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**SITTING DAYS—2014**

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FORTY-FOURTH PARLIAMENT
FIRST SESSION—THIRD PERIOD

Governor-General
His Excellency General the Hon. Sir Peter Cosgrove AK, MC (Retd)

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
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<td>LP</td>
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<tr>
<td>Wicks, Mrs Lucy Elizabeth</td>
<td>Robertson, NSW</td>
<td>LP</td>
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<td>Denison, TAS</td>
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<td>Williams, Mr Matthew</td>
<td>Hindmarsh, SA</td>
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<tr>
<td>Wilson, Mr Richard James</td>
<td>O'Connor, WA</td>
<td>LP</td>
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<tr>
<td>Wood, Mr Jason Peter</td>
<td>La Trobe, VIC</td>
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<tr>
<td>Wyatt, Mr Kenneth George AM</td>
<td>Hasluck, WA</td>
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<tr>
<td>Zappia, Mr Antonio</td>
<td>Makin, SA</td>
<td>ALP</td>
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**PARTY ABBREVIATIONS**

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

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- Clerk of the House of Representatives—D Elder
- Secretary, Department of Parliamentary Services—C Mills
- Parliamentary Budget Officer—P Bowen
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<td><strong>Minister for Indigenous Affairs</strong></td>
<td>Senator the Hon. Nigel Scullion</td>
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<tr>
<td><em>Minister Assisting the Prime Minister for the Public Service</em></td>
<td>Senator the Hon. Eric Abetz</td>
</tr>
<tr>
<td><em>Minister Assisting the Prime Minister for Women</em></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>
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<tr>
<td><strong>Parliamentary Secretary to the Prime Minister</strong></td>
<td>The Hon. Alan Tudge MP</td>
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<td><strong>Minister for Infrastructure and Regional Development</strong></td>
<td>The Hon. Warren Truss MP</td>
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<td><em>(Deputy Prime Minister)</em></td>
<td>The Hon. Jamie Briggs MP</td>
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<td>The Hon. Julie Bishop MP</td>
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<td>The Hon. Andrew Robb AO MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Minister for Foreign Affairs</strong></td>
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<td>Senator the Hon. Eric Abetz</td>
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<tr>
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<td>The Hon. Luke Hartsuyker MP</td>
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<tr>
<td><strong>Assistant Minister for Employment</strong></td>
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<tr>
<td><em>(Deputy Leader of the House)</em></td>
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<tr>
<td><strong>Attorney-General</strong></td>
<td>Senator the Hon. George Brandis QC</td>
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<td><strong>Minister for the Arts</strong></td>
<td>Senator the Hon. George Brandis QC</td>
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<tr>
<td><em>(Vice-President of the Executive Council)</em></td>
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<tr>
<td><em>(Deputy Leader of the Government in the Senate)</em></td>
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<td><strong>Minister for Justice</strong></td>
<td>The Hon. Michael Keenan MP</td>
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<td><strong>Treasurer</strong></td>
<td>The Hon. Joe Hockey MP</td>
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<tr>
<td><strong>Minister for Small Business</strong></td>
<td>The Hon. Bruce Billson MP</td>
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<tr>
<td><strong>Acting Assistant Treasurer</strong></td>
<td>Senator the Hon. Mathias Cormann</td>
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<tr>
<td><strong>Parliamentary Secretary to the Treasurer</strong></td>
<td>The Hon. Steven Ciobo MP</td>
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<tr>
<td><strong>Minister for Agriculture</strong></td>
<td>The Hon. Barnaby Joyce MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Minister for Agriculture</strong></td>
<td>Senator the Hon. Richard Colbeck</td>
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<td>The Hon. Christopher Pyne MP</td>
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<tr>
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<tr>
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<tr>
<td><strong>Parliamentary Secretary to the Minister for Industry</strong></td>
<td>The Hon. Bob Baldwin MP</td>
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<tr>
<td><strong>Minister for Social Services</strong></td>
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<tr>
<td><strong>Assistant Minister for Social Services</strong></td>
<td>Senator the Hon. Mitch Fifield</td>
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<tr>
<td><em>(Manager of Government Business in the Senate)</em></td>
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<td>The Hon. Paul Fletcher MP</td>
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<tr>
<td><strong>Assistant Minister for Health</strong></td>
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<tr>
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<tr>
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<tr>
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<tr>
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<tr>
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<td>The Hon. Darren Chester MP</td>
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<tr>
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<tr>
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Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. However, there is a Department of 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.
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<td>Senator the Hon Kim Carr</td>
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<tr>
<td>Shadow Minster Assisting the Leader for Small Business</td>
<td>Hon Bernie Ripoll MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Small Business</td>
<td>Julie Owens MP</td>
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<tr>
<td>Shadow Cabinet Secretary</td>
<td>Senator the Hon Jacinta Collins</td>
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<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>Hon Michael Danby MP</td>
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<tr>
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<td>Dr Jim Chalmers MP</td>
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<tr>
<td>Deputy Leader of the Opposition</td>
<td>Hon Tanya Plibersek MP</td>
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<tr>
<td>Shadow Minister for Foreign Affairs and International Development</td>
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<tr>
<td>Shadow Minister for Women</td>
<td>Senator Claire Moore</td>
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<tr>
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<td>Senator the Hon Don Farrell</td>
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<tr>
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<tr>
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The SPEAKER (Hon. Bronwyn Bishop) took the chair at 10:00, made an
acknowledgement of country and read prayers.

PETITIONS

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

Early Childhood Education Funding
To the Honourable The Speaker and Members of the House of Representatives

This petition of Australian citizens, draws to the attention of the House, the uncertainty that faces
both parents and educators of early childhood beyond the conclusion of the National Partnership
Agreement on Universal Access which terminates on 31 December 2014.

The partnership is currently under review leaving parents and educators without any ability to plan
their finances, employment commitments or budgets for 2015, as no decision has been made to commit
to further funding under the partnership or other similar arrangement.

Research clearly supports the notion that starting earlier and spending more hours at kindergarten
can significantly improve school success and has benefits into adulthood, particularly for disadvantaged
children.

We the undersigned Australian Citizens ask the House to:

Urgently commit to continue federal funding that ensures access to 15 hours of kindergarten per
week for all Australian preschool children in the year before school beyond 31 December 2014.

from 1,376 citizens

Pacific Haven: National Broadband Network Tower
To the Honourable The Speaker and Members of the House of Representatives

We citizens of Pacific Haven, in the State of Queensland, in the Commonwealth of Australia, draw
attention to the poor location of a proposed NBN Tower at No. 300 Pacific Haven Circuit, Pacific
Haven, 4659.

This location is right on an S bend in Pacific Haven Circuit. It will be within 6 metres of the road and at
40 metres high it will be very visible from either direction and a major distraction to drivers, and thus a
probable cause of traffic accidents on the bends.

The location is within 200 metres of a School Bus Stop and several residences are within 120 metres of
the proposed location, which is a rural residential area.

This giant structure will visually dominate the locality and lower immediate property values, and close
residents are concerned about Electromagnetic radiation effects on their wellbeing.

There are several alternative locations and owners in Pacific Haven, who are willing to have the Tower
located on their block, that have none of the disadvantages of No.300.

For example, No's. "Sand 45, are large acre bush blocks on Pacific Haven Circuit, where the road is
straight, the Tower would have less visual impact on drivers and residents, it would be more centrally
located to the whole of Pacific Haven, there are fewer close residents, there is no School Bus Stop, but
both have similar access to the road and power as at No. 300.

from 124 citizens
Tasmania: World Heritage Listing
To the Honourable The Speaker and Members of the House of Representatives

We, the undersigned as concerned members of the community, request the House take note of our concern about the decision to delist approximately 74,000 hectares of Tasmanian forest from World Heritage protected status.

The reason for this concern is both the environmental damage that could result from the decision, and the damage to Australia's international reputation brought about by a refusal to respect the decisions of UNESCO and World Heritage Committee.

from 207 citizens

Victoria: Early Childhood Education Funding
To the Honourable The Speaker and Members of the House of Representatives

This petition of the families of Green Park Kindergarten, draws to the attention of the House that the Commonwealth Government has made no further commitment to fund the five hours of kindergarten it currently funds as part of the National Partnership Agreement that ensures all Victorian children receive 15 hours of funded kindergarten beyond December 2015. The benefits of 15 hours of a high quality early years program in the year prior to commencing school has been well researched.

Your petitioners request the Commonwealth Government ensures it continues to recognise the benefit of 15 hours of kindergarten for children in the year prior to commencing school. Considering the benefits of an extended kindergarten program we ask the Commonwealth Government to continue to commit to the 5 hours of funding it currently provides under the National Partnership Agreement beyond December 2014 on an ongoing basis to support the fundamental development of all Victorian kindergarten children.

from 96 citizens

PETITIONS
Responses

Dr JENSEN (Tangney) (10:02): The following ministerial response to a petition has been received:

Australian Road Rules

Dear Dr Jensen

Thank you for your letter dated 29 May 2014 about a petition proposing that the Australian Road Rules (ARRs) be amended to require drivers to provide a minimum overtaking distance when passing bicycle riders.

The Australian Government strongly supports the creation of a safe road environment for cyclists. This is reflected in the goals and priorities of two key national strategies established in cooperation with the states and territories: the National Road Safety Strategy 2011-2020, which aims to reduce serious road casualties by at least 30 per cent by 2020; and the National Cycling Strategy 2011-2016, which aims to double the number of people cycling by 2016.

The Government is contributing directly to improved cyclist safety through its ongoing investment in the development of Australia's road infrastructure. This includes funding for many projects designed to give riders greater protection on the road, for example by providing segregated paths or delineated lanes for cyclists.
The Government is also aware of proposals to mandate minimum overtaking distances for motorists passing cyclists — the so-called 'one metre rule' — and to incorporate such requirements in the ARRs. This is a matter primarily for state and territory governments, which have direct responsibility for traffic regulation, policing and road user education within their respective jurisdictions.

The ARRs were developed cooperatively by the states and territories as a means of encouraging nationally consistent traffic regulation and are maintained through a process managed by the National Transport Commission. While they form the basis of the road rules in each jurisdiction, amendments to the ARRs and their adoption as law continue to be dependent on state and territory decisions.

I can advise you that in April this year the Queensland Government amended its road rules to introduce the 'one metre rule' on a two-year trial basis. Queensland's initiative was noted by all state and territory transport Ministers at a recent meeting of the Transport and Infrastructure Council (on 23 May 2014) and the issue is expected to be further considered as the trial progresses.

I trust this information will be of assistance.

Yours sincerely,

from the Assistant Minister for Infrastructure and Regional Development, Mr Briggs

PETITIONS

Dr JENSEN (Tangney) (10:02): As Chair of the Petitions Committee I have spoken in previous weeks about the role of the committee and members generally in presenting petitions to the House of Representatives. Today I thought it might be useful to look beyond this House and to consider the treatment of petitions in other parliaments. As today is Bastille Day, it seems fitting that I begin with arrangements in the French National Assembly. The rules of procedure there encourage a degree of formality. Petitions must be addressed to the President of the Assembly and may be presented by any member. However, a petition that is brought 'by a gathering on the public highway' must not be received by the President or presented by a member.

The rules of procedure provide a formal process for petitions which are brought to the Assembly in the accepted way. The President of the Assembly refers these to the house committee that is appropriate to consider them. That committee appoints a rapporteur who makes recommendations to the committee, which then decides how to deal with the petition. It may decide to take no further action, or to refer it to another committee, or to a minister, or submit it to the house. The petitioner is informed of the initial committee's decision and informed again by the second committee, or the minister, of their decisions. If a committee decides to submit a petition to the house, a report is produced of the text of the petition and distributed. Members of the National Assembly receive a bulletin from time to time, summarising petitions and the decisions made about them. Members may then ask the President to submit petitions referred to in the bulletin to the house; if this request is agreed to, the report on the petition may be set down on the agenda of the house.

If we turn to the United Kingdom House of Commons, we see a process that in some ways is more familiar. The resolutions and standing orders of the House of Commons have requirements about the language and form of petitions and, like our standing orders, require a petition to contain the reasons the petitioner is petitioning the House and a request or prayer of the House to take action. Naturally, that action must be within the power of the House.
The presentation of petitions is quite different from our processes. Petitions must be presented by a member and this may be done anytime the House is sitting by a member dropping the petition in a green bag behind the Speaker's chair. Or a member may present the petition formally in the House and make a short statement about it. After the petition has been read, the member gives it to the clerk at the table, who reads the title. Or, if the member does not wish to make a statement about a petition, the clerk may read out the terms of the petition. The member then drops the petition in the green bag behind the Speaker's chair. The Journal Office of the House of Commons assists members to ensure that petitions they are asked to present are in order.

Once presented, the Votes and Proceedings for the day of presentation include a record of the petition's presentation and a copy is sent to the relevant government department. The House of Commons resolved in 2007 that all petitions should receive a response from the relevant minister. These observations from ministers are printed in Hansard and a copy of the petition is sent to the presenting member. Copies of petitions and ministers' observations are also sent to relevant House select committees, which then put the petition onto their formal agenda.

The German Bundestag has its own petitions committee, but its role appears to be significantly different from that of our committee. It receives about 15,000 submissions a year and about one-third of these are requests for legislation. The committee has an unusually large mandate. It deals with all petitions relating to the Bundestag's legislative functions and with complaints about federal authorities. In this respect, it takes on a kind of ombudsman's role. The committee has a significant mediating role between complaints by individuals about authorities and a role in scrutinising legislation that is the subject of complaints. It may press for amendments to legislation and recommend action by the Bundestag. The committee cannot review court judgements, but it may seek to influence federal authorities involved in current court action.

Although it has an investigatory role and powers that are unusual from our perspective, in one respect the German committee is very similar to our Petitions Committee. Its function gives it a monitoring role on issues that concern citizens and motivate them to call for intervention by their parliament.

The point of this short journey around national parliaments is to remind us that the tradition of petitioning parliament is not confined to Westminster style parliaments, nor has it been consigned to history by the rise of social media. In all cases, parliaments are being asked directly by citizens to intercede on their behalf with executive government. As institutions of broader systems of government, parliaments have made their arrangements for petitioners to raise concerns publicly and for those concerns to be conveyed in a way that provides petitioners with some certainty that they will be heard, even though they may not get the result they seek.

COMMITTEES
Social Policy and Legal Affairs Committee

Mr CHRISTENSEN (Dawson—The Nationals Deputy Whip) (10:08): On behalf of the Standing Committee on Social Policy and Legal Affairs, I wish to make a statement regarding the progress of the committee's inquiry into the child support program. I rise to
inform the House about the committee's inquiry into the child support program. The committee launched the inquiry in April this year, follow referral by the Minister for Social Services. The inquiry is considering methods for dealing with arrears and overpayments, the flexibility of the system, the alignment with family assistance, the links with Family Court decisions and ensuring outcomes are in the best interests of the child, particularly where there is conflict.

When we commenced the inquiry we carefully designed a community engagement strategy to ensure that we could gather evidence from a range of people in a sensitive way. The child support program assists people in some very difficult stages of life and we wanted to engage with these people without causing additional stress or anxiety. As part of the strategy we created an anonymous online questionnaire, which has been very successful. It takes about 20 minutes to complete and asks people a range of questions about their experiences.

So far over 10½ thousand people have completed the questionnaire. If each person takes roughly 20 minutes, that is over 3½ thousand hours of time collectively given to the inquiry by members of the public. That is an outstanding response to the inquiry. We will use the questionnaire results to guide the inquiry and our final report and we have already released two snapshots of questionnaire responses. The theme of the first snapshot was negotiation and the second was flexibility. We will publish more snapshots as the inquiry continues.

We have published over 50 submissions and we will publish more later this week. Many individuals have prepared submissions to the inquiry and all published submissions are on our website. Members may notice that many submissions have been published with names withheld. We have done this to get as much as possible on the public record without breaching the privacy of individuals and their families. We have also received a large amount of correspondence where people have provided more detail on their personal experiences.

We are now in the middle of our public hearing program. We started our hearings in Canberra and then had a full day of public hearings in Sydney. In Sydney we also held a community statements session and 16 individuals spoke to us about how they think the child support program could be improved. On Thursday this week we will hold our third hearing here in Parliament House and on Friday we will have full day of hearings and community statements in Melbourne. After Melbourne we will travel to other cities for hearings. We will travel to regional centres including Newcastle, Mackay and Ballarat.

I would like to thank the Australian community for its contribution to the inquiry. The child support program deals with tough issues and many people have a difficult story to tell us. Almost everyone who has written or spoken to us has tried to focus on the bigger picture. As well as telling us about their personal experiences, they have clearly thought about how the program could work better for everyone, especially for children, who are the ultimate purpose of the child support program.

Finally I would like to thank my deputy chair, the member for Newcastle, and all other committee members for their work in the inquiry. I would also like to thank the indefatigable staff at the secretariat for their assistance in this. I look forward to giving the House a further update later this year. With those words, I present a copy of the statement.
Social Policy and Legal Affairs Committee

Report

Mr CHRISTENSEN (Dawson—The Nationals Deputy Whip) (10:13): On behalf of the Standing Committee on Social Policy and Legal Affairs, I present the committee's report entitled *Eyes in the sky: inquiry into drones and the regulation of air safety and privacy*, together with the minutes of proceedings and evidence received by the committee.

Report made a parliamentary paper in accordance with standing order 39(e).

Mr CHRISTENSEN: by leave—Australia's remotely piloted aircraft or 'drone' industry is growing rapidly. Increasing numbers of consumers are buying and using drones, and they already play a role in a range of Australian industries, from journalism, cinematography, policing and emergency services, to agriculture, mining and scientific research. They come in a huge range of shapes and sizes, from large fixed-wing craft that look and behave much like aeroplanes right down to tiny multi-rotor helicopters weighing less than a kilogram. Drones are able to do jobs that were previously impossible, and they can reduce the cost—and the risk—of many dull, dirty or dangerous jobs.

However, like any new technology, drones can be misused. They can pose a safety risk to other aircraft or to people and property on the ground, and the cameras and sensors they carry can be used to invade someone's privacy. The challenge we face is to realise the potential of this innovative technology while protecting against its risks.

This report has surveyed the emerging issues around drone use and has examined the adequacy of Australia's existing regulatory framework. At a series of hearings and roundtables the committee heard from air safety regulators about the importance of allowing drone technology to mature so that the risk to people and property is minimised; and from privacy experts about the complexities and gaps in Australia's privacy laws which make it difficult to protect against privacy invasive drone use.

The committee heard that drones are already being used in unsafe and potentially invasive ways. There have been a number of near misses and safety incidents arising from illegal drone use in the last year, and Australian farmers have reported that drones are being used by activist groups to take footage of their property without permission. The recommendations in this report are intended to serve as a starting point for an ongoing process of reform and adjustment to Australia's privacy and air safety regimes. The committee has recommended that the government simplify what is a complex web of privacy and surveillance laws so that members of the public and drone operators alike can more easily understand the law. At the same time, the committee has recommended that the government consider introducing legislation to protect Australians from intrusions into their private seclusion and to provide a more reliable remedy for those whose privacy has been breached. The committee notes that the Civil Aviation Safety Authority is currently reviewing the air safety regulations relating to drones in response to rapid developments in drone technology and a surge in the number of drone users.

In light of its proposed changes, the committee takes the view that CASA's proposals strike an appropriate balance between minimising safety risks on the one hand and facilitating the development of Australia's drone industry on the other. Drones are an emerging technology that will bring substantial benefits to a wide range of Australian industries. Drones will help...
many Australian businesses lower costs, increase productivity and reduce risk. However, the privacy and safety issues arising from expanding use of drones will require sustained attention in years to come to protect Australians from malicious drone use while giving this dynamic new industry the room it needs to grow.

I would like to thank again the deputy chair and member for Newcastle and all members of the committee for their work in this inquiry, not to mention the secretariat. As an aside, can I mention that Peter Pullen from the secretariat has assisted greatly in developing the draft and the final work that has come before this chamber. I believe that that is the first that he has done for the parliament. Congratulations to him—it is a very fine report.

Ms CLAYDON (Newcastle) (10:17): I rise to speak also on the Social Policy and Legal Affairs Committee's first report to this 44th Parliament entitled Eyes in the sky: inquiry into drones and the regulation of the safety and privacy. Firstly, as deputy chair of the committee, I wish to commend the chair, the member for Dawson, and committee members for their work throughout this inquiry. I want to especially acknowledge the secretariat's contribution. I also want to say thank you to the all-important witnesses that provided evidence and it took time to demonstrate the capability of drone technology.

The remote piloted aircraft, RPA, or drone industry in Australia and other parts of the world is certainly booming. Private and commercial use of RPAs has proliferated as technology advances, costs reduce and usability improves. Relevant Australian legislation around the use of RPAs has not kept pace with the industry, and, as this inquiry has found, proactive measures need to be taken to protect commercial and recreational users and members of the public. The inquiry found that there are many current and potential uses of drone technology that could bring benefit to Australia, including their use by emergency services.

With this expanded application and use, however, come a number of safety and privacy concerns. A number of safety risks concerning drones were raised by the Civil Aviation Safety Authority—chiefly, build quality of drones, including electrical componentry; and safe integration of drones into Australian airspace. CASA's Director of Aviation Safety, Mr John McCormick, told the committee that there is a risk of interference with other vehicles, interference with other aircraft, and possibly of crashing in public areas. This circumstance was evidenced earlier this year in my electorate of Newcastle where a rescue helicopter was forced to take evasive action to avoid colliding with an unidentified drone.

While control of the space is already legislated, the committee recommends that CASA broaden future consultation processes to include industry and recreational users from a non-aviation background. Future consultations should identify and seek comment from peak bodies in the industry where RPA use is likely to expand, such as real estate, photography, media and agriculture, amongst others.

RPAs also pose a potentially serious threat to Australian's privacy. Through application, RPAs can intrude on the privacy of individuals or businesses either deliberately through surveillance activities or inadvertently in the course of activities like aerial photography, traffic monitoring or search and rescue. And, as device capability improves and units become cheaper, government agencies, companies and individuals will be provided with a very cost-effective mechanism to observe and collect information on Australians, potentially without knowledge or consent. The Privacy Act does offer some substantial protections in certain
circumstances, but there are a number of situations where it may not protect Australians against the invasive use of drones. A lack of uniform laws across state boundaries was highlighted as a particular issue of concern, as was the method for individuals to redress potential privacy breaches. These issues are not unique to the use of RPAs. However, as capability improves and drone use increases, further tests of the privacy regime are likely. In his address to the committee the privacy commissioner, Timothy Pilgrim, said:

With such a new technology the question comes down to how its use is going to be regulated. What are the ways in which you can be regulated so that we can still achieve the benefits that technology can bring at the same time as making sure that people have a right of recourse or remedy if they believe the privacy has been invaded by misuse of these technologies?

The committee recommends a number of measures to improve privacy laws in Australia. Of particular importance, the committee recommends that in considering the time and extent of privacy protection to be afforded, the government consider giving effect to the Australian Law Reform Commission's proposal for the creation of a tort of serious invasion of privacy or include alternate measures to achieve similar outcomes with respect to invasive technologies, including remotely piloted aircraft.

The committee puts forward six very sensible recommendations to address concerns regarding air safety and privacy around the use of RPAs in Australia. I commend the committee's report to the House and look forward to the government's response.

**The SPEAKER:** The time allotted for statements on this report has expired. Does the member for Dawson wish to move a motion in connection with the report to enable it to be debated on a later occasion?

**Mr Christensen:** Yes, I do. I move:

That the House take note of the report.

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

**Reference to Federation Chamber**

**Mr CHRISTENSEN** (Dawson—The Nationals Deputy Whip) (10:23): I move:

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

Question agreed to.

**Joint Standing Committee on Electoral Matters**

**Mr TONY SMITH** (Casey) (10:23): On behalf the Joint Standing Committee on Electoral Matters I wish to make a statement regarding the committee's inquiry into the 2013 federal election. Specifically, I wish to inform the House of developments relating to the conduct of the Senate election in Western Australia in 2013.

The 2013 federal election highlighted aspects of both our electoral system and the logistical conduct of federal elections that have to change. On the first matter, the committee has already produced an interim report on Senate voting practices, proposing reforms that will provide simplicity, integrity, transparency and clarity; and to provide voters with the power to express and to have their voting intent upheld and consequently restore confidence that Senate results fully reflect the will of voters.
When I tabled that report in May, I undertook to make a statement on the second area; namely, the unacceptable and inadequate processes and practices of the Australian Electoral Commission that came to light in the 2013 Senate election in Western Australia, where the closeness of the result necessitated a recount.

Public confidence in the ability of the AEC to ensure that federal elections deliver parliaments that reflect the will of the people is paramount. This confidence was corroded by the circumstances of the Western Australian recount, where it was discovered that 1,370 ballot papers had been lost. This ultimately led to an altered outcome and the subsequent requirement to run an unprecedented supplementary election, at a cost of $23 million to the Australian taxpayer. A federal election is one of the largest events held in Australia, and the AEC has always been held in the highest regard, both domestically and internationally, for the way that it conducts these elections. However, the events in Western Australia have clearly highlighted fundamental areas in the current system which must change.

The AEC responded to the debacle by appointing former Australian Federal Police Commissioner Mr Mick Keelty AO to conduct an inquiry into the events in Western Australia. His report's conclusions and recommendations highlighted systemic shortfalls and failings in most aspects of Senate ballot paper security, storage and handling in Western Australia. Following Mr Keelty's inquiry, and the subsequent Court of Disputed Returns ruling voiding the 2013 Senate election result in Western Australia, the Australian Electoral Commissioner, Mr Ed Killesteyn, and Mr Peter Kramer, the AEC State Manager for Western Australia, both resigned in recognition that ultimate responsibility for the critical failings rested with them.

Earlier this year, the committee requested the Commonwealth Auditor-General to attend to aspects of the AEC's conduct of the federal election, and the Auditor-General has responded, announcing three related performance audits. The first report was presented to the parliament in May and follows up on the implementation of the previous audit recommendations regarding transportation and storage of completed ballots. The second audit report is expected to be tabled in spring and the third is scheduled on the Auditor-General's forward work program for 2014-15.

The current acting Electoral Commissioner, Mr Tom Rogers, has accepted responsibility and apologised for the events that occurred. The AEC has agreed to the Keelty recommendations and the recommendations from the first Auditor-General's report. The committee has noted the AEC's repeated apologies and its acceptance of the Keelty and audit commission recommendations. However, both the Keelty and ANAO reports have raised serious issues of institutional culture and the AEC must address these matters. There is only so far that an external scrutineer can go in identifying internal deficiencies and the organisation must now turn a critical gaze on itself.

The committee travelled to Western Australia twice in April to observe the conduct of the 2014 Senate re-run election and count and ballot-handling procedures. The committee has also travelled extensively and spoken to AEC officers from every jurisdiction about their practices. The committee has noted a disparity in basic practices. This has led to the discovery of further irregularities in vote handling, including the loss of 50 ballots in South Australia, which is completely unacceptable.
As a result of its ongoing inquiry the committee is unpersuaded that, as an organisation, the AEC is completely across the depth of cultural change required. Having said that, it is clear that the acting commissioner, Mr Tom Rogers, is driving the need for change and has embarked on a long and rigorous reform process that if successfully implemented should lead to a better agency. But this will require a more comprehensive understanding across the breadth of the organisation about the necessity for these agency improvements.

It must also be acknowledged that it was Mr Rogers who took the now infamous photographs within the Keelty report which literally gave the public the shocking snapshots of the reckless incompetence at the recount centre—pictures of ballots lying next to rubbish, pictures of ballots not properly labelled or packaged and pictures of ballots lying unsecured near open doors. It was Mr Rogers who took those pictures on his arrival to document what he undoubtedly recognised as a diabolical situation. It is to Mr Rogers's credit that, while his initial emotional response was shock, his instinctive professional response was to expose rather than to conceal.

The committee does not wish to pre-empt any further Audit Office recommendations by issuing a second interim report but will continue to follow closely the implementation of the AEC's response to the Keelty report and ongoing audit recommendations. However, the committee is hopeful that the Audit Office will have an ongoing presence in the AEC until it is confident the appropriate changes have taken place—even if this is for a number of years.

The committee will be conducting a full hearing with the AEC later this year, after the organisation has had a good period of time to implement and test both the Keelty and Audit Office recommendations. The committee's findings and recommendations on these issues will be provided in its final report on the conduct of the 2013 federal election early next year.

