext. The member for Blair also took us to the important contextual remarks of Australia's health spending compared to some other developed nations, which puts the lie to this assertion. Again, we see pressures that were regarded, in quite definitive terms, as a non-issue before September now seemingly having a very different standing when they are used to justify a deeply ideological approach to governing Australia. But we have seen some consistency in this remark, and I will turn to the contributions of the member for Higgins shortly. Government ministers, as opposed to backbenchers of course, consistently refused to deny this policy until during the campaign for the Griffith by-election. As the member for Griffith, who is here now, well knows, there was a
weaselly worded disavowal and retreat—a retreat, but not a surrender. Now that the by-
election is over, we see once again an advance on this front.

Only yesterday, the member for Higgins continued to carry the flame, and it burst into a bit
of light in the *Australian Financial Review*. The member for Higgins characterised this
potential GP tax as a 'fee' which would ensure that 'we place appropriate value on the good or
service and only use the amount we really need', raising the canard that people are seeing GPs
who do not need to. There is no doubt that a tax would discourage people from seeing the
doctor; in fact, it would prohibit many. In Scullin, this would mean the more than 980,000
people who accessed Medicare would have to pay $5.9 million. That is quite a disincentive, to
say the least.

Dr Steve Hambleton, President of the Australian Medical Association, responded
to this punitive approach in February, stating:
We don't want to create a situation where people defer seeking healthcare, and that might be expensive
later …

Dr Hambleton has previously articulated the AMA's position:
The AMA does not support this concept and we have made our view very well known.

What is also becoming well known is this government's contemptuous view of preventative
health—something the health minister could barely mention in his contribution to the MPI
debate this week. On the other hand, a recent *Lancet* commission, when considering global
health up to 2035, recommended that countries should lower the barriers to early use of health
services, increase access to disease prevention and minimise the impact of medical expenses.
And today we see reported research commissioned by the Consumer Health Forum, which has
found that the government's proposed GP tax would decrease access to health care and see
Australians delaying access to health care, leading to higher costs overall, and that there is no
evidence there will be overall cost savings as it will only compound existing problems as well
as further disadvantage people. This is just an ideological project dressed up in feigned
concern for cost and budget. The research also confirmed that out-of-pocket expenses already
make up around 17 per cent of total healthcare expenditure in Australia.

The second point raised by the member for Higgins was that 'a fair system needs to
accommodate avoidable health care costs' and 'why should these costs fall on the taxpayer' as
'one-third of Australia's disease burden is due to lifestyle risks'. It is not explained how
exactly a doctor, or a nurse for that matter, should go about making moral judgements about
the nature of people's illnesses when deciding whether or not they can receive treatment. And
this would be the situation, with some people simply not being able to afford to be treated—
early, effectively, or at all. To be pointed about other aspects of preventative health that have
been debated in this place recently, there is the question of how individuals can become
informed as consumers about, for example, the health properties of junk foods. I reject this
Victorian, Dickensian even, differentiation of the deserving and underserving sick that has
been proffered by some members opposite. There are no goodies and no baddies here, just
people—all of whom deserve health care based on need.

I turn now to schedule 1, which relates to superannuation. I welcome again the adoption of
the previous government's initiatives to introduce penalties for promoters of schemes that
result in the early release of superannuation. I make some broader remarks here as well. Labor
is the author of Australia's compulsory superannuation scheme and believes strongly in
ensuring the integrity and sustainability of superannuation for all Australians. It was Labor that introduced the scheme and only Labor that seeks to ensure our national savings pool continues to grow by increasing super contributions from 9.25 per cent to 12 per cent by 2019. In government, federal Labor put in place mechanisms to lift the superannuation guarantee from nine per cent to 12 per cent. This would boost the retirement savings of 8.4 million Australians and lift retirement savings by more than $500 billion by 2037. A person aged 30 today on average full-time earnings would retire with an extra $127,000 in superannuation savings. In contrast, the coalition is delaying any further increase until 1 July 2016 and the full 12 per cent will only take effect on or after 1 July 2021.

Unfortunately, to say the very least, the government is also removing the low-income super contribution. On International Women's Day, which I think is being celebrated today by all members in this place, this is something that we cannot celebrate. I note that the removal of the low-income superannuation contribution hits women particularly hard, with 2.1 million Australian women affected. The low-income superannuation contribution is a contribution made on behalf of individuals with an adjusted taxable income of $37,000 or less in an income year. I note that the cut will take effect from 1 July last year, so this is also a retrospective measure, something we ought guard against. This move will increase superannuation taxes on one in three of Australia's lowest paid workers—this a proposal from 'the party of low taxes', a mantra we hear all too often in this place. It is telling that within weeks of coming to power the government sought to cut the super of millions of Australians earning under $37,000 while at the same time boosting the super for the 16,000 people who have over $2 million in their super balances. It speaks volumes: two tiers for a health system; two regimes of superannuation; upstairs and downstairs. For high-income earners, superannuation can be concessional. For low-income earners, there aren't effective incentives for them to contribute to their superannuation.

The other major concern about the removal of the low-income superannuation contribution is its retrospectivity. Low-income earners entered the 2013-14 financial year on the understanding that they would be refunded their superannuation tax. The coalition has changed the rules on taxpayers in the middle of the financial year without any, much less any reasonable, justification. But all of this is unsurprising when one considers the Prime Minister's previous form in relation to superannuation, a matter already touched upon by the shadow minister but I think well worth repeating. He said in 2012:

We have always as a coalition been against compulsory superannuation increases.

And more bluntly earlier on in the piece he said:

Compulsory superannuation is one of the biggest con jobs ever foisted by government on the Australian people.

I mean, really, a con job? The coalition's delaying of the increase to the superannuation guarantee and the removal of the low-income superannuation contribution are in keeping with the Prime Minister's vendetta against superannuation. It has got nothing to do with good public policy making, much less with concerns of equity. Labor introduced compulsory superannuation to ensure that people did not retire poor. Of course, it has also done great things for the strength of our national economy, particularly through the global financial crisis. All of us have an obligation to our constituents to give them a better deal than was the case prior to compulsory superannuation—the security they deserve in retirement.
Labor, as well as being the party of superannuation, are the party of Medicare—30 years old last month, but of course it should have been 40. We are the party of universal health care, not a two-tiered system of haves and have-nots. We will always stand up for the rights of all Australians to quality health care on the basis of need not capacity to pay. I am mindful, standing here, that 93 per cent of GP visits in the Scullin electorate are bulk-billed at present. In my electorate, as in electorates right across Australia, there is so much at stake for so many in keeping Medicare—in keeping our universal healthcare system.

So I am pleased to support the amendments moved by the member for Fraser. I am disappointed that the member for Riverina described it as a try-on. Really, that could not be further from the truth. Not only does the amendment open up a critical debate about the future healthcare needs of Australians and the responsibility of the Australian government in that regard; all it really does is to ask the government to mean what it said before the election. It is a tragedy that this government is a government that says one thing and does another.

Ms KING (Ballarat) (18:30): I, too, rise to speak on the Tax and Superannuation Laws Amendment (2014 Measures No. 1) Bill 2014. It is a pleasure to follow the member for Scullin, who has a very complex understanding of these issues and is representing the people of his electorate, particularly in relation to health needs and Medicare, very well.

This bill does a number of things. In essence, schedule 1 of the bill introduces penalties for promoters of schemes that result in the illegal early release of superannuation funds—something on which, we know, people who are in very vulnerable circumstances can come under some pressure. Schedule 2 of the bill introduces penalties for contraventions relating to self-managed superannuation funds. Schedule 4 of the bill amends the list of deductible gift recipients identified by name.

Schedule 3 is the schedule that I will focus most of my comments on, being shadow minister for health, and that is the phase-out of the net medical expenses tax offset through a transitional approach by the end of the 2018-19 income year. These were measures that Labor announced in the 2013 budget, and I am glad that the government has recognised the need for this policy. The change will make more funds available to be invested in other areas of the health portfolio. It was, whilst a difficult savings measure, in essence a savings measure which was all about ensuring that we were able to continue to invest in very important areas in the health portfolio, and I certainly appeal to the health minister to ensure that the savings raised under this measure do go back into health care, disability care and services.

As I stated, the phase-out of the net medical expenses tax offset will occur through transitional arrangements. During the income years 2013-14 through to 2018-19, people will still be able to claim for disability aids, attendant care and eligible aged-care expenses up until July 2019. It is crucial that Australians who require assistance and support for medical expenses receive that support in a fair and equitable manner.

The net medical expenses tax offset is poorly targeted, however. Australians with high out-of-pocket health expenses who do not have a tax liability do not benefit from this offset at all. That includes nearly 87 per cent of Australians aged over 65 who do not pay income tax, and it of course also covers those Australians who are on extremely low incomes, on disability support pensions and on other pensions and benefits who do not have a tax liability. Secondly, as the net medical expenses tax offset is calculated and then refunded at the end of the tax
year, Australians with very high upfront costs are having to wait, often for long periods of time, until they can recoup some of their out-of-pocket expenses.

These changes as announced by Labor will certainly deliver expected savings of over $400 million over the coming three years and more into the forward estimates. That is $400 million to provide essential medicines and vaccines, critical services, workforce initiatives, and health and disability care to vulnerable Australians. These savings must be reinvested back into providing universal healthcare access to all Australians to ensure that they get the care they need and not just the care that they can afford. It is important that those savings are realised within the health portfolio and that they are committed to those areas that Labor intended to commit them to.

The government has, however, signalled a very different approach to health, and the amendment moved by my colleague really goes to the heart of what is happening in the debate about health care in our country at the moment. The government has certainly signalled its intention to Americanise our health system—to create a two-tiered system where those amongst us who are most vulnerable will certainly be worse off but will experience a different level of care to those who have the means to pay for it.

Labor fundamentally believes this is wrong. We believe in a universal healthcare system where a person's financial position should not and does not affect the quality or the timeliness of their access to health care. The Prime Minister and this government seem to be intent on destroying the universal healthcare system that is Australia's Medicare system.

The government has already hit Australians with the biggest increase to private health insurance premiums in over a decade. This decision was announced just two days before Christmas, in an attempt to sneak that decision out with as little commentary as possible—that is, until people started receiving the letters from their insurers, some of which were notifying them of an eight per cent increase in their premiums. I have heard countless stories of Australians concerned at the thought of having to pay eight per cent more for their private health insurance. They are additionally concerned about the risk that they now face of a potential $6 fee—a $6 tax—to go and see their GP.

When Labor was in government, ministers would routinely take several months to negotiate and approve increases to private health insurance premiums. These negotiations were not always easy and would often involve making sure that insurers were justified in their increase proposals and that Australian consumers were getting the very best deal possible. That is clearly not what has happened in this case. It was a very rapid decision which resulted in the highest premium increase for private health insurance in almost a decade.

Following the hit to the hip pocket on private health insurance, we now also know that the government is actively considering a proposal to tax Australians when they go to visit a GP. Governments should be encouraging people to visit general practitioners to seek primary care and prevention, to pick up any illnesses as early as possible, to help Australians to manage their chronic conditions, to keep people out of hospitals and to keep them well. Not only do primary care and prevention save money for every Australian, but the benefits of healthy people over the longer term, I am absolutely sure, are invaluable to families and communities everywhere. The savings to health care in caring for people at the primary care level are also significant, and healthy people are economically productive people as well. GPs in primary
care are the cheaper end of the health system. They are an incredibly vital end, but they are not the end of the health system where the greatest costs are incurred.

While Labor were in government, we fought to increase bulk-billing rates to their highest levels ever, particularly by providing incentives for doctors who bulk-billed their concessional patients. Now all patients, including concessional patients, could potentially be faced with a $6 tax to visit their GP. That, in essence, ends bulk-billing, full stop—no more bulk-billing at all. It is a proposal that should not be considered at all and should certainly be fought against.

Some members opposite may say that $6 is not very much. The member for Gilmore said that it is just a cup of coffee. But, for some of our most vulnerable families, that $6 is actually the difference between putting food on the table that week and looking after their sick child and visiting a doctor. We also know that many families have more than one child and that illness goes through families very quickly, and it is often not just one doctor visit that we are talking about. People with chronic conditions, too, often have numerous visits to a general practitioner, so it is not just a one-off $6 fee that we are talking about; it is a $6 tax every time you go to visit a general practitioner.

I want to give you some examples of how this tax is likely to cost Australians in each of five electorates. Residents in the electorate of Chifley, for example, are looking at an extra $8.3 million per year in this GP tax—over $8 million in taxes to see their family doctor—should this proposal go forward. The member for Lindsay can expect her constituents to fork out close to $6½ million each year in this tax. Australians living in Barton, in Wakefield and in Port Adelaide can all expect to pay around $6 million in GP taxes every year. These net numbers are definitely not 'just a cup of coffee' for Australian families in these electorates.

This is something that the government never talked about when they were in opposition. They certainly never talked about it during the election campaign. But they are certainly flagging their intentions now, and no amount of weasel words can possibly say that the government do not have this proposal under active consideration. They are either being entirely disingenuous in saying that, or they are being incredibly ill disciplined. A senator for Western Australia came out and argued that this co-payment is essential, and the member for Higgins is running an entirely dubious line in her argument that it is not really a tax; it is just a fee, and really it is important that people pay this if we are going to see the differential in health services change in what happens in general practice.

In fact, her article particularly misses the point. The entire point of putting a price signal on general practice is to stop people going. That is the problem with the entire proposal. You do not want to stop people going to the doctor, because it is exactly what you want to encourage people to do. The entire premise of Medicare—in fact, the first principle of Medicare—is access. It is access to GPs. Put a barrier in place of access and Medicare is gone.

In terms of the other proposals that we have seen really strongly flagged by this government, this is obviously one of the very significant proposals. But the next proposal is the idea of opening up general practice to private health insurance products. This is a very, very serious threat to the universal nature of Medicare and the universal nature of our healthcare system. If you do that, if you start—like the trials that are already going on in Queensland and other parts of the country—to open up the possibility of a private health insurance product being available for general practice, you go absolutely down the pathway of there being doctors who provide private health insurance patients with a particular service,
Tuesday, 4 March 2014

House of Representatives

and then the rest of the community. That is what you end up doing if you open up a private health insurance product to Medicare billable services in general practice. It is a very serious threat to the universality of our Medicare system if the government goes down that pathway.

I am not convinced, on all of the advice that I have seen, that the private health insurance trials in fact comply with the existing legislation, and I will certainly be pursuing that matter. Certainly the government not only appears to be unconcerned about those trials but also seems to be saying, ‘This is the best thing since sliced bread, and we’re going to really open this whole market up.’ If you do that, Medicare is gone. It is absolutely gone. So I would caution against opening that private health insurance product up to GP services in that way.

We saw the government approve the highest premium increases at Christmas time. With a nationwide trial of GP services accessing private health insurance, how much will Australians be paying for their private health insurers, and what will also happen to our health system if we allow private health insurance into this domain? The government is clearly not here making sure that Australians get access to the health care they need. It is important that Australians do get access to the health care they need, not just to the health care they can afford.

As I have said in this place previously, to date all we have seen from the government are concessions to industry to the detriment of consumers and cuts to the health portfolio, to important infrastructure projects and to organisations operating in preventative health, such as the Alcohol and Other Drugs Council. That body had been providing advice since Robert Menzies was Prime Minister. Sadly, that organisation closed its doors forever on Friday last with no signs of regret or any remorse from those opposite at its having done so. From everything this government has done to date regarding health, it is clear that health is not a priority for them. I have no confidence that this government is at all interested in providing universal health care.