MOTIONS

Local Government

Mr ALBANESE (Grayndler) (10:31): I move:
That this House:

(1) condemns:
   (a) the decision by the Government to freeze indexation of Financial Assistance Grants to local governments across Australia;
   (b) the resulting cuts to local government funding of $925 million over the next four years, affecting every council in Australia; and
   (c) the failure of the:
      (i) Minister for Infrastructure and Regional Development to protect this critical funding to local governments across Australia; and
      (ii) National Party to stand up against the cuts on behalf of regional and remote councils, which are affected most by the freeze;

(2) notes:
   (a) Financial Assistance Grants are used by every local government in Australia to maintain local roads and deliver critical community services;
   (b) the Government’s indexation freeze represents cuts of $925 million to local governments in every town and city over the next four years;
(c) regional and remote councils will be most affected by the cuts, with larger service areas and more kilometres of roads to maintain per ratepayer;

(d) the viability of some regional and remote councils may be compromised as a result of the cuts;

(e) the pressure now on councils to increase council rates or cut services due to the cuts; and

(f) within six years, the value of the cuts will be greater than the entire Roads to Recovery budget;

and

(3) calls upon the Government to:

(a) listen to local government concerns about the impact of freezing indexation of Financial Assistance Grants on local roads and community services; and

(b) immediately reverse the decision to freeze indexation of Financial Assistance Grants to local government over the next three years.

A sudden and significant change in government revenue can spell disaster for a government. It is something the previous Labor government learned firsthand after 2009, when the worst global financial upheaval since the Great Depression slashed government revenues across the board. Such a funding difficulty is about to befall the local councils of this nation, courtesy of the Prime Minister's decision to freeze financial assistance grants for the next three years and make that change permanent. Many will be forced to slash spending on road maintenance and other services, with implications for road safety, particularly in rural and regional areas.

This financial assistance grants decision represents a $925 million hammer blow to financial positions of councils across the nation. While all councils are affected, those that will bear the greatest burden are small councils in rural and regional areas, which on some reports rely on financial assistance grants for up to half of their annual income.

I moved the motion before us today because I want those opposite to reconsider this foolish decision. I want those opposite to talk to the mayors and shire presidents in their electorates and hear firsthand about the impact of this cut. I want to hear from those opposite, particularly from the Nationals, whose constituents will be most affected, about how on earth they could possibly support this budget move.

Before I go further, let me give you a real-life example that cuts to the heart of this issue. On 16 June the Mayor of Greater Geraldton, Ian Carpenter, told the ABC's AM program that he was worried about the effect of this decision on 15 small local government areas outside Geraldton. Mayor Carpenter said:

They'll become unsustainable. It's a very, very serious problem and I can't stress that enough. To take away the indexation is just crazy.

It is just crazy, Mayor Carpenter said, and he was right. He could not be any clearer, and his comments are being echoed around the nation by mayors of all political colours.

Councils now have three options, none of them attractive: increase rates, slash services or increase borrowing. Increased rates will place further pressure on family budgets. A reduction in services is likely to occur in road services and maintenance in particular, with real consequences, particularly in the bush. Last month's national assembly of the Australian Local Government Association was concerned enough to pass an urgent motion calling on the government to reverse its decision.

These cuts are also coming at a time when the government is already hitting local government with other budget measures. The head of the Local Government Association of
Queensland, Greg Hallam, noted after the budget that the change came with the reintroduction of indexation of fuel excise—another move that will impact disproportionately on residents of rural and regional areas. Mr Hallam is right, but he left out another budget measure that will hurt councils—that is, the Prime Minister's move to claw back funding for states and local governments by ending the federal government's contribution to the cost of providing rates discounts to pensioners.

So in fact it is a triple whammy. Just as this Prime Minister is piling cut after cut upon Australian families in areas like health, education, pensions and child care, he is also piling cut after cut onto councils. When you pile up the cumulative effect of all three, it is clear the councils of Australia are paying a higher price than they should for this Prime Minister's political agenda.

In Queensland the Bundaberg Shire Council in the electorate of Hinkler has revealed that the decision on FAGs will turn what is expected to be a modest surplus this year into a $5 million deficit because of the decision to stop paying them money in advance. This comes on top of the fact that the Prime Minister also cut the money that was allocated to local government to every council area through the Regional Development Australia Fund when they came to office. It comes on top of the disbandment of the Urban Policy Forum and the Australian Council of Local Government and on top of their abandonment of constitutional recognition of local government, which had the support of the then shadow minister Barnaby Joyce but the bipartisanship of which the Liberal and National parties walked away from prior to the last election.

I am asking this parliament to send the Prime Minister a very clear message on financial assistance grants. That message is: think again. I commend the motion to the House.

**The DEPUTY SPEAKER (Mr Mitchell):** Is the motion seconded?

**Ms Collins:** I second the motion.

**Mr TEHAN** (Wannon) (10:36): In this discussion we are having here this morning it is wonderful to see the shadow minister in here pleading on behalf of councils, but what he failed to mention is the reason why we are here. The reason why we are here is that the shadow minister as a cabinet minister in the last government saw this nation rack up levels of debt that we have never seen. We saw a government spend money at record levels like it had never been spent. What happened at the last election which the shadow minister does not seem to understand is the Australian people voted with their feet to let the reckless spending stop. They put a mature government in place to ensure that we could get the nation's finances back under control. This government has started this process.

As part of that process we have had to make some tough decisions and we have asked everyone to do their little bit. As difficult as it may be, we have had to ask local government to do their bit. I say to the shadow minister that I have explained that to all the mayors in my electorate, and they understand the mess that we have been left. They understand that everyone has to do their little bit. Sure, they would have preferred if we had not made the decisions that we have had to, but they understand that the burden needed to be shared.

But what we have also done—and this will be a benefit to local government—that the shadow minister did not mention is give them savings as a result of the abolition of the carbon tax, which also hit their budgets. Hopefully, by the end of today there will be positive news
for our local governments, with the carbon tax having been abolished and savings going back to council as a result of that measure.

We also have announced payments to the most important pieces of infrastructure that we have in local government areas: our road network. They are significant announcements for our road networks, including an extra $350 million to the popular Roads to Recovery Program. As a matter of fact, I do not think in country Australia there is a more popular program than the Roads to Recovery Program. In 2015-16 an additional $350 million will go to local government areas.

We are also announcing an extra $100 million in both 2015-16 and 2016-17 for the Black Spot Programme. Not only are we announcing that additional $100 million in each of those financial years; there is a change in the criteria which will make it easier for those local governments in regional and rural areas to get access to that funding. The criteria had been skewed more and more to assisting those local government areas that were in outer metropolitan areas. So we have rebalanced the way we look at that program to make it more beneficial and easier for local governments in regional and rural areas to get that funding.

We have also announced $300 million in the Bridges Renewal Program. That is an additional $300 million in this new program which will go to regional and rural local government areas to help them renew bridges—wooden bridges that need fixing to make sure that the more modern heavy transport will be able to use those bridges, which will be productivity enhancing not only for those local government areas but for the nation as a whole. So those three key mechanisms to deliver more money into local government areas for road and bridges infrastructure are absolutely vital to those local government areas.

We wish that we did not have to make the decision we had to with regard to freezing the FAGs, but we have done it because it was needed. All I can say to those opposite: the only reason we did it was because of your poor financial management. (Time expired)

**Ms COLLINS** (Franklin) (10:41): Financial assistance grants to councils are very, very important indeed. The councils know this. I think they would be very disappointed with the last speaker who came in here and said, 'Oh, yeah, we don't really want to do this, but it's all Labor's fault.' I do not see how it can be when they are bringing in at least a $22 billion Paid Parental Leave scheme whilst they are cutting important money from councils that councils are using on roads, bridges and on other programs in their communities for the elderly, young kids, youth workers—a whole range of important programs out there in the community. They are cutting those at the expense of introducing a $22 billion Paid Parental Leave scheme. It just doesn't add up. To come in here and blame Labor for their decision to cut almost $1 billion out of local government over four years just shows that they have the wrong priorities.

What is even more concerning about this decision is that they did not consult with councils before they did it. They did not consult with councils at all before making this decision. Then, of course, they did not tell councils until budget night, when many councils across the country had already locked in their budgets. As we heard from the former shadow minister, it has left councils in a very precarious position indeed whether having to make some very, very tough decisions—decisions to cut services, to cut staff, to increase their borrowings or to put up the rates that bit further. We know, of course, that that will impact on every household right across the country. Every household right across the country will be affected by this government's decision to cut financial assistance grants, to cut almost $1 billion over four
years out of local government. We should not be surprised by this, because they are true to form. They have been cutting money from local councils with their RDAF round 5 funding—$250 million ripped out of councils right across the country. This is, indeed, very concerning for councils. It is so concerning that the Australian Local Government Association has actually written to all their mayors saying how concerned they are about it. In fact, they are saying that they $925 million in Financial Assistance Grants reductions by 2017-18 will continue beyond that date, because, of course, the base level of FAGs will be permanently reduced by over 12 per cent. So it is not just going to affect councils over the next four years but this freeze in indexation is going to affect the councils for decades to come.

We had the previous member talk about the Roads to Recovery funding. ALGA had something to say about that, too. They said that by 2018-19, when the current extension of the Roads to Recovery is due to end, the loss of the Financial Assistance Grants will be equivalent to 95 per cent of the Roads to Recovery funding. Almost the entire value of the Roads to Recovery program will be lost by this one measure in freezing the indexation under the Financial Assistance Grants. So to come out here and say, 'But that is all okay because we've got Roads to Recovery.' It is not okay. Councils do not think it is okay and councils right across the country are saying it is not okay. It is not okay to have this cut on councils right across the country, affecting every household in the country with reduced services, increased rates or increased borrowings by their local government association. Councils have already cut staff—in fact, they did it two weeks ago—because they did not know about this decision from the federal government, because, as I said, there was no consultation. We already have people who are unemployed because of this government's decision which came with no notice whatsoever to councils. Every council across the country had already been talking about their future budgets, and now they have to adjust them for the next four years, because this government gave them no notice whatsoever of this cut.

Of course, this is true to form, because the government did not really support recognition of local government that was going to be put in the referendum last year. They came in here and voted for it, but then they changed their position on it. Clearly, they have cut money to local government. They do not support local government as a legitimate third tier of government—the level of government that is closest to the people and deals on a daily basis with people's most urgent needs. They should be ashamed of themselves for this cut—this cut of almost $1 billion over four years that will hurt families right across the country. Councils across the country are furious about this. They have been writing to me and other opposition members about how concerned they are about this funding cut. It is not okay to come into this place and say, 'It's all Labor's fault,' because it is not. Labor did not make the decision to cut this money; we would not have made this decision; and we certainly would not—(Time expired)

Mr COULTON (Parkes—The Nationals Chief Whip) (10:46): I, too, rise to speak on the motion brought to the House by the member for Grayndler. Before I start my comments, I might make mention of comments made by the previous speaker, particularly about the constitutional recognition of local government. The reason that that did not get up in the last term was the shambolic state of the government of that time. I was on the committee that looked into that and I can tell you that the coalition were in favour of constitutional recognition of local government. As a former mayor, I know better than most about that; the former minister was frustrated in not having enough time for that discussion to take place. At
the critical moment, in one of the Rudd-Gillard changeovers—when there were mass sackings and the minister was sacked by the then Prime Minister—the referendum had absolutely no hope at all. We need to get our facts straight here: the reason it did not get up was the shambolic nature of the previous government.

I am also surprised that the previous speaker, the member for a regional area in Tasmania and a mother, would be opposed to a paid parental leave scheme that was going to be beneficial to mothers in her electorate who work in small businesses and on farms. I thought that supporting mothers into the workforce was something that the Labor Party actually supported; I did not realise it was something they opposed.

We need to talk about why we are at this point. Why did the government have to freeze the financial assistance grants to local government in the budget? If you look around Australia you will see the reasons: the amount of money that was squandered over the previous six years starting with the BER program. I have a school at Louth on the Darling River in the western part of my electorate which now has a classroom for each student—four students, four classrooms. They had four students, and the previous government bought them each a classroom. I guess they are the envy of other schools, but it would have been nice if they had spent that money in other areas. I have a builder in Moree who is owed $642,000 because of the mismanagement of that BER program. He is not likely to get his money. What has that done for the regional economy?

How about we talk about what the live cattle trade has done for regional Australia? The devastation that has caused to the finances of communities across regional Australia. The shadow minister has the hide to come in here and put this motion about what this government is doing to local government.

I might say that the coalition government next year will be doubling Roads to Recovery to those councils. In many of my councils that will actually have a positive net effect over the FAGs grants. We will be removing the carbon tax. Despite the fact that the Labor Party says they support the removal of the carbon tax, they do not seem to understand you actually have to vote for it in the Senate if you want something to be repealed. You cannot go out before an election and say, 'We support the repeal of the carbon tax; we don't believe in a carbon tax.'

Ms Brodtmann: Mr Deputy Speaker, I rise on a point of order. I wonder about the relevance of what the member is saying with regard to the motion we actually have in front of us. If you could bring it back to the Financial Assistance Grants package, that would be terrific.

The DEPUTY SPEAKER (Mr Mitchell): There is no point of order.

Mr COULTON: I thank the member for Canberra for her interjection. Just so we are perfectly clear: the relevance of my comments is the absolute squandering and irresponsible demolition of the Australian government's budget by the previous, Labor government. It has meant that this government has to make some tough decisions to get the budget back in line. That is the relevance of what I am saying here. I am pointing out the absolute stupidity of some of the programs that the previous government put in place. It was bad for regional Australia and squandered the money that was there.
I also say that next year we will fund $200 million a year that regional communities will be able to tap into for programs that will boost the economies of their area. The member for Grayndler has hide to bring this motion in. It is completely wrong.

Mr HUSIC (Chifley) (10:51): You know the coalition is in trouble when on a resolution that discusses how the federal budget will impact on their local communities they have to talk about live exports and carbon tax. They know better than most—particularly if they have represented councils and are now in this chamber—the world of grief they are going to hit when those councils are squeezed and squeezed hard by this unprovoked decision of the Abbott government.

In modern financial terms, $900 million rolls off the tongue too quickly; but, when you talk to councils around the nation and say to them that you are going to rip $925 million from them, you find out in real terms what this means. Many local government bodies are already operating under heavy pressure. There is little or no fat in their operation, so you could imagine their surprise when they discovered in council chambers across the country when they were briefed that they would have their funds cut by the Abbott government—a cut inflicted when the Abbott government cruelly decided to freeze indexation on financial assistance grants.

What is disappointing yet not surprising is the way the Abbott government steamrolls its way through these decisions. You only have to ask the AMA if they were consulted about the GP tax. Of course they were not. Ask pensioners whether or not they were consulted about the brutal impacts of the budget. Of course not. In fact, they were told by the Prime Minister that there would be no changes to pensions. Ask motorists if they were given any warning that fuel tax indexation would return. There was none. What is ironic is the Abbott government has halted indexation for the funding of councils but has reintroduced indexation to help itself to the pockets and purses of Australian motorists. Under the guise of trying to respond to a self-manufactured 'budget emergency', the Prime Minister and the Treasurer—I cannot actually remember him anymore, because you never see him these days—have both been caught breaking promises, triggering protest across the country.

One of the farthest reaching yet not heavily advertised impacts of these broken promises was to freeze this grant indexation. The grants are not there for giggles; they are there for a reason. Rate payers look to their local council for the basics: libraries, parks, waste management, recreation facilities and roads—the vital bones of every thriving community—and the councils cannot always attend to these responsibilities on their own. They need the backing of state and federal government, which is why the financial assistance grants are provided. They are provided from a federal level to help councils undertake those things they could not undertake on their own. The Abbott government has told councils after they have done their sums and their budgets that they can no longer expect help in the form of that indexation. It is disgraceful from a government that said it would be a no-surprises government.

We have already seen the howling of state governments resulting from an $80 billion cut to hospitals and schools. New South Wales Premier Mike Baird has described it as 'a kick in the guts'. Now local governments are objecting. That is obviously because councils were not consulted at all about the indexation freeze and they had already put together their budgets for 2014-15, and then had this land in their laps.
The fallout for councils is that they have little choice other than to increase rates, cut services, increase borrowings or do a combination of all three—which is a horrifying prospect. It is a classic example of the Abbott government's twisted priorities that—as the member for Franklin pointed out—they can introduce a paid parental leave scheme which will see $50,000 handed out to the well-off but that people in remote parts of the country who depend on their council to provide services will be affected.

My local council in Blacktown—one of the biggest in New South Wales—estimates that it will lose $4.7 million over three years. This is a council that has already shut pools, is looking to privatise child care, is looking to cut back on its infrastructure spend and, importantly, has just announced an increase to council rates. In fact, last week it ratified a 5.3 per cent council rate increase. The Liberal-Independent council in Blacktown was so torn by this that the Independent, who is part of that coalition, voted against the rate increases. Imagine what it is going to be like when this $4.7 million hits this council on top of what they are already doing. I am genuinely concerned about the impact that will have on people in our area who have already seen one lot of rate rises, who are going to see more and who are potentially going to see an even harsher cutting of services at a time when they need it most. It is a disgraceful display of arrogance by this government to cut funds to councils that need this money to do the work required in local communities across the country.

Mr EWEN JONES (Herbert) (10:56): I am very pleased to speak on this motion. You always know that it is serious when the member for Grayndler comes in here and does not plagiarise lines from a movie. I would have thought that Weekend at Bernie’s II would have been a good start—you know, Albo, you're still dead. But I will compliment him on his choice of ties. It is a great colour for today. The member for Reid, I and the member for Grayndler are all wearing royal purple.

While I understand the misapprehension, the anguish and the feigned indignation from the member for Grayndler and others who have spoken on this, we went to the last election promising a series of things. We promised to axe the carbon tax—hopefully that will happen today; we promised to stop the boats and, pretty much, that has happened; we promised to build the roads of the 21st century, and you have seen our infrastructure program—we are getting on with business; and the last thing that we promised was to fix the budget mess. This is part of it, but this plays into two of the three major issues that we have to do with the federation white paper and the taxation white paper still to come.

The problem I find, when it comes to local government funding and funding agreements between state and federal, is that we tend to see that where the federal government comes in other levels of government can actually exit that space. We find that the federal government is backfilling and funding in these areas. Until we get that flow of funding correct and right, what you will see is that the more that the federal government puts in the less other governments will. I think when we get the federation white paper and we bring that down—when we sort out how COAG is supposed to work, what we are supposed to do in this space, where local government fits and how we get those things going—we will be better off. I note that in my electorate of Herbert the federal government has done a great job. We have brought road projects through such as the fixing of Dalrymple Road, the Ring Road and Vantassel Street. All these things are coming through from infrastructure spending.
The other issue I would like to bring up is not so much the funding but how we get value for funding. I was in Charters Towers with Senator Arthur Sinodinos. A local council there told us—and I do not know it for fact as I have not seen the paperwork—that they had a road project which they costed at $9 million. Because it was above the limit they had to go to national tender. A national tenderer won it at a cost of $27 million. They flew in their crew, they drove in their plant and equipment. The local council got their piece of road fixed at a cost of $27 million, $18 million more than they would have done it for themselves—and not even the pie shop got a lick out of it.

At the moment in Townsville there is a $120 million project underway, the joint logistics hub. It was brought forward under the previous Labor government. Baulderstone, the contractor, won the tender fair and square through the tender process as it stands. Their major subcontractor is Shamrock Civil Engineering, who are also a Brisbane based firm. Whilst the federal government can stand back and be very proud that we have $120 million of infrastructure going into the Townsville area, very few local tradesmen and very few local businesses are going to get a lick. The Hungry Jack's across the road is doing very well. They are even putting on more staff to cope with the blokes coming across the road. The pie van is doing okay there as well. But no local business, no local construction firm and no local contractors are getting a go at this money.

For us in the regions to get the full benefits we want to see from our infrastructure spend, the money wash through our economies. I am not saying we have to be protectionist on behalf of the regions and I am not saying that we should go for more expensive tenders or anything like that. The issue is how the tenders are structured between state and federal governments—that is what we need to address to allow that money to be spent correctly in the regions. There is an old saying that no public servant ever lost his job by awarding a job to John Holland, Teece or a company like that. If they give the job to a local contractor and something goes wrong, the answer is obvious: the big guys did not get it. What we have to do, through this Federation white paper, is look at how the tenders are structured. We need to make sure that, when we do infrastructure in our regions, when we do spend money—whether it be the $925 million they say has been cut or through fiscally responsible decisions—we look at the way this money is spent in our communities. Everyone would be upset if a Chinese firm were given a major project in Sydney. I do not see why we in the regions should be second-class citizens. I thank the House.

Ms MacTIERNAN (Perth) (11:01): Local government in Western Australia will be losing $102.4 million as a result of this great surprise. We have been told by the Prime Minister, Mr Abbott, that this is the budget the community voted for. I can tell you that local government throughout Western Australia do not believe that they voted for this budget. There was no indication whatsoever that their funding would be cut.

There is a structure in place so that when political parties contest elections they have a clear indication of the state of the budget. So this idea that, after you come into parliament, you suddenly have no idea what the state of the budget is—and that that justifies you making all of these fundamental changes—is just complete rubbish. The state of the budget was absolutely known by the coalition before the election. Yet they made no mention of these really quite profound changes that are going to affect communities in Western Australia.
across the board—and which will have a particularly significant impact on small rural communities.

There are a number of communities that are dependent on these Financial Assistance Grants for 30 per cent or more of their local government income. These include Derby-West Kimberley, Dalwallinju, Karijini and Upper Gascoyne. Then there are places like Mount Marshall, Mukinbudin, Murchison and Koorda, all of which are dependent on Financial Assistance Grants for 50 per cent or more of their income. These grants play a very significant role in these communities. Quite understandably, then, the shires in these regional areas are immensely concerned about what has happened. Greg Powell, the CEO of the Shire of Merredin, had this to say:

Rural and remote communities are, in many cases, already struggling with declining populations, drought and other detrimental socio-economic factors. Placing the expectation on the local community to either cover the shortfall in funds or accept a decline in services is grossly unfair given that our local residents have already paid taxes to the Federal Government and expect an adequate level of that revenue to be returned to Councils to provide local services and infrastructure …

Mr Webster, the CEO of the Shire of Wagin, has said:

A decision like what has occurred will either increase shire rates & charges or reduce the services to the communities. It will also have a long term impact on programs that local government often undertake from these funds for their communities.

The impact is not confined only to those rural areas. It will also affect shires like Swan and Bayswater in my electorate. Francesca Lefante, who is the CEO of the City of Bayswater, had this to say:

The failure to index the FAGs will mean the City of Bayswater’s ability to provide services, such as libraries and family-oriented community facilities, will be put under great pressure as we struggle to meet the needs of a growing and ageing population. This is a blow for local communities already bearing the brunt of greatly increased charges for utilities and cuts to services in the areas of health, education and seniors’ concessions.

We have heard some interesting commentary today. The previous speaker, the member for Herbert—who at least did speak about local government and not about ties and live exports—even contested whether or not these Financial Assistance Grants were something that should be provided by the federal government. Financial Assistance Grants were first introduced in the mid-1970s by the Whitlam government. This was the first time the Commonwealth had ever directly recognised local government. The formula was then reset by the Keating government in the mid-1990s. The grants are a very clear recognition that the majority of taxation accrues to the federal government and that there must be a fair sharing of this revenue. The suggestion from the member for Herbert that the government may be looking at walking away from this is remarkable. (Time expired)

Dr GILLESPIE (Lyne) (11:07): I rise to speak against this motion opposing the government's decision to freeze indexation of Financial Assistance Grants to local governments across Australia. As you and everyone in this House well knows, we have a huge accumulated federal deficit which needs to be addressed, and these changes to local government grants are a responsible reaction to that. But people are being selective about where these freezes are occurring, and the outcome of that, because they are being taken in isolation. At the same time as these indexation freezes were announced, an extra $350 million
was put into the Roads to Recovery program and an extra $100 million, for two years in a row, was put into the Black Spots program. At the same time, $300 million was announced for the Bridges Renewal program, as well as $200 million for Heavy Vehicle Safety and Productivity improvements and $229 million to go into the national highway upgrade.

Why is this good for regional councils? The answer is that there is a distorted and disproportionate income differential between regional and metropolitan councils, and these changes to Roads to Recovery, Bridges Renewal and Black Spot funding benefit regional and rural councils more. Not all of the money in the FAGs is tied to roadwork, but with the Black Spot program and Roads to Recovery, we are getting funds tied to road building and road recovery activity, which is the biggest burden that these regional and rural councils—where the National Party has seats—have to face. To put things in perspective, the difference in population density makes a huge difference for metropolitan councils with rates and also developer contributions, as there is always more development going on in the metropolitan centres. The councils will have to make their own decisions on how they manage their money, but federal financial assistance grants are not their only source of income.

Some of my regional councils would love to be responsible for a total road area of 97 kilometres, which Strathfield Council has—whereas Port Macquarie has 1,312 kilometres to look after, without the rate base or developer contributions you see in Strathfield. It is of interest that Marrickville Council has a total of 216 kilometres, which ends up being 2.6 kilometres per thousand people, with a population density of 4,905 people per square kilometre—as opposed to Gloucester, which has something like 20 per square kilometre. So there is an inherent benefit to regional and rural councils through these changes, let alone in the Lyne electorate, where we have announced $17.5 million for Bucketts Way, between Gloucester and Taree, and all the councils in my area that have very large numbers—

Mr Baldwin: It should have been between Port Stephens and Taree.

Dr GILLESPIE: But the important bit that needs the work, as the member for Paterson understands, is between Gloucester and Taree—particularly down the Taree end. I am sure Gloucester Shire Council and Greater Taree City Council will welcome the $17.4 million they are getting for Bucketts Way, as well as the $10 million we have rolled over from an unsuccessful Northern Gateway project into the roads and bridges program so that Dickinson Bridge and other bridges in the area get the attention they deserve.

Mr Albanese: They took money off Taree.

Dr GILLESPIE: The member needs to remember that this is a delivery on things that were promised four and five years ago that were never delivered by the previous government.

Mr Albanese: Like the Pacific Highway.

Dr GILLESPIE: Yes—only $1.2 billion being spent on the Pacific Highway. (Time expired)

Mrs ELLIOT (Richmond) (11:12): I rise today in support of the motion by the member for Grayndler, and I join with him in condemning the Abbott government in cutting the funding to local councils. In particular, I want to condemn the National Party for these cruel cuts. Indeed, the National Party should be ashamed of their slashing of vital funding for our local councils, especially in those regional and rural areas. These cuts will affect every shire council, city council and local government authority right across Australia, with the harshest
cuts of all being the cuts to the Financial Assistance Grants. These cuts, combined with the
government's cuts in funding for pensioner concessions, mean that local councils will be
forced to either cut services or they may in fact be forced to increase rates to cover these
funding cuts. Make no mistake about it—the Abbott government will be responsible for local
councils being forced to raise their rates to cover these unfair cuts.

As we have heard, the Financial Assistance Grants are nothing new. They were originally
introduced by a Labor government—the Whitlam government—back in 1974, because of the
value of what local government contributes to our local communities. Whilst it is true that the
role of local government is constantly changing and reflecting the needs and wishes of
individual local communities, it is local governments that build and maintain local roads and
provide important local services. That was why the Labor government introduced a way to
help local governments to deliver these vital services by funding the local governments
directly. Since its introduction the Financial Assistance Grants to local governments have
been supported by the federal parliament in recognition of the role local government plays in
the daily lives of the people of Australia. And this has held true until now.

It is this Abbott Liberal-National Party government that has taken an axe to the support we
give to local governments, and they have done this through those cuts to the Financial
Assistance Grants, and by ripping away the funding assistance that provides rates concessions
for our senior citizens. This is an issue of huge concern for the elderly in my electorate, who
are already struggling week-to-week and will now have their rates rebates reduced due to the
Abbott government's cuts. And this is on top of their cuts to pensions—another surprise
contained in the budget.

It is estimated that the decision to freeze Financial Assistance Grants will cost the local
government sector $925 million by the 2017-18 financial year. This hurts every local
community right across Australia, but it particularly hurts those smaller regional and rural
councils. At its recent annual National General Assembly, the cuts to Financial Assistance
Grants were considered by the Australian Local Government Association. They passed a
motion that included the resolution:

Delegates of the 2014 National General Assembly, in recognition of the vital importance of the
Financial Assistance Grants … to local government for the provision of equitable levels of local
government services to all Australian communities, unanimously call on the Commonwealth
Government to:
• Restore indexation of Financial Assistance Grants in line with CPI and population growth
immediately ...

At the same annual National General Assembly of the Australian Local Government
Association, it was the Tweed Shire mayor, Barry Longland, from my electorate in
Richmond, who successfully moved a motion that called for the immediate reversal of the
decision to cease payments for rate concessions to local government. It stated:

That Delegates of the National General Assembly call on the Federal Government to reverse its
decision to cease payments under the National Partnership Agreement on Certain Concessions for
Pensioner Concession Cards and Senior Card Holders that will negatively impact on council budgets.

Right across Australia, local governments are pleading their case that they will be hurt by this
federal government's decision to cut Financial Assistance Grants and funding for pensioner
concessions.
In my electorate of Richmond, these matters have been raised by the local councils. Byron Shire Council have raised their very real concerns about the effect of the cuts to both the Financial Assistance Grants and the pensioner concessions. They estimate that these cuts will amount to $424,200 over the next four years. Similarly, Tweed Shire Council have raised their concerns about these cuts. They estimate it will cost the Tweed community more than $1.5 million over the next four years—a massive cut.