I will go back to the bill in the last few seconds that I have left. This bill really is an important one in terms of providing savings within the health portfolio to be reinvested in those important areas of health and disability care. I certainly support that proposal. I equally support the amendment. This has been a very important debate about what we are doing in health and what is actually happening in terms of what the government is proposing for health. So far, the signs are not at all promising in terms of our continuing to have a decent healthcare system in this country. Certainly, under this government we will no longer have a universal Medicare system—to the shame of this country.

Mr HARTSUYKER (Cowper—Deputy Leader of the House and Assistant Minister for Employment) (18:46): I welcome the opportunity to speak on the Tax and Superannuation Laws Amendment (2014 Measures No. 1) Bill 2014. Superannuation is a very important area, and I think that both sides of the House would agree that we need to encourage as many young people as possible to get into investing in superannuation. One of the problems we have had over many years is to encourage that contribution very early on in the working life of young people. The more that they can invest in the early stages of their career, the greater the nest egg there will be upon their retirement. I guess that, when a young person is under the age of 25, retirement seems a long way off. But, as we wake up and find ourselves on the wrong side of 50, retirement does not appear quite so far away. It is vital that young people make as much of a contribution as possible early on in their career. It is the compounding of
those early contributions that will ensure that young people will have a sizeable retirement nest egg.

Regrettably, with the ageing of the population, many people who are currently moving into their retirement years grew up in an era where superannuation was not considered. Many of those people have insufficient savings to provide the sort of retirement that they would enjoy and require the use of pension benefits to supplement the retirement savings they have. I think education is incredibly important, to impart to young people the wisdom and the benefit of saving early in their working lives so that those savings, with the benefit of compounding, will amass to a significant sum later on, in their retirement. Education is a very important part of that process.

As legislators, we have to ensure that legislation surrounding superannuation is consistent. One of the great barriers to people at a young age putting money into a superannuation fund—money that will be in a superannuation system for perhaps 40 years—is certainty. People need the certainty to invest. When they put their money in, they need a degree of certainty—they need to feel confident that the rules are not going to change. On both sides of the House, we have had a tendency to change the superannuation rules. There are often good reasons at the time, but, regrettably, the impact of that is that it diminishes the amount of confidence that people have in the system. That is a very important point. When you invest money in super, you should do so with the reasonable expectation that the rules that apply when the money goes in will stay the same during the life of that investment. Regrettably, that has not been so. As legislators, we need to be mindful of the fact that we need to keep the number of changes to the system to an absolute minimum.

The world is a changing place, and there will always be requirements that legislation be amended to reflect the issues of the day. But we should always be focused on ensuring that those changes are kept to a minimum. I note that the Treasurer is very focused on the importance of superannuation and very focused on the importance of a strong and stable financial system. I noted that the final terms of reference for the financial system inquiry were released on 20 December 2013. I know, Deputy Speaker, that you would be interested to note that the terms of reference include a wide range of matters. Item 1 in the terms of reference is:

The Inquiry will report on the consequences of developments in the Australian financial system since the 1997 Financial System Inquiry and the global financial crisis, including implications for:
1. how Australia funds its growth;
2. domestic competition and international competitiveness; and
3. the current cost, quality, safety and availability of financial services, products and capital for users.

Item 2 of the terms of reference is:

The Inquiry will refresh the philosophy, principles and objectives underpinning the development of a well-functioning financial system, including:
1. Balancing competition, innovation, efficiency, stability and consumer protection;
2. How financial risk is allocated and systemic risk is managed;
3. Assessing the effectiveness and need for financial regulation, including its impact on costs, flexibility, innovation, industry and among users;
4. the role of Government; and

CHAMBER
5. The role, objectives, funding and performance of financial regulators including an international comparison.

Terms of reference No. 3 is:
The Inquiry will identify and consider the emerging opportunities and challenges that are likely to drive further change in the global and domestic financial system, including:
1. The role and impact of new technologies, market innovations and changing consumer preferences and demography;
2. International integration, including international financial regulation;
3. Changes in the way Australia sources and distributes capital, including the intermediation of savings through banks, non-bank financial institutions, insurance companies, superannuation funds and capital markets;
4. Changing organisational structures in the financial sector;
5. Corporate governance structures across the financial system and how they affect stakeholder interests; and
6. Developments in the payment system.

The fourth item in the terms of reference is:
The Inquiry will recommend policy options that:
1. Promote a competitive and stable financial system that contributes to Australia’s productivity growth;
2. Promote the efficient allocation of capital and cost efficient access and services for users;
3. Meet the needs of users with appropriate financial products and services;
4. Create an environment conducive to dynamic and innovative financial service providers; and
5. Relate to other matters that fall within this terms of reference.

The fifth item in the terms of reference is:
The inquiry will take account of the regulation of the general operation of companies and trusts to the extent this impinges on the efficiency and effective allocation of capital within the financial system.

Item 6 of the terms of reference is:
The inquiry will examine the taxation of financial arrangements, products or institutions to the extent these impinge on the efficient and effective allocation of capital by the financial system, and provide observations that could inform the tax white paper.

Item 7 is:
In reaching its conclusions, the inquiry will take account of, but not make recommendations on the objectives and procedures of the Reserve Bank of Australia in its conduct of monetary policy.

Item 8 of the terms of reference is:
The inquiry may invite submissions and seek information from any persons or bodies.

Item 9 is:
The inquiry will consult extensively, both domestically and globally. It will publish an interim report in mid-2014 setting out initial findings and seek public feedback. A final report is to be provided to the Treasurer by November 2014.

This will be a very important inquiry, and it shows the importance the government places on the financial system, but I know the members opposite see that the value of a strong financial system is one of the things that got us through the global financial crisis. We had strong regulations and strong banks, and the system basically held together as such. I think it is
absolutely important that members of the public have confidence in the banking system, and an inquiry such as this just reinforces that confidence.

The bill before the House today relates to superannuation. I think the superannuation system is very much an important part of our financial system. The member for Bradfield may wish to make a comment on these bills as we progress throughout the evening. It is absolutely vital that we have a strong superannuation system and that the superannuation system meets the needs of young people and older Australians alike. I think one of the benefits we have seen in recent years is that we have had coming into the market a wide range of different products that can better meet the needs of investors. Investors can choose to have a more risk-averse approach to their portfolios. If you go back many years, it was very much a black-and-gold product that was on the market, and people did not think very carefully or intensely about the superannuation options they may have chosen. They may have gone to an adviser but not have taken a very proactive role.

I think that has changed a lot in recent years; people have become much more actively involved in the sort of superannuation fund in which they invest. They may go for a balanced fund or a growth fund or perhaps confine their investments to one particular sector of the market. Perhaps it is a fixed-interest investment where the investor seeks the perceived security of a fixed-interest fund so that they are not exposed to the wider vagaries of the property market, the international markets or the equities market. It is an interesting option being put forward. People have the opportunity to get more actively involved in their super, and I think that is a good thing. I think it is a good thing that people watch their investments more closely and are very active in managing them, perhaps choosing to shift from one particular type of investment to another—perhaps moving from a balanced fund to a growth fund if that follows their investment wishes. It is good to have that degree of engagement. I think it is a level of engagement that did not exist many years ago, when it was much more a set-and-forget option.

We have a range of quality investment funds out in the market. I think investors can generally be quite assured that we have a range of fine market funds. We have the industry funds and the private sector funds. All contribute to a very diverse range of options for investors in this important area of superannuation.

I said at the start of my contribution that it is vitally important that we get young people engaged and investing very early in their working lives so that they can ensure that they have the sort of lifestyle they want into the future. As living standards in this country have increased over the years, people's expectations of the quality of life they wish to enjoy in their later years has certainly increased. People expect a much higher standard of living in retirement than they once did. People are also living much longer. At the time of Federation, life expectancy was 20 years or more lower than it is today. So it is vital that we have an investment fund that when we retire is sufficient to meet our needs over the years ahead. One of the things that worries many people is that they simply do not have the amount of money in their superannuation fund that once they reach retirement will be sufficient to see them through all of their years.

Another factor in that is that people tend to travel when they retire. Many people are retiring at a younger age, living to a ripe old age and enjoying travelling the world, something our grandparents did not do nearly so much of. People have an increasing expectation that
they will be able to travel the world in retirement and enjoy a range of experiences after work. That is certainly expensive, and something for which we have to ensure that we put as much money as possible into superannuation.

Superannuation is a very important area of financial services. I note the terms of reference by the Treasurer in relation to the financial system inquiry, which very much look at ensuring that we have a very strong financial system so that people can be assured that the various financial institutions in the country are operating efficiently and effectively, keeping our deposits and superannuation savings safe. I must say it is a very interesting area and one that I know is occupying the time of people on this side of the House as well as those on the other side of the House. They may choose to interject at some point in time—I am quite happy to accept an interjection—

Mr Giles: Can you pad it out for a minute and nine seconds?

Mr HARTSUYKER: Indeed! But it is an important area. Superannuation is a vitally important area.

Mr Giles interjecting—

Mr HARTSUYKER: I have not mentioned the carbon tax at this point in time but, as you mentioned the carbon tax, I would have to say that there is the potential for the carbon tax to detract significantly from the value of superannuation savings due to increased inflation. The carbon tax has been a real problem in driving up the cost of living. It would certainly have an impact on the value of your savings nest egg when inflation is taken into account. I see the honourable Mr Ciobo has arrived in the chamber.

In conclusion, I reiterate my commitment to the importance of superannuation in the financial system. I commend the legislation to the House.

The DEPUTY SPEAKER (Mr Vasta): I call the honourable member for Griffith and I welcome her to the Australian parliament.

Ms BUTLER (Griffith) (19:01): Thank you, Mr Deputy Speaker, and thank you for the promotion. I will address the Tax and Superannuation Laws Amendment (2014 Measures No. 1) Bill 2014 and the amendment moved by the member for Fraser, a learned and wise member who has moved an excellent amendment. The reason I am so passionate about that amendment is that I care deeply about health care in this country. It was a very strong issue in the Griffith by-election and arose on a number of occasions. In fact, it was during that by-election campaign that Liberal-National Party people across the country were saying contradictory things about the proposal for a GP tax. But people on our side are very clear about the GP tax proposal. We do not support the GP tax proposal because we support universal health care. As one of the doctors in my electorate said during that by-election campaign, GPs are very important because they are gatekeepers. They are not gatekeepers to get people into hospital; they are gatekeepers to keep people out of hospital. It is such an important point.

As we have heard today, the whole point of imposing the GP tax is to reduce people's propensity to go to the doctor—in other words, to discourage people from going to the GP. On our side of the House, we believe that people should be encouraged, not discouraged, to go to a GP. The House might be aware and you, Mr Deputy Speaker Vasta, might be aware of a Harvard university study in 2009 that found that around 45,000 Americans had died because of delayed treatment for patient cost consideration reasons. No-one wants to see people failing
to get the medical help that they need. We should not be discouraging people from going to the GP. The idea behind discouraging people from going to the GP seems to be that people who go to the GP do not understand the value of health care. That seems to be the idea; that is why people want to send a price signal.

The proposal for the GP tax is very interesting. If you read the entire proposal, at the end the author says, 'By the way, maybe we should find out whether people really are going to the GP unnecessarily.' It is symptomatic of the lack of evidence that seems to be the basis of so many of these attacks on universal health care. We do not know if there are people who are going to the GP unnecessarily, but I do believe in the benefit of people getting early medical help. I believe that we should not discourage people from going to the GP and that is why I will always oppose GP taxes and attacks on universal health care.

As the shadow minister, the member for Ballarat, said earlier in this debate, the American system is a cautionary tale for us. The US is one of only three countries in the OECD where more than 50 per cent of healthcare expenditure is borne by private sources rather than public sources. This GP tax proposal and other moves to shift the cost of health care on to private individuals and insurers is a slippery slope to pushing more of the cost of health care on to private individuals and private sources. What sort of example does the US system set us? It is an example where 17.7 per cent of the GDP is spent on health care. That compares very favourably with ours, which is about the OECD average. When you look at the per capita spend on health care in the US, it is an even starker picture—US$8,508 per head is spent on health care, according to the OECD, compared with our spend of US$3,800 per head.

If you look at the health inflation figures for US health care, you will see that health inflation decoupled with general inflation some time ago and has been rising sharply for a number of years over the past 30 years. In fact, health inflation is a serious problem in the US. As the Rand Corporation have said, one of the problems that the US healthcare system faces is that virtually every actor in the US healthcare system is focused on maximising revenue. That should not be the focus of health care. The focus of health care should be, as Labor people know, making sure that people get the health care that they need, not just the health care that they can afford. So I appreciate very much the member for Fraser's amendment.

I now turn to the substantive bill. Compulsory superannuation is one of the finest achievements of our nation's social democracy. As Bill Shorten previously said, Labor are the party of superannuation. We created it and we are the only party interested in growing the retirement savings of hardworking Australians. Superannuation serves Australia's interests by significantly boosting our national savings and by reducing pressure on the age pension. But the coalition, with the greatest respect, has always been dragged kicking and screaming to compulsory superannuation, describing it variously as a racket, a con job and a confidence trick. Mr Abbott has said that compulsory superannuation is one of the biggest con jobs ever foisted on the Australian people by government, as my colleague the member for Scullin noted before. Mr Abbott has also observed that the coalition have always been against compulsory superannuation increases. That is quite correct: the coalition have opposed every increase to compulsory superannuation. In contrast, Labor have a proven commitment to bolstering Australians' retirement savings.

In 2013, when Labor increased the superannuation guarantee, around 8.4 million hardworking Australians saw more going into their retirement savings. But, since Mr Abbott's
coalition government was elected, it has announced superannuation measures aimed at helping more well-off people at the expense of people on ordinary incomes. It has introduced legislation to freeze the superannuation guarantee at 9¼ per cent and to delay the increase to 12 per cent by two years. It has moved to take away the low-income superannuation contribution—a superannuation contribution made on behalf of individuals with an adjusted taxable income of $37,000 or less, effectively a $500 tax cut—and it wants to do so retrospectively from 1 July 2013.

As the member for Scullin said, low-income earners entered this financial year on the understanding that they would be refunded their superannuation tax but now, part-way through the year, the Liberal-Nationalists are changing the rules. This move, as the member for Scullin has observed, will increase superannuation taxes on one in three of Australia's lowest paid workers. The explanatory memorandum to the repeal bill says that the government will revisit incentives in superannuation for low-income earners once the budget is back in a strong surplus. But that is a change that high-income earners do not have to wait for. High-income earners do not have to wait for superannuation measures to improve their retirement savings.

The coalition government has demonstrated it is prepared to give tax breaks to the more well-off people, while taking away the low-income superannuation contribution. It has decided not to close loopholes that allow people to get around the contributions cap and engage in tax avoidance. It has decided not to proceed with Labor's move to better target the tax exemptions for earning on superannuation assets supporting income streams. In other words, it is giving people with large superannuation fund balances a tax break. Under the reform, earnings from assets supporting income streams above $100,000 would have been taxed at the concessional tax rate of 15 per cent, which is the same tax rate as we all pay in the accumulation phase. As Bill Shorten said announcing the reform, an individual with $100,000 of tax-exempt earnings typically receives more government assistance than someone on the maximum rate of the single age pension.

The reform that we were introducing, that this government has decided not to proceed with, would help make the superannuation system fairer and more sustainable and would help restore a number of the original intentions of the system. Labor was not talking about the self-managed superannuation funds of Australians of ordinary means. Labor was talking about well-off Australians who were getting a tax break of greater value than the taxpayer assistance provided to age pensioners. Instead of closing loopholes and making tax arrangements fairer for more well-off members of our community, the Liberal-Nationalists are taking away the modest contribution for low-income earners. Against this background of the coalition opposing Labor superannuation measures and opposing changes to retirement savings arrangements aimed at assisting people on ordinary incomes, it is pleasing that the coalition has now, albeit begrudgingly, decided to implement some of Labor's superannuation reforms in the bill presently before the House. It contains Labor reforms to assist in lighter touch regulation of self-managed superannuation funds and to equip the regulators with tools to protect working people and retirees from unscrupulous people and corporations who promote illegal early release of funds.

Regrettably, the bill also represents missed opportunities to act in the interests of working people and retirees. The Liberal-National government has decided not to proceed with a
number of reforms, such as those arising from the Cooper review, initiated by the former Labor government, and other reforms. For example, the government is not going to go ahead with the reform that would require funds to report contributions either quarterly or every six months.

The purpose of that reform is to alert people when their employer is not paying superannuation contributions. This is crucial. Too often, working people assume that superannuation is being paid as the law requires. Sometimes they even make that assumption because the employer gives them a pay slip which indicates that the superannuation is being paid when it has not been. Obviously, that has a direct effect on a member’s superannuation account balance. When an employer is solvent, that may be able to be rectified conveniently, but when an employer is insolvent, it can be very hard to recover unpaid superannuation. Worse, if contributions are not paid, insurance and benefits to which the member would otherwise be entitled may not be available. Losing their coverage because superannuation has not been paid can have catastrophic consequences for members who cannot work because of injury or illness. That is why our reform, which would have alerted working people when the employer was not meeting its superannuation obligations, is important. The coalition has not taken up the opportunity in today's bill to implement that reform—it has decided not to implement it.

Another missed opportunity is the deferred lifetime annuities. The superannuation sector had clearly called for the change to be made in October last year when the acting CEO of the Association of Superannuation Funds, Ross Clare, called on the government to make the change. He said:

While we all want to live a long life in retirement, sometimes this can have financial consequences, which is why developing products which address longevity risk is crucial. With the Government committed to addressing the impediments which hinder the development and use of retirement income stream products, now is an opportune time to consider the positive adjustments that can be made to help facilitate this.

The government is not presently addressing the deferred lifetime annuities issue. It is not currently implementing this reform. Labor, on the other hand, announced in April 2013 that we would make this change. Another reform not presently being pursued is clarifying the position of certain superannuation trust deed clauses. That reform would have ensured that trust deed clauses could not be used to prevent excess amounts from being counted as contributions. In other words, it was a measure to close a tax avoidance loophole. The measure was announced because the government became aware of situations where a fund could include a clause in its trust deed designed to treat amounts that would otherwise have been considered contributions to the fund as not having been accepted by the fund if those contributions would lead to a breach of the contributions caps. Under the planned reform, the fund would have been deemed to have accepted such contributions despite the trustee clause if they had not been returned promptly and had been intermingled with the assets of the fund. This is a tax avoidance loophole that the coalition is now refusing to close.

Another point is about preventing abuse of superannuation funds. Ensuring superannuation is used for retirement savings purposes, not for ulterior purposes, is a matter of strong public and private interest, yet the government has forgone an opportunity to close a loophole in relation to acquisitions and disposals of assets between self-managed superannuation funds.
and related entities. Having done so, it has flouted the Super System Review Panel report recommendations, which expressed in strong terms concerns about self-managed superannuation funds and related entities acquiring or disposing of assets between one another without doing it through the market mechanisms that existed or without getting independent valuation. But the bill we are considering today has missed the opportunity to make that reform and to give effect to those recommendations.

As I said, the measures that the government is now backing—including lighter touch regulation tools and equipping regulators to tackle promoters of illegal early payments—are Labor reforms. They are Labor reforms that arose because Labor has a commitment to superannuation and continuing to improve our superannuation system, in the interests of working Australians. We will always work to try to improve superannuation, and that is why I agree that it is important that regulators have a full suite of powers to ensure compliance with superannuation laws. Sometimes a heavy hand is required, which the Super System Review referred to as the 'nuclear option', but oftentimes regulators just need light touch regulation for self-managed superannuation fund trustees so that they can give the education notices, the process change notices and the lower administrative penalties, and that is why I am pleased to stand up and support that measure in the bill.

As I have also said, I am pleased to support the balance of the bill, and I am also very pleased with Labor's history of always supporting compulsory superannuation.

Ms CHESTERS (Bendigo) (19:16): I rise to speak in favour of the amendment to the second reading of the Tax and Superannuation Laws Amendment (2014 Measures No. 1) Bill 2014 that has been moved by the member for Fraser. I agree that the phase-out of the net medical expenses tax offset is a sensible savings measure and it is the right thing to do. It was first proposed by the former Labor government, and we congratulate the coalition for getting on board, finally, with this proposal, recognising that it is a sensible policy and it is the right thing to do. The NMETO is a poorly targeted measure. Whilst it aims to compensate those with high incomes who can afford to pay up-front their out-of-pocket health expenses, it is a luxury that many households in our community simply cannot take advantage of. Many people with little or no taxable income are unable to benefit from this scheme, and that is why it is an unfair measure and it is right that it should be removed, as this legislation proposes. If we are genuine about all Australians having access to universal health care, then it is right that schemes like this, which favour those with the financial capacity to pay for private healthcare expenses now or later, should be abolished.

The former Labor government announced this measure in last year's budget. It was reported by my local paper that this phase-out could result in a saving to the federal budget of close to $1 billion over four years. That is a lot of health dollars that could be better spent. That is the key point of the argument that I wish to make today. The question is: what will the new coalition government do with the savings generated by this measure? The savings generated by this measure, we argue, should be reinvested in providing universal health care to all Australians, ensuring that they get the care that they need, not just the care that they can afford.

In this debate, the Parliamentary Secretary to the Treasurer has said—and for a moment, when reflecting on his comments, I thought perhaps he had joined the Labor Party!—that
these changes refocus health expenditure on Australia's universal Medicare arrangements. Those words could have been taken word for word from the Labor Party platform. The parliamentary secretary went further to say that the focus for the Commonwealth should be on getting the primary healthcare response right and continuing to support our current arrangements in health care. If only we could believe the parliamentary secretary. Whilst these comments are something that I agree with, these comments are just words and could not be further from the truth in terms of government action. It is yet another example of how this government is not matching its action with its rhetoric.

The Prime Minister and his government are intent on destroying universal health care, including Medicare. They are working to create a two-tiered system, further disadvantaging those who have smaller household budgets. It is critical for the government to commit to investing in policies that target assistance to medical expenses for those most in need. I am talking about our pensioners, our low-income earners, the people whose budgets are tight. That is where we need to be focusing our attention.

What we are seeing, though, from the government is Australia going backwards. They are proposing policies that will target the most vulnerable, who will be worse off. Policies such as the GP tax that has been proposed will only create poor health outcomes for some of the most disadvantaged families in our communities. Take, for example, some of the households in my electorate of Bendigo. Their budgets are already quite tight. I am concerned about the effects that a GP tax will have on bulk-billing and GP visits in the Bendigo electorate. Under the former coalition government—cast your mind back to when John Howard was the Prime Minister—bulk-billing in the electorate fell as low as 49.9 per cent in 2003. That was a very low rate that we experienced just over 10 years ago. Under the former Labor government, however, they were able to reverse that figure so quickly that it got back up to 74.6 per cent, just before the change of government. So the bulk-billing rates are back up high. This meant that people were getting to the doctor when they needed to.

Despite these rates being high, Bendigo still is ranked 99th of 150 electorates. We are not the best at bulk-billing, but we do have a higher rate than we used to. This is despite the fact that at least 30 per cent of households in the Bendigo electorate are living on less than $600 a week. This is not even minimum wage that 30 per cent of the households in my electorate are surviving on. It means that they do not have the room in the budget for a GP supertax. It means that, rather than paying to go to the doctor, they will forgo going to the doctor.

If the tax was introduced and levied—and just doing a rough calculation on $6 per GP visit taken last year in the electorate of Bendigo—the government would be taking an extra $4.5 million out of the pockets of Bendigo households. This is another example of the government saying that we should be reinvesting and making sure we have a universal healthcare system while at the same time proposing a GP tax, which would see more money taken out of household budgets. The government needs to back off on this tax and back off Bendigo households because their budgets are tight and they cannot afford further out-of-pocket expenses.

This tax would result in fewer people in my electorate attending a GP. It would increase the pressure on hospital emergency and urgency care departments. For those who are not from country electorates, hospitals that are downgraded and do not have emergency departments would have urgency care departments—and there are at least three of these in my electorate—
where there are no on-call doctors and patients are triaged by nurses. If people stop going to their doctor because they do not have the means to pay an up-front fee, they will start arriving at these urgency care facilities only to find that there is no GP on call. This will create extra demand and extra pressure on our public healthcare system.

We should be encouraging people to attend their GP to stay healthy and to get involved in preventative health. We heard the parliamentary secretary say in his speech that we want to be a country that focuses on preventative health, but we are not seeing the actions of this government match that talk. We have seen this government talk about disincentives and discouraging people from seeing their doctor and maintaining their health. Here is another example of how the parliamentary secretary's words do not quite match his actions. He said, 'These changes refocus health expenditure on Australia's universal Medicare arrangements,' yet, as I have just highlighted, this is the same government that is talking about imposing a GP tax. You cannot have it both ways: either you support Medicare and universal access or you are going to water it down and start charging people if they require medical care. Primary preventative healthcare measures save money not only for the individual but also for the health system. They mean that we are not dealing with people in crisis, people with acute conditions, in emergency care, or urgency care if they are in the country, because they have not been maintaining their health.

It is about time we heard some more positive policies from the Abbott government on how they are going to put patients, families and carers first. It is no secret—the Australian people and this chamber know—that the true party for universal health care is Labor. We will always stand here and defend the right of every Australian to have access to health care when they need it, not when they can afford it. I also note that the parliamentary secretary in his second reading speech referred to the National Disability Insurance Scheme, a scheme that many on this side of the parliament are quite proud of. In his speech he said:

The National Disability Insurance Scheme … is expected to cover all related expenses previously covered by the net medical expenses tax offset for those eligible for a funded plan from the NDIS.

That is another example of how the government can use tricky language. He said 'is expected'. Does that mean that some medical expenses will not be covered? The parliamentary secretary went on to say:

The government is committed to delivering a sustainable NDIS across Australia to support people with significant and permanent disability.

What does 'sustainable' mean? Does that mean that there will be a limit on what an individual can claim? Does it mean that there will be a limit on who can claim? That is another example of the tricky language by this government, and that was not the first time on the National Disability Insurance Scheme.

Last November the Assistant Minister for Social Services spoke about the need to address expectations. I fundamentally reject the notion that Australians with a disability, those who have fought so long and hard for this scheme, should lower their expectations on the NDIS. This is the most significant policy reform since Medicare. It is about helping those in need now, not when they can afford it. Again this is tricky language by this government, which is focused on making cuts to the NDIS and starting to soften the community for those cuts.

Currently the NDIS trial in Geelong is delivering exactly the kind of care and support we thought it would deliver. It is changing people's lives. Let me give you an example. Kate and
her family live in the Barwon Heads NDIS trial site. She spoke recently about the importance of this for her son. Her son William, because of his disability and the way the scheme is rolling out, will receive an additional $15,000 worth of support each year, including extra support on weekends and the equipment he needs so he has the opportunity to meet with his peers and socialise like most 15-year-olds. Kate said:

While this may seem costly to some, it makes a lot more economic sense than if I could no longer work and had to go on social benefits.

Yet, despite this good news, despite having this opportunity and despite the NDIS rolling out in Geelong and Barwon Heads exactly as we saw it would, all we have heard from the Abbott government is talk about how the costs are blowing out and how it has to be 'sustainable'. It is time the government came clean and told Australians, particularly those with a disability, the truth on the NDIS. What is going to be funded? What will not be funded? Who will receive funding? What does it mean by 'sustainable'? In a truly universal system, in a system that ensures that everybody gets the support they need not support they can afford, there would be no such word as 'sustainable'. Under Labor, the NDIS when fully rolled out would have provided support for an extra 100,000 people with a disability in Victoria, including 3,400 in my own electorate. Of those in my electorate, 1,400 would have received extra support who do not currently receive any or adequate support. I ask the government: are these people in my electorate still on your list? Are they on the cost blow-out list? Are they on the list that you are saying is unsustainable?

Whilst we agree that the phase-out of the NMETO is a sensible saving, will the government do the right thing and re-invest the savings generated by this measure into universal health care? They should be invested in Medicare and in the NDIS so that all Australians—regardless of their disability, regardless of their capability—get the care they need when they need it, and not just when they can afford it.

Mr CIOBO (Moncrieff—Parliamentary Secretary to the Treasurer) (19:31): I thank those members who have contributed to this debate on the Tax and Superannuation Laws Amendment (2014 Measures No. 1) Bill 2014. Schedule 1 to this bill introduces civil and criminal sanctions for a person who promotes a scheme that has resulted in, or is likely to result in, the illegal early release of superannuation benefits. Illegal early release schemes are generally promoted to people as a means of accessing their superannuation benefits before they are eligible to do so. There are currently no specific penalties for promoters of illegal early release schemes who are not themselves trustees of a regulated superannuation fund, as promoters often enlist other parties to act as the trustee of a superannuation fund used in an illegal early release scheme. The penalties in the existing superannuation law are limited in their ability to discourage such schemes. The amendments made by this schedule give the Commissioner of Taxation the ability to seek penalties for all promoters of illegal early release schemes, regardless of whether or not they are a trustee of a superannuation fund. Introducing these penalties will act as a deterrent to promoters of such schemes and will help to strengthen the integrity of our superannuation system.

Schedule 2 to this bill amends the Superannuation Industry (Supervision) Act 1993 to introduce administrative directions and penalties for contraventions relating to self-managed superannuation funds. These include the power to give rectification directions and education directions and to impose administrative penalties. Administrative directions and penalties for
trustees will form part of the range of options available to the commissioner to respond to noncompliance with superannuation laws.

Schedule 3 to this bill will phase out the net medical expenses tax offset. There will be transitional arrangements for those currently claiming the offset. From 1 July 2013 those taxpayers who claimed the offset for the 2012-13 income year will continue to be eligible for the offset for the 2013-14 year if they have eligible out-of-pocket expenses above the relevant thresholds. Similarly, those who claim the offset in 2013-14 will continue to be eligible to claim the offset in 2014-15. The net medical expenses tax offset will also continue to be available for taxpayers for out-of-pocket medical expenses related to disability aids, attendant care or aged-care expenses until 1 July 2019.

Schedule 4 adds three organisations to the list of named deductible gift recipients in division 30 of the Income Tax Assessment Act 1997. Taxpayers can claim an income tax deduction for gifts to organisations that are DGRs; DGR status assists these bodies attract public support. The new DGRs listed are the National Arboretum Canberra Fund, the Bali Peace Park Association Inc. and the Prince’s Charities Australia Ltd. In addition, the name of the Sir William Tyree Foundation of the Australian Industry Group is being changed to the Sir William Tyree Foundation.