In fact, every council contained within my electorate of Richmond may have to consider cuts to some of their services or, indeed, increasing rates. It is expected that, in Richmond, the Ballina Shire Council, the Lismore City Council, the Byron Shire Council and the Tweed Shire Council stand to lose approximately $4 million over the next four years. This is going to hurt communities in Richmond and, as I say, it is going to mean that those councils may be forced to cut services or increase rates—and this all the fault of the Abbott government and their very cruel cuts.

The people of the North Coast condemn these mean cuts to local governments, because they understand the significance of the services that local governments provide. I stand with my local community in opposing the Abbott government's—the Liberal-National Party government's—cruel cuts to local governments, and I call on them to reverse this decision immediately, because it will have devastating impacts on local councils, particularly those local councils in regional and rural areas. I especially condemn the National Party for the way in which they have completely abandoned the people of regional and rural Australia.

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

Carbon Pricing

Mrs PRENTICE (Ryan) (11:17): I move:

That this House:

(1) understands that the carbon tax has caused a reduction in confidence and competitiveness for small business;

(2) notes that:

(a) the carbon tax has seen gas and electricity prices rise by around 10 per cent;

(b) the former Government did not provide compensation for small businesses hit by the carbon tax;

(c) many small businesses are run at a very slim profit margin and are unable to pass these costs on to the consumers, forcing them to absorb the burden of the carbon tax themselves;

(d) with the cost of doing business increasing due to the carbon tax, small businesses lose confidence, invest less money in their business, and are forced to employ fewer staff; and

(e) under the former Government, too many small business jobs were lost; and

(3) commends the Government's action to repeal the carbon tax to provide certainty to small business and restore the sector's competitiveness, viability and capacity to employ.

Six years of the previous government's reign of chaos has resulted in the highest level of debt and the fastest rate of increasing debt in our nation's modern history. Under Labor, Australian small businesses have been doing it tough. Labor legislated more than 20,000 pieces of new regulations, placing an unnecessary burden on the cost of doing business. However, as if this were not enough, Labor also introduced the world's biggest carbon tax, sending the cost of doing business in Australia skyrocketing.
After promising in 2010 not to introduce a carbon tax, the then Prime Minister, Julia Gillard, blatantly backflipped on her promise to the Australian people and introduced a carbon tax, after being manipulated by her coalition with the Greens. After originally supporting the carbon tax, Kevin Rudd later changed his mind and decided not to support it, before then opting for an emissions trading scheme. Now we have Bill Shorten, who is just as inconsistent, who sways in the wind, when it comes to caucus allegiances and policy positions on the carbon tax, saying one thing to electors in Western Australia and another to those on the east coast.

Small businesses are doing it tough. The coalition government recognise this, which is why we have pledged to cut red and green tape and to repeal the carbon tax. We have delivered on our promise to establish a one-stop-shop for green tape. We have already repealed more than $700 million of red tape in our first repeal day, and we have introduced carbon tax repeal legislation three times to parliament, only to have it rejected by the Labor-Green alliance in the Senate.

I note that the carbon tax legislation is now before the new Senate, and the coalition hopes for a sensible result in support of the bill. Unfortunately, the responsible decision by the new Senate, while necessary, comes slightly too late. As a result of the Greens and Labor blocking the carbon tax repeal legislation, two weeks ago marked the second anniversary of Labor's destructive carbon tax, which means even higher power bills for families, more jobs at risk and more damage to Australia's international competitiveness. On 1 July the carbon tax increased by five per cent, from $24.15 to $25.40 per tonne. The world's biggest economy-wide carbon tax just got bigger.

In its first two years of operation, the carbon tax has been a $15.4 billion hit on the Australian economy. Seventy-five thousand Australian businesses are directly hit by the carbon tax, and this flows through to impact on every Australian's cost of living. One small business in my electorate of Ryan had this story. Luke Sherman, owner of Cave Coffee in Keperra, asked me during the election campaign to imagine a cheese sandwich—a humble cheese sandwich, with no ham, no tomato, no spreads; just a plain cheese sandwich. How much do you think that would cost at your local cafe? Around $4? For Luke, his food costs went up by around 25 per cent with the introduction of the carbon tax. By the time a cheese sandwich lands in Luke's refrigerators, ready for his customers, he has essentially received it 'fourth-hand'—and paid for it. The cheese has made its way from the factory and the bread from the bakery to the wholesaler. At this stage, the transportation of the goods has incurred carbon tax and now the wholesaler will pay extra in his electricity costs as a result of the carbon tax. Once Luke has received the goods from the wholesaler, he has to pay any extra costs that have been passed on, as well as paying extra on his own electricity bills. So, in the end, Luke has to make a decision: does he pass the extra cost on to his customers; does he stop stocking certain types of food; or does he, like many other owners, take a pay cut and wear the extra costs himself?

Luke used to own two coffee shops—one in Keperra and the other in Fortitude Valley. He had to close his Fortitude Valley shop because it was no longer viable. But, on a more positive note, he says that consumer confidence is returning since the change of government. He says that people are much happier with a stable government, and he is looking forward to the economy improving under the coalition. I remain hopeful that the new Senate will do the
right thing by all Australians and repeal this unfair hit on Australian families and businesses; they need to repeal the carbon tax.

The DEPUTY SPEAKER (Mr Mitchell): Is there a seconder for the motion?

Mr Entsch: I second the motion.

Mr RIPOLL (Oxley) (11:22): It is always a pleasure to speak about small business and what we as a parliament can do to support it. This motion put forward by the member for Ryan is without base and without fact. Indeed, it is not backed up by any facts. What is not in doubt is that the Abbott government's budget is having an immediate impact on the Australian economy and, likewise, on small business. The results of the Westpac index of consumer confidence surveys taken after the Abbott government's budget showed that consumer confidence fell sharply by 6.8 per cent in May—a direct result of the Abbott government's budget. It fell more sharply in that one period after the budget than during the whole time of the GFC or at any other period in many years. If the Abbott government is the best friend of small business, I would hate to see the enemy. Almost 60 per cent of respondents in the Westpac survey said the budget would make it tougher on family finances in the next 12 months. That is one of the worst outcomes possible for small business and for families.

The ANZ Roy Morgan Consumer Confidence survey showed that, after the delivery of the Abbott government's budget, consumer confidence had fallen 14 per cent since April, its fastest drop since the global financial crisis. Weekend reports from property analysts say that these sharp falls are being felt in the economy, with house prices in Australia's capital cities falling for the first time in 12 months. That is another hit under the Abbott government. The RP Data index suggests there is a strong correlation between consumer confidence levels and housing market activity. Further, Australian retail turnover in May 2014 fell 0.5 per cent from the previous month, seasonally adjusted, following a fall of 0.1 per cent in April 2014. It should also be noted that the decrease was unexpected by analysts and follows more bungling and mismanagement by the Abbott government. The largest contributor to the fall was clothing, footwear and personal accessory retailing, which fell by 2.3 per cent. Department stores fell by 2.6 per cent, household goods fell—it goes on and on. That says one thing: the Abbott government makes promises then delivers a budget that hurts the economy, small business and families. Everybody takes a hit.

There is no doubt that consumer confidence is falling, as was stated in the motion, but it is falling because of the Abbott government. It has fallen more during the Abbott government's short reign in power than in the previous six or seven years combined. Unbelievable damage has been done by the Abbott government.

We hear all this talk about the carbon tax. This is the government that won a huge mandate but does not know what to do. It cannot get anything through. It does not know whether it is coming or going. It does not know whether it is Arthur or Martha. We will see whether it can figure out whether, because of something it puts forward, prices will go down, because right now everything continues to go up. Prices are going up, not down. We are not seeing electricity prices go down. We will be keeping the government to account, as will families and small business. When the carbon tax goes—if it goes and under what form it goes; we will see how good the government is in getting this right—we will see how much, what percentage and how many dollars, consumers will save or whether there will be a negligible impact on consumers, nothing they would notice in their wallet or the family budget.
Before the election Tony Abbott claimed a heap of things. I have not got time in all of today to tell you how many things he claimed, none of which he has kept his promises on, would be different under a government he led. Business is not feeling any benefit; that is certainly true. Even former Liberal leader Dr John Hewson was critical of the Abbott government. It just has got it wrong.

Experts have long claimed that only by having a target for renewable energy will consumers ever see cheaper power prices. Under Liberal governments at a state level power prices have gone up. Under the Abbott government, at the Commonwealth level, electricity prices are still going up—not by 10 per cent but a lot, lot more. Rather than certainty being brought back for small business, for family budgets and for the economy, we are seeing more shambolic processes from this government that cannot organise itself in the House and cannot organise itself in the Senate. Those opposite cannot negotiate to save their lives. They cannot help small business; they made promises to small businesses that they cannot keep. They said that the world would be a better place after September 2013 election, but the exact opposite has happened. Instead of small business feeling good and instead of families feeling good about themselves and the economy and so spending more, they are spending less. They have felt less confident after the election of the Abbott government. After nearly 12 months—we are getting there—they feel even worse than they have ever felt.

Dr JENSEN (Tangney) (11:27): I support this motion because government should not tax based on a theory, or delusion. The debate on anthropogenic global warming is not over and it is not settled. Government needs to make policy based on reality. The reality is that year-on-year average productivity growth has flatlined. On international comparative metrics issued by the OECD and the World Bank, Australia is going backwards. This is not sustainable.

This government is committed to cutting unnecessary red tape, and unleashing the true potential of the Australian economy and workforce. Labor's toxic carbon tax is the low-hanging fruit. It is a shackle on business that needs to go today. It needs to go because it is inconsistent with Australian values and aspirations. It is inconsistent with the economic reality on the ground—real wage growth is negative. It is time to grow the pie again. The only way to grow the pie is to reduce taxes, increase incentive and make businesses more competitive. How ironic then that it is Electricity Bill and Labor who are blocking the scrapping of the carbon tax.

The DEPUTY SPEAKER (Mr Mitchell): I remind the member for Tangney to refer to members by their proper title.

Dr JENSEN: Labor is supposed to look after the working man, not hurt as it did with this tax. This tax is an attack on jobs. It is an attack on the international competitiveness of our exports.

The high dollar is not a problem, and the dollar's current value is fair value. Fair value is determined by the market, relative to what is on offer elsewhere in other economies. It is fair because every market and country is subject to the eye of the market. Labor is trying to use the bogeyman of the market and the high dollar to mask the true effects of the job-killing carbon tax. Businesses that engage in concrete and cement exports, like Alchemy Manufacturing in my electorate, are particularly hard hit by this toxic tax. The tax, at $24 per tonne, is out of kilter with what the rest of the world pays.
I support the motion because every day that the Leader of the Opposition and his Labor loons block the will of the Australian people, they are costing Australian families. Labor are costing all Australians an extra $11 million every day in electricity bills—every day they hang on to this toxic carbon tax. The amount that our cousins across the ditch pay in carbon taxes is $4 per tonne, and in the European Union it is $8 per tonne. And the trend in Europe and particularly in Germany, the most significant player in the European market structure, is a move to reduce the financially onerous supports for uneconomic green technologies. Australia does not operate in splendid isolation, and our trade and economic policy need to be cognisant of the global reality—not just the Labor pipedream reality.

For every household in my electorate the carbon tax is hitting them $550 every year. The carbon tax pushes up the price of a pint. This insidious tax is costing pubs $3,300 extra, on average, in additional cooling costs. This is the nub of the problem with this toxic tax—that is, it is cascading, unfair and regressive. It is so incongruous that Labor, the party that claims to be for the poor and the working class, would so vociferously defend a tax that disproportionately negatively impacts those same poor and working-class people. The carbon tax touches every product and every service, in every sector of our economy, and it takes no account of ability to pay. It is time to scrap this toxic tax.

Ms MacTIERNAN (Perth) (11:32): I rise to speak on this motion. We hear the most extraordinary amount of nonsense from those on the other side. Let us just talk about what has actually happened to the economy since the introduction of a carbon price. I refer to a very excellent article that appeared today in The West Australian—not exactly a left-wing rag!—where it is claimed:

The economy has grown 5 per cent since the advent of the carbon tax. Employment has grown by 240,000 to a record 11.6 million. Total gross operating profits of all companies have climbed almost 11 per cent. … House prices, wealth and superannuation holdings—approaching $1.8 trillion—have all increased.

So let us get very clear that—whilst we acknowledge that there has been an impact on small business—overall, the economy has thrived, notwithstanding the introduction of this carbon price.

I want to go to the fundamental problem that I see—that is, this great schizophrenia that we see coming from the government. We have government members coming in, day after day, talking about the confected budget crisis—which does not exist—and saying that they have to address this. Mr Abbott talks about the 'ultimate unfairness' of saddling our children and grandchildren with the burden; the Minister for Small Business says that we must embrace the opportunity so that we can be proud of what we leave to our kids; and they talk about intergenerational theft. But the great intergenerational theft is going to be what we are doing by our inaction on climate change. I know that there are many people on the other side of this place who are people of goodwill. I just do not understand how you can come in here, day after day, and pretend that we do not have a problem and that the legacy that you are leaving your children and your grandchildren is not going to be profoundly compromised by your complete and utter refusal to accept the science.

We have heard from the member for Tangney; we know he's a bit eccentric on these things. He is a full-on climate-change denier. But there are many people on that side who must be concerned about the reports that we hear from the CSIRO. Let me just summarise some of the
risks that came out in the most recent IPCC report this year: is this the world that you want to leave your children and your grandchildren? The report talks about:
Risk of death, injury, ill-health, or disrupted livelihoods in low-lying coastal zones—where most Australian populations are—
… due to storm surges, coastal flooding, and sea-level rise.
Risk of severe ill-health and disrupted livelihoods for large urban populations due to inland flooding…
Systemic risks due to extreme weather events leading to breakdown of infrastructure networks and critical services such as electricity, water supply, and health and emergency services.
The IPCC mentions the 'risk of mortality and morbidity during periods of extreme heat, particularly for vulnerable urban populations and those working outdoors in urban or rural areas.' It goes on. These risks are very profound—and yet we are saying that, somehow or other, we are looking after small business and looking after our community by just closing our eyes to this and pretending that it does not exist.

Even at a more immediate level—and even if all we are interested in is cost—let us look at some of the costs that are occurring for our community and for small business from our inability to deal with climate change. It is well-established now that the massive decline in rainfall and in streamflow caused by the changing distribution of rain has occurred in Western Australia. That has led to massive increased costs: it has led to the necessity to have desalination, and desalination has led to a minimum 10 per cent increase in water costs. Insurance costs are predicted to rise by as much as 90 per cent. There is a cost to local governments of having to mitigate against climate change—building seawalls and strengthening dams. All of these are costs that are going to impact very greatly on small business. Let us get our numbers right on this. And let us get our morality right. (Time expired)

Mr ALEXANDER (Bennelong) (11:37): I rise to speak in support of this motion and to commend the member for Ryan for her initiative on this important policy matter.
There is no single issue that has more clearly represented the policy divide between this government and those opposite than the carbon tax. While occupying the Treasury benches, the Labor Party oscillated from the position that 'There will be no carbon tax under the government I lead' to advocacy for a carbon tax, then to a election commitment that they will not continue to support the carbon tax, and then to their current position to block this government's clearly earned mandate. In contrast, the coalition has been steadfast in its position. We do not support the carbon tax. We do not believe that the carbon tax assists the global environment, and we certainly oppose the huge cost impost the carbon tax places on small businesses and consumers throughout our nation. Over the past three years, some critics have chastised our party for never straying from our core policy messages. Across the country, a vote for the coalition became synonymous with a vote to stop the boats, to get our economy back on track and to scrap the carbon tax. The boats have stopped and the most recent budget has taken the tough decisions that those opposite lacked the guts—the intestinal fortitude—to make in order to fix the economy. At last year's election, the Australian people gave the coalition a clear mandate to get rid of this carbon tax; yet, those opposite continue to ignore the will of the people.
The member for Ryan's motion refers specifically to the impact that the carbon tax has on the backbone of our nation's economy: small business. It is an indisputable fact that the abolition of the carbon tax will put spending power back into consumers' pockets and will also take cost pressures off those businesses and help with both their viability and their capacity to compete, and it will build confidence and optimism on the way through.

In my home state, a survey by the NSW Business Chamber highlighted the decline in business confidence under the previous government due to the carbon tax and excessive red tape. They found that:

Businesses indicated that the most significant cost pressure that they face is increases in electricity prices as a result of the introduction of the Carbon tax…

The very active and effective Minister for Small Business has repeatedly stated that:

…the carbon tax is clearly having a negative effect on small businesses at a time when they are dealing with low consumer confidence…Every hairdresser, restaurant, newsagency, pie shop, dry cleaner and toy shop in the country is feeling the pain of increasing red-tape and higher electricity and gas prices due to the carbon tax.

Under Minister Billson's leadership, support for small business is at the centre of the coalition's policy direction to build a strong and a prosperous economy.

In my electorate of Bennelong, we are fortunate to boast over 20 local shopping villages, with whom I work hard to support through my Bennelong Village Businesses Campaign. Through this work I repeatedly hear tales of struggles to make ends meet, with the carbon tax as public enemy No.1. Previously, in this place, I spoke of Lyn Bridle, the director of the Epping Floral Centre, who expressed her concerns at the extra impost on her refrigeration bill, though her customers are unwilling to pay more for their flowers. Even love has a cost limit. Often, I visit Peter Roan Seafood at Top Ryde City. Once, I even took the Prime Minister there to show off their shop and the seafood products they provide to the local community—in which I proudly work and live. They have a $40,000 annual electricity bill due to their refrigeration needs and the need to compete against their shopfront neighbour—one of big two supermarket chains. I have often spoken with Peter Roan about the all-encompassing nature of this tax. From the fishermen to the truck driver, to the wholesaler, to the retailer, and to the cleaner, the carbon tax hits and hurts every step of the way.

The case against the carbon tax should not be a controversial one. This tax facilitates zero benefit to the environment; yet, it delivers a world of financial pain to everyday Australians and to every Australian. On behalf of the hundreds of small business owners across the Bennelong electorate, I say to those opposite, 'Get out of the way and let this government exercise the mandate we were given to axe this tax.'

Mr CONROY (Charlton) (11:42): It is a pleasure to speak on this debate, because no other issue singly contrasts the approach of this side to that side. On this side, we accept the science of climate change, in contrast to the deniers on the other side. On this side of the chamber, we respect the ability of the market to provide efficient solutions, unlike the government dictators on the other side of the chamber. On this side of the chamber, we are part of an international community united in taking action on climate change; those on the other side seem interested in only becoming international pariahs on this particular issue.

The truth is that climate change is occurring and is man-made; yet, on the other side, the coalition is made up of two groups: climate change deniers and climate change populists who
would rather have a short-term electoral advantage than confront this issue. The truth is that
the world is taking action. By 2016, over 3 billion people will live in economies, nations and
provinces where there is an emissions trading scheme in place. The truth is that, if we do not
take action, we will face economic action against us. The WTO has already flagged the
possibility of tariffs being levied against countries that do not take action on climate change.
We are the highest emitter of greenhouse gases per capita in the developed world. In absolute
emissions, we are well in the top 15. If you think that we can go to international conferences
on trade or other economic issues and stand there without taking effective action on climate
change, we are kidding ourselves. We have a responsibility to act. It is an economic
responsibility, because if we do not take action, we will face retaliatory tariffs in the near
future. The truth is that the best way of taking action is a market mechanism. A market
mechanism will deliver the results we need in placing a hard cap on pollution.

The truth—and it is a truth that those on the other side do not accept because they do not like facts—is that, since the carbon price began, well over 150,000 jobs have been added to the economy, economic growth has been relatively strong, we have seen a modest cost-of-living impact and, at the same time, it has been working to reduce carbon pollution. We have seen a 10 per cent cut in emissions from the National Electricity Market, a 17-million-tonne reduction in carbon pollution from electricity generators. That is the equivalent of taking almost five million cars off the road—a massive impact. On the government's own figures, released by the Department of the Environment earlier this year, emissions in our economy are 40 million tonnes less now than they would otherwise have been because of the operation of the carbon price. It is working.

The carbon tax was accompanied by a very progressive series of compensation measures through changes to the income tax thresholds which meant that over a million people were freed up from putting in a tax return ever again. Despite the motion's wording, small businesses were compensated. As part of this package, we funded a $6,500 instant asset write-off vehicle for small businesses. Many small businesses in my electorate were looking forward to accessing that to make much-needed investments.

The truth is that the best way we can move forward on the environment is by shifting to an internationally linked emissions trading scheme, which is what the amendments that Labor will put forward in the substantive debate when it comes up will address. The truth is that that is the best way forward, not the horribly inefficient command-and-control Direct Action policy those on the other side spout, with the subsidies-for-polluters scheme that they have yet to find one single economist to support, a scheme of Soviet command and control that would do Lenin, Trotsky and Stalin very proud.

The truth is that this is an issue of intergenerational equity. The truth is that this is about leaving the environment and the economy in a better place than we found them. Those on this side are very proud to stand up for this generation and future generations, to stand up for the environment and to stand up for the economy. Those who stick their heads in the sand and think that we can do nothing on this issue or have some token fig leaf of a policy are kidding themselves. We owe it to future generations of this country to take concrete action, to begin the transformation to decarbonise our economy not just for the environment's sake and not just so we can have a Great Barrier Reef and an effective Murray-Darling River system but so we can have an economy that can compete in the 21st century. The economies that will
succeed in the next century will be those that decouple carbon pollution from their economic growth and invent and commercialise low-carbon technologies. Those on the other side stand for none of that. (Time expired)

Mr COLEMAN (Banks) (11:47): I am very pleased to speak on this motion from the member for Ryan. It is a very well-timed motion because it gives those opposite an opportunity to support the repeal of the carbon tax. The carbon tax is an appalling tax which has had a very significant negative impact on the economy. This week Labor can go from being the human shields protecting the carbon tax to the enablers of its removal. That is what they should do. They talked about being the terminators of the carbon tax. But they are not terminators; they are human shields directly standing in the way of the very important benefit which will come to Australian households through the elimination of this tax. It is important that Labor supports the repeal of the carbon tax because, if you care about the environment and you care about taking steps to eliminate emissions, surely you must do so in a way which minimises the impact on the economy as opposed to smashing the economy, which is what the carbon tax does.

This is a massive tax. There is the big macro number of $15 billion, the impact on 75,000 businesses and many other statistics. There is a very practical impact. Certainly I know in my electorate from talking to residents and small businesses that this tax is having a very negative impact. In fact, I was at a drycleaners in my electorate some time ago and the proprietor told me that he no longer operates his machines after two o'clock in the afternoon because of the impact of the carbon tax on his electricity bills. That is a small business in Mortdale that is servicing people in my electorate, employing people and playing a very important role in our community. It has seen such an impact from the imposition of the carbon tax that it has had to curtail its activities. That does not make sense. It is not something that a sensible government should encourage. As I have said before, if we accept that we want to do something about emissions—and the government certainly do—the question is: how do we do it without having a massive negative impact on the economy? Why would anyone, except for left wing ideological reasons, choose to hurt businesses in the economy that employ thousands of Australians? There is no reason to do that. It is entirely the wrong way to go.

We know that the carbon tax puts Australia completely out of step with the world as a whole. The comments that the previous member made about carbon tax type schemes around the world were flat out incorrect. The fact is that there are very few taxes that compare even remotely to the carbon tax. It is the biggest in the world. People trot out China and say that it has introduced a carbon tax, but 99 per cent of permits in those three provinces in China that have an emissions scheme are given out for free. So why would Australia, in a very competitive business environment, unilaterally disarm? We would not go into trade negotiations and say, 'You know what? We will remove all of our tariffs; you can do whatever you want.' We would not do that. But what we have done in this space is say, 'We will impose a big hit on Australian business even though other competitive nations have not done the same thing.' That can only be detrimental to our nation. The New Zealand scheme only covers 50 per cent of emissions and is only A$4.60 per tonne.

The carbon tax costs Australian families $550 every single year. That is very negative for the economy. We were very clear before the election about the urgent need to get rid of the
carbon tax. There is time for Labor to stop being the human shield, to stop perpetuating the existence of this tax and to get on board and support its repeal.

Mr LAURIE FERGUSON (Werriwa) (11:52): I cannot agree with the previous speaker that the timing of this motion is good for the government. Quite frankly, it is as bad as the other motion moved by the member for Ryan this week, in which she commended the Red Cross as a great Australian association at the same time that this government is taking $5 million off the Red Cross. So both the motions are not exactly good timing this week. I say that because the manifestly false campaign that the Prime Minister waged in opposition around the dire consequences of the carbon tax is being exposed daily.

In today's *Sydney morning Herald* Peter Martin said that there are unlikely to be reductions anything like the $550 claimed by Prime Minister Tony Abbott on the weekend. Peter Martin said that electricity and gas accounted for only $250, making a one-off saving of just $250 per household more likely.

We have heard the exaggerations and the wild claims of those opposite about the impact of the carbon tax on every sector of the Australian economy. But now, when they are in government, when they have to take responsibility, we are daily seeing them excuse various sectors of the economy where there are not going to be reductions. John Connor from the Climate Institute did not even go along with Peter Martin's view in the *Herald*. He said he thinks it is an overestimate that there will be $250 in savings to the Australian people.

We can go through so many accounts of this falsehood. On 3 March, when Qantas wanted some assistance from the Australian people because of their plight, their spokesperson initially said, 'Qantas's current issues are not related to carbon pricing.' Yet the next day a person called Tony Abbott said:

The best thing we can do if we want Qantas to call Australia home now and forever is to remove the shackles that are holding Qantas back … by this very day repealing the carbon tax.

A day later, under government pressure, Qantas suddenly found that the carbon tax was part of their problem. Initially they said it was nothing to do with their problem. What do we see this week? Qantas is saying that, because of the carbon tax's lack of impact, there will essentially be no reductions.

We saw those opposite going around this country making exaggerated claims about refrigerator gases. A person called Tony Abbott said that these costs were going up by almost five times under the carbon tax and that every supermarket, every refrigerator manufacturer and processor was going to be hit that way. He went to Frozpak, located close to this building, and spoke about $60,000 a year in costs. He said it was living proof that small family businesses are going to pay the carbon tax. The impact of the carbon tax was supposedly affecting prices at supermarkets. What do we see in the real world today? Woolworths have said that they did not have any increases whatsoever, so there are not going to be any reductions. Coles have said that they will investigate whether there were any cost increases. Clearly there seems to be some doubt.

What else are those opposite doing? They are negotiating with Senator Day from South Australia. He has made a demand and they are going along with it. They have been telling people about the huge cost of the carbon tax and yet they are now prepared to negotiate with
Senator Day that there be no penalties imposed on small businesses in this country if they fail to pass on savings, due to the alleged increases resulting from the carbon tax.

So the great cost to the Australian people is all unwinding. Whilst I am talking about electricity and energy, one of the few areas where there might be some credence to the carbon tax allegations, I will refer to an interesting article recently written by Matthew Warren of the Energy Supply Association of Australia. I think he might know a little bit more about this than the Prime Minister. He said:

The electricity market is incredibly complicated and there is thousands of electricity contracts with carbon in them and millions of dollars of them being traded.

Unwinding that process after days and weeks and months into the financial year gets extremely complicated.

This was a lead-up to saying that he thinks the reductions consequent upon abolition of the carbon tax in the electricity and gas sectors are going to be far smaller than have been estimated.

One member opposite has been running around Las Vegas this week, between poker machines and beers, decrying climate change. I am prepared to listen far more to people like Hillary Clinton, who recently said: 'I am deeply worried about the latest U.N. report. The impact will principally fall on food production and distribution. So although I’m still optimistic, I think if we look out 10-15 years, we’ll need to mitigate against or avoid the ongoing consequences of climate change.' Climate change is real. The government should act.

(Time expired)

BILLS

Public Governance, Performance and Accountability (Consequential Modifications of Appropriation Acts (Parliamentary Departments)) Bill 2014

Public Governance, Performance and Accountability (Consequential Modifications of Appropriation Acts (No. 1), (No. 3) and (No. 5)) Bill 2014

Public Governance, Performance and Accountability (Consequential Modifications of Appropriation Acts (No. 2), (No. 4) and (No. 6)) Bill 2014

Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Bill 2014

Appropriation Bill (No. 1) 2014-2015

Appropriation Bill (No. 2) 2014-2015

Appropriation (Parliamentary Departments) Bill (No. 1) 2014-2015

Family Assistance Legislation Amendment (Child Care Measures) Bill 2014

Tax Laws Amendment (Implementation of the FATCA Agreement) Bill 2014

Tax and Superannuation Laws Amendment (2014 Measures No. 2) Bill 2014

Tax and Superannuation Laws Amendment (2014 Measures No. 3) Bill 2014

Customs Tariff Amendment (Product Stewardship for Oil) Bill 2014

Excise Tariff Amendment (Product Stewardship for Oil) Bill 2014
Railway Agreement (Western Australia) Amendment Bill 2014
Social Security Legislation Amendment (Green Army Programme) Bill 2014
Veterans' Affairs Legislation Amendment (Mental Health and Other Measures) Bill 2014
Environment Protection and Biodiversity Conservation Amendment (Cost Recovery) Bill 2014
Australian Workforce and Productivity Agency Repeal Bill 2014

Assent

Messages from the Governor-General reported informing the House of assent to the bills.

COMMITTEES

Joint Select Committee on Northern Australia

Appointment

The SPEAKER (11:58): I have received a message from the Senate informing the House that the Senate concurs with the variation to the resolution of appointment of the Joint Select Committee on Northern Australia.

BILLS


Returned from Senate

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

COMMITTEES

Membership

The SPEAKER (11:58): I have received messages from the Senate acquainting the House of the appointment of senators to certain joint committees. Copies of the message are on the chamber table and details will be recorded in the Votes and Proceedings.

BILLS

Defence Legislation Amendment (Woomera Prohibited Area) Bill 2014

First Reading

Bill received from the Senate and read a first time.
Ordered that the second reading be made an order of the day for the next sitting.

BUSINESS

Consideration of Legislation

Mr PYNE (Sturt—Leader of the House and Minister for Education) (12:03): For the benefit of the House, since I do not believe that the motion to do with the clean energy legislation was circulated in time, I will read it so that the House knows what we are doing. I move:

That so much of the standing orders be suspended as would prevent the following occurring in respect of the Clean Energy Legislation (Carbon Tax Repeal) Bill 2014, the True-up Shortfall Levy

(1) the bills being presented and read a first time together;
(2) one motion being moved for the second readings of the bills together and debate continuing without delay;
(3) at the conclusion of the second reading debate one question being put on any amendments moved to motions for the second readings and one question being put on the second readings of the bills together;
(4) if the second readings of the bills have been agreed to, messages from the Governor-General recommending appropriations for any of the bills being announced together;
(5) the consideration in detail stages, if required, on the bills being taken together with a single debate taking place on any amendments moved, and (a) one question being put on any Government amendments, (b) one question being put on any amendments which have been moved by opposition Members, (c) any necessary questions being put on amendments moved by any other Member, and (d) any further questions necessary to complete the detail stage being put;
(6) at the conclusion of the detail stage, one question being put on the third readings of the bills together; and
(7) any variation to this arrangement to be made only by a motion moved by a Minister.

This motion is a debate management motion to ensure that the House of Representatives can deal expeditiously with the Carbon Tax Repeal bills that were not passed by the Senate last Thursday as the government had anticipated. It is not proposed that the government entertain a long debate in this parliament about the repeal of the carbon tax. Obviously last year's election in September was an election referendum on a mandate to repeal the carbon tax. The coalition was successful at that election, making it perfectly clear that the Australian public expected the carbon tax to be repealed. The Labor Party and their allies in the Greens and the Left in general decided to thumb their nose at the will of the Australian public, to ignore the mandate that the coalition had achieved in the election and to, bizarrely, decide to cling to a policy that has been one of the most unpopular in history, based on a lie, at the election in 2010 that there would never be a carbon tax introduced under the Labor Party. In fact, the quote was, ‘There will be no carbon tax under a government I lead’.

I anticipate that the House of Representatives will today, because of this debate management motion, pass this package of carbon tax repeal bills together—seven related bills in addition the Clean Energy Legislation (Carbon Tax Repeal) Bill 2014. The Minister for the Environment will outline to the House some of the measures that we will be introducing in this bill that are amendments to the original bills, which have been agreed with the other crossbench members in both this House and the Senate.

I would then anticipate that these bills will go to the Senate and be dealt with expeditiously there. The Australian public deserves nothing less. They have voted to abolish the carbon tax. Labor and the Greens have decided to cling to the carbon tax. The fact that they choose to do so only indicates how they remain in denial about both the result of last year's election and, more importantly, how much the Australian public did not support their policies in
government. If they wish to keep clinging to them and if they wish to remain in denial, then they will remain in opposition for a long period of time.

I therefore would commend the suspension of standing orders and this motion to the House, so we can get on with the business of getting rid of the carbon tax once and for all.

Mr BUTLER (Port Adelaide) (12:08): Needless to say, we oppose this suspension of standing orders. There is no better way to sum up our opposition than the number 595. That is, 595 bills were passed through this House during the last term of parliament; that was in a House no less challenging than the Senate is now for the government and the opposition. We need to be very clear why we are back here this afternoon debating this suspension. Why we are back here is because this government could not organise a pig to be dirty. If there was a pig here and a mud puddle there, this government could not organise that pig to be dirty.

The chaos of last week was a window into the dysfunction of this government. It was an absolutely clear window into the dysfunction of this government. The agenda of this government is based on two things: broken promises on one hand, which sums up their budget to a T, and massive overreach on the other hand. The Prime Minister cannot find a road back from his massive overreach, his hysterical campaign about carbon pricing and his hyperbole and ridiculous claims about the impact of carbon pricing on households and on businesses. We see a Prime Minister who has a budget that is literally dissolving before his eyes. Exemplified by last week, he finds himself completely incapable of sensible, calm and methodical negotiation with crossbench members of parliament and senators.

Let us just recap the events in the Senate last week. We had a guillotine motion or as the member for Sturt, parroting the member for Grayndler, calls it: a debate management motion. We had a guillotine motion in the Senate to guillotine some of the most complex pieces of legislation for a new Senate, with new senators in both major parties and—perhaps more importantly—new senators on the crossbench. We had a committee that had a piece work to do over a period of about 2½ weeks, which was to draw out these questions that tripped up the government last week and to seek input from stakeholders. But no, that committee was given the axe. Then, in absolute high farce, we had a guillotine culminate in a filibuster. The new chair of the environment committee was humiliated into having to ask questions of a cabinet minister, such as: 'What is an ETS? What is an emissions trading scheme?' That was so that Senator Abetz and a whole bunch of other government ministers, which I think included the Minister for the Environment, could sit out in the corridor outside—okay, not the Minister for the Environment; he was not even involved in those negotiations—trying to cobble together a deal with the Palmer United Party to deal with these ridiculous claims that the Prime Minister has made time and time again.

We know why and how we reached that position; it was because this government had not thought about the impact on business. This government had simply not thought about the impact on business of the variety of amendments that were being trucked around by the government or by Palmer United. They simply have not owned up to the litany of falsehoods peddled by this Prime Minister about the impact of carbon pricing on household budgets. At the end of the day, the rush, the guillotine, the chaos and the shambles we saw last week were all about trying to make sure that the Prime Minister could make the press conference date to announce something he simply was not able to deliver.
This Prime Minister assured Australian households that the carbon tax and the carbon pricing mechanism would force prices up and up on absolutely everything. He then promised, of course, that repealing the carbon tax would force prices down and down on absolutely everything. That was not just on electricity and gas but on everything, like on groceries, airlines and the prices of a house. That was on absolutely everything. But we know that that is just not true. You can ask the retailers; ask Woolies, ask Coles, ask the airlines or ask anyone else who the Prime Minister—then the Leader of the Opposition—verballed as having to raise their prices in the face of the carbon pricing mechanism. They have now said, 'Look, we never did. We never had to. As a result, we are not going to drop prices now, in spite of what the Prime Minister has said.'

The reality of the impact of the carbon pricing mechanism was exactly as we said it would be. There was a modest lift in electricity and gas prices that was completely covered by the household assistance package for pensioners and for lower and middle income households, either through family payments and/or a tripling of the tax-free threshold. Those prices would be significantly lower if the government swallowed its pride and accepted Labor's amendment to introduce an emissions trading scheme now.

For example, the power price impact in my state and the member for Sturt's state, South Australia, of the carbon pricing mechanism was about 4.6 per cent. Treasury has advised us that if the ETS—which we will again move this afternoon in this House—were adopted, then those prices would be reduced by about three-quarters so that the impact of a carbon price mechanism under an ETS framework would be about one per cent of power prices. That is more than covered by the household assistance package, changes to pensions, changes to family payments and the tripling of the tax-free threshold.

But this process that ended in such shambles and such utter chaos in the Senate has exposed the Prime Minister's litany of falsehoods that he peddled around the country about the impact of the carbon price mechanism. That is why, again, we have the member for Sturt come in and seek to gag debate on this important question. There are very serious questions now before this parliament. There are very serious questions that Australian households are asking themselves. There are critically important questions that Australian business is asking itself. We have seen the Australian Industry Group, the Business Council of Australia and a range of other organisations out over the last few days asking, 'Where is this going? As the AIG, what are my members going to be required to do in relation to the ACCC with these amendments?'

We do not know. The member for Sturt is trying to gag this debate without the government even circulating the amendment that will indicate, first of all, what businesses will have obligations to the ACCC under this amendment and, secondly, what price reductions this Prime Minister is willing to guarantee to Australian households. I suspect we know the answer to both of them and it will be a damp squib—a damp squib that exposes the falsehoods that were peddled month after month, year after year, by this Prime Minster when Leader of the Opposition about the impact of carbon pricing.

Last week the government promised to be an adult government. This government that promised a calm, methodical, cabinet-based approach to decision making cobbled together these amendments—we still do not know which of them they support—based on 15 minutes of discussion. We then saw the Minister for the Environment and Senator Abetz, the Leader
of the Government in the Senate, conduct a press conference where they were either unwilling or unable to explain to the Australian people and to Australian business quite what the impact of the amendment that they had agreed to was—what businesses, what sectors of the economy, were going to be covered by these amendments that impose obligations on business vis-a-vis the ACCC. The Minister for the Environment could not answer that question at the press conference that he conducted with Senator Abetz on Thursday. The Minister for the Environment said on Adelaide radio on Friday that airlines and grocery retailers like Woolies and Coles would be covered by these amendments but he was then contradicted very clearly by lawyers who work in this area. We do not know which is right. We have a whole lot of people out there saying it is just electricity and gas; we have the Minister for the Environment on Adelaide radio saying it is airlines and retailers as well. We do not know, because the member for Sturt comes in here and tries to gag the debate without even circulating the amendment that, it would appear, they have stitched up with the Palmer United Party. This is the government that would not do deals with crossbenchers stitching up with the Palmer United Party a deal that is critically important for Australian business and critically important in terms of whether or not Australian households think that this Prime Minister can deliver on the guarantees he made time and time again, to the point of nausea. We want to know what those amendments are. This parliament deserves the opportunity to debate those amendments. This gag must be opposed. No wonder Australian households are beside themselves; no wonder Australian business organisations have spent the last 96 hours up in arms about this amendment. It is time that this parliament saw the amendment and had a serious debate about this government chaos.

Mr ALBANESE (Grayndler) (12:18): In July 2007 there was also an announcement about action on climate change. It is headed, on the ABC website, 'Howard announces emissions trading system', and the report says:

Prime Minister John Howard says the Federal Government will introduce a new 'cap and trade' emissions trading system.

That was the mandate upon which both sides of parliament were elected in 2007. The report then says that the then federal environment minister, Malcolm Turnbull, 'says the carbon emissions trading scheme will be comprehensive', and it continues:

'It will cover 80 per cent of all emission outside agriculture and about 55 per cent of total emissions in Australia,' he said.

The scheme is set to be up and running by 2011.

That is the hypocrisy and cant from those opposite about respecting mandates. What they do not respect is science. What we on the side of the House respect is the information provided by the global experts and the need for us to not pass on that responsibility for future generations. When I was a young kid—it was a long time ago—from time to time you would see people toss rubbish out the window of their car. People had a view then that someone else would come and clean it up—someone else would fix it up down the track. That is not good enough today. There is no way that my own son or the kids of members of this parliament would even think about the concept of just throwing something out the window and leaving it for someone else to clean up. That is precisely what those opposite want to do.

There is a price on carbon pollution. What we are saying as a parliament is that if we get rid of the price on carbon without any climate change policy in place, we will leave the fixing
up of the mess to future generations. That is simply not good enough. It has been a while since this parliament has sat in July, and there is a reason for that. An ordered parliament, when it has new senators, gives them, and the parliament, time to settle in. The arrogance of those opposite is writ large—they assumed that people would just go along with them and tick the box. Then we saw the chaos of last week when we had, perhaps for the first time ever, a gag and a filibuster as part of the same process on the same day. The Minister for the Environment has foreshadowed moving amendments that do not come from his cabinet and that do not come from his party room—they come from the Palmer United Party. That is where the amendments he is going to move come from. This is not a case of the tail wagging the dog—it is a case of the PUP tail wagging the dog.

Those opposite have been humiliated by their lack of performance last Thursday. In terms of the processes of this parliament, Labor managed a parliament last time around in which we did not have a majority in either House. We treated people with respect; we engaged in constructive discussion. We were prepared to have discussions with the coalition, as well. What we have here is a motion moved by the Leader of the House, where amendments are foreshadowed that people have not even seen. What a disgrace of a process this is! Those opposite were so addicted to moving suspension of standing orders every day in opposition that, when they got into government, they have forgotten that they are the government. They are supposed to govern. If you have a proper process, you do not need to suspend standing orders when you are the government. Those opposite remind us each and every day that they had a plan to get into government, but they certainly do not have a plan to govern.

Mr PYNE (Sturt—Leader of the House and Minister for Education) (12:23): I move:
That the question be now put.

The SPEAKER: The question is that the motion, that the question be put, be agreed to.

The House divided. [12:27]

(The Speaker—Hon. Bronwyn Bishop)

Ayes ...................... 85
Noes ...................... 55
Majority ............... 30

AYES

Alexander, JG
Andrews, KJ
Billson, BF
Baldwin, RC
Broad, AJ
Broadbent, RE
Brough, MT
Buchholz, S (teller)
Chester, D
Christensen, GR
Ciobo, SM
Cobb, JK
Coleman, DB
Coulton, M (teller)
Dutton, PC
Entsch, WG
Fletcher, PW
Frydenberg, JA
Gambaro, T
Gillespie, DA
Goodenough, IR
Griggs, NL
Hartsuyker, L
Henderson, SM
Hendy, PW
Hockey, JB
Hogan, KJ
Howarth, LR
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Hutchinson, ER
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**CHAMBER**
Question agreed to.

The SPEAKER (12:34): I now put the original motion by the Leader of the House that standing orders be suspended.

The House divided. [12:34]

(The Speaker—Hon. Bronwyn Bishop)

Ayes ...................... 85
Noes ...................... 55
Majority ................. 30

AYES

Alexander, JG
Andrews, KL
Billson, BF
Broad, AJ
Brough, MT
Chester, D
Ciobo, SM
Coleman, DB
Dutton, PC
Fletcher, PW
Gambaro, T
Goodenough, IR
Hartseyker, L
Hendy, PW
Hogan, KJ
Hunt, GA
Irons, SJ
Jones, ET
Keenan, M
Laming, A
Laundy, C
Macfarlane, IE
Matheson, RG
McNamara, KJ
Nikolic, AA
O'Dwyer, KM
Pitt, KJ
Prentice, J
Pyne, CM
Randall, DJ
Robert, SR
Ruddock, PM
Scott, FM
Smith, ADH

NOES

Rowland, MA
Snowdon, WE
Thomson, KJ
Watts, TG
Zappia, A

Ryan, JC (teller)
Thistlethwaite, MJ
Vamvakau, M
Wilkie, AD
AYES
Stone, SN
Sukkar, MS
Tehan, DT
Tudge, AE
Van Manen, AJ
Vasta, RX
Wicks, LE
Wilson, RJ
Wyatt, KG
Sudmalis, AE
Taylor, AJ
Truss, WE
Turnbull, MB
Varvaris, N
Whiteley, BD
Williams, MP
Wood, JP

NOES
Albanese, AN
Bandt, AP
Bird, SL
Bowen, CE
Brodmann, G
Burke, AE
Burke, AS
Butler, MC
Butler, TM
Byrne, AM
Chalmers, JE
Champion, ND
Chesters, LM
Clare, JD
Claydon, SC
Collins, JM
Conroy, PM
Danby, M
Dreyfus, MA
Elliot, MJ
Ellis, KM
Feeney, D
Ferguson, LDT
Fitzgibbon, JA
Giles, AJ
Gray, G
Griffin, AP
Hall, JG (teller)
Husic, EN
Jones, SP
King, CF
Leigh, AK
Macklin, JL
MacTiernan, AJGC
Marles, RD
McGowan, C
Mitchell, RG
Neumann, SK
O'Connor, BPJ
O'Neil, CE
Owens, J
Parke, M
Perrett, GD
Piliberek, TJ
Ripoll, BF
Rishworth, AL
Rowland, MA
Ryan, JC (teller)
Snowdon, WE
Thistlethwaite, MJ
Thomson, KJ
Vamvakianou, M
Watts, TG
Wilkie, AD
Zappia, A

Question agreed to, with an absolute majority.

BILLs
Clean Energy Legislation (Carbon Tax Repeal) Bill 2014
True-up Shortfall Levy (General) (Carbon Tax Repeal) Bill 2014
True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Bill 2014
Customs Tariff Amendment (Carbon Tax Repeal) Bill 2014
Excise Tariff Amendment (Carbon Tax Repeal) Bill 2014
Mr HUNT (Flinders—Minister for the Environment) (12:38): I move:
That these bills be now read a second time.

Today the government introduces:
- the Clean Energy Legislation (Carbon Tax Repeal) Bill 2014;
- the Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Carbon Tax Repeal) Bill 2014;
- the Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment (Carbon Tax Repeal) Bill 2014;
- the True Up Shortfall Levy (General) (Carbon Tax Repeal) Bill 2014;
- the True Up Shortfall Levy (Excise) (Carbon Tax Repeal) Bill 2014;
- the Customs Tariff Amendment (Carbon Tax Repeal) Bill 2014;
- the Excise Tariff Amendment (Carbon Tax Repeal) Bill 2014; and

The Australian people have already debated the carbon tax and they decided ten months ago on 7 September 2013 that they did not want:
- higher electricity prices;
- higher gas prices;
- higher travel costs; or
- higher food costs.

The Australian people did not want to support a measure that did not do the job, was not working and did not have a mandate. In short, the Australian people voted in the most express, clear and absolute way to ensure that they did not have and would not have a carbon tax, and they would have a government that will take real measures to reduce emissions, without a carbon tax.

The carbon tax increased the costs of everything it touched.

It punishes households, business, schools, hospitals, nursing homes, charities, churches, council swimming pools and community centres.
It hits each and every group and individual who use energy—and that was always its goal: to make electricity and gas more expensive. The purpose, the intention, the construct of a carbon tax is to increase the cost of living, most specifically the price of electricity and gas, for Australian families.

And that is why the Australian people voted to get rid of it.

The bills honour the coalition's commitment to the Australian people to scrap this tax.

It is now up to this parliament to show that it has listened to the Australian people.

We categorically accept the science of climate change. We categorically accept the need for action. But we categorically do not accept a system that fails to work, that does not achieve significant reductions and that comes at a significant cost. We are committed to a better way that actually reduces emissions and cleans up power stations, cleans up land fill and cleans up waste coal mine gas and reduces emissions by improving energy efficiency.

The bills today ensure that all elements of the carbon tax are abolished.

The main bill removes the carbon tax, and implements new powers for the Australian Competition and Consumer Commission to ensure that cost savings are passed on to the Australian public, in full.

The other bills remove the imposition of the carbon tax on liquid fuels and synthetic greenhouse gases.

The bills also provide for the transitional arrangements to ensure a smooth transition out of the carbon tax in all its forms, and give the Clean Energy Regulator, the Australian Taxation Office, the Australian Customs and Border Protection Service and the Department of the Environment the powers they need to do this.

A cornerstone of the government's plan for a stronger economy built on lower taxes, less regulation and stronger businesses, whilst reducing emissions, is the repeal of the carbon tax.

The first impact of the repeal of the carbon tax will be on households whose overall costs will fall, according to Treasury modelling, by approximately $550 a year on average, compared with what it otherwise would have been.

Electricity bills will be around $200 lower this financial year without the carbon tax.

Gas bills will be around $70 lower this financial year without the carbon tax.

These are real savings that will help family budgets.

Only last week, we heard from a number of new Senators on the impact of the carbon tax on pensioners, on the cost of heating homes, on farmers' incomes and small business costs. I would note that Senator Joe Bullock was expressly elected on a campaign to terminate the carbon tax.

The people who voted for those senators expect them to act.

It is disappointing that families and small businesses are still paying $11 million a day in higher electricity prices due to the carbon tax.

Once the carbon tax is repealed, there will be savings to the family budgets with lower electricity and gas prices.

And these savings are already being confirmed.
In Queensland, the Queensland Competition Authority has said that typical household electricity bills are expected to fall by 8.5 per cent. In New South Wales, the Independent Pricing and Regulatory Tribunal has said that gas prices will be up to 9.2 per cent lower without the carbon tax. In Tasmania, the Office of the Tasmanian Economic Regulator has said that electricity prices will be 7.8 per cent lower with the removal of the carbon tax. In the ACT, the Independent Competition and Regulatory Commission has said that electricity prices will fall by 11.6 per cent without the carbon tax. Prices for groceries, for household items and for services will also fall because the price of power is embedded in every price in our economy where those prices have been added according to the rules which are set out in these bills.

The carbon tax will go, but the carbon tax compensation will stay so that every Australian should be better off. I repeat this message to the House and to the people of Australia: while the carbon tax will go, the carbon tax compensation will stay so that every Australian should be better off. The Australian Competition and Consumer Commission has a wide-ranging arsenal of compliance powers to ensure businesses do not mislead their customers about the impacts of the carbon tax repeal. It has received $10 million in additional funding to take necessary enforcement action and also to inform businesses about their obligations and customers about their rights. Under the original version of the repeal bills, penalties of up to $1.1 million for corporations and $220,000 for individuals will apply where there are breaches. These penalties are retained. The ACCC has already issued over 560 requests for information from companies across the economy, including from the electricity, gas, refrigerants and aviation sectors.

As agreed with the Palmer United Party, I foreshadow and will move amendments during the consideration-in-detail stage of the bills to supplement the commission’s ability to ensure that consumers benefit from the repeal of the carbon tax. The changes included in the bills are to ensure that suppliers of regulated goods—electricity, natural gas and bulk supplies of synthetic greenhouse gases—must pass on all cost savings. They impose a penalty on electricity and natural gas suppliers equal to 250 per cent of any cost savings they do not pass on. They require electricity and natural gas retailers and bulk importers of synthetic greenhouse gases to inform the ACCC and customers about how they are passing on the cost savings amounts of the savings.

The changes to the main repeal bill balance new compliance obligations with the need to ensure that household and business customers benefit. Already strong protections are being further strengthened. Businesses should be able to explain to customers how changes in their costs are flowing through to changes in their prices. For the purpose of the Acts Interpretation Act 1901, I confirm that the definition of ‘electricity retailer’ is limited to electricity retailers and electricity producers selling electricity into a wholesale electricity market or to a retailer. By agreement, this is not intended to override any pre-existing contracts.

The cost of synthetic greenhouse gases was significantly impacted by the carbon tax. Bulk importers of synthetic greenhouse gas defined under s13A(2)(c) of the Ozone Protection and Synthetic Greenhouse Gas Management Act 1989 are covered by the new requirements. To minimise the cost of compliance, small imports of synthetic greenhouse gases such as imports of synthetic greenhouse gas contained in equipment such as fridges, cars and air-conditioners are not covered. The new provisions are confined to those sectors. I make that statement for
the purpose of the Acts Interpretation Act. The bill already provides flexibility for the ACCC to expand the range of sectors covered should any significant concerns arise.

The government is confident that all businesses will do the right thing and pass on all the savings relating to carbon tax repeal. The government is aware that major electricity and gas retailers are already committed to providing this information to households and businesses on bills, inserts and through websites in any event. The carbon tax has been a $15 billion hit on the economy over two years. It is a $15 billion hit on jobs, a $15 billion burden on investment and a $15 billion slug to families, pensioners and small business owners, which they do not need because it simply does not do the job. These bills get rid of a tax which does not work, which is not doing the job and which is not achieving its outcome.

In moving these bills, I want to thank from the Department of the Environment, Simon Writer, who has worked tirelessly over recent weeks and months, the Acting Secretary, Mr Steven Kennedy, and able officers Joe Pryor, Kim Begbie and Josie Cleland. From the Office of Parliamentary Counsel, I wish to thank Mr Keith Byles and his team, and from the Department of the Treasury, Mr Hamish McDonald and his team, the Minister for Small Business and his outstanding staff and the outstanding staff of the Australian Government Solicitor. I also particularly wish to thank the extraordinary and patient Alex Caroly from my own office.

Ultimately, repealing the carbon tax will reduce the cost of living, make jobs more secure and improve the competitive position of our country. It will be replaced with a system which actually reduces emissions. Let us be absolutely clear: the Australian people have already voted on this carbon tax repeal bill. They are now waiting for members and senators to honour their commitments to abolish the tax and get the budget back into surplus. As the Prime Minister has said previously to the House: these bills are the government's bill to reduce the Australian people's bills—and so the government and I commend these bills to the parliament.

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (12:51): I rise to speak on the Clean Energy Legislation (Carbon Tax Repeal) Bill 2014 and related bills. In late 2009, this nation was on the verge of making a decision about which we could have been collectively proud. We could have made this parliament a place of inspiration, with a national response to climate change, supported by both government and opposition. It was a policy of both government and opposition that built upon the previous government's decision—a government not of our party—but consistent with the best practice in the world. Indeed, this week is the seventh anniversary of Prime Minister Howard announcing his support for an emissions trading scheme.

Those debates in 2009 took our nation to a higher level. The myths, fears and uncertainties would be set aside, not just for the national interest but for all generations for all future time. But since that time the hope that we could develop a national commitment has been frittered away. For his part, our current Prime Minister wrested away the leadership of the Liberal party from the person who believed most in the evidence and the need for a response. For our part, we walked away from calling an election which the nation was entitled to have. We did the second best thing. We worked to achieve a national response, but we settled for second best, transforming the international pricing of carbon into a carbon tax. But we were right to have international pricing. We were right to support an emissions trading scheme. We were
right to have climate change as a political priority of the previous government. We were right to establish the Climate Change Authority, the Clean Energy Finance Corporation and the Australian Renewable Energy Agency. We were right to back the renewable energy target. We were right to listen to the scientific world. We had a responsibility to work within the political realities to achieve the best national outcomes for the best international response. For this, Labor does not apologise. From this Labor does not resile. We are not sceptics. We believe the science. We understand that what is necessary is an effective international solution. In that international solution we aim for best practice, to be among the leaders, working with the progressive, continuously testing the facts. In that international solution we want practical outcomes, the best solutions, not just some vague promises. We would prefer to be part of a national consensus, but where we cannot we shall advocate our position. We want to nurture the debate. Last week's staggering display of this government's special blend of blustering arrogance and incompetence made one thing abundantly clear: only one party in Australia has a serious, substantial and credible climate change policy. That party is the Australian Labor Party.

There is no doubt that our earth is warming and our seas rising or that human kind is the cause. The United States Department of Energy has calculated that the burning of fossil fuels has caused some 1.3 trillion tonnes of CO$_2$ to be released into the atmosphere and researchers from the Woods Hole centre have calculated that a further 0.7 trillion tonnes have been released as a consequence of deforestation and changes in land use. That is two trillion tonnes of heat-trapping greenhouse gas released into our atmosphere at a rate many times faster than the previous 800,000 years. Each of the last three decades has been warmer on average than any other in modern times and 13 of the 14 hottest years on record have occurred in the 21st century. Sea levels have risen by about 20 centimetres on average over the past century and the rate of increase has been much greater in recent decades. There is no evidence to refute any of this or any genuine scientific counterargument in the climate change debate. This is not 'absolute crap', Prime Minister; this is the inescapable truth.

If we do not act the consequences will be severe. It is predicted that we will endure more droughts, more bushfires, more floods, more storms and more extremes. Indeed, we are already seeing more extreme weather events influenced by the warming experienced so far. The damage to our coasts, our farmland, our forests and our animal life will be irretrievable and irreversible. In 2014 the question before this parliament, the question for our nation, the question for humanity is not whether we need to act on climate change; it is, as President Obama has said, 'whether we will have the courage to act before it's too late.' We must decide today whether Australia will step up and play our part, fulfilling our responsibility, doing our fair share, which means setting appropriate emissions targets and building the policy infrastructure to help us meet them. That is what Labor did.