The government does not support the amendment moved by the opposition. The amendment moved by the opposition is quite fascinating. It has absolutely no relevance to the bill that is before the House. It is nothing more than a broadscale amendment moved by the opposition to give them something to talk about in this debate, because the debate is otherwise noncontroversial. I was quite astounded to hear some of the contributions that were made, not by members on this side, who I thought were eloquent, but rather by members on the opposite side who, alas, I cannot say were quite so eloquent. In particular, the contribution of the member for Bendigo was quite extraordinary. I know that the member for Bendigo is a relatively new member of this House, but to hear her come up with such choice phrases—I wrote one down—as ‘no such word as sustainable’ in relation to the NDIS is really extraordinary. Is it beyond the reach of the Labor Party to grasp the concept that when it comes to providing social welfare and entitlements to Australians there need to be boundaries. I can understand why the member for Bendigo was preselected, if she has that sort of approach. Perhaps I should not be shocked, because it would seem in many respects to be entirely consistent with Labor’s approach in government.

When Labor was last occupying the Treasury bench it clearly had no concept of the word ‘sustainable’. That underscores in many respects why the legacy of the Labor government is $123 billion worth of budget deficits over the forward estimates and a debt trajectory that would have seen us reach $667 billion of peak debt had there not been policy changes, which is the very reason why we were elected at the last election. The Australian people said to the Australian Labor Party that they want sustainability. I think Labor needs to get the message. The Australian people do not want the approach that failed them, the approach that was adopted by the Australian Labor with respect to not just the NDIS but a raft of other policies. Labor’s approach said, ‘We don't care how much money we have to borrow on behalf of Australian taxpayers. We don't care how much money we borrow and how many generations it will take to pay the debt back. We just want to live in a way where we can issue out the largesse and Australians can live comfortably and not worry about that tricky little thing
called sustainability.' Let me make clear to the member for Bendigo: sustainability is a pretty important thing.

When I hear the member for Bendigo waxing lyrical about how it is going to cost the constituents of her electorate $4.5 million on the basis of some speculation in the media and of her back-of-the-envelope calculations, I ask myself: where was all the faux concern when the Labor Party introduced the world's biggest carbon tax?

I guarantee that the cost to constituents in Bendigo is a lot more than $4.5 million. I have no doubt that the world's biggest carbon tax has a magnitude of 10 or even 100 times that when taking into account the human costs—costs to businesses in Bendigo, costs to families in Bendigo, costs to singles in Bendigo and costs to pensioners in Bendigo—because the people who are paying the most, the people who feel the carbon tax the most, are those who are in the lowest income quartile. These people in many respects could be termed as energy poor. They are the ones who are paying obscene prices and obscene proportions of their income to service the carbon tax paid by the electricity producers under Labor's scheme. There were no comments from the member for Bendigo about that—she just turned a blind eye to the fact that the constituents in Bendigo are paying for Labor's carbon tax hand over fist. That is the reason why we, on this side of the House, bristle a little bit when we hear members of the Labor Party waxing lyrical about media speculation when the lived experience for people in the electorate of Bendigo is that they are paying through the nose to service Labor's carbon tax.

If Labor want to move ridiculous amendments, as they have with this bill, then they should realise that the Australian people can see straight through the Labor Party's approach, the politics that they apply and the political games that they play. Based on my lived experience in my electorate and based on the election result, the Australian people are sick of Labor's approach, sick of the kind of games that we saw with this amendment and sick of the kind of contribution that was made by the relatively new member for Bendigo.

The bill is uncontroversial in that it is a savings measure. It incorporates a number of savings measures that the Australian Labor Party put forward and the coalition has built upon, as part of our fiscal repair job—a repair job that is going to take decades; a repair job that is going to see generations of Australians indebted as a consequence of Labor's spending spree over the last six years. The most extraordinary thing with respect to these savings is that Labor continues in the Senate to remain opposed to some of their very own announced savings such as the research and development tax changes, the higher education savings and the savings from changing the childcare rebate—all announced by Labor but now opposed by Labor. It just goes to underscore how bankrupt the opposition has become when it comes to matters of principle. That notwithstanding, I commend the bill to the House as being a step in the right direction to make sure the fiscal repair job continues and I am grateful especially to coalition contributors to this debate.

**The DEPUTY SPEAKER (Mr Craig Kelly):** The question is that the amendment be agreed to.

Question negatived.

Original question agreed to.

Bill read a second time.
Third Reading

Mr CIOBO (Moncrieff—Parliamentary Secretary to the Treasurer) (18:53): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Appropriation Bill (No. 3) 2013-2014
Appropriation Bill (No. 4) 2013-2014
Appropriation (Parliamentary Departments) Bill (No. 2) 2013-2014

Second Reading

Cognate debate.

Debate resumed on the motion:

That this bill be now read a second time.

to which the following amendment was moved:

That all the words after "That" be omitted with a view to substituting the following words:

"whilst not declining to give the bill a second reading the House notes that:

(1) the Government repeatedly stated before the election 'that if debt is the problem, more debt is not the answer';

(2) the 2013-14 Mid-Year Economic and Fiscal Outlook showed a $17 billion blow-out in the 2013-14 budget deficit, which at the time represented a $167 million budget blow-out per day since the Government took office;

(3) 60 per cent of the predicted budget blow-out in 2013-14 was due to the decisions of the Government alone;

(4) the Government has sought to pave the way for deep cuts to the federal budget by deliberately blowing out the budget and establishing its Commission of Audit; and

(5) these cuts would be another example of this Government saying one thing before the election, and doing the complete opposite after it."

Mr FLETCHER (Bradfield—Parliamentary Secretary to the Minister for Communications) (19:43): When my remarks on these appropriation bills were interrupted last night, I was addressing the importance of truth and honesty when it comes to public policy in the area of broadband. Against that backdrop I was assessing the conrovian track record. I was coming to the point that there is a troubling disparity, a yawning gap, a chasm in fact between what was promised by the then shadow minister in March 2007 and what, as minister for broadband and communications, Senator Conroy delivered during the years of the Rudd-Gillard-Rudd government. There was a promise that the new network would be substantially private-sector funded with public funding capped at $4.7 billion. In fact once in government what the minister began building, after a new announcement in 2009, was a 100 per cent taxpayer-funded and government-owned network. The total cost, far from being a public contribution of $4.7 billion, was on track to be, based upon the strategic review prepared and issued by the board and management of NBN Co in December 2013, well in excess of $70 billion.
The shadow minister, as he then was in March 2007, promised a competitive selection process. He hopelessly mismanaged that selection process before abandoning it in disarray in early 2009. He promised a fixed network to 98 per cent of the Australian population but that, of course, changed to a plan in which the fixed network was going to reach a smaller percentage of the population. In 2007 Labor’s broadband policy document promised that the party would ‘turn around Australia’s broadband performance and put Australia back into the fast lane of the information superhighway’. It was a promise that was dismally unfulfilled at the point when Labor government left office in 2013.

I want to turn next to another conrovian promise—that regarding broadband penetration. We heard when Senator Conroy was shadow minister that the policy problem that this new network was going to solve was that of Australia having poor broadband penetration. In 2005 he claimed that Australia’s ranking of 21st on the OECD broadband penetration statistics was ‘an appalling result’. In 2006 he was fiercely critical of Australia’s ranking of 17th in the OECD broadband rankings, stating in a media release:

The latest OECD broadband statistics show Australia’s ranking in the use of broadband remains mired at 17th out of 30 surveyed countries. He claimed this was due to the Howard government’s complete lack of broadband infrastructure leadership.

Oddly, once in government his tune changed. We had a press release on 7 December 2010, titled ‘Latest OECD statistics reinforce the need for the NBN’, after Australia dropped to 18th out of 31 countries on his watch. There was a similar line in 2012 when the latest OECD broadband rankings reinforced the need for the NBN. So this minister, as he then was, was like a medieval doctor applying leeches to a patient and, even as the patient failed to get any better, he claimed more leeches would solve the problem. When we look at the historical record as at 30 June 2013, after almost six years, Australia was ranked 18th in broadband penetration. I make the point that broadband penetration, and indeed the OECD rankings, are frankly a deeply simplistic measure, but it was the measure that then Minister Senator Conroy repeatedly said was the one by which his policy performance should be judged.

I want to turn to another area where there is a yawning gap between the conrovian promise and the reality. That was the dissembling about whether the expert panel, which was established to assess bids in the competitive selection process in 2008, had recommended that the reason the selection process should be ended was that fibre to the node was not the way to go and fibre to the premises was the future. This was the claim we heard from the then Labor government. What did the then Prime Minister, Kevin Rudd, say in a press conference in April 2009? He said:

The recommendation from the panel is that we move to the next generation, not fibre optic to the node, but fibre optic to the home, fibre optic to the business, fibre optic to the premise.

It was a very clear claim from the then Prime Minister that the reason Labor abandoned its fibre-to-the-node policy and moved to a fibre-to-the-premises policy was a recommendation from the expert panel.

It is interesting that what emerged a little later on—as was highlighted by the then shadow minister for communications, Senator Nick Minchin, in a media release—was that Professor Rod Tucker, who was a member of that expert panel, told an Alcatel-Lucent forum in 2009:
I just want to make one thing clear: the panel of experts was never asked to and didn't make any judgement call on the issue of investment for a fibre to the home network.

In fairness, I must note that Professor Tucker subsequently claimed these particular comments of his were taken out of context, which of course is the usual thing you say when you have been reported accurately but what you have said is politically inconvenient. The reality is that the claim from the previous government that the abandonment of fibre to the node and its replacement with fibre to the premises was based on the advice of the panel is a heroic claim not supported by the evidence.

Let's also look at another conrovian promise, where there was a yawning gap between what was claimed and what actually happened. This was the repeated promise that there was going to be substantial private sector investment in this national broadband network. Indeed, the original plan—the fibre-to-the-node plan—collapsed in ignominy and so we had the announcement in April 2009 when Senator Conroy had this to say:

We are inviting all companies in the Telco sector to join us and partner in this … And in terms of our initial contribution it is the $4.7 billion which we have talked about at length over the last few years. So we believe that we are able to deliver this project very responsibly and we believe that there is genuine interest in being a partner in this proposal.

That is to say, genuine interest in private sector investment! Sadly, it very quickly emerged after KPMG and McKinsey prepared the $25 million implementation plan at the then government's request, that there was no interest at all from the private sector in investing in such a hopelessly uneconomic venture.

Let me turn to another yawning gap between the reality and the conrovian claims. We had one of the former minister's less glorious moments—from quite a rich menu I might add—in February last year when as the Australian Financial Review reported:

Communications Minister Stephen Conroy has unleashed a tirade against Vodafone … accusing its chief executive of acting like Sol Trujillo, the divisive former Telstra boss.

The AFR quotes the then minister as saying:

'I find it extraordinary that the world's largest mobile operator wants to close down a regional network for people they don't service. They lost 750,000 customers due to poor service

In other words, it was a direct attack on the integrity of the company and an individual and, unfortunately, as we saw last week with Senator Conroy's behaviour, that sort of attack is consistent with his form when he wants to direct attention. His record on the question of policy and mobile communications is absolutely not one to be proud of. It is not surprising that he wanted to direct attention from questions that were being asked and policy suggestions that were being put about how to restore the vigour in competition in the mobile sector. That sector, which had previously had a proud track record of competition, saw that record, frankly, weakened materially under Senator Conroy's stewardship.

All of us who have watched Senator Conroy over many years certainly saw a rich irony in him observing last week in the Senate, 'Can't we handle the truth?' The question of truth is always an important one and there are some important questions here to be answered. (Time expired)

Mr CHAMPION (Wakefield) (19:52): That's eight minutes of my life that I will never get back! It was a tremendous performance! I think the eighth level of Dante's Inferno just has the
member for Bradfield giving his 'best of' speeches! I saw the member for Reid nodding off!— no, not nodding off, but he did look like he was nodding off.

I rise to speak on the Appropriation Bill (No. 3) 2013-2014 and related bills. Given that this was a government that was elected on a wave of nostalgia and wishful thinking, it takes something for those opposite to get up and talk about promises. All around the world a debate has been going on between growth and austerity. That is the debate around the world. Growth is about having a growing labour market, good incomes and wages growth. That is what we had in the middle of the global financial crisis—an expanding middle class, confidence in the economy and confidence in demand.

Austerity is all about cutting government expenditure, cutting wages and social security payments, cutting people's overall levels of security—and cutting taxes, but just for the rich, just for the top end. The whole idea of austerity—and it is a very simplistic notion that does find some appeal around the place—and the whole net result of it is to create insecurity and to demolish demand. It leads to a glut in savings at the top end, which tend to be parked in unproductive safe havens. The rich sit on their money, whereas the middle class tend to spend it.

That is a debate that has been going on since 1930s. Of course, whenever you discuss the 1930s you have to think about Keynes, of course, that famed economist, who said:

Practical men who believe themselves to be quite exempt from any intellectual influence, are usually the slaves of some defunct economist.

Of course, we know that those opposite are the slaves to the types of views that were propagated by Andrew Mellon, who was secretary of the US Treasury from 1921 to 1932. He was impeached—impeachment proceedings were begun by the Congress because his attitude was to liquidate labour, liquidate stocks, liquidate the farmers and liquidate real estate. He wanted to purge the rottenness out of the system. He thought that the high cost of living and high living would come down. He said that people would work harder and live a more moral life; values would be adjusted and enterprising people would pick up the wrecks from less competent people. That is what Andrew Mellon said.

We know that those opposite, and particularly the Prime Minister, are slaves to this view. That is the critical thinking of it. Today, of course, Malcolm Farr wrote a very good article, I think on News.com, which was about how Mr Abbott would have handled the financial crisis. How would our Prime Minister, the member for Warringah, have handled the financial crisis? Farr said that we can see that through his attitudes to Holden and to Qantas. We can see that there would have been, if you like, a:

... 'benign neglect' or 'caring indifference'.

That is what we would have had.

But the reality is that we would have had 200,000 more people on the dole queues. We would have had more young people not having apprenticeships and not getting a start. We would have had a deeper hole in our economy, small business taxes would be higher, workers would be more insecure and the economy—particularly small business in the economy—would have suffered from lower demand, because the minute you hit—

Mr Ciobo: Talk about a house of straw! This is ridiculous!
Mr CHAMPION: Well, this is the reality of it. You cannot escape from it.

Mr Ciobo: You are making it up as you go along! You should have started with 'once upon a time'!

Mr CHAMPION: The parliamentary secretary wants us to pretend that none of this happens! We can see what has happened in the rest of the world. They tried austerity—Spain tried austerity, Ireland and Greece all tried austerity. Europe has tried austerity. We can see the experiment over there. We tried growth. And now the Liberal Party, bizarrely, will try it through an act of 'liberation'. We know that Mr Abbott said that there was a $100 million plan to help 'liberated workers' find jobs. There are workers in my electorate who have been 'liberated' from their work. That is the reality of what the Prime Minister said—such callous indifference.

We know that when Mr Hockey was, famously, on the front page of the Financial Review on 11 December the headline was 'Hockey dares GM to leave'. There were no mistakes about what the government was trying there: it was trying to tip the car industry over. And it is not like they were not warned, because we had the very next day, on 12 December, the Financial Review saying 'Holden's dramatic exit puts Toyota at risk'. So we saw Toyota fall over and now we see thousands of component jobs not just under threat but going. They will go, because the heart and the lungs of that particular economy have been ripped out. So now thousands of component workers will be at risk of losing their jobs.

You would think there would be a bit of reticence by those opposite. They would not want to claim it, not after The Age had on the front page of its paper on 11 February 'Road to recession'. You never saw that while the Labor government was in; there was no talk of recession then. You would think that those opposite would be a little circumspect about what they were doing. But instead we have in Mr Coorey's column of 8 February this year one minister, unnamed—he did not have the courage to put his name to it—quoted as saying:

It was Abbott who put the torpedo in the water over Holden.

So not only are they chasing these companies out of Australia; they are then rushing to lay claim to it. We saw that with SPC; a mere $25 million would have not just secured our last fruit processor but secured the livelihoods of hundreds of farmers stretching all the way to Queensland. You would have thought that, if anything would have motivated a Liberal-National government, it would have been that. But that was not enough to soften the hearts of those opposite. It was only the actions of the Victorian government that stopped the sort of economic cataclysm that is hitting my electorate, Altona, Geelong and places like that from hitting the good people of Shepparton.

You would have thought that, after playing rope-a-dope with Holden and sending the whole car industry over the cliff, the government would not do that with Qantas. But look at what we have had with Qantas. It has been four months. These problems are not new. They did not come up yesterday. They came up in December last year. So we had the Treasurer go out some time after, dilly-dally and think about it a bit. And then the Treasurer basically gave a public indication that he was prepared to entertain the notion of a debt guarantee for Qantas, that somehow Qantas was different to the automotive industry and a different set of rules would be applied to it because of so many state owned enterprises, including the New Zealand government, being involved in the aviation industry. The Treasurer told Qantas in pretty explicit terms that if it got its act together then the government would give it a debt guarantee.
That was what was intimated to Qantas publicly, and probably privately, and the share market price of that corporation went up with that expectation.

You cannot do that to a company. You cannot put all those indicators out there and then, in some sort of schizophrenic cabinet move, pull up stumps and say: 'Oh no, sorry about that. Sure, the Treasurer laid down these four principles but we will just ignore them; now it is a free market, and we are not going to get involved other than to make some pretty minor alterations to the sale act, which will not fix the problem—that is, we will apply a solution that does not actually fix the current problem.'

So now we do not just have a problem with Qantas but the government's actions in dilly-dallying, setting up a straw man and then knocking it down has left the company in a worse position. If the company had rolled up in December and said it wanted a debt guarantee and the Prime Minister had said, 'That is not happening,' then the company would have known where it stood. But that is not what happened.

We had the same level of indecision and the same level of expectations put out there publicly by the Treasurer regarding GrainCorp, only to have a decision that completely went against the grain of everything that was said before that—that is, GrainCorp expected the takeover bid to be approved and then it was not. Cabinet said, 'Surprise!' We had the same thing with Holden. We know what was intimated to Holden: if the workers cut their wages and the company played ball then it would have a shot at getting assistance. The minister came down and toured the plant, and there was all this talk about twisting the Treasurer's arm to get a few shekels—and, surprise, the Treasurer dared GM to leave.

Now we have Qantas. We have the four principles set out there for everyone to see—a whole lot of dilly-dallying. Watching those opposite is a bit like watching Kabuki theatre. You have them all appearing on the pages of the Financial Review trying to out-tough each other. I look forward to the member for Reid getting in there: get something nice and dry, cut penalty rates, muscle up, Mate. That is the way to get on the front bench with this crew.

We have this internal debate going on behind the foggy glass of this government. There is lots of movement. You cannot quite tell what is going on. It must be very bewildering for corporations that are seeking support. The ethanol industry must be pretty worried at the moment. But we then have Qantas: surprise! Cabinet has made a different decision; the Prime Minister has made a different decision. That is very bewildering, I think, for corporations in this country. They do not know what to expect. We have mixed messages and a divided cabinet. It is divided in the sense that those opposite are willing to play out their divisions in public, not clearly but unclearly, through the pages of the Financial Review and through the Australian. And just when you think there might be a predictable decision, you get unpredictability. One minute the Prime Minister is dry and the Treasurer is wet; the next minute the Treasurer is wet and the Prime Minister is dry. You cannot predict what they will do. They say they are for small business but they are upping small business taxes.

The question will be a very clear one at the next election. It will be jobs versus unemployment. Make no mistake about it, particularly in the southern states. That will be the choice, I think, in the election. It will be security versus insecurity. It will be wages growth versus cuts to penalty rates, because we all know that is where they are going to go. That is a part of the austerity package that this government will bring to us. It will be a choice between
growth and austerity, and it will be a choice between Shorten and Abbott, and a very different set of priorities.

Labor will always be for a growing economy, security at work and security for an expanding middle class. I know small business gets talked about a lot in this building. We did a lot of practical things to help small business—particularly in taxation—versus those opposite, who will peddle insecurity, who will peddle cuts to penalty rates, who will peddle a cut in demand, and who will peddle a terrible experiment in austerity that has been tried in the rest of the world and has been found to fail.

Mr LAUNDY (Reid) (20:07): I rise in support of the original bill but not the amendments. Sorry to the member for Chifley, but, before I commence I would like to take the eight minutes that the member for Wakefield will never get back in his life and raise him seven, because that was 15 minutes I will never get back, although it is always good to follow him in the chamber—I should not say 'always', because this is the first time it has happened.

I would like to follow up a couple of points. Coming to the chamber from a different background to the member for Wakefield, I would like to say that he is correct that small and family business will be what drives us forward in this. It always has been and always will be.

I note that he made mention of the 'magnificent work' that the previous government had done. One thing he failed to mention was that in the six years of the Rudd-Gillard-Rudd government we unfortunately lost 413,000 people out of this sector through employment. It is great to be a part of a government that will do its utmost to turn this around because, as the Prime Minister said, we have it in our DNA. But it is also great for me personally, having come from that background.

I cannot help but think that the amendments that have been proposed here, by the member for Fraser, are the latest in an attempt to rewrite the last six years of our history. We came into government on 7 September, and the driving force to get here was the mismanagement we saw over the last six years. If you look at the three years prior, there was a forecast budget deficit in 2011-12 of $22.6 billion and an actual deficit of $43.4 billion—only 100 per cent out! That was actually pretty good. There was a forecast surplus in 2012-13 of $1.5 billion and an actual surplus of negative $18.8 billion. In 2013-14, it was a forecast of 18.8 billion, and, as we sit today, it is $47 billion. I cannot blame them for wanting to rewrite history. I cannot blame them for wanting to run away from their legacy, because if I were them I would be doing exactly the same. However, we do not have the choice to run away from the legacy. We are on the government side of the Treasury benches and we are now responsible.

Through that six-year period there were pink batts—putting them in, taking them out—and school halls. The best school hall story, I believe, was in the electorate of Reid, at Abbotsford Public School—Building the Education Revolution—because it was not actually a hall. I have become close to the parents in that school. They had a four-classroom building and it was proposed that it would be knocked down and we would have another four-classroom building built. They asked, because they were short of classroom space, whether they could keep that four-classroom building and build an additional four-classroom building. But, unfortunately, that did not pass muster, and the money spent at that school replaced, like for like, identically, what was there before. But we all know about the cost blow-outs associated with that.

I do not think there is a better illustration of how this side of government differs from the opposition when they were in government than the NBN. It starts from the top and works its
way down. Prior to me speaking, we had the parliamentary secretary for communications. He had an outstanding career, prior to moving into parliament, in communications. The minister that he reports to had an outstanding business career—amongst it, communications. If you are going to put something on the back of an envelope with no cost-benefit analysis and have it blow wildly out of control, I cannot think of two better people than these two to steward it out.

I noted with interest at Senate estimates last week that Ziggy Switkowski mentioned that three per cent of homes in Australia have been passed at a cost of $6.2 billion. If left unattended, it is heading towards $200 billion. That is obviously something we cannot afford, given the parlous answers—which the Parliamentary Secretary to the Treasurer mentioned earlier—$123 billion of gross debt and $667 billion.

The ex-government were so in favour of small business, as we heard from the member for Wakefield, that they destroyed the live cattle industry. The FBT on cars in my electorate threatened to destroy the car dealerships along Parramatta Road. Then you come to the greatest electoral fraud ever perpetrated on the people of not only Reid but Australia: the carbon tax. That has permeated its way into the expense side of every P and L of every business, irrespective of size, in this economy. How that plays out in the real world is that you get small and family businesses where those 413,000 people have lost employment in the last six years; you get the mother, the father, and the kids working additional hours.

The member for Wakefield mentioned penalty rates. They are irrelevant to small and family businesses, because we operate in an environment of the law of the day. And I will tell you how this plays out. They either augment the trading hours—they open later and close earlier—or they work additional hours themselves and do not pay themselves. That is how this works out.

He mentioned casual employment. We saw the workforce casualised through the last six years at a rate never seen in our history. We talk about how that plays out in the youth unemployment space. It is all connected. This is microeconomics at its finest. The first job you get out of university—and I am sure the member for Chifley can remember back to his university days—is a casual job. The problem is that what has played out over the last six years—through the carbon tax directly and then every spin-off in every line of every P and L—is that employment and those casual positions have dried up, and youth unemployment in my electorate is running at 20 per cent.

That is a tragedy, a living tragedy, because this is how kids transition themselves and prepare themselves to move into full-time employment and have their own families.

It is even better reading when you actually go and look at the budgets. We often hear about 23,000 more people in the Public Service from the Howard-Costello years to the Rudd-Gillard-Rudd years. But when you go inside these numbers you truly see how it has got out of control. The Attorney-General's Department in 2006-07 had 15,940 people and today it has 18,385. The Department of Health and Ageing had 4,752 and today it has 6,245. These are 20 and 30 per cent increases in departments. Treasury had 27,800 and now it has 29,400 people. The Department of Foreign Affairs and Trade had 5,000 people in the last year of the Howard government and now it has 7,000. But when you actually go inside the line items of the departments you see the difference between the former government and the government of today—and there is no better example, in my humble opinion, than Austrade. Bilateral trade
is how we prosper. In 2006-07 Austrade had 1,150 people and today it has 930. It has gone backwards. Then you have AusAID—scary, I know; Austrade and AusAID. AusAID had 518 people in 2006-07, the last year of the Howard government, and today it has 1,982. So the department that works on bilateral trade, growing our economy, went backwards by 10 per cent in employment in the six years of the former government, and the department that spends our money overseas in aid has increased by 400 per cent. I would argue that the 'age of entitlement' that the Treasurer mentioned is relevant not only in Australia; the former government made it relevant worldwide.

Then you come to my favourite, because it affects Western Sydney—Customs. In the last year of the Howard government we had 5,297 people working in Customs. Seven years later we have 5,000—and this hurts. It hurts because we are now screening eight per cent of our air cargo, our mail, versus 62 per cent in the last year of the Howard government. And what do we have in Western Sydney as a result? We have got guns and drugs—to the point where the New South Wales Minister for Police, Andrew Scipioni, who is in the building here tonight, is on record as saying that guns, in particular, are an issue of national significance in Western Sydney. I do not know what we are going to do for Underbelly in the future, because if you want to get a gun or drugs into the country, you mail it to yourself. That just will not sell on TV. As the member for Cook has said, 230 Glock pistols turned up within one month of production in Germany. Here is a newsflash—and I hope the member for Chifley is with me on it: we do not make guns here; we import them. If you want to get away with it at the moment, the best way to do that is to mail it to yourself, because you have a 92 per cent chance of getting away with it. With drugs it is even worse. We do not make them here, either; we import them. And this plays out on our streets. If you look at Western Sydney, my electorate, we have had seven drive-by shootings in the last 12 months. This is real. This is the biggest disgrace that I can find in these figures as a local member. At a time when staffing numbers grew some 23,000 over seven years, something that made real sense to us on the streets of Western Sydney has gone backwards and we have paid the price as a result.

I also love the way the former government, in an attempt to rewrite their legacy, refer to our performance versus other countries in the world. I stumbled across these figures. Earlier the member for Wakefield mentioned Greece and Italy, and he used them offhandedly—the EU countries. Would it surprise you, Mr Deputy Speaker, to know that, in the last six years, we have had in this country GDP growth of 16.7 per cent, terms of trade growth of 18 per cent and a debt deterioration of GDP of 20 per cent? At the same time, the EU has had GDP growth of 1.4 per cent, a negative 1.9 per cent terms of trade increase, and deterioration in their GDP growth has been 22 per cent. So we are line by line, unfortunately, in the one that hurts most—debt deterioration.

This is the issue that I see in the amendments that are attached to this appropriation bill. It is one thing to stand here day after day—be it through amendments to bills, MPIs or whatever other tool the opposition want to use—and have a trip down memory lane about the six years that we had under their guidance. I do not know if you ever watched Happy Days, Mr Deputy Speaker, but I did. I loved that show when I was growing up. What I wish, and what the people of my electorate wish, is that the member for Chifley and all of those opposite were not like the Fonz—because, if you will remember, the Fonz could never say he was wrong. He could not say it. Although the member for Chifley actually said it the other night, and I
commend him for it, in reference to Senator Conroy. But, in terms of financial management, they keep getting to the word and stumbling: 'rrrrr.' I do not know if you remember, Mr Deputy Speaker. But they were wrong. They were wrong to put this country into debt, they were wrong to attack mercilessly every business, irrespective of size or their P and L, through the carbon tax. They were wrong because of the 413,000 jobs that were lost as a result, and we must not only vote against the amendments in this bill but also carry out the plan that we have to make things right.

Mr NEUMANN (Blair) (20:21): I rise to speak in relation to Appropriation Bill (No. 3) 2013-2014, Appropriation Bill (No. 4) 2013-2014 and Appropriation (Parliamentary Departments) Bill (No. 2) 2013-2014 which are before the House. Once again, this is legislation that contains what we have become used to with this coalition government—cuts to education and cuts to health. Notwithstanding that the Prime Minister when he was the opposition leader made it clear that there would be no cuts to health, no cuts to education, no cuts to SBS and no cuts to the ABC, we see cuts to health and cuts to education. Here in front of the parliament we see $4.8 million in cuts to education, $13.2 million in cuts to health and $4.6 million in cuts to legal policy reform and advocacy funding. Coalition governments, whether state or federal, do not like organisations that advocate on behalf of their members or constituents. That is why the Howard government put gag provisions in there. That is why, when the Campbell Newman government came to office in Queensland, one of the first things that Lawrence Springborg, the health minister in Queensland, did was put gag provisions in place in relation to funding contractual arrangements.

One of the most egregious things in this legislation is the cuts to the Building Multicultural Communities Program—$11.5 million. Once again, it is hard for those opposite to justify the cuts they are making, and certainly across the portfolio areas that I am responsible for—for example, snatching $1.1 billion away at the end of last year from the workforce supplement to assist lowly paid aged-care workers, nurses, administrative workers and carers. There is no evidence at all that that money will ever go into the aged-care sector to assist in the much-needed increases in salaries and improved conditions. A worker in that sector, such as a registered nurse, can earn $300 or $400 a week less than someone working in a public hospital. That is hard for those opposite to justify.