Any serious policy solution to climate change must, sooner rather than later, include an emissions trading system. That is where the world is heading. Next year in Paris world leaders will gather to develop the next set of emissions goals, for 2030. Australia can choose: we can attend the conference proud that we are making our contribution to the global effort or we can slink in, embarrassed by our lethargy. We can go as a nation with an integrated, effective ETS or as a nation with no climate policy. The governments of the world, both progressive and conservative, are making their choice clear. Today, as I speak, 39 national and 29 subnational
jurisdictions, accounting for almost a quarter of global greenhouse gas emissions, have implemented or are on track to implement carbon pricing instruments, including emissions trading schemes. Already the world's emissions trading schemes are valued at more than $30 billion. China's seven pilot emissions trading schemes alone cover quarter of a billion people. It is the second-largest carbon market in the world, second only to the European Union's. South Korea will introduce its ETS on 1 January 2015. Mexico put a price on carbon in 2013. The European union has had an ETS four years, and many European countries have applied their own carbon pricing on top of the European system, including France in 2013. In the United States, Oregon and Washington they are exploring carbon-pricing options, and California, itself the world's eighth-largest economy, already has an ETS in place, as does New York and eight other states in the USA's Regional Greenhouse Gas Initiative.

This growing international trend means that every year, more people are trading more emissions in more markets for more money—and we can today vote for our economy to be part of this. We can vote for a flexible and viable ETS, compared to heavy regulation and intervention. We can vote for an ETS that does not just favour renewable energy; it favours all low-emissions energy. Labor's ETS provides an added commercial incentive for better carbon capture and storage, for natural gas and for clean coal, delivering more benefits for Australian industries. And Labor's ETS is ready to link to the world's biggest emissions trading market, the European Union. Mr Deputy Speaker, our world is moving forward on climate change. If Australia goes backwards, we will be going alone. Nations on every continent are taking new action and creating new economic opportunities for their people. World leaders recognise what former Republican, US Treasury Secretary Henry Paulson, recently called 'the profound economic risks of doing nothing'. Paulson, a powerful conservative, has said that waiting for more information before acting is not conservative; it is taking a very radical risk.

This Prime Minister of ours is no leader. He is incapable of identifying the risks and costs of inaction. He is sleepwalking his way into a major climate policy disaster—a disaster for the Australian economy, and for our environment; a disaster that guarantees that for ever, Tony Abbott will be remembered as an environmental vandal. While the Prime Minister dithers over his dodgy deals with the crossbench, Labor policies continue to deliver economic and environmental benefits. Since we put a price on pollution two years ago, emissions in the energy sector—the main sector covered by the carbon tax—have dropped by 10.4 per cent. Since the Renewable Energy Target was introduced, $18 billion has flowed into Australia's renewable energy sector. Under Labor, wind power generation tripled. The number of jobs in the renewable energy sector tripled. And the number of Australian households with rooftop solar panels has increased, from under 7½ thousand to almost 1.2 million. Abolishing the RET will put Australia out of step with the rest of the world and it will cut us off from the next wave of international investment in clean energy. Already—after nine months of this government talking down the RET, and lying about its impact—Australia has slipped from fourth to eighth on Ernst and Young's renewable energy country attractiveness index. Australia is one of 144 countries in the world with a set of renewable targets, and Labor believes that we should be leading the world as a supplier of clean energy.

If we are strategic—if we are smart—Australia can power our future prosperity with solar, wind, geothermal and tidal energy. This is not just about taking advantage of our country's
natural gifts; the sunlight that bathes our continent or the waves that break upon our coastline. It means Australian researchers, Australian scientists and Australian investors leading innovation and creating economic growth by developing new energy technology and boosting energy efficiency. This is precisely what the Clean Energy Finance Corporation and the Australian Renewable Energy Agency are helping to achieve. The CEFC is a productive and profitable enterprise, generating genuine value for taxpayer money. By leveraging private sector investment and low-emissions technology, the CEFC steps up to help Australian start-ups capitalise and commercialise ideas. Last year, every dollar the CEFC invested generated $2.90 of private sector investment—yet this government is so blinded by its ideology that it seeks to abolish this organisation. The government wants to get rid of ARENA too. Right now, ARENA leads the way in supporting Australian environmental innovation and investing in Australian genius. ARENA provides funding for institutions like the University of New South Wales School of Photovoltaic and Renewable Energy Engineering, which has for the past three decades set multiple world records for silicon solar cell efficiency. Alumni and researchers from this Australian institution manage some of the world’s largest solar energy companies. ARENA grants are also supporting Australian researchers investigating new and more efficient energy sources—tidal energy in Portland; algae as a biofuel in Townsville, Parkville and Whyalla; solar thermal energy storage in Newcastle; and geothermal energy in the Cooper Basin. The Climate Change Authority has been doing its important job well, providing authoritative, transparent information and policy advice—as does the Productivity Commission, and as does the Reserve Bank. There is only one reason the Prime Minister wants to abolish the Climate Change Authority—because it tells the truth.

Labor’s climate change policy was shaped by scientific and economic experts. We enhanced the Renewable Energy Target. We created the Climate Change Authority, the CEFC and ARENA because we are determined to fight climate change on every inch of ground, with every weapon in Australia’s intellectual, economic and policy arsenal. Labor has built for Australia the architecture for reducing our emissions in the most efficient and most economically responsible way possible. Each of our policy elements works in partnership with the others to deliver the best outcome—a market-based mechanism for tackling pollution: an ETS that guarantees the lowest costs for Australian businesses and for Australian families. An ETS delivers business certainty. It positions Australia to maximise economic benefits from the growing global trend of pricing pollution. And it puts Australia on the crest of a wave of unprecedented new market opportunities in clean energy and green technology, giving Australia innovation, and giving Australian ideas the chance to thrive. The parliament can vote for Labor’s emission trading scheme today. The intricate, carefully calibrated design work has been done. The international compatibility is assured. Labor’s ETS is legislated. It is ready to go.

But this Liberal Party, this once great party of the free market and free enterprise, wants no part of this market solution. They want to tear down everything that has been built. They want to replace it with an amateur, ill-conceived, centralist, Soviet style voucher system that will give the nation’s biggest polluters great wads of taxpayer money to keep polluting. The logic is baffling. The hypocrisy is staggering. This Liberal Party—the party that, through the GP tax, wants to put a price signal in place to stop Australian pensioners and low- and middle-income earners from seeing their doctor—rejects the need for a price signal on pollution that will determine the health of our planet. They believe in a market to punish the sick and the
vulnerable, but they will not support one that helps the Earth. They turn their backs on the free market and the settled science in favour of Tea Party economics and crackpot pseudoscience.

Make no mistake, this destructive policy will cost Australia dearly in the future. It will cost our country more and will achieve less. Direct Action is a policy designed solely for the Prime Minister's personal core constituency: the flat earth society! It is a policy concocted purely to appease the ragtag militia of the internet trolls, the cranky radio shock jocks and the extreme columnists. The ideologues and demagogues have held the climate change debate hostage for too long. Direct action is, as the minister for communications said in a more honest time, nothing but a policy fig leaf. It proves yet again that this is a most ignorant government, driven by nothing but its book-burning instincts and its tattered ideology.

Above all, the Prime Minister's climate policy vacuum is a grievous failure of leadership that shows that our Prime Minister lacks faith in the Australian people. He does not understand Australians nor does he respect them. On climate change, as with this budget, we see the harmful division between this government's mean and narrow view and our generous and decent Australian society. Australians are bigger, better and braver than this awkward, divisive, backward-looking government. They deserve better than this Prime Minister's lectures and lies. They deserve a government that represents their moderate, informed views on climate change; not one that delivers pre-Enlightenment, science-sledging nonsense. Australians are smart enough to grasp the inevitability of change. They are up for the hard decisions. They can participate in mature debates about the future of our environment and the future of our economy. Unlike this Prime Minister, Australians can look beyond self-interest and see the national and global interest.

Today, the parliament has a choice: we can enter the history books as the generation that ignored the perils of climate change; we can be marked down as the generation that surrendered to the selfish, shouting clamour of vested interests; or we can guarantee that Australia does its fair share to deal with this global problem. This parliament can vote for an emissions trading scheme that puts Australia in step with the rest of the world. Today, I give Australians this promise: Labor will always fight for serious, credible climate change policy. We will never surrender to this Prime Minister's bullying denialism and his government's extremism.

Sadly, we have run out of time to deal with climate change. The decisions made by us, the elected representatives of the people, over these final six years of this critical decade for climate action will have an irrevocable impact on the quality of life for future generations. We all have choices in history, and some are more than important than others. Today, we can embrace the extreme risk of doing nothing, and when, in the future, it is proved wrong, the costs will not be measured by a rye laugh of those opposite, an embarrassed smile or a belated and sincere expression of regret. No apology will suffice. It will be forever remembered as your greatest voting folly. There is no mistake greater. There is no blunder more serious. It is inexplicable. It is unjustifiable, not because we were responsible but because we did not accept our responsibility in this parliament.

If we embrace the risk of doing something, then we shall take our place in the progressive world supported by a society that saw this issue as political but above politics. This parliament has choices. Each of us here knows that the political process can be exciting and
exhilarating. We all know that it can be cruel and exacting. On this side of the House, we
know that on the other side of the House and in the other house in this place there are people
of character and commitment no less convinced than we are of the severity of the problem.
But, for Labor, we will reach for the higher ground, always and constantly. In the blink of an
eye of Earth's history, we have seen climate change that is staggering and frightening. In the
blink of an eye that responds, let there be no tears for humanity.

Mrs McNAMARA (Dobell) (13:13): I welcome the reintroduction of the carbon tax
repeal legislation and so do the Australian people, who have waited far too long to see the end
of this jobs-destroying toxic tax.

On 7 September 2013, the Australian people overwhelmingly elected a new government
that was committed to stopping the boats, repairing Labor's debt and deficit disaster, building
the infrastructure for the 21st century and, above all else, repealing Labor's carbon tax. The
Australian people have good reason to be angry with the actions of the members opposite.
Ever since the then prime minister, Julia Gillard, spoke these words before the 2010 federal
election, 'There will be no carbon tax under the government I lead,' Labor has deceived the
Australian people. Again, before the 2013 federal election, the Australian people were told by
those opposite that the carbon tax had been terminated. Australians were told that:
The government has decided to terminate the carbon tax to help the cost-of-living pressures for families
and to reduce costs for small businesses.

Those were not the words of the now Prime Minister Tony Abbott; they were the words of
former Labor Prime Minister Kevin Rudd. He went on to say that terminating the carbon tax
was 'the fiscally responsible thing to do'.

Following the election, the truth was abundantly clear. Labor never had any intention of
terminating the carbon tax. The will of the Australian people has been blatantly ignored by
members opposite. Every member of this parliament, excluding the Greens, was elected on
the basis that the carbon tax would be repealed. Why is it that Labor have repeatedly joined
forces with the Greens in both the House and the Senate to deny the Australian public what
they overwhelmingly voted for?

Labor's commitment to repealing the carbon tax was as genuine as their commitment to
delivering a budget surplus. Labor have now had 10 months to be true to their word and
terminate the carbon tax, but they have repeatedly failed to be true to their word since losing
government. Not only have they failed to keep their word; they have also failed to honour the
wishes of the Australian people. Members opposite are, without a shadow of a doubt, government change deniers. As a result of Labor's actions, the carbon tax is still standing.

Only two weeks ago, the world's largest carbon tax got even bigger, rising from $24.15 to
$25.40 per tonne. As a result of Labor's actions, every time ordinary Australians turn on the
light, the heater or the toaster, they are paying more. As a result of Labor's actions, electricity
prices across Australia are continuing to unnecessarily rise. Every day the carbon tax stays in
place it is costing Australians $11 million. Since last Thursday's vote in the Senate, Labor's
actions have cost Australians $44 million. We are voting to scrap the carbon tax because it is
the best way to take financial pressure off families as well as help the economy. It will save
families, on average, $550 a year.
This toxic tax is hurting the households and businesses of Dobell. This is a fact, I know, because the people of Dobell are telling me daily of the impact the carbon tax has had on their power bills, adding to the cost of living. Repealing Labor's carbon tax will give relief to local businesses, which will mean more money to invest in local jobs and higher wages. The carbon tax is also impacting on local governments across Australia. As a result, residents are faced with higher rates and more costly utilities, such as water and waste removal.

Last Friday I toured Wyong Shire Council's Buttonderry Waste Management Facility. The Central Coast is rapidly growing and, on an annual basis, approximately 250,000 tonnes of waste is received at this facility. There is no alternative for Wyong Shire Council but to operate the waste facility. The ratepayers of Wyong Shire Council are already paying higher fees to use this facility—an increase of $22 in the last year alone. As a result of Labor's carbon tax, in the last financial year Wyong Shire Council had a carbon tax bill of $5 million. If Labor and the Greens have their way, this bill will continue to increase to over $10 million in the coming years. This is money that could be better spent on new roads, improving existing roads and being invested in much-needed infrastructure and local government services.

As a result of the actions of those opposite, small businesses in Dobell continue to be burdened by the carbon tax. A local smash repairer at Wyong has been paying an additional $400 per month for gas. He cannot pass this increase on to the end consumer because he is restricted to pricing regulated by insurers. A publican at North Wyong has seen his electricity and gas bills increase by $20,000 per year. The owner wants to employ more people but he simply cannot afford to. This is the harsh reality imposed on local small businesses—including butchers, greengrocers, bakers, smash repairers and restaurateurs—across Australia. Seventy-five thousand Australian businesses are affected by the carbon tax. These are the businesses that employ local people and are the backbone and driving force of many local economies, Dobell included.

The Central Coast is expected to grow by an additional 100,000 people by 2031. This will require more than 45,000 new jobs. This will be achieved by supporting local small businesses and by driving stronger economic growth and increased productivity, not by imposing unnecessary taxes. With Labor's job-destroying carbon tax, the difficulty of this task is painfully obvious. Thanks to Labor's carbon tax, there have been more small business closures in Dobell than anywhere else in New South Wales. I want to see Dobell known for the highest number of new business start-ups, not for the highest number of business closures. The damage caused by Labor's carbon tax is as clear as day. No matter what the Labor Party say, their actions demonstrate that they are totally committed to a carbon tax—be it Julia Gillard's $64 billion tax that cost Australian jobs or Kevin Rudd's $58 billion tax that cost Australian jobs.

On the former government's own figures, the carbon tax is set to increase sixfold between now and 2019. The carbon tax explains a lot about Labor's legacy to Australia—200,000 more people unemployed when they left office as compared to when they took office. We cannot afford to continue as we were. The time has now come for this parliament to put this toxic, job-destroying tax behind us. The time has now come to honour the will of the Australian people and to build a strong and prosperous economy for a safe and secure Australia.
The carbon tax is an environmental and economic failure. In its first full year of operation, the carbon tax saw an emissions reduction of 0.1 per cent, despite its $7.6 billion price tag. Over two years, the carbon tax has cost Australians $15.4 billion. In addition, domestic emissions under the carbon tax are projected to rise through to 2020. The Australian Treasury indicates that removing the carbon tax now will leave average costs of living across all Australian households around $550 lower than they would otherwise be in 2014-15.

It is also estimated that retail electricity should be around nine per cent lower and retail gas prices around seven per cent lower than they would otherwise have been. Mr Rod Simms, Chair of the ACCC, has stated:

What went up will clearly come down when you take away the carbon tax.

The Independent Pricing and Regulatory Tribunal in New South Wales stated gas prices in New South Wales would be up to 9.2 per cent lower without the carbon tax. This means for the 37,000-plus families in Dobell that their average household electricity bills alone will be around $200 lower than they otherwise would have been in 2014-15 under Labor’s carbon tax.

There is a better way. This government are committed to reducing Australia’s emissions by five per cent by 2020 based on 2000 levels. We will achieve this through our Emissions Reduction Fund. It will reduce our emissions by five per cent without the damaging cost to businesses and households as a result of the carbon tax. Its sole focus is to find opportunities to drive emissions reductions.

The government’s Green Army Program will see local communities directly benefit from practical, on-the-ground environmental projects. In Dobell we are proud of our natural environment, from our magnificent beaches and coastline to Tuggerah Lakes and our valleys. Our environment contributes to our quality of living. The government are committed to protecting and enhancing our natural environment. In addition to our Green Army projects we will deliver $3.3 million worth of real improvements to Tuggerah Lakes.

The people of Dobell know a tax when they see one. They know when people are serious about improving the environment and when people are masquerading a great big new tax in the name of environmentalism. The people of Dobell, along with the people of Australia, voted to scrap this tax. This government was elected with a clear mandate to get rid of the carbon tax. With the carbon tax repealed, families, seniors, small businesses and local councils will benefit through lower costs in almost everything throughout our economy.

Members now have one last opportunity to be on the right side of history and to scrap this jobs-destroying tax. Labor can keep their word and stand up for households and businesses, as they promised to prior to the last election, and we as a parliament can come together and fulfil the desire of the Australian people. The time has come to remove the carbon tax. I commend these bills to the House.

Mr BUTLER (Port Adelaide) (13:23): I appreciate the opportunity to speak again on the Clean Energy Legislation (Carbon Tax Repeal) Bill 2014 and related bills, the third time that these bills have been presented by the government to this House. We got an opportunity during the suspension of sittings to talk about why we are debating this package of bills yet again. The chaos, the dysfunction and the shambles that was the Senate process last week was a window into the dysfunction of this government, into the complete inability and incapacity
this Prime Minister has to conduct his government in a calm, methodical way, undertaking serious negotiations with crossbenchers, whether in this place or in the other place.

Leaving that aside, what these bills will do yet again by the end of the week, if the government has its way, is present Australia with the position of having no meaningful policy on climate change whatsoever. The Prime Minister, the minister and backbenchers talk about these bills terminating the carbon tax, and they do that. The Labor Party went to the election in September last year saying that it also supported the termination of the carbon tax. That is not the issue between both sides of this chamber. The issue is what replaces it, if anything.

Our objection to these bills rests on the fact that this government intends to replace it with nothing. Not only is the carbon tax to be terminated; if these bills pass both houses, we will see no cap on carbon pollution—no discipline, no rigour whatsoever on the amount of carbon pollution produced in Australia. We will see no market mechanism whatsoever to deal with climate change. As the Leader of the Opposition said, those opposite argue that a market mechanism is the right way to stop people who are sick from going to the doctor, bringing down Medicare costs; but they will not introduce a market mechanism on climate change. We will see no legislated short-term target for carbon pollution reduction. The five per cent reduction target for 2020 will go. It will presumably, maybe, remain a slip of paper in the desk drawer of the Minister for the Environment or the Prime Minister, but there will be no legal mechanism to implement Australia's international obligations. There will certainly be no longer term target, as in the current legislation—the 2050 target that Australia signed on to, apparently with the support of the then opposition, the now government, to reduce carbon pollution by 2050. Again, there will be no such commitment by Australia anymore.

As has been said on many, many occasions, the government seem hell-bent on destroying every single independent strong voice, whether it is on climate change or any other area of policy. They will abolish the Climate Change Authority, following the abolition of the Climate Commission. The government cannot stand the idea that there would be strong independent voices advising the parliament and, much more importantly, advising the Australian community on difficult, complex, highly contested areas of public policy—in this case, climate change.

In the very short time that remains before we move to 90-second statements, I want to talk about the Labor Party's amendments. The amendments that I intend to move during consideration in detail have been circulated. I cannot say the same thing about the government's amendments, which it has cooked up in a deal with the Palmer United Party, to indicate to business quite which sectors will be covered by the price pass-through arrangements that will be put in place for the ACCC to police. We do not know what the form of the amendments is that will enable Australian households to know which price reductions the Prime Minister talked about up hill and down dale across the country for the last three years he is willing to stand by in this parliament. The member for Sturt has come in and curtailed debate. He has curtailed and guillotined the debate that this House can have on a critically important amendment we have not even seen yet. We do not know which businesses will be covered. We do not know what price reductions the Prime Minister is willing to stand by.

In contrast with that, the Labor Party has been steadfast in this area since before the election campaign. The amendments that I will move today, which have been circulated, are
exactly the same amendments that we circulated as an exposure draft while we were still in government. They are exactly the same amendments that I moved in December, that I moved only a few weeks ago when the government was trying on a second occasion to get these bills through the parliament. They are amendments that would move to put in place, as quickly as possible, an emissions trading scheme—the type of scheme, as the Leader of the Opposition only a short time ago said, we see in our oldest trading partners: France, the United Kingdom, Germany, many parts of North America including California and a number of the north-eastern states, and also provinces of Canada.

But perhaps more importantly, increasingly we see it in our own region. In China, the seventh emissions trading scheme started only a couple of weeks ago. In a few months time South Korea, our third-largest export partner, will start an emissions trading scheme, on 1 January 2015.

Our amendments are clear. Our position has been constant. Our position has been transparent. This government's position in this area remains utterly chaotic.

The DEPUTY SPEAKER (Mr Vasta): Order! The debate is interrupted in accordance with standing order 43. The debate may be resumed at a later hour.

STATEMENTS BY MEMBERS

Science

Mr WATTS (Gellibrand) (13:30): I rise to speak about the Abbott government's continuing disdain for science in Australia. I recently received an open letter from the leadership of the Royal Australian Chemical Institute addressed to the Prime Minister and the Treasurer. The letter expressed concern at the impact of the Abbott government's budget on science in Australia. In particular, the letter noted the impact of the government's massive hikes in university fees and student debt costs on Australian scientists, particularly research scientists. The Royal Australian Chemical Institute notes in its letter that adding interest to student debt doubly penalises research scientists:

Research Higher Degree students already make a significant financial sacrifice by committing to a further 3-to-4 years' university education beyond their undergraduate study.

… so RHD graduates are typically in their mid-20s before they have the opportunity to earn an income appropriate to their level of training and expertise.

And they go on to say that the changes as a result:

… can only further discourage prospective RHD students from following a career path towards innovation.

It would be imperative for the minister for science to take swift action to allay the fears of these research scientists—except that of course there is no such minister under the Abbott government.

We on this side of the House take science seriously. We do not sacrifice it for the sake of political convenience. When in government Labor increased science and research funding to new record levels. There is still more to be done, however, and that is why Bill Shorten, as Labor leader, has taken on science as his special ministerial responsibility. Labor is doing this because we want to ensure that science does not lose its place among the nation's top priorities. Unlike those opposite, we will not sell out our nation's future by letting the flat-earthers in our society, including those on the benches opposite, sideline science in Australia.
Lyons Electorate: Anzac Centenary

Mr HUTCHINSON (Lyons) (13:31): Calls for applications for funding from the Centenary of Anzac program struck a nerve in my electorate of Lyons, in Tasmania. In fact, the one-off national funding program for projects to commemorate the Centenary of Anzac attracted so much interest in my electorate that I am told it had amongst the largest number of responses nationally anywhere in the country.

As you know, $125,000 was made available for each electorate to distribute for local grants programs. In Lyons we had more than 23 applications from returned service and community organisations seeking more than $330,000. It was a diverse round of applications with groups planning new memorials, memorial parks, plaques, honour boards, murals, commemorative ceremonies and restoration of town cenotaphs as their way to mark the centenary of Anzac. We responded to this deluge of interest by setting up an independent committee of review, headed by respected Tasmanian academic Professor Michael Roe, to assess the applications and select those to send onto the Department of Veterans' Affairs for approval. Professor Roe's panel colleagues were rural RSL committee executives Brian Harper, Denis Webb, Wayne Cubitt and former serviceman Mr Ron Sonners. It was an excellent process, and I look forward with great interest to the results being announced.

Middle East

Ms PARKE (Fremantle) (13:33): In this international year of solidarity with the Palestinian people and as someone who lived in Gaza for 2½ years when I worked with UNRWA I wish to register my extreme concern about the Israeli bombardment of Gaza that has occurred over the past few days and which continues. So far, more than 170 Palestinians have been killed and 1,100 injured. The UN reports that 77 per cent of these casualties are civilians. By comparison, there have been no Israeli deaths from rockets fired from Gaza into Israel. The rockets from Gaza are not in any way justified and insofar as they threaten and harm civilians are illegal under international law. But these imprecise rockets fired by militants cannot be compared with the broad-scale bombing of a densely populated city by one of the largest and best equipped military forces in the world. As Noam Chomsky has said: When Israelis in the occupied territories now claim that they have to defend themselves, they are defending themselves in the sense that any military occupier has to defend itself against the population they are crushing. … Call it what you like, it's not defence.

The Israelis know every inch of Gaza and are capable of pinpointing their rockets. It is therefore inexcusable that a centre for disabled people was targeted. It is unacceptable that women and children are being killed indiscriminately as collateral damage. Collective punishment is not permitted under the Geneva conventions and is a war crime.

Following on from the recent terrible murders of Israeli and Palestinian teenagers, both sides should have shown restraint instead of allowing extremists to set the agenda. In my view a UN peacekeeping force is necessary to restore calm and provide a conducive environment for settlement talks.

Dobell Electorate: Iris Foundation

Mrs McNAMARA (Dobell) (13:34): Recently I was honoured to attend the opening of the Iris Foundation's Early Intervention Centre for the Prevention of Suicide at Wyong. Formed in 2006, the Iris Foundation promotes early intervention as a key means to the
prevention of suicide on the Central Coast. This new centre is the first of its kind in New South Wales and will be managed by the Wyong Neighbourhood Centre. Importantly, the Centre will provide much-needed support to at-risk individuals and their families. One in five Australians experiences a mental illness in any given year. Alarming, two in three Australians know of someone who has died through suicide, yet one in four are unaware of services providing support for people who are suicidal.

This centre would not be a reality without the hard work, commitment and dedication of two outstanding women, Dawn Hooper and Bev Baldwin. Dawn and Bev established the Iris Foundation determined to make a lasting difference to those suffering from mental illness on the Central Coast. Together with the Northern Lakes Toukley Rotary Club, Dawn and Bev set about restoring a cottage at the Wyong Neighbourhood Centre to provide a location where locals could access mental health support through early intervention. Jodi Morgan, manager of the Wyong Neighbourhood Centre, said that in her experience people suffering from mental illness often feel overwhelmed by the process of accessing mental health services. This new centre will assist people in obtaining the support they require and provide integration into other mental health support services. I commend the efforts of all involved in the establishment of the Early Intervention Centre for the Prevention of Suicide and sincerely thank them for their service to our local community.

Newcastle Electorate: Black Totem II

Ms CLAYDON (Newcastle) (13:36): I rise today to voice concerns at the lack of agreement between representatives of three major accounting professional organisations regarding the donation of the Black Totem II sculpture to Newcastle City Council by Wendy Whiteley. It is an issue that may have broader implications for the Australian arts community.

The transaction was recommended by Lowensteins, one of Australia's leading art taxation specialists, and endorsed implicitly by Deloitte, as one of its partners, John Meacock, is chair of the Brett Whiteley Foundation, the recipient of a donation from the Newcastle Art Gallery Foundation. PricewaterhouseCoopers, however, acting as consultants to Newcastle City Council, have apparently determined that the transaction was likely in breach of the national Cultural Gifts Program.

The issue has led to the dismissal of two senior council staff, including the gallery director, Ron Ramsey.

The position taken by Newcastle City Council, acting on PWC advice, has effectively undermined the validity of Lowensteins' advice to both Mrs Whiteley and the Newcastle Art Gallery Foundation and effectively questions the integrity of the broader Cultural Gifts Program. Given the adverse public perceptions associated with the statements made by Newcastle Council, any donor following similar advice must surely be having second thoughts, and future donations may well be jeopardised. Indeed, I note with regret that the Margaret Olley Art Trust has recently withdrawn a private donation of $500,000 to the Newcastle Art Gallery. It is only the Australian Tax Office that can resolve this matter. I call on the commissioner to determine this issue as a matter of urgency and to make that determination public. (Time expired)

Hasluck Electorate: National Disability Insurance Scheme

Mr WYATT (Hasluck) (13:38): I rise to talk about the launch of the NDIS's Perth Hills trial site, where we were welcomed by Marita Walker, the trial site manager, and by Indigenous elder Sean Nannup. The launch was held at the newly constructed office in
Midland. Around 80 people attended from local, state and Commonwealth governments. To start with, they will be working together to provide wrap-around services for those who require the support in the NDIS trial.

But there were two young people who struck me in particular. One was Peter Darch, who gave a presentation. Peter will not be a participant in the trial site, but is a strong supporter of the NDIS and a participant in the Every Australian Counts campaign. Just over nine years ago, Peter was involved in an accident that left him paralysed. After being hospitalised, he completed his schooling and studied psychology at university. He now works as a youth development officer for the City of Mandurah.

Peter expressed his frustration with the old system in that it was geared around things going bad. He has had to fight for everything. He says:
No one looks at you and says you're on a pathway to independence we should support you 100%.

He hopes that the NDIS will enable people with disability to lead independent and fulfilling lives, rather than blocking people.

Leanne Bridges is a mother of a young girl with Down Syndrome. Leanne Bridges in a participant in the trial and is looking forward to the way that the NDIS trial will better provide a range of services for her daughter.

(Time expired)

Kingsford Smith Electorate: South Sydney High School

Mr THISTLETHWAITE (Kingsford Smith) (13:39): I congratulate the students, staff and families of South Sydney High School on a very successful multicultural flags ceremony, on 20 June, which I was fortunate to attend. Their flags ceremony is a celebration of our nation's greatest asset: our diversity and our multiculturalism. A traditional Aboriginal smoking ceremony was performed by Dean Kelly and there was a welcome to country from Aunty Fay. Students then paraded 60 national flags and the Aboriginal flag, representing the cultures and nations that make up the diverse student body. It was a wonderful snapshot of diversity in our community. Students wore traditional dress, sang songs and performed dance, representing their heritage and history. It was finished off by an awesome performance of the haka, from Pacific Islander students.

Of course, with multiculturalism comes culinary diversity. At the conclusion of the ceremony, students ate food from the various cultural backgrounds that were part of the flags ceremony. Not one person left the room without a smile on their face or without feeling positive about multiculturalism in our community. It was a celebration of what makes the Kingsford Smith community and Australia so great. I congratulate the principal, Robyn Matthews, and my good friend Dave Haggart for their organisation and, of course, I congratulate the wonderful students who were involved in the organisation of the South Sydney High School's multicultural flags ceremony.

Yatras, Mr Joe

Mrs SUDMALIS (Gilmore) (13:41): When a person is elected to represent a community, we are given a unique honour to be part of changing the direction of a nation. Sometimes you meet a constituent who has a unique place in your heart. Joe Yatras, aged 52, was hit while riding his beloved Ducati motorbike and died a couple of days later in hospital from a heart attack. Joe had been an adventurous larrikin in his youth and had related health issues. Despite this, he was one of the greatest community advocates for people with a disability. He would often come to the electorate office with Dylan, his son with significant disabilities, and
state categorically that certain government policies were doomed to fail because they missed some of the essential considerations.

His personality was larger than life and his convictions of right action were overwhelming. He coached local teams, assisted families, tinkered with his bike, listened to Iggy Pop and helped motorbike riders to raise awareness and funds for the Black Dog Foundation. He leaves behind his wife, Gaynor, his children, Dylan, Ethan and Elizabeth, a tonne of goodwill and a great bunch of mates, many of whom were motorbike riders who rode before the hearse as a tribute to this amazing man. His dream of establishing a respite centre for young people with a disability is yet to be fulfilled and should be a beacon for us to work towards, remembering him always for his unflagging advocacy for those with a disability. Rest in peace, Joe.

**Lye, Ms Moira**

Ms BRODTMANN (Canberra) (13:42): It is with great sadness that I rise today to pay tribute to an outstanding Canberran, Moira Lye, who tragically lost her battle with cancer just over a week ago, at the tender age of 41. Throughout her illness, Moira advocated for better treatment and a better health system for all Canberrans. I had the pleasure of working with Moira many years ago when I was a board member of what is now the Canberra Hospital Foundation and she was the board secretariat. Moira was friendly and generous, but also dedicated, incredibly professional and capable. She was an absolute delight to work with.

Last year, I presented her son—Sebastian, who has Down Syndrome and is hearing and vision impaired—with a Little Legend award for his strength and courage through adversity. Moira and her family shot to worldwide fame in April this year when her sons Sebastian and Oliver helped the Duke and Duchess of Cambridge to plant an English oak tree at the National Arboretum. Of this event, Moira said:

> It was such a wonderful day for all of us, to be able to create memories like that. But every day is special to us, we cherish every moment.

Moira was the kind of woman who deeply touched everyone she met. She has left behind an enormous legacy of generosity and selflessness. A packed St Christopher's Cathedral for her memorial service testified to that.

My thoughts are with Moira's family, her husband, Greg, and her children, Madeleine, Zachary, Harrison, Oliver and Sebastian. Canberra is a better place because of Moira and she will be greatly missed. May she rest in peace.

**Barker Electorate: Bowhill Engineering**

Mr PASIN (Barker) (13:44): I rise today to speak with great pride about the ongoing success of Bowhill Engineering, a family-owned business based in the Murraylands in my electorate of Barker. Bowhill Engineering won the South Australian 2014 Telstra Australian Business Awards, which was announced in Adelaide on June 27. Brendon and Averil Hawkes, who were previously broadacre farmers, started a small rural machinery maintenance, repair and modification workshop in the early 1970s.

Since then, the family-owned business has evolved into a multimillion dollar specialist fabricator of heavy and complex structural steel. Now headed by Jeremy and Jodie Hawkes, it specialises in large components for small projects, including road and pedestrian bridges, locks and weirs. The company uses state-of-the-art technology, including 3-D simulation, to
test its techniques, enabling delivery of effective solutions to complex problems. With 25 staff and boasting clients across Australia, Bowhill Engineering's recent work is on show for all to see thanks to involvement in major projects like Adelaide's Southern Expressway duplication and the recently upgraded Wayville Railway Station.

Managing director Jeremy Hawkes accepted the award on behalf of his family and staff and, in a brief speech provided an inspiring insight into the history of the business, including some extraordinarily tough times the family and staff have had to endure. Award judges said the business is a great role model, with outstanding leadership, strong business acumen and business management, and an unwavering community spirit.

On behalf of the people of Barker, I wish this successful and fiercely proud regional business well as it now progresses through to the national awards, which will take place in August.

**Lalor Electorate: Aged Care**

Ms RYAN (Lalor—Opposition Whip) (13:45): I rise today on behalf of Manor Court aged care in my electorate of Lalor. I have been contacted by the managing director, Mr Ross Smith, who has deep concerns about the removal of the aged care payroll tax supplement as of 1 January 2015.

Mr Smith calculates that even with the increase in the base subsidy, which he welcomed, the removal of the supplement will mean a net cost to Manor Court of a staggering $85,000 per year. So whilst the Abbott government throws a bone with one hand it removes so much more with the other. Mr Smith has highlighted this in his letter of 2 June this year to the Minister the Social Services, where he wrote that the significant impact 'will mean that we once again have to reduce services to elderly residents to survive.'

I met with residents at this facility engaged in a knitting session. They are still making valuable contributions to our community through their work supporting hospitals and animal care shelters. These residents and all other residents in aged care deserve this government's support. I urge the Abbott government to stop playing games, to stop and listen to the people who are running our aged care facilities and to reinstate the aged care payroll supplement.

**Powers, Superintendent Noel, APM**

**Forder Electorate: Queensland Budget**

Mr VAN MANEN (Forde) (13:46): Firstly, I would like to take this opportunity to acknowledge the wonderful efforts of Logan District Superintendent Noel Powers who, as a result of his efforts, has received the highest honour for his commitment to policing, receiving a Police Medal on the Queen's Birthday Honours List.

Superintendent Powers has been serving the community since 1975 and I would like to congratulate him on this significant achievement. Our police force work in both complex and challenging environments and deserve our utmost respect for their efforts. So, to Superintendent Powers and all the other law enforcement officers in our community go my thanks for all that they do.

I would also like to thank the Queensland state government for their support of the Logan community in the recent Queensland state budget. This follows on the back of significant support for our local community in the last federal government budget. The state government
allocated an additional $21.3 million to the finalisation of the Logan Hospital expansion, which will provide a new multilevel car park, 18 adult emergency treatment spaces, 12 additional paediatric emergency treatment spaces, eight new paediatric short-stay beds and a new dedicated paediatric waiting area.

I would like to thank my state colleagues, Mark Boothman, Mike Latter, Michael Crandon, Michael Pucci, John Grant, and Anthony Shorten for their wonderful representation of our community.

**Indi Electorate: Manufacturing**

**Ms McGOWAN** (Indi) (13:48): My sympathy is with the 60 workers who found out suddenly last Friday that their jobs with major Wangaratta manufacturing business Bruck Textiles have been lost. This news was a devastating blow for these workers and their families, who now face an uncertain future. Our challenge is to get these people back into work as soon as possible.

I call on the Wangaratta community to rally behind these 60 people and their families. I know the community is a caring one and the support agencies, service groups and welfare organisations will do what they can to relieve the stress these people are experiencing. They also need government support and I will be meeting with the offices of the Minister for Industry and the Minister for Employment, requesting that the federal Fair Entitlements Guarantee Scheme process be fast-tracked so that these people can receive their due entitlements.

The restructuring at Bruck is another demonstration of the enormous change that manufacturing is undergoing. Bruck say they had no choice but to cut the uncompetitive aspects of their operation, and have committed to a long-term future. They have given an assurance this is not a short-term fix, and that manufacturing will continue from the Wangaratta factory for the foreseeable future. But I call on my colleagues in government that we need a long-term manufacturing plan for rural and regional Australia.

**Mallee Electorate: Carbon Pricing**

**Mr BROAD** (Mallee) (13:50): I rise today in the context of the carbon tax debate that is going on in the parliament. Over the last few weeks I have spent some time with the Birchip Cropping Group and the Victorian No-Till Farmers Association. Those organisations have reduced fossil fuel usage, increased soil carbon, increased water-use efficiency, reduced erosion, increased productivity, increased exports and increased profitability. I also spent some time with Integrated Recycling in Mildura. They take industrial plastics from agricultural production and make railway sleepers, fence posts, park benches and decking.

We make the carbon debate too complicated. Let's break it down: it is air pollution, it is increased recycling and it is changing practice. And when I spend some time with these very innovative people in my electorate they say that you cannot tax innovation. It is innovation, not taxation, that has led the way for the people in the Wimmera-Mallee-Mildura region to address the challenges of being responsible global citizens. They support getting rid of the carbon tax and they support taking the reins off and letting people participate in the great practices that they are demonstrating in my electorate. I commend them for the good work that they are doing to be good, responsible global citizens.
Le, Mr Hieu Van

Mr ZAPPIA (Makin) (13:51): I congratulate Hieu Van Le, who in September will be appointed the next Governor of South Australia. Hieu Van Le was in his early 20s when he came to Australia as a boat refugee from Vietnam, in 1977.

He quickly settled into South Australia and embraced South Australian life, completing a Bachelor of Economics and a Master of Business Administration at Adelaide University. From there he went on to work for the Australian Securities and Investment Commission until 2009.

Among his many community and public roles, Hieu has been Chairman of the South Australian Multicultural and Ethnic Affairs Commission and Lieutenant Governor of South Australia since 2007, carrying out both roles with dignity and distinction and, in doing so, earning widespread respect and endearing himself to South Australians.

To Hieu, his wife, Lan—who shared the boat journey to Australia with him—and their two sons, Don and Kim, I extend my good wishes for his new role. I have no doubt they will do all South Australians proud as they have done to date.

I also acknowledge and extend my best wishes to retiring SA governor Rear Admiral Kevin Scarce whom I have worked with over the past seven years and who has been another terrific advocate for South Australia. I particularly appreciate the work he did for the northern suburbs of Adelaide in recent years. To him and his wife, Liz, I extend my best wishes for their future.

O'Connor Electorate: Truffle Kerfuffle

Mr WILSON (O'Connor) (13:53): On the weekend of 20 and 21 June I had the pleasure of attending the annual Truffle Kerfuffle in the town of Manjimup in the far south-west of my electorate of O'Connor. This event, now in its fourth year, highlights not only the quality of the southern forests' black truffles but also the amazing range of horticultural produce, fine wines, beef and dairy produce of the area, marketed under the Genuinely Southern Forests brand.

This year's event was attended by in excess of 3,500 people over two days and featured long-table lunches and dinners, showcasing the fabulous 'black gold' local truffles, as well as local wine and produce. There were over 60 exhibitors selling and promoting delicious locally-grown food and wine, eight cooking masterclasses and the ever-popular truffle hunts. This year, 18 chefs of international renown contributed to the festival including Chicago's Michelin two-star chef Curtis Duffy and popular TV chef Guy Grossi, as well as interstate and home-grown WA master chefs.

This highly successful event was the culmination of months of planning and preparation all done by volunteers who receive no personal reward other than the satisfaction of promoting the wonderful produce of the Warren-Blackwood region. I want to particularly recognise the Truffle Kerfuffle committee, led by the inspirational Sonia Porter and her husband Luke, who in the last month have been working 24/7 preparing for the festival. They were supported by committee members Tracey Hutcheson, Gavin Booth, Ben Blakers, Anne Mitchell and many other volunteers who assisted at the event. Jeremy and Kelly Beissel once again provided the wonderful venue by the waters of Fonty's Pool. I congratulate Sonia and her committee on...
their delectable event in 2014 and look forward to the gourmet delights of next year’s Truffle Kerfuffle. *(Time expired)*

**Carbon Pricing**

Ms O’NEIL (Hotham) (13:54): I want to put on the record today that I was in this chamber and a member of parliament when my own country took a leap back into the past. We have a climate policy in this country that works. We have just been through one of the hottest summers and hottest years on record and yet emissions in this country are declining, with a price on carbon.

Those on the other side argue that they want to replace it with a system that no economist will stand behind—a policy that will see the biggest polluters in this country get paid cash by Australians to continue their polluting. We have heard from a few people in this institution that the best thing for Australia to do is wait to act on climate—that we should wait until more than the scores of countries that have already put a price on carbon go ahead and do so. What any climate expert will tell you, no matter what their political stripes, is that the faster we act on climate the better for Australia.

When we have an economy free of a price on carbon, businesses all over the country make decisions that will see our economy grow more carbon intensive into the future. We choose to build more roads instead of rail and we lose sight of the importance of efficient buildings and appliances. These decisions lock us into a carbon-intensive pathway that will last for decades. It means that for every day we have no price on carbon, our economy becomes more carbon intensive, and the more expensive it will be for us to ultimately act. I want my constituents in Hotham to know where I stand—and that is on the side of my child, their children and all of our grandchildren for a cleaner Australian economy.

**Banks Electorate: Chinese Moon Festival**

Mr COLEMAN (Banks) (13:56): I rise today to wish the Chinese-Australian community in my electorate of Banks all the best for the upcoming Moon Festival to be held on and around 8 September. Preparations for events are already well underway.

My electorate has the highest proportion of people of Chinese background of any electorate in Australia, with about 20 per cent of all residents being of Chinese background, and the local Chinese community adds enormously to the fabric of our society. Moon Festival, which is also known as Mid-Autumn Festival, dates its origins back literally thousands of years. It has been celebrated since at least the Zhou dynasty around 1,000 BC and is the second most important event in the Chinese calendar after, of course, Chinese New Year.

There are many stories about the origins of Mid-Autumn Festival. The one most associated with the festival is the story of Hou Yi and Chang’e, which is a story of heroism and love. It is a day of family reunion when people from all around the electorate get together to celebrate and to enjoy delicious moon cakes, which are a tremendous savoury pastry that I can highly recommend. There are lots of events coming up. To everyone in Banks who is preparing for Moon Festival, all the best for the season.

**Perth NAIDOC Ball**

Ms MacTIERNAN (Perth) (13:57): Last Friday I was privileged to be invited to celebrate the life spirit of WA’s Aboriginal community at the NAIDOC ball at the Perth convention
centre. Over 1,100 frocked up to show their pride in their Aboriginal heritage and to celebrate their achievements and their determination to secure a place in the sun for their families. It was literally a brilliant finale to a successful NAIDOC Week.

Congratulations to those moordijt yorgas on the organising committee, chair Glenda Kickett, vice-chair Leah Bonson and executive assistant Tammy Solonec. Our office was delighted to be able to lend a hand to the deadly Jenna Wood to work on the program of events. And well done to the MCs—the talented Rachel Visser and Daniel Morrison and to the 2014 Miss NAIDOC, Ashlea Walley, whose intelligent and passionate speech did the Indigenous community proud. Thanks also to Mort and Viv Hanson for another great welcome to Nyoongar country.

It was brilliant to catch up again with people like Kyra Bonney, the winner of the 2014 Outstanding Woman in Resources award. Thanks also to the WA Shadow Treasurer Ben Wyatt for your great company, as usual, and for your tremendous leadership.

**Capricornia Electorate: Trade Training Centre**

_Ms LANDRY (Capricornia) (13:59):_ As the federal member for Capricornia, I know it is vital that we give our young people a good start and train them to be ready to take up local jobs. That is why I was pleased to recently open a new trade training centre in my electorate of Capricornia with Senator Scott Ryan, the Parliamentary Secretary to the Minister for Education.

Based at Yeppoon State High School, the centre will help young people to get a qualification and build the confidence to seek out a decent job. It also ensures that local employers find good staff with skills suited to their roles.

An amazing man called Brian Fisher runs the centre at the school with Principal Ian Boon. Brian is passionate about helping young people get a good start in life. Under Brian's leadership, the centre will address skills shortages in occupations like horticulture, bricklaying, carpentering, landscaping, gardening and tree surgery.

This centre is a win for students and a win for local employers and I look forward to the many benefits it will have for job opportunities and economic growth on the Capricorn Coast in the future.

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

**CONDOLENCES**

_Underwood, His Excellency the Hon. Peter George, AC_

_The SPEAKER (14:00):_ I inform the House of the death, on Monday, 7 July 2014, of His Excellency the Hon. Peter George Underwood AC, Governor of Tasmania. As a mark of respect to the memory of Mr Underwood, I invite honourable members to rise in their places.

_Honourable members having stood in their places—_

_The SPEAKER:_ I thank the House.
Mr ABBOTT (Warringah—Prime Minister) (14:01): I move:

That the House record its deep regret at the death of the Lance Corporal Todd Chidgey on 1 July, in Kabul, Afghanistan and place on record its appreciation of his service to the country and tender its profound sympathy to his family in their bereavement.

Lance Corporal Chidgey from the 2nd Commando Regiment was born in Gosford and he enlisted in the Army on 28 March 2006. His death in Kabul brings to 41 the number of Australian soldiers who have died in Afghanistan since 2002. At the time of his death, Lance Corporal Chidgey was on his sixth tour of Afghanistan and had previously seen operational service on Operation Slipper in Afghanistan on five occasions. His postings included the 4th Battalion (Commando), the Royal Australian Regiment, and the 2nd Commando Regiment. He was a fine Australian soldier who had dedicated his life to serving his country. He has been described as 'a consummate professional and a dedicated soldier, one of the hardest working members of the regiment'. Lance Corporal Chidgey's colleagues remember him as 'a brilliant bloke to know and work with, who was loyal to the core and would do anything for his mates'. He was also known for his professionalism and his strong work ethic and his composure under fire.

His family have described him as a 'true gentleman' and 'champion of the underdog'—a man for whom family was everything. To Lance Corporal Chidgey's family I express my deepest sympathy and condolences. I also extend my condolences to the members of the 2nd Commando Regiment who have become part of Lance Corporal Chidgey's extended family. On behalf of the government and, I am sure, all members of the House, we offer our thoughts and prayers and support to the family and friends of Lance Corporal Chidgey, now and during the difficult times ahead.

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:03): I second the motion moved by the Prime Minister. On 1 July, in his eighth year of military service, on his sixth tour of Afghanistan, Lance Corporal Todd John Chidgey died in Afghanistan. He was just 29 years old. Like all of Australia's brave and dedicated service personnel, Lance Corporal Chidgey never sought recognition or reward. But in his six tours of Afghanistan fostering new hope and bringing new stability to that strife-torn nation, his courage, his skill and his loyalty earned him a distinguished record of achievement: the Australian Active Service Medal with Clasp International Coalition Against Terrorism Afghanistan Campaign Medal, Australian Service Medal with Clasp Counter Terrorism/Special Recovery, Australian Defence Medal, NATO Non-Article 5 Medal with Clasp ISAF, Multiple Tour Indicator 3 NATO International Security Assistance Force, Soldiers Medallion, Infantry Combat Badge and Returned from Active Service Badge.

As the Prime Minister has said, he earned the deep respect and affection of his regiment, the 2nd Commando Regiment. Members of that elite unit, a regiment recognised the world over for its exceptional courage, professionalism and skill, describe Lance Corporal Chidgey as 'a brilliant bloke to know and work with', a man 'loyal to the core' and someone who 'would do anything for his mates'. His was a character built of qualities that all Australians admire and revere. Lance Corporal Todd John Chidgey served our nation and the cause of peace with honour. On Thursday last week, an honour guard and bearer party of his comrades from the 2nd Commando Regiment escorted his casket from a C17 aircraft to his waiting family at the...
Richmond RAAF base. Lance Corporal Chidgey was returning to the country he loved, the people he loved and the people who loved him, for the last time. Today our parliament pauses to mark his passing. Our hearts go out to all those who mourn his loss: his partner, his parents, his brothers and his comrades in arms. May he rest in peace.

The SPEAKER: As a mark of respect I invite honourable members to rise in their places.

Honourable members having stood in their places—

The SPEAKER: I thank the House.

Debate adjourned.

Reference to Federation Chamber

Mr PYNE (Sturt—Leader of the House and Minister for Education) (14:06): by leave—I move:

That the resumption of the debate on the Prime Minister’s motion of condolence in connection with the death of Lance Corporal Todd Chidgey be referred to the Federation Chamber.

Question agreed to.

QUESTIONS WITHOUT NOTICE

Carbon Pricing

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:07): My question is to the Prime Minister. On 25 May 2011 the Prime Minister told the Australian people that the carbon price would be a $10-a-week hit on the average person at the supermarket checkout. Will the Prime Minister stand by his promise and guarantee that grocery bills will now fall by that $10 a week?

Honourable members interjecting—

The SPEAKER: There will be silence! The question has been asked.

Mr ABBOTT (Warringah—Prime Minister) (14:07): I certainly stand by my statements that, on average, this is a $550 hit on Australian households every single year. I absolutely stand by my statements. I certainly do not necessarily stand by the distortions of my statements from the Leader of the Opposition. But I do make this point—that is, the Leader of the Opposition loves the carbon tax.

Mr Perrett interjecting—

Mr ABBOTT: He just loves it. He's got this smile on his face because every time people's power bills go up there he is, happy that the carbon tax is doing its job.

Mr Burke: Madam Speaker, on a point of order: if the Prime Minister is not willing to give the guarantee to the Australian people he should sit down.

The SPEAKER: There is no point of order; resume your seat. The Prime Minister has the call.

Mr ABBOTT: I make these fundamental points to the Leader of the Opposition. The carbon tax is a nine per cent impost on power bills. It is a $9 billion handbrake on our economy and it adds $550 a year to the cost of the average Australian household. So every single Australian should be better off when the carbon tax is gone. The Leader of the Opposition is in denial about the impact of the carbon tax on Australian families.
Opposition members interjecting—

The SPEAKER: The Prime Minister has the call! There will be silence.

Mr ABBOTT: He is in denial about the result of the last election. The Leader of the Opposition should just, for once, be fair dinkum. He said and all his colleagues said that they would terminate the carbon tax. The chance to terminate the carbon tax is now, and the Leader of the Opposition should make an honest politician of himself and take it.

Mr Perrett interjecting—

The SPEAKER: The member for Moreton is warned and, unfortunately, he seems to have been moved closer to the chair, so his behaviour had better be more behaved!

An honourable member: Or on your way out!

The SPEAKER: Or on the way out. I call the honourable member for Capricornia.

Japan-Australia Economic Partnership Agreement

Ms LANDRY (Capricornia) (14:10): My question is to the Prime Minister. Will the Prime Minister inform the House how achieving the Economic Partnership Agreement with Japan will benefit exporters and consumers in my electorate of Capricornia?

Honourable members interjecting—

The SPEAKER: I call the honourable the Prime Minister; and we will have some silence!

Thank you.

Mr ABBOTT (Warringah—Prime Minister) (14:10): I am conscious of the fact that Rockhampton, which the member represents, is the beef capital of Australia and beef will certainly be one of the biggest beneficiaries from the free-trade agreement we have signed with Japan. Last week Prime Minister Abe and I did, in fact, sign the Economic Partnership Agreement that the member refers to. For 40 years Japan was Australia's biggest trading partner. It is still, by a wide margin, our second biggest trading partner, and two-way trade between Australia and Japan is worth $70 billion every single year, and Japan is also our third-biggest inbound investor. Japan has been central to Australia's post-war prosperity. Our iron ore, our coal and, more recently, our gas industries would not have happened but for Japanese buyers and investors; in a very real sense, our post-war prosperity has been made in Japan.

This free-trade agreement we have just signed with Japan is good news for businesses and for consumers because freer trade means more jobs and lower prices. It is, in fact, the first comprehensive free-trade agreement that Japan has signed with a major developed economy and, under it, 97 per cent of Australia's exports to Japan will enter duty-free or at a preferential rate when the agreement is fully enforced. Beef, cheese, horticulture and wine will particularly benefit. Beef tariffs will almost halve, with a big drop immediately. That is why the red meat council thinks that our beef exports to Japan will increase by some seven per cent a year under this agreement.

The BCA said:

"The Australian Government has been focused and pragmatic in concluding the highest-quality bilateral trade agreement Japan has ever signed.

"This agreement will give Australian exporters better access to the $5 trillion Japanese market than Japan has provided under any other of its trade agreements."
Obviously, I thank the trade minister, Andrew Robb, for his tireless work to bring this about. This is a government which seeks to deliver on its commitments. We said before the last election that within 12 months we wanted to finalise free-trade agreements with Korea, with Japan and with China. Two of those agreements have, indeed, been finalised and we have high hopes of a third, thanks again to the good work of Minister Robb.

**Carbon Pricing**

*Mr SHORTEN* (Maribyrnong—Leader of the Opposition) (14:13): My question is to the Prime Minister. Last week Woolworths said in relation to the carbon price: ‘Just as prices didn’t increase when the tax was introduced, we don’t expect any substantial change should it be repealed.’ Will the Prime Minister stand by his promise and guarantee that grocery prices will now fall $10 a week?

*Mr ABBOTT* (Warringah—Prime Minister) (14:13): Why won’t the Leader of the Opposition stand by his promise and terminate the carbon tax? What kind of a fibber is the Leader of the Opposition when he refuses to terminate the carbon tax he repeatedly promised?

*Mr Burke interjecting—*

The *SPEAKER*: The Manager of Opposition Business will resume his seat. His last point of order was a clear breach of the standing orders. If this one is, then I will not be taking too much notice of his standing. The Prime Minister has the call.

*Mr ABBOTT*: When the carbon tax goes—

*Mr Bowen*: Madam Speaker, on a point of order: the Prime Minister very clearly should withdraw his reflection on the Leader of the Opposition.

The *SPEAKER*: To assist the House, I think I heard comments from both sides of the leadership table that we could do without, so we can have both withdraw I think.

*Mr ABBOTT*: I withdraw.

*The SPEAKER*: And that includes the Leader of the Opposition.

*Mr Shorten*: Certainly.

*The SPEAKER*: Certainly what?

*Mr Shorten*: I withdraw, Madam Speaker.

The *SPEAKER*: Thank you. The Prime Minister has the call.

*Mr ABBOTT*: I simply ask the Leader of the Opposition to do what he said he would do pre-election and terminate the carbon tax.

*Mr Shorten* interjecting—

The *SPEAKER*: The Leader of the Opposition will put his prop down!

*Mr ABBOTT*: Let me quote, for the benefit of the Leader of the Opposition, the Chairman of the ACCC, Rod Sims, who said of the repeal of the carbon tax: What went up will clearly come down when you take away the carbon price. And for the benefit of the Leader of the Opposition, again let me quote Rod Sims:

It's not a massively complicated process. Electricity prices went up fairly quickly on the way up and they will go down fairly immediately on the way down.
So there it is: what went up with the carbon tax will come down when the carbon tax comes off. And I say to the Leader of the Opposition: come out of denial, do after the election what you said you would do before the election and terminate the carbon tax.

**Carbon Pricing**

Mr Ewen Jones (Herbert) (14:16): Madam Speaker, my question is to the Treasurer. Will the Treasurer outline the economic importance of repealing the carbon tax?

**Opposition members interjecting**—

**The Speaker:** We will have some silence on my left!

Mr Husic interjecting—

**The Speaker:** Including from the member for Chifley!

Mr Hockey (North Sydney—The Treasurer) (14:16): It is a very good question. In fact, a couple of weeks ago the Minister for Trade and I met with the most senior economic minister in China, and in his opening statement he said how important it was for Australia to abolish the carbon tax and the mining tax. The most senior economic minister in China, who is responsible for dealing with carbon emissions in China, praised Australia's abolition of the carbon tax. And I say to you: that reflects the importance to the economy of the abolition of the carbon tax, because while it remains in place it costs Australia $11 million every day. Repealing the carbon tax will not only save business $85 million a year but it will also boost competitiveness for 76,000 entities that will no longer have to comply with a carbon tax.

The bottom line is we will strengthen the Australian economy by abolishing the carbon tax, and that means more jobs and better economic security. It makes us a more competitive nation. It was identified by the Prime Minister of Canada, when he and this Prime Minister jointly stated how important it was to get rid of carbon tax.