The Commission of Audit report of 900 pages has been in the possession of the Treasurer for more than a couple of weeks. Parts of the Commission of Audit report that have been revealed and leaked to the media only pertain to what Tony Abbott, the Prime Minister, calls his signature policy—that is, his paid parental leave scheme. He called it his signature policy at a doortstop in Adelaide on 26 April 2013 and described it as 'settled policy' on 29 May 2013. That Commission of Audit slammed the paid parental leave scheme—an unfair scheme that will in fact cost an estimated $5.5 billion, paying full recipients their full wages for six months capped at $75,000 a year.

So a baby born to a cleaner at Ipswich State High School in my electorate is potentially worth much less than a baby born to a banker on the North Shore of Sydney. That is simply unfair and it is unwarranted. We have got a fair dinkum paid parental leave scheme in this country and we need to support it. Three hundred and forty thousand women in this country have applied for and received paid parental leave and 95 per cent of women in this country are now covered by a paid parental leave scheme—a 50 per cent increase in coverage since the
paid parental leave scheme was brought in. What those opposite want to do is take away the schoolkids bonus from 1.3 million Australian families and, at the same time, give their friends massive increases in support.

Mr Husic: Three times more than what pensioners in my electorate get.

Mr NEUMANN: Exactly. They get rid of the low-income superannuation contribution, which helps working families earning less than $37,000 a year, but support the wealthy in this country who have more than $2 million in superannuation assets—about 16,000 of them. Talk about class warfare! There is class warfare being perpetrated, perpetuated and prosecuted over there.

Mr Husic interjecting—

Mr NEUMANN: In the legislation before us it is quite clear. So let's see what they do on paid parental leave. What this really shows is that those opposite have an agenda against middle- and low-income earners in this country.

Ms Henderson interjecting—

The DEPUTY SPEAKER (Mr Craig Kelly): Member for Corangamite, you can ask for an intervention; otherwise, I request that you be quiet, please.

Mr NEUMANN: They consistently said one thing before the election and now, through their actions, are doing something else in government. For example, they claim that there is a budget emergency. So what do we see in this legislation? We see $8.8 billion given to the Reserve Bank. Where is the documentation about that? So far we have seen nothing about that. Where is the budget emergency? We heard about that all the time. They prattled on about that all the time. They blew out MYEFO with massive increases and billions and billions of dollars extra in debt and then blamed us for it when it was by virtue of their decisions.

What we are seeing here is a government determined on an agenda, hidden before the election and prosecuted now through this legislation. We have seen nearly $17 billion in a budget deficit blowout in MYEFO for 2013-14, and 60 per cent of that $17 billion was due to the decisions of this government alone. It is an astonishing demonstration from this 'no surprise and no excuses' government. We heard, 'No cuts to education, no cuts to health, no changes to pensions, no changes to the GST and no cuts to the ABC or SBS'. That is what the Prime Minister said but now of course it is totally different.

We have heard those opposite talk about history lessons; so let's talk history. We had a AAA credit rating, low unemployment, low inflation and a low debt-to-deficit ratio. When we left office, Australian taxes were at 22.2 per cent of GDP, compared to 24.2 per cent under the Howard coalition government. So the Howard coalition government were the big government. What they refuse to realise is that, when there were rivers of gold, they were taxing, taxing and taxing. That was when the mining boom was coming to its peak. But, when the global financial crisis hit this country, it was a Labor government that supported jobs. Those opposite again and again deny that the global financial crisis even existed.

When we left office the official interest rate was 2.75 per cent, down from 6.75 per cent when John Howard left office. So a family in my electorate living on Cascade Street who sent their kids to Raceview state primary school and had a mortgage of $300,000 were saving about $100 a week by virtue of the low interest rates when we were in office. But guess what? If they send their kids to Raceview state primary school they are going to lose their schoolkids
bonus. In my electorate, many eligible families will lose that schoolkids bonus. And of course we have seen the delay in superannuation. As I said before, 46,300 people are losing superannuation by virtue of the actions of those opposite. So much for the support of households, jobs and infrastructure.

One of the things that really gets me is the allegation they make that we have somehow had a massive wages explosion in this country when we know for a fact—and Treasury confirmed this on 26 February this year—that annual wage growth has slowed to 6.2 per cent, the slowest growth since 1997. So it is contained, yet those opposite would have you believe that, apart from their allegations that it is all to do with the carbon tax, all the fault for all the jobs lost in this country lies with the workers because they are paid too much. We hear it again and again in speech after speech in this place.

One of the things that the coalition government did not do when they were in power last was cut funding for infrastructure, which is one of the things they have done since they got in this time. When we came to office, Australia was ranked 20 out of 25 in the OECD on infrastructure. Infrastructure was a way in which we kept people in employment during the global financial crisis. We had warning after warning from the Reserve Bank that there were bottlenecks on roads and rail and at ports. We heard it again and again. We saw it of course in South-East Queensland in places between Brisbane, Ipswich and Toowoomba and places like the Warrego Highway, the Brisbane Valley Highway and Ipswich Motorway, which those opposite refused to fix. So we set about funding these things. We funded the Bruce Highway. We spent four times the amount of money that John Howard's government ever did on the Bruce Highway.

The coalition failed to invest in infrastructure when they were last in government and have cut funding in infrastructure in this government. For example, they have completely abrogated the field when it comes to rail. So Cross River Rail project in Brisbane, which is important for all of South-East Queensland and supported by Graham Quirk, the Brisbane City Council Lord Mayor, and Campbell Newman and his LNP government in Queensland. Those opposite opposed it and withdrew the funding for it, and it is not proceeding. That is an important funding project for all of South-East Queensland—for jobs, growth, productivity and infrastructure—and it should be proceeded with.

The second one in South-East Queensland that those opposite are yet to sign up for, and cut the funding for on the eve of the election, is the final stage of the Ipswich Motorway in the electorate of Moreton. They cut the funding we provided from $276 million to $65 million. The project will now not proceed because Campbell Newman's government will not agree with it. That is what those opposite have done terms of infrastructure—that is, abandon major cities.

When coalition governments get in, that is what they do; they disband major city units. We saw that when Malcolm Fraser's government came into power. Gough Whitlam put people—Tom Uren and others—into the role of looking at infrastructure in our cities: to sewer the cities, to build bridges, to build roads and to look at the planning. When Labor won in 1972 after 23 years of sclerotic conservative government in this country, the Commonwealth government of this country took the initiative for the first time ever to set about doing this. We did it during the six years we were in government, and one of the first acts of the coalition
government was to get rid of that sort of planning. That is exactly what they did, and they cut the funding.

Most Australians live in the major capital cities and the regional cities like Toowoomba, Ipswich, Logan, Moreton, Newcastle, Wollongong and Geelong. That is where people live, apart from Sydney, Melbourne, Brisbane and the other capital cities. People live in these places. We need to look at how these cities are planned and the infrastructure needs of these cities, but those opposite fail to look at it. They do not think of themselves as nation builders. They do not think of themselves as people who will make an effort to support jobs and infrastructure and growth. For them it is all about the private sector, and they fail to understand that.

They fail to support jobs in Qantas, Holden, Toyota, Alcoa and Gove; they will not do it. The cutting of funding in these communities for things such as the Building Multicultural Communities Program is being played out across the whole of the country, in their electorates as well as our electorates. For example, my electorate was really badly damaged by flooding in 2011 and 2013. Sadly, people's lives were lost. Their homes and their farms were ruined. There was terrible infrastructure damage done to parks, roads and bridges across Queensland. It was devastating. Those opposite would not even vote for the funding that we needed to rebuild Queensland. They opposed the funding.

But in this legislation it comes to things such multicultural grants. One of the most important flood evacuation centres in my home town of Ipswich was at Riverview Neighbourhood House. Funding of $133,200 was provided for an upgrade project under a program, and this legislation has ripped it away as a result of MYEFO. This funding was to renovate and make sure that up to 300 people in that particular facility are actually being cared for. Funding for people from Samoan backgrounds and Aboriginal backgrounds, low-income earners, and flood-affected people was cut off. This funding was taken away from a centre that was available for them. They needed a commercial kitchen. It was in this funding and it has been ripped away. They needed to upgrade the hall with new fans and new lights. It is also the hub of that community and it is gone. The flood in the Ipswich community does not concern those opposite. They ripped away $2 million from the flood evacuation centre for 30,000 Ipswich residents at St Joseph's Catholic primary school. So those opposite do not care about the western corridor outside of Brisbane. They have never cared about Ipswich; they have never cared about it at all.

Even today, we saw a demonstration of that. I hope the minister for primary industries comes to my electorate because my vote will continue to go up. The Liberal vote was smashed in my electorate at the last election—it catapulted down. He can come to my electorate any time he likes. He can go to JBS, where I used to work as a kid, which we provided with $4.4 million to improve their energy efficiency. As a result of what we did in partnering with the company, they reduced their energy costs by $1 million a year and reduced their carbon emissions massively. When the then Leader of the Opposition came to that place, he failed to tell the workers that he did not support the grant, and neither did the primary industries minister today.

Mr HUTCHINSON (Lyons) (20:37): I rise to speak on Appropriation Bill (No. 3) 2013-2014, Appropriation Bill (No. 4) 2013-2014 and Appropriation (Parliamentary Departments) Bill (No. 2) 2013-2014. As was highlighted in the December MYEFO, Mr Deputy Speaker, if
we do nothing to correct the budget mess left to us by Labor we are condemning future generations—my children, your children—to repaying the debt generated by one of the most wasteful governments in our country's history. Do nothing and we face the burden of $123 billion in accumulated deficits and debt forecast to reach a staggering $667 billion. Quite simply, we have been living beyond our means. It has been proven that Labor cannot manage money. We know that they do not understand the fundamental premise that governments spend other people's money. Taxes paid by businesses and individuals are a quantum that without the insidious burden of interest repayments is more than adequate to fund the services we rightly expect government to provide.

Of Tasmania's $5 billion annual budget, 60 per cent of the funding comes from the Commonwealth. On 15 March Tasmanians go to the polls. Shamefully, after 16 years of Labor government, and most disastrously the past four years of the Labor-Green coalition, Tasmania is broke. The damage done to my state as a result of Labor's financial mismanagement, compounded by having Greens in cabinet, is plain for all to see. Tasmania was the birthplace of Green politics in our country, and conservation indeed has its place. I acknowledge those Tasmanians who, back then, saw in the Greens something noble. But sadly for many Tasmanians sympathetic to a notion of balance, the noble roots of the Greens have rotted in a mired socialist ideology. This is now a party of protest, not of government, preying on the hearts and wallets of idealistic mainland city dwellers in need of a cause to ease their environmental conscience.

I have spoken at more length in this place about the hypocrisy that surrounded the Tasmanian forestry agreement and do not propose to elaborate further on that today. Suffice to say that under Labor-Green governments a once productive industry, so important to regional Tasmania, has been summarily dismantled and brought to its knees. Only in their wildest dreams could the Greens have imagined wielding the influence they have had in Tasmania over the past four years. Courtesy of a Labor government desperate to hold on to power, the Greens' agenda to de-industrialise Tasmania was given wings to fly. I have just come from the Forestry Industries Association dinner in the Great Hall and, as the Prime Minister just said, no-one has ever helped the environment by destroying an economy.

Premier Lara Giddings, and all her accomplices, including recently sworn-in Minister Rebecca White, the state member for Lyons, are hoping Tasmanians are suffering from amnesia. Unfortunately for Ms Giddings, but fortunately for Tasmania, every Tasmanian I speak to knows that we simply cannot afford another four years of the same sort of government. Investment in Tasmania has dried up and business confidence is at record lows. As Australia has struggled with sovereign risk issues as a result of the carbon tax and the mining tax, sapping confidence and sending investors into other jurisdictions, similarly Tasmania has been unable to attract outside investment due to the difficulty of getting things done under the current Labor-Green alliance. The state needs stability and certainty, and this will only come from a majority government, able to make decisions in the best interests of all Tasmanians. Only the Liberals can deliver this for Tasmania.

The Australian Bureau of Statistics labour force figures for January 2014 reveal that Tasmania's unemployment rate trend figure for December and January was 7.6 per cent compared to the national average of 5.8 per cent in December. Tragically, the story for young Tasmanians looking for work is disastrous and, according to the Brotherhood of St Laurence,
the youth unemployment rate in some parts of the state is as high as 20 per cent. One in five young people in my state actively looking for work are unable to find it. It is simply unacceptable. Since 2010, the number of unemployed Tasmanians has risen by nearly 25 per cent and the state's participation in work rate is at its lowest level since 2005. Nearly 10,000 fewer Tasmanians are in full-time employment and Tasmania has the highest unemployment rate in the nation.

What these figures do not show is the rate of underemployment, the people that want to work more hours but are unable to find the opportunity. Deloitte Access Economics said in January that recent data on Tasmania's economic health showed that there had been a slight improvement but added in its summary that 'then again, it would have been difficult for them to be worse. This state is the biggest victim of Australia's 'two speed' economy.' Tasmanian Chamber of Commerce and Industry Chief Executive, Michael Bailey, recently described Tasmania's parlous state when commenting on the state's mid-year economic report. The report showed that Tasmania was budgeted to end the financial year with gross debt of almost $1.2 billion. This figure only reflects core government responsibilities. If the state government's commercial activities are included, the data is even more devastating. By 30 June this year, the state is budgeted to have total gross debt of just under $3.9 billion. The Tasmanian government's own mid-year report shows that the net operating balance has deteriorated by a total of $448.5 million since the preparation of the 2013-14 budget. However, just three years ago the estimate for the 2013-14 budget was an underlying surplus of $53.4 million. How have they got it so wrong?

Remember, all of this was on the back of a deal signing up to a fiscal strategy to reduce expenditure as GST revenues collapsed under the deteriorating economic performance of the national budget, courtesy of Mr Rudd, Ms Gillard and the member for Lilley. As we now know, and many understood at the time, the previous federal Labor government never had a problem with revenue, rather they had a problem with spending. And even Tasmania's Premier and Treasurer, Lara Giddings, in 2012 in the mid-year economic update said:

… there is now no more hay left in the barn.

She went on to say:

We are living beyond our means and spending must be cut in line with our reduced income so we do not go back into net debt.

So, having worked out that we were spending too much and living beyond our means, and rightly bringing down a budget showing a surplus of $53 million, what did we do? We delivered the biggest deficit in the state's history.

Since the Labor-Green government came into office in my home state, Tasmania has run the biggest deficits in the state's history, investment has dried up, Tasmania's credit rating has been downgraded, and hundreds of Tasmanians have been leaving the state to find work. Since the Labor-Green government came into office, front-line resources have been decimated, with fewer police on the beat; there has been an increase in serious crime, including armed robberies; there have been 70,000 fewer checks on speeders and drink-drivers annually; 14,000 fewer crimes have been pursued to prosecution; and fuel reduction on public land has been reduced by more than half.

Since the Labor-Green government came into office, we have become one of Australia's poorest performing states in terms of education, with over 100 teachers being sacked, a
decrease in student attendance, and an increase in class sizes. Our year 10 to 12 retention rate has plummeted. There has been a drop of 78 per cent in adult education—a staggering figure. Tasmania has the lowest year 12 completion rate of any state in Australia, with only 43 per cent of young Tasmanians now completing year 12. Since the Labor-Green government came into office, education has been devastated.

Health and human services also have been slashed, with over 100 hospital beds closed. There are 1,500 fewer patients being admitted for elective surgery, and more Tasmanians are waiting over a year for surgery. Two hundred and eighty-seven nurses were sacked in a nine-month period in 2011-12. Waiting lists for people with disability have skyrocketed. The figures are due in part to additional expenditure of $57.7 million for the Tasmanian Forestry Agreement—I just can't get away from it—the irony of which is cruelly apparent to the majority of Tasmanians. Taxpayers' money is being used to shut down business and the livelihoods of good people in my electorate. It is nothing short of criminal.

Perhaps what best highlights the incompetence of this current government, though, is the unfunded superannuation liability the state has. The government has raided the kitty of previous administrations and failed to maintain the superannuation liability for the state's past and present employees. The unfunded liability now sits at $6.2 billion. Tasmanians are well over Labor and the Greens.

The task we now have is to reset the course of the state to one of growth, development and jobs. That will start with the election of a state Liberal government on 15 March, because the Tasmanian Liberals do have a plan: a plan for a strong, stable government that will get things done—a government that will make Tasmania an attractive place for economic investment and create jobs by delivering certainty and cutting the burden of red and green tape. It will get budget spending under control. We will live within our means. It will build a modern economy supported by our competitive strengths in agriculture and aquaculture, mining and forestry, tourism and the energy sector. We are blessed to have an enormous resource in hydro-electricity generation in our state and, increasingly, wind energy. We are blessed to have forests which can be exploited for energy as well. Rebuilding our essential health and police services is part of the state Liberals' plan, as is reinvesting in education again to create a job-ready generation. Extending high schools to year 11 and 12 is also part of the Liberals' plan. There is a better way, and I encourage Tasmanians to get behind the positive plan that Will Hodgman and his team have outlined over the past two years, and vote for change on Saturday, 15 March.
because of the profligate spending ways of the previous Labor government. These appropriations are being sought for a total of nearly $15 billion, which includes some $8.8 billion to the Treasury for a one-off grant to the Reserve Bank to meet its request to strengthen its financial position. After being depleted by the former Labor government in recent years, the Reserve Bank's buffer sat at just 3.8 per cent of the bank's assets at risk in one year alone. In 2009-10, Labor took some $5.23 billion from the Reserve Bank and, as with many things in this House at present, it is now falling to the coalition to undo the damage. Some $2.5 billion is for the Department of Foreign Affairs and Trade in re-appropriating amounts previously provided to the former agency AusAID that are required for this financial year for expenditures by DFAT. Some $1.1 million for the Department of Immigration and Border Protection is particularly for amounts including offshore asylum seeker processing—again a legacy of the previous Labor government. And just over $540 million is for the Department of Defence for overseas operations to supplement the foreign exchange movements and for the reappropriation of amounts between appropriation acts, aligning with Defence's current work programs.

These bills will ensure that we are able to continue to deliver government services generally, including re-appropriating the amounts to the Department of Foreign Affairs and Trade for the activities formerly provided by AusAID before the machinery-of-government changes. These bills will allow us to continue the job of building a stronger economy so that everybody can get ahead.

I would like to take this opportunity to highlight some important issues in the electorate of Forde. Earlier this year, on 19 January, it was reported in The Courier Mail that the top four most disadvantaged streets in Queensland were in the electorate of Forde. According to an analysis by The Courier Mail, the most disadvantaged populations in Queensland identified by the Australian Bureau of Statistics 2011 census were in Melrose Place, Olympic Court, Parkland Court and Pearce Court, all in the suburb of Eagleby.

But it is heartening to share with the House that in this area of my electorate, despite the difficult circumstances of many of the families in that area, our local community groups work tirelessly to support the people who live there. These groups do such a tremendous job, and I would like to praise their efforts in this House. They are organisations such as the Eagleby Community Association Inc., the Twin Rivers Centre, the Twin Rivers co-op, the Eagleby Queensland Country Women's Association, St John Ambulance, the Salvation Army and Lighthouse Care—and these are but a few. I thank them for their continued and valuable support of those in our community who need it most.

I know a number of the constituents living in Eagleby who have tremendous pride in their local community. Eagleby is also home to the Australian Navy Cadets training ship TS Walrus, which had the distinction in 2012 of winning the award of the best naval cadet unit in Australia. Other community organisations include the Brigalow Country Music Club and the Eagleby Garden Club, to name a few. I had the opportunity on the weekend to attend the first ever charity shield match between the Eagleby Giants and the Beenleigh Bulls rugby league clubs. The Beenleigh Bulls won, but it was a tremendous testament to the Eagleby Giants in their third year of existence to have a senior team competing at that level. There is a great sense of community spirit in Eagleby, despite the reports of disadvantage.
I believe that we can all continue to work together to improve the outcomes for the people living in these communities. The unemployment rate of 12 per cent in Eagleby is much higher than the national unemployment rate. But, as many of us on this side of the House certainly know, the best solution to welfare is for people to have a job. On this side of the House, we are continually working to create those opportunities by fixing the legacy of the past Labor government. Our aim is still to assist business to create one million new jobs within five years and two million jobs within a decade. We have recently introduced legislation into this parliament to help deliver on this election commitment.

New financial initiatives will boost workforce participation and get more young job seekers off welfare as part of our job commitment bonus. The new scheme will encourage long-term unemployed job seekers aged 18 to 30 to get a job and hold it for at least 12 months. For their efforts, eligible job seekers will be entitled to claim $2½ thousand, and, if they remain in continuous work without income support for two years, they will be rewarded with an additional $4,000. There is also a package of relocation assistance to take up a job, which provides up to $6,000 for eligible job seekers who relocate to a regional area or $3,000 if they relocate within metropolitan areas, and families with dependent children can be provided with an extra $3,000 in recognition of any additional costs. We have the opportunity here to prevent young job seekers from sliding into long-term welfare dependency. We seek the support of those opposite in order to try to achieve this.

In Forde, I have been speaking with members of our local business community about how we can best support local job creation. Businesses know that governments do not create jobs, but they know that we can create the environment they need for business to flourish. The environment created by the former Labor government did little to support jobs. I think the best epitaph for the former government is to paraphrase the words of Ronald Reagan, in that the previous government's view of the economy could be best summed up this way: 'If it moves, tax it; if it keeps moving, regulate it; and, if it stops moving, subsidise it.'

The coalition's plan for a stronger economy, which was endorsed by the Australian people, starts with abolishing the former Labor government's carbon tax. In addition, the plan includes getting rid of the mining tax, cutting $1 billion worth of red tape from the economy and restoring the Australian Building and Construction Commission. Those opposite on the Labor benches should work alongside us to scrap these unnecessary burdens and support a growing, stronger economy for the benefit of all in this country.

During the election we outlined a number of initiatives to strengthen the small business sector in Australia. But, for business to thrive, customers also need to feel safe in their local shopping precinct. The coalition's $50 million Plan for Safer Streets will help reinvigorate precincts such as theBeenleigh Town Centre. During the last election, out of this initiative the coalition committed close to $1 million for additional CCTV in Forde. Around half of the funding will be allocated to the installation of additional CCTV cameras in Beenleigh. This will complement the additional $3 million in funding commitment from the coalition during the election to assist in the revitalisation of the Beenleigh Town Centre.

Beenleigh is a regional town conveniently located between the Gold Coast and Brisbane. Beenleigh, I believe, has the future to be a thriving regional hub supporting a number of new model cities. In the years ahead, there will be a new town square with first-class public spaces
in addition to other developments to encourage more investment and opportunity in the region.

Debate interrupted.

**ADJOURNMENT**

The DEPUTY SPEAKER (Hon. BC Scott): Order! It being 9pm, I propose the question:

That the House do now adjourn.

**Legal Aid**

Mr DREYFUS (Isaacs—Deputy Manager of Opposition Business) (21:00): Before the last election, Senator Brandis told *The Australian* newspaper:

I do regard access to justice not as an aspect of social welfare but as a necessary implication of the rule of law.

This was certainly heady stuff from the senator—high-minded principle. Unfortunately, Attorney-General Brandis has, in government, revealed a scant regard for access to justice and a contemptuous arrogance towards the organisations and hardworking people tasked with delivering it. Access to justice means more than just the formal ability of individuals to avail themselves of the courts. Real access to justice requires that all Australians are properly informed of their legal rights. Real access to justice requires that all Australians are assisted to resolve their disputes before they escalate and become more costly and disruptive to the whole community. Real access to justice requires in the last resort that all Australians have the benefit of legal advice or representation in a court of law.

In this sense, the work of Legal Aid Commissions, of Aboriginal and Torres Strait Islander Legal Services, ATSILSs, and of Community Legal Centres, CLCs, is absolutely vital in ensuring that there is access to justice for all Australians. In a very practical sense, these institutions underpin the rule of law, a principle which the Commonwealth Attorney-General should be working to uphold. When I served as Attorney-General in the last Labor government, I argued passionately for the role played by Legal Aid, ATSILSs and CLCs in guaranteeing that all Australians have access to justice. What is more, the Labor government did not just argue for improved access to justice; we increased funding to these organisations so they could better deliver legal assistance to the most needy in society.

By contrast, and despite his rhetoric of concern for justice, the current Attorney-General has attacked those who work so that all Australians can enjoy the rule of law. Indeed, in his tenure as Attorney-General he has to date done little else. On taking office, the Abbott government and this Attorney-General ripped some $42 million dollars out of the legal assistance sector. This cold-hearted decision undermines access to justice for those who need it most. The Attorney-General talks big on the equal protection of the law, but he cut funding to ATSILSs at a time when Aboriginal and Torres Strait Islander children are 25 times more likely to be incarcerated than non-Indigenous children. When questioned at Senate estimates, Senator Brandis could not even name an ATSILS organisation that he had visited, much less consulted with on the impacts of his cuts.

ATSILSs are not the only community legal services to suffer under the Abbott government's disdain for justice. In December, the Attorney-General advised all Environmental Defenders Offices, EDOs, that they would not be receiving the additional $2.5 million each year that was already committed and contracted for by the Labor Government.
EDOs advise and act for individuals, community groups and conservation groups seeking to protect the environment in the public interest. The Labor government delivered the largest increase in funding ever received by these organisations. The Abbott government ripped their funding away, citing a supposed change of policy which would ostensibly prioritise front-line services. Perhaps Senator Brandis does not think that the protection of endangered species, the prevention of pollution, proper urban planning, land use issues affecting our farmers or the protection of our nation's natural assets, which form the basis of much of our tourism industry, are frontline issues. He recently had the audacity to question whether some of this work was 'worthy'.

For all his righteous bluster, the Attorney-General is to be judged on his actions. Whatever he says about the rule of law, he has shown he will not support the community legal organisations which, every day, across Australia, perform the difficult and often unglamorous but vital work of making sure that everyone in our society can access justice. Perhaps if Senator Brandis spent less time requisitioning taxpayer funded bookshelves to house his taxpayer funded personal library and more time visiting ATSILS and other community legal centres, he would understand just how much damage his cuts are doing to access to justice in our nation.

**Ovarian Cancer**

Ms O’DWYER (Higgins) (21:04): The month of February was awash with teal. From coast to coast, teal ribbons, teal cupcakes and even a teal Old Parliament House brightened our nation like the crystal waters of the Great Barrier Reef. Teal is, of course, the colour of Ovarian Cancer Australia. For the past three years I have been proud to be a national ambassador for Ovarian Cancer Australia. Over that time I have witnessed the organisation grow from strength to strength. It has doubled its operation in the past 12 months alone, and 2014 proves to be another pivotal year for Ovarian Cancer Australia. The organisation recently announced its new national action plan. For the first time, Ovarian Cancer Australia will be branching out into research to complement their support and information services. The need for further research has never been more critical.

I would like to share with the parliament some of the sobering facts regarding ovarian cancer. Ovarian cancer has the lowest survival rate of any women’s cancer. It has a five-year survival rate, well below the average for all cancers. Each year more than 1,400 Australian women are diagnosed with ovarian cancer and approximately 1,000 women die from the disease. That is the equivalent of one woman every eight hours. In Australia, the overall five-year survival rate for women diagnosed with ovarian cancer is only 43 per cent. In comparison, the overall five-year survival rate for women diagnosed with breast cancer is 89 per cent. There is no early detection test for ovarian cancer. The best way of detecting the disease is to know and recognise the symptoms, which most commonly include abdominal or pelvic pain, increased abdominal size or persistent abdominal bloating, the need to urinate urgently or often, and feeling full after eating a small amount. Information and knowledge is the key to combating this insidious disease. That is why, in the month of February, hundreds of afternoon and morning teas are held throughout Australia—to raise both awareness and much needed funds.

Last Friday I hosted my own morning teal that included Olympian Nicole Livingston, residents of Higgins and health and medical researchers from around Melbourne. At the event...
we heard the inspirational story of Jane Lucas, a survivor of ovarian cancer, who recounted her ordeal when she was diagnosed with ovarian cancer. Jane, however, is one of the lucky ones and is now living well. Sadly, too many do not get to tell their own stories.

We also heard from Associate Professor Clare Scott from the Walter and Eliza Hall Institute of Medical Research, where she heads up the ovarian cancer laboratory. Clare is doing some amazing work in treatments, including genome mapping, which allows doctors to tailor treatments rather than using the traditional one-size-fits-all approach. This cutting-edge research has the potential to unlock the secrets to long-term eradication of ovarian cancer. We as a government are proud of our record in the health and medical research space, identifying it as one of Australia's core competencies and quarantining it from any budget cuts. We also recognise that advances in health and medical research will deliver direct therapeutic benefits for Australian patients.

The morning teal provided an opportunity for those women present to learn about the disease and, more importantly, the symptoms to look for, and at the same time we raised over $7,000 for Ovarian Cancer Australia. I also hosted a drinks at Parliament House with fellow ambassador the member for Canberra, Gai Brodtmann, and at this event we raised just over $1,000. For the month, that totals a touch over $8,000. I would like to thank everyone who donated to this important cause, who came along and who in turn raised awareness in their own workplaces, communities and families. All those people who helped to organise these events I would like to thank for their wonderful efforts.

I would also like to thank and pay special acknowledgement to the entire Ovarian Cancer Australia team, especially the CEO, Alison Amos, and the chair, Paula Benson. I look forward to working with the OCA team in the upcoming year and wish them the best of luck with their endeavours. I pledge my support and to assist in any way I can to fight this sinister disease.

Finally, in this place I think it is entirely appropriate to recognise Senator Jeannie Ferris, who herself was diagnosed with ovarian cancer and, horribly, succumbed to that disease in 2007. Rest in peace, Jeannie. For all the other women out there facing the same challenges: we are working for the cause, we are working to raise awareness and we are working for a cure.

Bendigo Electorate: Manufacturing

Ms CHESTERS (Bendigo) (21:09): I wanted to reflect on a few comments that were made on the ABC Q&A program last night. As the member for Bendigo and being from the Labor side, it is rare to say that I agreed with one of the comments that was made by the member for Kooyong. He said the Bushmaster military vehicle, manufactured in Bendigo, is an example of advanced manufacturing, and I absolutely agree with the statement.

Designed, built and manufactured in Bendigo, the Bushmaster is an example of manufacturing excellence. It is estimated that the Bendigo Thales-built Bushmaster has saved over 300 Australian Defence Force personnel lives in Afghanistan. It is the design. It is the capability. It is a locally designed and produced vehicle. It has been built by Australians to protect Australians, and it is something people working at the Bendigo Thales site are incredibly proud of.
We have a strong history of defence manufacturing in Bendigo. It goes back to the Australian Defence Industries when, during the Second World War and beyond, Bendigo manufactured the vehicles, the protection uniforms—the equipment that our armed services needed. They did it not just because it created jobs but because it was reliable. It was that we produced the best. When it is our troops' lives at risk, we can count on our own to produce the best.