**Opposition members interjecting**—

**Mr Hockey:** Stephen Harper in case you do not know. I say to the Leader of the Opposition: he must recognise that next Wednesday is a historic day. This coming Wednesday is a historic day not because it is the anniversary of the launch of Apollo 11—or the birth of the parking meter for those who are interested in trivia; next Wednesday is the first anniversary of the Townsville termination. That was the famous press conference where the then Prime Minister, Kevin Rudd, and the member for McMahon stood there and said, 'Today is the day the Labor Party is terminating the carbon tax.' The Townsville termination. We cannot forget that moment. The member for McMahon was there: he was like Robin standing next to Batman, wearing the face mask, claiming, 'I'll be right there with you, Batman.' In fact, the only termination the Leader of the Opposition is familiar with is the termination of Julia Gillard, the termination of Kevin Rudd the first time, and he put Kevin Rudd back into the prime ministership to terminate the carbon tax.

Yet, today is going to be the third day that the Labor Party has indeed voted against the termination of the carbon tax. So they said before the election that they would terminate the carbon tax, and on every occasion since the election they have voted to keep the carbon tax. There is one lesson we can get out of this, one thing you can be absolutely sure of—

**Ms Butler interjecting**—

**The Speaker:** The member for Griffith!
Mr HOCKEY: no matter what Labor does at this very moment, at the next election, should they win, they will want to reintroduce the carbon tax, they will want to punish the Australian economy.

Carbon Pricing

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:19): Madam Speaker, my question is to the Prime Minister. On 30 May 2011 the then opposition leader said that the carbon tax would mean 'a $6,000 increase in the price of a new home'. Will the Prime Minister stand by his promise and guarantee that the prices of new homes will fall by $6,000?

Mr ABBOTT (Warringah—Prime Minister) (14:20): Madam Speaker, of course I stand by my statements, and, yes, the cost of building a new home will fall very significantly once the carbon tax is abolished. The Leader of the Opposition knows this very well—

Ms Butler interjecting—

Mr ABBOTT: because before the last election, the Leader of the Opposition and his colleagues put out a brochure all around Australia. 'Kevin Rudd and Labor remove the carbon tax'. It is like they ended the deficit as well. They abolished the carbon tax like they ended the deficit.

But here it is, a document that the Labor Party distributed right around Australia, and they make all sorts of claims. Interest rates, they say they reduced those—I doubt that. School expenses, they say they reduced—well I certainly doubt that!

Mr Burke: Madam Speaker, I rise on a point of order of direct relevance. This is a long way from the cost of a new home—a long way.

The SPEAKER: There is no point of order. The Prime Minister has the call.

Mr ABBOTT: Child care they claim is '50 per cent off'; in fact, childcare costs rose by 73 per cent during the life of the former government. And then it says, 'Carbon tax abolished.' I am not making it up. Here it is in black and white; a brochure from Kevin Rudd and the Labor Party. It is here in red, white and blue in fact!

Mr Shorten interjecting—

The SPEAKER: No props! We will not have competing props!

Mr ABBOTT: It is here in red, white and blue from Kevin Rudd and the Labor Party: 'Carbon tax abolished'. Kevin Rudd and Labor removed the carbon tax! Well, I do not know what they have been doing since the election. If they removed the carbon tax since the election, why have they been voting for it after the election—three times? Methinks I thought the cock crowed! Three times this morning! Really and truly, hypocrisy, thy name is Labor: in denial about the election result, in denial about the debt and deficit disaster and in denial about the damage the carbon tax does. I table, for the benefit of members opposite, this document.

Mr Perrett interjecting—

The SPEAKER: The member for Moreton has been warned. One more utterance and he will leave.
Budget

Mr WILKIE (Denison) (14:23): My question is to the health minister. Minister, another aspect of the government's miserable budget is an investigation into the sell-off of Australian Hearing. This greatly concerns the clients of the Australian government Hearing Services Program—for example, the hundreds of deaf and hearing-impaired children in Tasmania. Minister, what reassurance can you give those people that there will be no sell-off or, if there is, that there will be no adverse effect on the delivery, scope and cost of services?

Mr DUTTON (Dickson—Minister for Health and Minister for Sport) (14:23): I thank very much the member for Denison for his question. As he points out, the government has announced a feasibility study in relation to Australian Hearing Services, because I want to make sure that we are getting money away from bureaucratic services and back to front-line services including and, in particular, in hearing, as the honourable member refers to.

The honourable member makes mention of the budget. In this budget we increase spending in health in each of the years in the forward estimates. We increase health spending and hospital spending. Hospital spending goes up by nine per cent next year, the year after and the year after that, and then 6½ per cent in the year after that. We have provided a lot of support to front-line services in this budget and we are very proud of it.

The Labor Party presided over this great mushrooming of bureaucracies within the Health portfolio over the course of their six years. We want to make sure that we can get money back to doctors and nurses and deliverers of health services so that we can get more patients seen. That is the desire of this government and that is what we achieve.

Ms King interjecting—

Mr Bowen interjecting—

The SPEAKER: The member for Ballarat will desist, as will the member for McMahon.

Mr DUTTON: The member for Denison was able to broker an arrangement with former Prime Minister Gillard in relation to a hospital within Tasmania. Unfortunately, much of that money was spent and the hospital was never built. That is the difficulty that Labor presided over. They spent enormous amounts of money away from front-line services. The contrast could not be starker and we will provide additional services to the Australia public because we will not waste money on great big new Labor bureaucracies.

Carbon Pricing

Mr VASTA (Bonner) (14:25): My question is to the Minister for the Environment. I refer the minister to the Queensland Competition Authority's report into regulated electricity prices that states: 'Power prices will be around 8.5 per cent lower from 1 July if the carbon tax is abolished.' How will removing the carbon tax ease cost-of-living pressures for Queensland businesses and families?

Mr HUNT (Flinders—Minister for the Environment) (14:26): I want to thank the member for Bonner, who went to the last election with a very simple proposition: to fight to remove the carbon tax to reduce electricity prices for his constituents. But it is also a pleasure, may I say, to finally receive another question on the environment from our side. I believe that is 30 questions so far on the environment from our side of the House and none—nothing on
dugongs and turtles, nothing on Reef Trust, nothing on Green Army, nothing on the Murray-Darling Basin agreement.

But let me deal precisely with the issue of reducing electricity costs by removing a tax which does not work, because, like the Prime Minister, we have been doing our research. Today, I came across a very interesting newsletter. The newsletter is dated 'Winter 2013, Issue No. 2' and is 'Community News, Mark Butler MP, Federal Member for Port Adelaide'. And do you know what it says? Not just once but twice, it has a headline 'Carbon tax terminated'. It is not in future tense, not intention, but past tense: done, finished, complete. He asked me to read out. I would very happily read out the quote. Here is what the member for Port Adelaide says, quoting the then Prime Minister:

The government has decided to terminate the carbon tax to help cost-of-living pressures for families and to reduce costs for small business.

In other words, all of this talk about what a great and wondrous measure it is is belied by the fact that in winter last year, when people were shivering through winter, when they were paying electricity bills, when they were paying gas bills—

Mr Albanese interjecting—

The SPEAKER: The member for Grayndler will desist.

Mr HUNT: the member for Port Adelaide and his then government were telling Australians not that they would terminate the carbon tax but that it had been terminated. What happens this week when we terminate the carbon tax?

Mr Burke interjecting—

The SPEAKER: The member for Watson will desist.

Mr HUNT: In Queensland the Competition Authority has made it absolutely clear that there will be an 8.5 per cent decrease in the average bill on a regulated basis—in other words, this has to happen; it is a Queensland regulation. And that means $1.5 billion of lower costs for Queensland businesses. It means lower cost of living for Queensland families. But throughout this time the ALP have stood in the way of doing what they said. I would say to the Leader of the Opposition: it is time to honour what you said at the last election. It is time to honour what you demanded last Friday when you said the government should be allowed to carry through their promises. It is time to get out of the way.

Carbon Pricing

Mr BUTLER (Port Adelaide) (14:29): My question is to the Prime Minister.

Government members interjecting—

The SPEAKER: There will be silence on my right!

Mr BUTLER: On 30 May 2011 the Prime Minister said the carbon tax would mean: 'At least a $12,000 a year increase in the price of running a farm.' Will the Prime Minister stand by his guarantee that farmers will now save $12,000 a year?

Mr ABBOTT (Warringah—Prime Minister) (14:29): Madam Speaker, you would think that this would be a man who would be too embarrassed to ask a question after the last answer. This is the tax that he had already abolished. This is the tax that members opposite claim to have abolished, but, far from abolishing the carbon tax, members opposite are consistently voting to keep it even though they know that it is adding massively to the costs of
businesses and significantly and substantially to the costs of every household in Australia. This is the problem: the Labor Party just does not get it.

Ms Plibersek: What is your message to farmers?

The SPEAKER: The member for Sydney will desist.

Mr Dreyfus: Madam Speaker, I rise on a point of order. The question was whether the Prime Minister would guarantee that farmers would save $12,000 a year.

The SPEAKER: There is no point of order. I remind the member for Isaacs that, if he is called to make a point of order on relevance, it is not an invitation to repeat the question.

Mr ABBOTT: I absolutely guarantee that the farmers of Australia will be massively better off without this tax. Some of them will benefit by much more than $12,000. What hypocrisy we see from members opposite. They are now supporting a tax cut that they abandoned in government, they are opposing savings that they supported in government and they are supporting the tax that they thought they had abolished in government. Really and truly, no-one can take this Labor Party seriously. They do not believe anything, they do not stand for anything, they have no confidence or competence in saying or doing anything—

Mr Champion interjecting—

The SPEAKER: The member for Wakefield is moving close to the line.

Mr ABBOTT: Once upon a time there were Labor leaders who did stand for things, who did believe in things and who did do good things for our country. This particular Labor Party were wreckers in government and now they are wreckers in opposition.

Carbon Pricing

Mr BROAD (Mallee) (14:32): My question is to the Deputy Prime Minister and Minister for Infrastructure and Regional Development. I refer to the Energy Supply Association's statement that the carbon tax is costing Australians $11 million in additional power costs every day. How will removing the carbon tax ease cost of living pressures for Australian businesses and families?

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (14:32): I thank the honourable member for his question—he knows that every day this carbon tax is in place it is adding to the costs of Australian families, Australian industry, Australian business, Australian farmers and the people of his electorate. The cost of the carbon tax is now $25.40 per tonne. Yes, while parliament was away for a week the tax went up. If it stays in place, as Labor now wishes, it will go up every year—it will continue to go up. This is the tax that Labor knew before the last election was hurting business, was hurting families. They knew it was hurting, that it was costing jobs. That is why they terminated it, they said. They terminated this tax that was hurting Australians and hurting Australian families. We also made a commitment in opposition that on election to government we would get rid of this tax. The difference between one side and the other is that we are getting on with the job of getting rid of the tax. Labor has changed its mind again, and now wants to keep this tax. They want to keep a tax that keeps costing Australian jobs, that makes Australian industry uncompetitive and that adds $550 to the costs of every Australian household.
This is a tax that was evil before the election—Labor knew it then; it is even bigger now, so it is even more evil—but all of a sudden Labor has decided that the carbon tax should stay. Labor continues to vote against the reform—the reform they promised to deliver before the election; reform of a tax they know is hurting Australia. Every day they delay is costing Australian householders $11 million. It keeps on going up. Of course the impact of the carbon tax has been much greater than that cost. The impact to the economy is estimated at around $15.4 billion in the first year in lost jobs, in lost opportunities. Labor got it right with their Townsville termination announcement—the tax has to go. It is hurting Australians, and it is now time that Labor honoured its commitment in Townsville to the people of Australia. They should get rid of this tax and let our country start working properly again.

Carbon Pricing

Mr CONROY (Charlton) (14:35): My question is to the Prime Minister. Before the election the now Minister for Agriculture claimed a leg of lamb would cost $100 because of the carbon price. I note that Coles Online today is selling a 2.2 kilogram leg of lamb for $26.40. Prime Minister, how much less will this leg of lamb cost by the end of this week?

Opposition members interjecting—

The SPEAKER: We will have some silence.

Mr Husic: Let's see him get his teeth into this!

The SPEAKER: There will be silence before I give the call to the Prime Minister, or the offending member will be sent out to enjoy a cutlet.

Mr ABBOTT (Warringah—Prime Minister) (14:36): I invite the member who asked the question to vote this week to terminate the carbon tax, because certainly that should mean that the price of a leg of lamb will come down. If members opposite keep voting to keep the carbon tax and, if the carbon tax stays under members opposite, the carbon tax would just go up and up and up and eventually—who knows?—may be there would have been a $100 leg of lamb. I am inviting members opposite to do the right thing by the lamb consumers and producers of Australia and vote to terminate the carbon tax.

Carbon Pricing

Mr GOODENOUGH (Moore) (14:37): My question is to the Minister for Small Business. Will the minister explain how families and businesses will benefit from the repeal of the carbon tax and what role the Australian Competition and Consumer Commission will have in ensuring the savings are passed on to consumers?

Mr BILLSON (Dunkley—Minister for Small Business) (14:37): I thank the member for Moore—what a distinguished member he is. I have some good news. If this parliament can support the Abbott government's Economic Action Strategy, we will abolish the carbon tax. But we need to get the parliament behind us. I say to the member for Moore that for the households and businesses in Edgewater, Kinross, Joondalup we are working for their interest because the abolition of the carbon tax will support all of those communities and, in fact, communities right across the country. It has been a key element of our Economic Action Strategy and is part of our plan to build a strong and prosperous economy for a safe and secure future.

It is evident that the Leader of the Opposition and Labor have no plans—
Mr Perrett interjecting—

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

The member for Moreton then left the chamber.

Mr BILLSON: They were incompetent in government and they are irresponsible in opposition. As the member for Moreton leaves, I can remind those members opposite how Labor went around claiming they had terminated the carbon tax, but, by their actions in opposition, that Townsville termination has become an escalation. Labor's decision to impede this government's efforts to repeal the carbon tax has actually seen the tax go up; and that has meant $550 on average of additional expense for Australian households. In New South Wales gas is up to 9.2 per cent higher than it needs to be because of the carbon tax. In Queensland the cost for a typical household electricity bill would fall by 8.5 per cent. In Tasmania, we have seen a 7.8 per cent real fall; in the ACT—in this capital—would have a fall of 11.6 per cent in electricity prices if we could abolish the carbon tax.

As the Prime Minister has made clear and as our consumer protector has made clear, there is a lot of noise—this is what Rod Simms had to say—going around with lots of complicated questions, but at its heart, when the carbon tax came in, it increased prices. When you take it away, the effect will be reversed. What we have done is finance the ACCC not only with an extra $89 million of emergency funding over the forward estimates but an additional $10 million to make sure that the savings from the carbon tax repeal are passed on. There are price-monitoring powers, and we have already seen the first carbon-monitoring report published on 1 May under the government's direction. The government's plan makes it absolutely clear: it will prohibit any company, including supermarkets, from making false or misleading representations about the impact of the carbon tax on the prices they charge. We put strong safeguards in place.

As my friend and colleague, the Minister for the Environment, has mentioned, in discussions with the Senate, those strong safeguards will be strengthened even further. It is now up to all of us to do—not only for the member for Moore's community, but for households and businesses right across Australia—is repeal this carbon tax. Let's axe the tax, not terminate it, as you claimed, because you are escalating it by standing in the way of this important measure.

Carbon Pricing

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (14:41): My question is to the Prime Minister. Despite everything the Prime Minister has said for the last three years, the Prime Minister has today has failed to guarantee that grocery prices will fall. What is worse, his unfair budget will see Australian families $6,000 a year worse off. Why is the Prime Minister determined to make life harder and more expensive for Australian families?

Mr ABBOTT (Warringah—Prime Minister) (14:41): I am delighted to get a series of questions from the opposition on the carbon tax, because when it comes to the carbon tax we are against it and after the election we are doing what we said we would do before the election. They are for it and they are acting completely contrary to what they said they would do before the election. Let's be absolutely crystal clear: if you get rid of the carbon tax, you remove a nine per cent impost on power prices, a $9 billion a year hand break on our economy and a $550-a-year hit on the average household. We want to save the average
household money; that is why we want to terminate the carbon tax. We will not just claim that we will terminate the carbon tax, we will. We will not rest until this toxic tax is gone. Even if it does go this week as it should, members opposite will want to bring it back.

Mr Hockey: They will want it back. Absolutely!

Mr Abbott: They will want it back because they are so convinced that this carbon tax is good for you, Madam Speaker. It is very, very clear that we are against the carbon tax and we want lower prices—

Ms Butler interjecting—

The Speaker: The member for Griffiths is warned.

Mr Abbott: The member interjecting loves the carbon tax, and just wait until she has got rid of the Leader of the Opposition, she will be telling us every day how good the carbon tax. If they win the next election, the carbon tax will be back with all its toxicity, all its ugliness and all its damage to the Australian jobs and the Australian cost of living.

Budget

Mr Van Manen (Forde) (14:43): My question is to the Treasurer. Will the Treasurer report to the House on the support that the government has received for its plans to repair the budget?

Mr Hockey (North Sydney—The Treasurer) (14:43): I would like to thank the honourable member for the question. Bert the Beattie beater went to the last election promising to fix the mess and to fix the budget. And that is exactly what we are doing: we are fixing the budget. We laid down as a task to repair the massive disrepair left by the Labor Party, because that is part of our Economic Action Strategy. Getting rid of the carbon tax is part of our Economic Action Strategy to help to create more jobs and a stronger and more competitive economy. Getting rid of the mining tax is part of our plan, our Economic Action Strategy, to build a stronger economy and a more competitive economy. Fixing the budget is part of our Economic Action Strategy to create a stronger economy—a more competitive economy with more jobs.

That is backed up by a number of statements that have been issued by respected economic commentators and decision makers over the last few weeks. The Governor of the Reserve Bank, Glenn Stevens, warned on Saturday:

… by the time these sorts of problems have gone from being out on the horizon to on our doorstep, they have usually become a lot more difficult to tackle.

He went on to say:

We shouldn't leave it—

budget repair—

until the gaps emerge …

The Governor of the Reserve Bank, in a rare public statement of this type, has supported what the government has decided—to take action now to repair the budget so the Australian community does not have to face massive bills and punitive measures in a few years time.

The Labor Party is in denial. Before the last election, they said the budget needed to be repaired. After the election, they said, 'There is no budget that needs to be repaired; everything is just hunky-dory'—and they are opposing everything they possibly can. That is
despite the fact that, in opposition, we supported 80 per cent of their savings—and then we added $50 billion on top of that to make sure the budget was in even better shape. The Labor Party is opposing 80 per cent of our savings, and they are the ones with 25 senators across the way voting against budget repair. It is not three members of the Palmer United Party; it is not even the 10 Greens; it is the 25 Labor senators over there who are voting against budget repair, the budget repair the Secretary of the Treasury says must be done now. Moody's rating agency also said it must be done now. Even John Edwards, a former adviser to the Labor Party, said:

I've no doubt there is a budget crisis.

Do not believe me; believe your own former advisors. Get out of the way of us fixing the budget now.

DISTINGUISHED VISITORS

The SPEAKER (14:47): I note we have in the House with us today the state member for the seat of Parramatta, Dr Geoff Lee. We welcome him to the chamber.

Honourable members: Hear, hear!

QUESTIONS WITHOUT NOTICE

Budget

Mr BUTLER (Port Adelaide) (14:47): My question is to the Prime Minister. Before the election, the Prime Minister promised cost-of-living relief for families. No matter what chaotic deals are being cobbled together today by the Prime Minister, is it not true that his budget will still cost Australian families $6,000 a year?

Mr ABBOTT (Warringah—Prime Minister) (14:47): No.

Budget

Ms GAMBARO (Brisbane) (14:48): My question is to the Assistant Minister for Education. I refer the minister to the report in The Courier Mail that states that the budget for childcare payments supporting low-income earners blew out by almost $30 million a year due to rorting. What action is the government taking to ensure that taxpayers' money is going to those who need it most?

Ms LEY (Farrer—Assistant Minister for Education) (14:48): I thank the member for Brisbane for her question. I look forward to going to her electorate during the winter recess to visit several childcare centres and service providers. I know of her keen interest in this subject. I can confirm that several weeks ago I initiated an increase in the active compliance of the Commonwealth Jobs, Education and Training Child Care Fee Assistance program, known to us in this place as JET. This is part of a broader approach by this government to stepping up childcare compliance, making it much stronger, and implementing tighter program guidelines after years of slipping standards and inaction under the previous Labor government.

Under Labor, in each of two consecutive years the budget for JET blew out by almost $30 million—and they did absolutely nothing about it. Without the action we have taken, the budget for JET was forecast to blow out a further $240 million over the next four years. It has been clear for some time now that the program has been subject to exploitation by a small but expanding network of family day care services and parents engaging in sharp practices. It is
only a small proportion, but unfortunately the dollars were very large. These sharp practices include services charging excessive fees and claiming for hours of care not delivered, parents claiming more child care than they need to complete their study or training commitments, and parents continuing to claim JET despite no longer participating in, or having completed, their study or training. This program is not there to be abused by dodgy services looking to make an easy buck or parents using more care than they need to complete their commitments—just because taxpayers are footing the bill. It is just not on. As I said, we are going to increase active compliance checks.

The core issue here, however, is that Labor were well aware of these sharp practices and did absolutely nothing about it. They threw it in the too-hard basket. They sat on their hands while the rorting grew and the budget blow-outs ballooned. You would think it was quite a simple concept: here is the budget, the year progresses and then the money runs out—what do you do? I tell you what Labor did: they just topped it up. They just found more money on the national credit card, topped up the budget and kept spending. You would think that sensible economic managers would ask: ‘What is actually going on here? What is going on with this program? Are people not spending the money properly? Are there things we need to look into?’ But they did not do that. Instead, when the money ran out, they just topped it up. What else would you expect from a Labor government? I was there on the opposition benches when Kevin Rudd came into office and the government had net assets of $45 billion—and I was there on the opposition front bench when Kevin Rudd left office and the government had net debt of $162 billion. (Time expired)

Carbon Pricing

Mr BURKE (Watson—Manager of Opposition Business) (14:51): My question is to the Prime Minister. Before the election the Prime Minister said: ‘I think the Australian people are sick of the governing party which makes decisions on the basis of squalid backroom deals.’ Prime Minister, after the last few days, how do you reckon the backroom deals are going?

The SPEAKER: I have to say that that question is running pretty close to the wind of the standing orders, but I will let it stand.

Mr ABBOTT (Warringah—Prime Minister) (14:52): We said we would abolish the carbon tax, and that is exactly what we are doing—we are putting the abolition bill through the parliament. Members opposite keep saying that the government should honour its commitments, and that is exactly what we are doing. No thanks to the opposition, though—not only is the opposition trying to stop us from honouring our commitments, but it is trying to stop us from honouring their own commitments—the tax cut that they had abandoned; the savings that they promised and are now opposing; and of course the carbon tax that they said they had abolished, and that they now love. We are being absolutely faithful to the commitments we made to the public pre-election, and it is high time the Labor Party was, too.

Higher Education

Mr CHRIESTENSEN (Dawson—The Nationals Deputy Whip) (14:53): My question is to the Minister for Education. Will the minister explain how the government's higher education reforms will assist Central Queensland University and other universities to compete in a
global education market, giving Australians more opportunity to obtain a higher education qualification?

Mr PYNE (Sturt—Leader of the House and Minister for Education) (14:53): I thank the member for Dawson for his question. In the break I was pleased to be in his electorate, and also the member for Capricornia’s electorate. I was hosted by Michelle Landry, the excellent new member for Capricornia, at the University of Central Queensland at the launch of the newly-emerged Central Queensland TAFE and Central Queensland University into a dynamic new institution led by a dynamic vice chancellor, Scott Bowman. He wants to grasp the opportunities that higher education reform will bring in the budget. In fact, at the launch with the member for Capricornia, Scott Bowman said, ‘we are licking our lips about higher education reforms, because we are a lick-smackingly good university.’ That is the kind of attitude the government is looking for from the university sector—to grasp the opportunity for freedom this government plans to give them.

The previous government were incompetent in government and are irresponsible in opposition. Under the previous government there was a declining university sector. When we won power last September we saw there were declining results for our universities around the world—in fact on the Shanghai Jiao Tong index, most of our institutions were falling behind, some were flatlining and one or two exceptions were doing better than they had before. The government was faced with the prospect of our universities falling behind in a slow decline, like our manufacturing sector.

Ms Butler interjecting—

The SPEAKER: One more utterance and the member for Griffith will leave.

Mr PYNE: We had to choose between doing what Labor did—which was just to keep kicking the can down the road, being incompetent and now irresponsible—or grasping the opportunity to do something about higher education in Australia. Grasp that opportunity we did—and we want to give our university sector the freedom that they need to be able to compete globally against our Asian competitors. We are going to give them the freedom to put a value on their best courses, so they can keep doing the things they do well, and do them even better and invest the extra resources they gain into research. We will give them the freedom to make the decisions about what they do well, and what they do not want to continue to do into the future. We want to give them the freedom to draft their own scholarships fund so they can have packages that attract the best and brightest students from around Australia of low socio-economic status and to give them the opportunity to get a higher education qualification. The difference between us and Labor could not be more stark. Whereas this side of the government wants to spread opportunity and give the universities the chance to compete globally, Labor wants to keep being irresponsible. Just as they were incompetent in government, they are irresponsible in opposition—it goes on and on. (Time expired)

Abbott Government

Mr BOWEN (McMahon) (14:56): My question is to the Prime Minister. Before the election the Prime Minister promised:

The coalition will engage in genuine consultation with business, the not-for-profit sector and the community before introducing legislation and regulations.
Prime Minister, which businesses were consulted in the 15 minutes it took for the government to agree to all of the Palmer United Party's amendments last Thursday?

**The SPEAKER:** Again, this is the sort of question that runs close to offending the standing orders, but I will allow it to stand.

**Mr ABBOTT** (Warringah—Prime Minister) (14:57): As the member who asked the question knows, those amendments were actually withdrawn. The matter has been reworked over the weekend, and I am confident that we have got the balance right.

*Opposition members interjecting—*

**The SPEAKER:** The member for Rankin and the member for McMahon will desist.

**Mr ABBOTT:** A whole range of people have been consulted over the weekend, including the Australian Industry Group—

*Opposition members interjecting—*

**The SPEAKER:** The member for Watson will desist.

**Mr ABBOTT:** On that basis I am confident that the carbon tax repeal legislation will not only be massively beneficial for business costs and will massively reduce business costs, but it will very substantially reduce household expenses, and substantially reduce red tape and compliance. That is what this government wants to do—bring business costs down, bring families' cost of living down and bring red tape down. That is why the sooner we terminate the carbon tax, the better for everyone.

**Pharmaceutical Benefits Scheme**

**Mr PASIN** (Barker) (14:58): My question is to the Minister for Health. Minister, can you inform the House on how a co-payment has helped to make our Pharmaceutical Benefits Scheme sustainable, and how the government's changes announced in the budget will continue to keep the PBS sustainable?

**Mr DUTTON** (Dickson—Minister for Health and Minister for Sport) (14:59): I thank the member for his question, and for his ongoing interest in making sure that our country has a sustainable health system not just for today, but for the decades ahead. One of the great aspects of the health system in this country is the PBS—the Pharmaceutical Benefits Scheme. The way in which it operates, as people know, is that, when they get a script from a doctor and then go to see a pharmacist, they pay a contribution. For many Australians, they pay just over $6 for each and every medicine, regardless of their assets, regardless of their income. If they have a healthcare card and are eligible for a concessional arrangement, for every script from the first script, unlike bulk-billing, they get that script filled by the pharmacist and, in some cases, those medicines on an individual basis can cost thousands, if not tens of thousands, of dollars, which is ultimately paid for by the taxpayer. So we have to have a system which is sustainable in relation to our medicines. We have taken the judgement that to make our MBS—the system where we pay our doctors—sustainable, we also need to apply that same principle and adopt a co-payment so that we can have a sustainable Medicare into the future.

The interesting thing is that the Labor Party have supported the co-payment in relation to the PBS since the 1960s. We know that they supported it in relation to those who were general patients, without a concession, back in the 1960s. We know it was the Labor Party
that in 1986 increased the co-payment for general patients by 100 per cent—from $5 to $10. They argued at the time that the co-payment was necessary to keep the PBS sustainable so that, as new drugs came on line, we could afford to list those drugs. They said, yes, even people on low incomes can afford a relatively modest amount by way of a co-payment. We have applied, as I say, the same principle for when people go to see a general practitioner. The difference is that, when people go to see a doctor, we are saying that, if they cannot afford the $7, we will still bulk-bill but not in as many cases as bulk-billing applies at the moment. We know that, at the moment, 83 per cent of Australians—or 83 per cent of those services—are bulk-billed when they go to see a doctor, but it is not sustainable. Bulk-billing is about providing support to those who cannot afford to provide for themselves. Bulk-billing is not about doctors trying to take market share from the doctor on the diagonal corner; it is about a safety net.

Ms Butler interjecting—

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

The member for Griffith then left the chamber.