It also leads us to the future for Bendigo Thales. Many would remember the debate over where to next for this fantastic manufacturing facility. The immediate future is secure for Bendigo Thales. An additional 214 Bushmasters were ordered by the former Labor government, and they are in production right now. Then there was the contract with Jamaica which secured a further 12 Bushmasters. That may not sound like a lot, but it is actually an extra three months worth of work for the people at this facility.

The long-term future for this facility, though, is not secure. That is why it is so important that the new government follow Labor's lead and sign and commit to the Hawkei program. The Hawkei is a vital project. It is quite often known as the 'son of Bushmaster'. It has the same protection, it has the same capability and it is the next stage in the manufacturing of defence vehicles that our Australian troops need. But timing is critical. It is so critical that this contract be negotiated with Thales and signed not just so that our troops get a vehicle that can service and protect them in the future but also so that the work in this factory can continue.

The fact is that the Hawkei offers the same level of protection and outstanding capability as its stablemate, the Bushmaster, and it is an ideal opportunity for the member for Kooyong, who is the Parliamentary Secretary to the Prime Minister, to have a quiet word with the Prime Minister to say it is time to show support for this other example of advanced manufacturing.

I think we are at a critical stage in defence manufacturing in this country. We have met with lots of different workers and lots of different businesses here in this building as well as in our own electorates, and they are telling us that it is time. It is time to sign that next round of contracts. If we do not—if we allow the white paper to take up too long—then these facilities will close because the contracts have not been signed. As someone sitting on this side of the House I do have to ask the question: is this a cynical ploy by the government to delay—through red tape, writing and white papers—these contracts being signed? If they are not signed before the work of the Bushmaster runs out then in Bendigo, unfortunately, we may see the end of a long legacy of defence manufacturing, and that is something I do not believe anybody in this House wants to see. It is why I call on the government to put pen to paper and sign the Hawkei contract as soon as possible.

Deakin Electorate: Ringwood Chamber of Commerce and Industry

Mr SUKKAR (Deakin) (21:14): Small businesses are the backbone of our country, so it is with great pleasure tonight that I acknowledge the hardworking members of an important small-business network in my electorate of Deakin. The Ringwood Chamber of Commerce and Industry has played a critical role over the past six decades in bringing together businesses to share ideas, lobby for their interests and promote Ringwood as a great place to do business. Today, the chamber is ably led by its president, Peter Milford, who is from Aughtersons Solicitors. Peter has worked tirelessly to improve the health and wellbeing of businesses in Ringwood as well as the community more broadly.
I also pay tribute to some notable members of the chamber, each of whom employ local men and women, and operate viable and successful local businesses. This includes Neil and Margaret Mulcahy of Daisy's Garden Supplies, who have built up their business from scratch and now employ approximately 60 people. That is 60 families who benefit from the employment provided by Daisy's. There is Richard Carter, the Managing Director of Carter Real Estate and the third generation of his family to hold that position. He is a prominent figure in our community whose family and business have had an enduring connection with the chamber since its inception. I also pay tribute to Fedia and Laura Slussareff from Alfatron, which has been designing and manufacturing a wide range of data interface products since 1979. Fedia is a former chamber president who provides internationally competitive manufacturing jobs in the heart of Ringwood. The Deakin electorate was fortunate to have the Prime Minister visit Alfatron last year to see one of our manufacturing success stories.

Indeed, I pay tribute to all involved with the chamber for contributing to its vibrancy and for helping create the business and community environment that Ringwood now enjoys. In one of my earliest interactions with the chamber, I was shocked to hear that the former Labor member for Deakin had not sought to meet with chamber members and he had not attended any of the chamber's functions during his six years representing the electorate. Small businesses are the backbone of our country and, in contrast with the former member for Deakin, I am wholly committed to doing everything I can to support the small businesses of Deakin.

A great deal has changed in the suburb of Ringwood since the chamber of commerce and industry was first established, including many significant changes that have recently occurred or are on the horizon. To borrow the Maroondah City Council's slogan, Ringwood is going places. I had the pleasure of visiting Eastland shopping centre last October, when the centre's owner, Queensland Investment Corporation, announced the start of a $575 million retail expansion. The redevelopment is now well underway and will create some 1,600 jobs during the construction phase and a further 1,700 jobs in retail. The expansion is helping to revitalise the suburb. Maroondah City Council have also committed to a new town square and state-of-the-art library. Work is scheduled to start this year on the coalition state government's $66 million upgrade to the Ringwood station and bus interchange. There are numerous other office, residential and retail developments underway, all of which will draw more people to the area and boost business. It has taken time for the Ringwood area to grow but growing it is, and the Ringwood chamber has played a central role in this process, successfully lobbying for projects such as the Ringwood station upgrade.

The final piece in the puzzle is the East West Link, which will make life easier not only for Deakin residents to reach the Ringwood hub but for people from across Melbourne to visit, work and shop in the Ringwood area. Putting the innumerable other benefits to one side for a moment, the coalition government's $1.5 billion commitment to building the East West Link is most definitely a vote of confidence in the future of Ringwood. Let me finish by acknowledging once again the members of the Ringwood Chamber of Commerce and Industry and their strong contribution to our community. Unlike the former member, I am dedicated and committed to helping the chamber grow Ringwood, grow their businesses and create opportunities for the next generation.
Charitable Organisations

Dr LEIGH (Fraser) (21:19): In November last year police in Mackay alerted local residents to a scam that was taking place. Residents around Andergrove in the southern suburbs reported people door-knocking, posing as collectors for Autism Queensland. They were attempting to get bank details from vulnerable residents. Autism Queensland had no collectors in the area. This story of scammers posing as charitable collectors is sadly not an isolated incident. Last month, ABC's 7.30 uncovered a children's education charity which had received nearly $1 million in donations but could not or would not say where some of those funds have gone. In other developments, scammers targeted Australian households last year with emails asking people to donate to phony bushfire appeals.

I am passionate about standing up for consumers and I know my friend and colleague the shadow parliamentary secretary to the shadow Treasurer is too. If we are to stand up for the interests of consumers then we need an organisation that will report dodgy dealings by charities, and that organisation is the Australian Charities and Not-for-profits Commission. In its first year, the compliance team at the ACNC received and assessed 202 charity related concerns, an average of 17 a day—not bad for an organisation whose public profile is just beginning to rise. Eight of those cases, according to the ACNC, involved investigations of serious matters of fraud and governance, including one case involving allegations of serious mismanagement and fraud at a charity where a husband and wife were directors on the charity's board. As the ACNC review noted:

The couple took over the charity initially with the support of the members and existing board. However, many members cancelled their membership following the couple's increasing abuse of their position within the charity.

If we are to ensure that we have a strong charitable sector, we need a strong ACNC to which complaints can be directed. The analogy here is with the Australian Securities and Investments Commission, ASIC, which underpins investor confidence and ensures that investors can put their money into firms knowing that there is a basic set of rules and an agency to which problems can be reported. The government, for its own heavily ideological reasons, wants to scrap the ACNC.

There is not only that; they are still committed to getting rid of the statutory definition of 'charities'. That is right: the government would currently prefer to go back to case law from the 1600s to determine what is a charity rather than having a simple, straightforward definition. Do we want to return to a set of laws that were drafted before flight, before cars, before electricity and before the telephone? It seems very strange to go back to a set of laws that predate the industrial revolution to define 'charities'. I call on the government to back off and to support the statutory definition of a charity.

I call on the government to engage with the charitable sector, who overwhelmingly have supported the ACNC. After all, the ACNC came out of a Productivity Commission review. It has been backed by four out of five charities in surveys. Tim Costello has said:

The commission is actually working for us and it gives the public confidence, it underpins the consumer benefit to charities.

Carolyn Kitto, with the charity STOP THE TRAFFIK!, has written to my office in the following terms:

________________________
CHAMBER
The ACNC is a dream come true for small charities. We don't have the range of expertise needed to manage the ATO and ASIC, we do not have the time to do compliance for many different groups, nor can we easily stay on top of changes in regulations. The ACNC has cut the red tape dramatically. As you would expect, given that the ACNC has a red tape reduction and reporting directorate. A government committed to tackling red tape should be a government that is proud to support the ACNC. It is an idea that originated with Prime Minister Howard and ought to enjoy bipartisan support. (Time expired)

Former Member for Fisher

Mr BROUGH (Fisher) (21:24): I rise tonight to talk about an issue which would be well known to most members of this House—that is, the ongoing saga between Mr Ashby and former Speaker Mr Slipper. This matter has been before the Federal Court. It was last year that Judge Rares of the Federal Court made findings against me. I was never a party to the action, I never appeared in any court and I never gave any evidence, nor was I cross-examined, but I was found to have, in Judge Rares words, 'worked in combination with others', with Karen Doane and Mr James Ashby, to bring harm on behalf of myself and the LNP against Mr Slipper.

As these matters should, they worked their way through the courts and Mr Ashby sought leave to apply to the full bench of the Federal Court. He was able to take his matter there, and last week the full bench of the Federal Court made the following finding regarding me. Before reading this, I should say that they also granted leave for Mr Ashby to have his main case heard before the Federal Court—that is, one of sexual harassment in the workplace. To quote the full bench of the Federal Court at paragraph 124:

We are also of the opinion that there was no basis for the primary judge to conclude that Brough was part of any combination with anyone in respect to the commencement of these proceedings with the predominant purpose of damaging Slipper in the way alleged or at all. Ashby was persuaded to contact Brough by Bradford. Despite Brough's hesitation at seeing Ashby he did so and referred him to Russell QC. There is absolutely nothing untoward about those matters. That he was the recipient of copies of some of Slipper's diary entries does not convert what he did in referring Ashby to Russell QC into something sinister. Beyond this referral there is no evidence which links Brough in any way to the decision by Ashby to commence proceedings or as to what claims would be made in any such proceedings. Evidence that Brough had an 'animus' towards Slipper does not alter this conclusion. Ashby's unchallenged sworn testimony was that he was not commencing his action at the instigation or behest of any member of parliament, State or Federal, or any political party. This evidence is neither inherently improbably nor do we consider that it is contradicted by other evidence.

I have always maintained that what I did in relation to this matter was right and proper and that I would do it again. The day I cease to do that is the day I cease to be worthy of being a member of this parliament. When people come to see us on either side of this chamber, we have a right and a duty to uphold their wishes in trying to give them the best advice that we are able to give. Sadly, there are members who sit in this chamber today who were members of the 43rd Parliament, and there are many members of the press who went way beyond what was reasonable, what was right and what was proper in regard to matters before the courts.

People should have respect for our judicial system. They are right to make commentary once proceedings have been completed, as is the case with Mr Thomson. I remind this House that Mr Slipper's matters, both civil and criminal, are still before the courts. I have never made any judgment about his guilt or otherwise. It is for others to decide that. It would behove us
all to raise the level of debate and decorum in this place, to respect our judicial processes and
to allow people who feel they have been wronged in the workplace to have recourse. I think it
was a very sad occasion when someone who felt they had been wronged was held out for
ridicule and had their motives impugned, all for political purpose. What we as a body politic,
and particularly those who sit opposite, have done has in many ways dissuaded others who
have found themselves in equally heinous situations from coming forward. That does not
reflect well upon any of us.

So I would say to all members of the media who like to jump to conclusions, who love to
see conspiracies under every rock: take the time to read the judicial response by the full bench
of the Federal Court. I invite those who made comments about me and others associated with
this action that were unfair, unreasonable and inaccurate to reflect upon them and perhaps at
some appropriate time to say something in that regard.

Debate interrupted.

House adjourned at 21:30

NOTICES

The following notices were given:

Mr Keenan to present a Bill for an Act to amend legislation relating to the criminal law,
and for related purposes.

Mr S. P. Jones to move:

That this House:

(1) notes that:

(a) around 35,000 Australians are reported as missing persons every year;
(b) there is a lack of coordination between Australian states and territories in missing persons
matters;
(c) the inconsistency between data collection procedures and availability of information across police
jurisdictions makes investigation of missing persons across state lines extremely difficult; and
(d) there is an urgent need for a national centralised missing persons database; and

(2) calls on the Government to lead state and territory governments in developing an integrated national
missing persons database.

Mr Thistlethwaite to move:

That this House:

(1) notes the:

(a) importance of the Australian aid program to sustainable economic and social development and
poverty alleviation for Pacific nations;
(b) contribution of the Australian aid program to Australia’s national interests through support for
regional stability, security and prosperity;
(c) Foreign Minister’s verbal commitment to not cut Australian development assistance to Pacific
nations; and
(d) announcement by the Foreign Minister on 18 January 2014 that $650 million will be cut from
Australia’s development assistance in 2013-14, including $61.4 million cuts to the following Pacific
country and regional programs:
<table>
<thead>
<tr>
<th>Program</th>
<th>Cuts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Papua New Guinea</td>
<td>$5.3 million</td>
</tr>
<tr>
<td>Solomon Islands</td>
<td>$14.2 million</td>
</tr>
<tr>
<td>Vanuatu</td>
<td>$6.2 million</td>
</tr>
<tr>
<td>Samoa</td>
<td>$3.6 million</td>
</tr>
<tr>
<td>Fiji</td>
<td>$2.8 million</td>
</tr>
<tr>
<td>Tonga</td>
<td>$2.7 million</td>
</tr>
<tr>
<td>Kiribati</td>
<td>$3 million</td>
</tr>
<tr>
<td>Other Small Pacific Islands</td>
<td>$3.6 million</td>
</tr>
<tr>
<td>Pacific Regional</td>
<td>$20 million</td>
</tr>
</tbody>
</table>

(2) calls on the:

(a) Foreign Minister to meet her commitment to not cut Australian development assistance to Pacific nations; and

(b) Government to reverse its $4.5 billion in cuts to Australia’s aid program and reinstate funding to levels published in the 2013-14 budget.

**Mr Bandt** to move:
That this House:

(1) recognises the:

(a) plight of Australians suffering from Atypical Hemolytic Uremic Syndrome (aHUS) and others with rare diseases who currently lack access to effective treatments and life-saving medicines; and

(b) considerable uncertainty surrounding potential treatments for rare conditions such as aHUS in terms of timing, cost and availability of medicines and the distress this causes sufferers;

(2) notes the purpose of the Life Saving Drugs Program (LSDP) is to provide medicines to Australians with rare diseases who may be poorly served by the conventional pharmaceutical listing process; and

(3) calls on the:

(a) Government to clarify the status and purpose of the review of the LDSP; and

(b) Health Minister to ensure that there are no unnecessary delays in the consideration and listing of effective treatments for rare diseases on the LSDP.

**Ms Gambaro** to move:

That this House:

(1) expresses grave concern regarding the escalation of tensions in Ukraine, in particular, the decision of the Russian Parliament to authorise the use of force within Ukraine;

(2) calls on the:

(a) Russian Government to respect Ukraine’s sovereignty, withdraw its troops and open channels for dialogue with Ukraine; and

(b) Ukraine Government to continue to exercise restraint in the face of provocation; and

(3) acknowledges the steps taken by the Australian Government in support of a peaceful resolution to the dispute.