Mr DUTTON: The Labor Party, when they had principles, supported a co-payment for the PBS and they even introduced the co-contribution for those on concession cards. The Labor Party, at some stage, are going to have to explain how it is they could afford to give everything for free and rack it up on the country’s credit card. The opposition have no credibility when it comes to health or the economy.

Budget

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (15:02): My question is to the Prime Minister. In the last week, we have seen chaos and confusion from this government, shady backroom deals that the Prime Minister promised he would never do and his election promises are in tatters. Isn’t it true that the only guarantee from this Prime Minister is that his unfair budget will cost Australian families $6,000 a year?

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

The SPEAKER: Before I call the Leader of the House, that was really not a question; it was merely a series of statements. We will move on to the next question, which comes from the member for Casey.

Asylum Seekers

Mr TONY SMITH (Casey) (15:02): My question is to the Minister for Immigration and Border Protection. I ask the minister to update the House on the government’s investment in creating stronger borders in this budget to build a safer and more secure Australia. I ask: what has been the result of these efforts?

Mr MORRISON (Cook—Minister for Immigration and Border Protection) (15:03): I thank the member for Casey for his question. I was just with him over a week ago and I know the keen interest of his constituents in these matters. The government is investing in stronger borders and that investment begins with investing in the right policies to protect our borders—and those policies are getting results. Those results include a 35 per cent reduction in the number of children held in detention in this country and at our offshore processing centres—a 35 per cent reduction from 1,342 at the time of the election down to 861 at this time. There
has been the freeing up of 20,000 places in our offshore humanitarian program over five years. There have been no deaths at sea since last September. There have been no successful people-smuggling ventures to Australia in almost seven months.

Mr Marles: Madam Speaker, I rise on a point of order on relevance. There are 150 people floating on the Indian Ocean—

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

Mr Marles interjecting—

The SPEAKER: The member will remove himself under 94(a). The minister has the call.

Mr MORRISON: I notice that the member for Corio was not prepared to ask me a question today; rather, he has just come to the dispatch box again to chuck another hissy fit and leave the chamber so he would not have to ask me a question. If he has got a question, come into the House and ask me one.

Mr Snowdon interjecting—

The SPEAKER: The member for Lingiari will also remove himself under 94(a).

Mr MORRISON: All of those things have delivered $2½ billion of savings in this budget. That is the dividend of stronger border protection. Today we announced further investment in stronger borders through the establishment of the National Border Targeting Centre, and that was supported not just by the establishment of the centre with $30 million but by a $250 million investment in the broader intelligence and systems capabilities that make such a centre tick so that we could integrate the agencies. Nine specific agencies have now been brought together under a strategic border command, not just to deal with people-smuggling threats but to deal with the issues of terrorism, with the issues of transnational crime and with the many other threats on our borders for those who may seek to do this country harm.

What we have seen from those opposite this past fortnight is a retreat even beyond the weakness of their policies in government when it comes to issues on our border. What we have seen them do is walk away from the enhanced screening policy that they actually pursued in government and supported. They are now weaker in opposition on border protection than when they were in government, which is quite an achievement for them to be putting in place. They want to reintroduce the water taxi service. That is the implication of what the opposition have been saying for the last fortnight: people should be water-taxied to Australia rather than turning boats back where it is safe to do so, which is the policy of this government.

Budget

Mr BOWEN (McMahon) (15:06): My question is to the Prime Minister. Before the election, the Prime Minister promised all significant government decisions should be considered by cabinet before they are announced rather than subsequently presented as done deals. Prime Minister, where and when did the cabinet meet last week before agreeing to all the Palmer United Party’s amendments in 15 minutes?
Mr ABBOTT (Warringah—Prime Minister) (15:07): I am absolutely delighted to get question after question from the Labor Party on the carbon tax, because they support the carbon tax and we oppose it. We want to scrap the carbon tax; they want to keep it. We told the truth about the carbon tax before the election and they did not. They claimed not just that they had terminated the thing but that they had abolished it. Let me say again, the Labor Party abolished the carbon tax in the same way that the Labor Party abolished the deficit. Absolute, total, complete frauds, that is what members opposite are on this matter.

Mr Dreyfus interjecting—

Mr ABBOTT: Let me be absolutely crystal clear, yet again—

The SPEAKER: Before I call the Leader of the Opposition, I would simply say that the Prime Minister used the term 'fraud' as a broad generic. The member for Isaacs used the term deliberately towards the Prime Minister himself. The member for Isaacs knows perfectly well that it is unparliamentary to use that term to an individual. He also knows that when it is used as a generic across a broad spectrum of people it does not so infringe. Remember that.

Mr Shorten: Madam Speaker, I raise a point of order about relevance. The Prime Minister was asked when his cabinet met consistent with the promises they made before the election. Will you ask this tricky Prime Minister to be relevant?

The SPEAKER: I would remind the Leader of the Opposition that it is not merely an invitation to repeat the question when raising a question of relevance.

Mr ABBOTT: Let me be absolutely crystal clear, every time cabinet meets we reiterate our opposition to the carbon tax and our determination to see the back of the carbon tax as quickly as possible, because the carbon tax is a nine per cent impost on power prices, a $9 billion a year handbrake on the economy, a $550 a year hit on the average household's cost of living.

Mr Burke interjecting—

The SPEAKER: The member for Watson will desist.

Mr ABBOTT: For all these reasons, every time the cabinet meet we say, 'Let's get rid of the carbon tax.' Unlike members opposite, when we meet we do not say to ourselves, 'Will we terminate or abolish it?' We do it. We do not play games with the carbon tax. We do not say we are against it before the election and love it after the election. We always thought the carbon tax was absolutely toxic. It was bad policy based on a lie. That is what it was; that is what it is. We are against it; Labor are for it. We will get rid of it as soon as we humanly can.

National Broadband Network

WYATT ROY (Longman) (15:10): My question is to the Minister for Communications. Will the minister inform the House on the performance of the NBN for the 2013-14 financial year? How does this performance align with the government's goal of ensuring Australia's largest infrastructure project is delivered in a reliable, honest and transparent way?

Mr TURNBULL (Wentworth—Minister for Communications) (15:10): I thank the honourable member for his question. I can confirm that for the first time in its history the National Broadband Network project, NBN Co, has actually met, indeed it has exceeded, a target. Under the previous administration, of course, one target after another was set only to
be missed. At 30 June this year the NBN passed 492,000 premises with fibre; the target set shortly after the election was 467,000 premises. That is a very big change.

Mr Albanese interjecting—

Mr Turnbull: The honourable member for Grayndler during the period that he likes to refer to as the golden age of communications, that brief period when he was the minister just before the election—he has promised me a question about that, one day; I am still waiting for it—was in the Late line studio with me. In the course of an interview he said that the NBN was on time and on budget. At that time, just before the election, the Labor government were promising that by 30 June this year it was going to pass 1.3 million premises. They knew that even the NBN Co under their management knew that it was not going to do that, because they had on their desk a write down of that target, just as the 1.3 million had been a write-down of the target before, of about 400,000. It was a classic case of cascading targets falling one after the other. They were hopelessly incompetent in government and are now irresponsible in opposition, because they are failing to adjust to the reality of the current situation, which is getting this project back on track. We are doing that with competent management, a competent board and transparency that matches that of a public listed company. Every quarter the NBN's financials are published. Every six months there is a full analyst briefing.

Mr Husic interjecting—

Mr Turnbull: I hear the member for Chifley interjecting. He was one of the great advocates of NBN Co. He was part of the fibre-to-the-premises cult, which ignored actually connecting anybody. All they wanted to do was get fibre to the press release and—oh boy!—they got that. They got fibre to more press releases than any government in the history of the Commonwealth. But what we have done is get fibre to more customers than any other government. In fact, there are three times as many customers connected to the NBN as there were at the time of the last election. That is real action, real progress; the mark of a grown-up government of real competence.

Mr Abbott: I ask that further questions be placed on the Notice Paper.

DOCUMENTS

Presentation

Mr Pyne (Sturt—Leader of the House and Minister for Education) (15:14): Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings.

COMMITTEES

Membership

The Speaker (15:14): I have received advice from the Chief Government Whip and the Chief Opposition Whip that they have nominated members to be members of certain committees.

Mr Pyne (Sturt—Leader of the House and Minister for Education) (15:14): by leave—I move:

That:
(1) Mr Watts be discharged from the Standing Committee on Education and Employment and that, in his place, Ms Rishworth be appointed a member of the committee;
(2) Mr Hawke be discharged from the Joint Standing Committee on Electoral Matters and that, in his place, Mr Pasin be appointed a member of the committee; and

(3) Ms Rishworth be discharged from the Standing Committee on Health and that, in her place, Mr Watts be appointed a member of the committee.

Question agreed to.

BILLS

Clean Energy Legislation (Carbon Tax Repeal) Bill 2014
True-up Shortfall Levy (General) (Carbon Tax Repeal) Bill 2014
True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Bill 2014
Customs Tariff Amendment (Carbon Tax Repeal) Bill 2014
Excise Tariff Amendment (Carbon Tax Repeal) Bill 2014
Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Carbon Tax Repeal) Bill 2014
Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment (Carbon Tax Repeal) Bill 2014

Second Reading

Debate resumed on the motion:

That these bills be now read a second time.

Mr BUTLER (Port Adelaide) (15:15): Madam Speaker, I rise to continue my remarks in this debate on the Clean Energy Legislation (Carbon Tax Repeal) Bill 2014 and related bills. Before the debate was interrupted by the 90-second statements, I was drawing attention to the claims made by the Prime Minister over the last three or four years—in his magical mystery tour around Australia in his high-vis jacket—explaining to Australians that to price carbon—to put a cap on carbon pollution—would act as a wrecking ball through the Australian economy. He got sick of that metaphor and moved to talking about 'a cobra strike' to the Australian economy. At other times, it was to be 'a python squeeze' on the Australian economy; or that cities that we have known and loved for decades would literally disappear off the Australian map—Whyalla, a city in the iron triangle in South Australia and dear to my heart, would disappear, according to the Prime Minister; Gladstone was at mortal threat of disappearing from the map of Australia as well, in spite of having a pretty healthy economy last time I visited the town. This was a series of hysterical, mendacious claims made by the now Prime Minister while he was opposition leader, seeking to undermine a response to climate change. Falsehoods and overreach characterised this prime minister's hysterical, mendacious campaign. After last week's goings-on in the Senate, we are now seeing the falsehoods, the overreach and the chaos of last week all coming together in the debate in the House today.

There has been some focus by the opposition on the cost-of-living claims made by the Prime Minister over the last three years, because he was utterly definitive about that. He was utterly definitive about what the impact of a price on carbon would be on Australian
households. We tried to test him on this today, but we tried in vain because the Prime Minister refused to repeat the guarantees that he gave over the last three years about just what businesses would have to pass on; and about what price reductions to which Australian households. We asked him about his earlier claim that the carbon tax would result in a $10 increase per week to the grocery bill of average Australian households—not a figure that we can find in any report, in any piece of advice, or in any claim made by an expert or a commentator. We asked the Prime Minister to repeat that claim, and to repeat his guarantee that the passage of these repeal bills would result in grocery bills going down by $10 per week for Australian households. And he can't—of course he can't, because Woolies has confirmed that those prices did not go up in the first place! Woolworths has confirmed that, and other retailers have confirmed it as well. It was a falsehood. It was overreach. And that is why the Prime Minister would not repeat the response.

The height of the farce was the Minister for Agriculture, who should know better, trying to scare Australian households—particularly the carnivores among them—that a leg of lamb would cost $100 under the carbon tax. Well, as the member for Charlton pointed out, today a leg of lamb, 2.2 kilograms, costs around $26. We asked the Prime Minister—and maybe the Minister for Agriculture had overreached, and it had not quite reached $100 dollars; but what would be the reduction by the end of this week, if these repeal bills go through? And again, the Prime Minister chose to duck the question—because he knows it was all a farce. It was all a falsehood. It was all overreach. It was all designed to stoke this political campaign to scare Australian households about a proper climate change response. He said that the carbon tax would result in a $6,000 increase in the price of a new house. When asked to guarantee that the price of a new house would come down by $6,000, in line with the promises he made before the election—that in repealing the carbon tax, what had gone up would automatically come down—of course he ducked the question, because to do otherwise would be to mislead this parliament. First, because the price of a new house did not go up by that amount and second, because it will not come down. He was asked to repeat his guarantee that farm costs would come down by $12,000 a year—and of course, he did not repeat that guarantee because—again—to do so would be to mislead this parliament. It was a falsehood then, it is a falsehood now, and he is not able to guarantee it.

As I said in the earlier part of this debate, before the 90-second statements, it would be nice—given that the member for Sturt is seeking to curtail this debate—if the parliament actually had before it the amendment that the government and the Palmer United Party have cobbled together to deal with these issues. But none of us have been given the courtesy of even seeing the amendment, so that we can make a decision about whether it deals with the concerns that have been raised by us by Australian households—given the promises the Prime Minister made—and are being raised with us by Australian businesses. By contrast, I have already circulated the amendments that I intend to move to this bill. They are the same amendments we exposed as a draft piece of legislation before the election; the same amendments I moved in this place in December; and the same amendments I moved in this place a few weeks ago to reflect—to a T—the Labor Party's election policy: that we support the termination of the carbon tax, but only on the condition that it is replaced by a meaningful climate change policy: an emissions trading scheme.
The member for Sturt might agree that Direct Action is a meaningful climate change response, but, along with the Prime Minister and the Minister for the Environment, you are about the only three people in Australia who share that view. For 4½ years that policy has been in the marketplace, and in that time not one single expert or commentator has come out and said that Direct Action is a serious climate change policy. Not one has said that it will achieve its stated objectives. Not one has said that it is anything close to worth the billions and billions of taxpayer dollars that this government intends to dole out—on behalf of people in the gallery, people listening around Australia—to people who pollute for a living to change the way they operate and to make changes that they were probably intending to make anyway.

The problem, at the end of the day, is that this Prime Minister and this government are stuck in the past. They concocted the Direct Action policy at a particular time in history, when this Prime Minister took the temptation dangled before him by Senator Minchin to take the leadership of the party provided that he turn his back on the election commitments he made as a candidate in the seat of Warringah at the 2007 election to support an emissions trading scheme put forward by John Howard. That was an ETS that had a wider scope than the ETS that I am proposing today in our amendments. The member for Warringah turned his back on that commitment, broke the promise he made to the people of Warringah, took the temptation dangled before him by Senator Minchin to become leader of this party. At least the Treasurer had the moral fortitude to resist that temptation, to stick by his principles and say that he would not take the leadership. He knew that a market-based mechanism is the best policy response to climate change. No-one has got up and denied that speculation. Not one person has done that.

The rest of the world has moved on. The Prime Minister might be stuck in 2009, in the aftermath of the Copenhagen conference, but the rest of the world has moved on. The United States has moved on. China has moved on. South Korea is moving to put in place an emissions trading scheme in only a matter of months. China started its seventh emissions trading scheme only a few weeks ago. The older schemes in that country are trading at a higher price than those on which the Labor emissions trading scheme would trade, according to Treasury advice. These bills shall only be accepted if Labor's emissions trading scheme amendment is also accepted by this House.

The SPEAKER: Before I call any member, I wish to advise that in his speech the honourable member for Port Adelaide said that these were the same amendments that he had moved at the end of last year—I think he said December; I think they were November. In fact, they are not. They are the amendments that I ruled as not being in conformity with the standing orders. They were subsequently moved more recently with changes that brought them into conformity, but I think it is important that the record stands corrected.

Mr PALMER (Fairfax) (15:25): I thought it might be helpful to set out important matters that happened in and around the Australian Senate for the public interest. During last Wednesday night, Palmer United senators considered a draft amendment for the repeal of the carbon tax. The draft amendment was one the government and the Palmer United team had negotiated. Based on advice the Palmer United senate team received on Wednesday night, the position to them was clear. It was not mandatory for any savings brought about by the repeal of the carbon tax to be passed on to consumers of natural gas and electricity; our senators required that there be a mandatory pass on. This is not what the Palmer United team wanted.
If Australian families, industries and citizens are not going to receive the reduction to their electricity and natural gas bills, the Palmer United Senate team resolved that it could not, in moral conscience, vote for the repeal of the carbon tax. Palmer United took a positive approach and re-drafted the amendment to the effect of delivering reductions to electricity and natural gas, and clarified this with the government, who were supportive of that action. So, the benefit of the repeal of the carbon tax is that it would deliver a real reduction to generators of electricity and producers of natural gas and to the consumers of those commodities.

Palmer United supports the bill and the amendment that will be brought forward in the detailed consideration of the bill. The amendment to that bill—proposed today, I believe, and to be moved by the government during the detailed consideration stage later today—will allow and guarantee a reduction in electricity and gas to all Australians and to all businesses. If such changes are not passed on to consumers and enterprises, any entity not doing so will be subject to 250 per cent of the cost savings that have not been passed on to the consumers. This requirement applies only to the suppliers of natural gas and electricity or a bulk SGG importer in respect of supply of synthetic greenhouse gases. These requirements affect fewer than 100 entities in Australia but impact upon the lives of 23 million Australians, who have suffered under the carbon tax for too long a period.

We stand today on the edge of time, and destiny is ours to grab for our nation. There can be no justification to removing the carbon tax if it does not improve the lives of our citizens. We must have a mandatory requirement that the price of energy be reduced by the savings from the removal of the carbon tax, which no longer has to be paid. We must mandate that the electricity and gas costs for Australian families, single mothers and pensioners must be reduced by the abolition of the carbon tax. There must be a reduction of the costs of energy to our industries and our businesses to ensure their competitiveness and bring down the cost of production and the cost of employing people so more jobs can be created, so more Australians may find satisfaction and direction in gainful employment. The cost of running our schools, our hospitals and our institutions must benefit from lower energy costs.

There is no justification for the carbon tax. The carbon tax sets the price of carbon at a far higher price than applies to the rest of the world. It is higher than the ETS in Europe and much higher than the ETS in New Zealand. We must stand on the right side of history, and the right side of history is standing up for the Australian people, for their livelihood and for their future.

Climate change is a global problem, and it needs a global solution. Australian families cannot bear the responsibility for this matter for the whole world, when Australian trading partners fail to act and are not united on the issue. For Australia to act alone and impose a tax on carbon at this time has only placed a tax on jobs and discouraged investments. The cost of energy for all Australians shows a lack of confidence in our community for investment and growth to allow our business to employ more people and to allow economic stimulation to be undertaken.

Mr Sukkar interjecting—

Mr PALMER: I was a member of the party over there four years ago. I said it then. This is so we can have more economic revenue and more revenue for government. More revenue will mean more resources for the government, which will mean more hospitals, more schools and a rising standard of living.
If the day comes that our major trading partners of China, the United States of America, the European Union, Japan and Korea set up an ETS then they will know that Australia is also serious about an ETS because our senators plan to move in the Senate an ETS dependent upon our trading partners also acting in that regard. It has been said that when our trading partners set up an emissions trading scheme they will require that their trading partners, including Australia, exporting to their countries pay an emissions trading tax upon the import of those products if their governments do not have an environmental trading scheme. In these circumstances, if Australia does not have an emissions trading scheme, Australia's exporters will be paying a tax to another country instead of to Australia.

Australia needs all the revenue it can get to meet the hopes and aspirations of the people of this country and the people of the world. The world is constantly changing and our ability to adapt to change and to keep an open mind on issues which affect all of us is what really matters. It is not about the Labor way or the Liberal way; it is the right way that is important for Australia and the world.

True to our promise to the Australian people at the last election, Palmer United senators will vote in the Senate to abolish the carbon tax. In so doing, Palmer United senators will support the initiatives that the government will foreshadow later on today in the consideration in detail of the bill. Removal of the carbon tax requires that all producers of energy in this country are required by law to pass on to all consumers of energy the savings from the repeal of the carbon tax. Action by Palmer United senators will make Australian industries more competitive internationally and the lives of our people more manageable.

Carbon tax, as I have said, is an arbitrary tax. It sets a price, as we know, far above the level of the international price of carbon. It disadvantages all Australians and it must be repealed. To introduce an increase in excise and indexation is, in our view, not the answer. If New Zealand can join the international community, why can't Australia? Acting alone, Australia cannot change the world or climate change. We must not act just ourselves as an isolated island where our carbon share is less than one per cent of the world's emissions. We must think of the global situation and a global solution not just ourselves but for all our children and all the children of the world not just in our time but for all time.

Time waits for no man. The challenges we face are not easy but face them we must—and face them we can together. Climate change must have a global solution. There are moves around the world. Many countries are failing to act because they are unsure of how this issue will be dealt with by other nations. Australia has the opportunity to set the standard. We can act as a catalyst for the whole world and set a fair framework which the world can follow. In understanding climate change, we must remain ever vigilant and aware that Australia is part of an international community and, more importantly, of what the global community can do together to make the lives of those who inhabit this planet more secure. Together we can achieve the extraordinary. President Obama of the United States has shown great leadership in encouraging all countries to act on an emissions trading scheme.

In voting for the abolition of the carbon tax, Palmer United senators will move later on in the week to establish an emissions trading scheme which would only become effective once Australia's main trading partners also take action to establish such a scheme. These actions must be set based on the actions of our leading trading partners—China, the United States of
America, the European Union, India, Japan and Korea. We need to ensure that the jobs and enterprises of all Australians will not be disadvantaged.

We in Palmer United encourage all members of this country to support the government in their initiative to ensure that the benefits from the abolition of the carbon tax flow on to our industries and to our people. The world will know once we act that they can be sure that Australia will respond to a global emissions trading scheme that promotes international trade and prosperity.

As John Kennedy said many years ago:
For, in the final analysis, our most basic common link is that we all inhabit this small planet. We all breathe the same air. We all cherish our children's future. And we are all mortal.
When truth triumphs over injustice everyone is a winner. The inconvenient truth is a truth that what we must face together—not alone and isolated on an island but together as a united international community that can bring about real change.

The Palmer United Party's role in the Senate is to keep faith with the Australian people. Listening is one of the most important things we can do in this place and in the Senate. By listening we can learn from others and make changes before change changes us. As Australians we must put the interests of our people before our own individual interests and the interests of all people of the world ahead of all else.

As has been said, we need an open mind. This is called for by the need for a better mutual understanding and mutual respect. An open mind will enable us to have an objective and realistic understanding of each other. We can discover not only what divides us but what we have in common. We have more in common in the common future that binds us together. At least we can see to it that the differences will not result in clashes and confrontation. An open mind will also enable us to be more appreciative, accommodating and supportive of each other's concerns and priorities.

Despite all the talk about climate change in the world, we are still a developing world with a huge population and we still face various problems of unbalanced development, poverty and environmental degradation. We seek a better world for Australia and for all citizens of the world so that one day man can be what he was meant to be: free and independent.

The abolition of the carbon tax is the first step in allowing Australian enterprises to compete, increase exports, employ more people and, more importantly, allow Australians to pay lower electricity and gas prices and relieve some of the pressures that have been placed on families right across this nation. That is why Palmer United took a stand in the Senate—to ensure that all Australians would be dealt with fairly by the abolition of the carbon tax.

Mr LAUNDY (Reid) (15:36): I rise to my feet to talk on the amendments that the Minister for the Environment is moving. I cannot help but notice that on Monday afternoons we do not have matters of public importance debates. They are on Tuesdays and Thursdays. But, to my way of thinking, this is a matter of public importance. That is why Palmer United took a stand in the Senate—to repeal this tax.
I note that I follow the member for Fairfax, because my background is in the business world, not the political world. My point of difference with those opposite is that I understand the role this tax has played in the last six years in my electorate of Reid as it has filtered through every line item in the expenses of every P&L of every local business, and that is the part that those opposite just do not get. I exclude from that the member for Indi and the member for Fairfax, because they have run businesses. They understand that a business has a revenue side and an expense side to its P&L. They understand that, through the GFC, consumer confidence was shot to pieces. People sat on their hands and saved at six times the rate they did under the Howard government. At the same time, with the introduction of the carbon tax, you had the ratcheting up on the expense side of every line item that this fed into. Every small and medium sized business in my electorate of Reid and right throughout Australia was hit with a double whammy.

Small and medium sized business, which we never talk about in this chamber as much as we should, employee 70 per cent of the people in this country. They have been and will always be the engine room of the economy. At a time when they needed us, we turned around and whacked them with a tax that filtered through every line in the expense side of the P&L. Traditionally when a business is hit with increasing costs it will increase its prices to maintain its margin. In accounting terms it is EBITDA. Due to this double whammy it was in the unique position where not only could it not do that; in most instances it had to decrease its prices. What small and medium sized businesses do, as they have always done in times of controversy? They augment their business model.

What have been missed in this chamber are the flow-on effects that this tax has had in the real world. Not enough people in this chamber come from the real world. Their background is not in business. What happened in the streets of Reid—through Auburn, through Homebush, through Flemington, through Concord, through Five Dock, through Wareemba and through Drummoyne—is that business changed the way they operated. They did it, as they have always done, in two major ways. They augmented their trading hours or, in the case of family businesses—which are the vast majority of small businesses—they increased the hours that they worked themselves, cut casual wages and started augmenting their trading hours. These things feed in. Here is the vicious circle which businesses in Reid and throughout Australia have operated in for the last six years.

We argue about youth unemployment in this country. Everyone, on both sides, thinks this is an issue that we must confront. And they are right. But here is the kicker. Casual employment has and will always be the entree for university students and young people to find a career. In the streets of Reid it has dried up. On the western side of my electorate youth unemployment is running at 20 per cent. One in five 18- to 24-year-olds cannot find a job. Here is a light bulb moment. Why don't we get out of the expense side of the P&L of businesses and restore some profitability so that they might then put on some staff? That is what is being missed.

Australia has been built on the back of cheap power. It has been our competitive advantage. Our pay and conditions have been derived as a result. Every 1 July, based on business profitability, we have a minimum wage increase. If businesses are not profitable, we will not get that. We are seeing that now, with real wage decreases. I cannot believe that anyone could stand up in this chamber and argue to the contrary. We need to help business, not hurt it.
It was a breath of fresh air when the member for Mallee, in his 90-second statement, spoke of some innovative environmental businesses in his electorate. Last Friday I sat with one such business in my electorate, Suntech, at Sydney Olympic Park. They are the smarts for the Chinese solar energy business. The carbon tax is not important to them. What is important, in my humble opinion, from my commercial background, is how this will be attacked commercially. They told me that storage is the key. The University of New South Wales and the University of Queensland are leading the world in this space.

Mr Bandt: You are cutting funding to ARENA!

Mr LAUNDY: I say to the member for Melbourne that what happens is that commercial enterprise enters the frame—not government, not legislation, not taxation and not regulation. Private enterprise enters the space. This is what we have and will continue to see.

Vector, a power company in New Zealand, are running an amazing trial—financing techniques. No-one has even spoken about them in this chamber. In the not-too-distant future, as storage capacity and lifetime increases, we will see companies like GE and Macquarie Bank, which have entered this space in substantial quantities, offer financing packages so that the daily fee for having solar, thermal, fuel cell technology, wind—whatever it may be—will beat the price of day-to-day electricity. It is the same theory that the carbon tax and the ETS apply to but it is happening through a market mechanism that is not an ETS.

Economists love markets; that is true. They also love textbooks. I was an economist before spending 23 years in business. I know that in the real world you do not live and operate in a textbook. Has anyone mentioned the market manipulation of the ETS program in Europe? No, they have not. It is convenient not to. How many economists would it take to change a light bulb? The answer is no answer—they pay someone to do it. They do not operate in the real world. They hire an electrician. People in the real world, the small-business operators, try to change the light bulb themselves. I just find it so frustrating. I have no doubt I will be followed by the member for Melbourne, who will espouse ideology to me. Che sera sera, because I come from the real world; I come from the world of family business.

The member for Fairfax spoke on the amendments that are being moved, and I would like to touch on those, because the Minister for the Environment spoke to those in his opening speech. The $1.1 million penalty will be included in the original bill's complementary amendments. The amendments ensure large supplies of regulated goods—electricity, natural gas, synthetic greenhouse gases. They must pass on their cost savings. They impose a penalty on electricity and natural gas suppliers equal to 250 per cent of any cost savings they do not pass on. They require electricity and natural gas retailers of bulk imports of synthetic greenhouse gases to inform the ACCC and customers of how they are passing on the cost savings.

The amendments are currently being finalised and will be moved this afternoon. But they are all aimed at one thing: getting out of the expense side of not only small, medium and big business—business irrespective of size—but getting out of the expense side of the family home. In just the same way that small business operates with budgetary constraints in mind, so do family homes. And the families in Reid have spoken loud and clear. They spoke at the election. They spoke to me in the lead-up to the election and they have spoken to me post-election. Whilst I said at the start of this speech that there is no MPI today but how important this was—and I have made comment in this chamber before that some of the behaviour here
at times reminds me of kindergarten—that MPI space between 3.20 and 4.30 every afternoon reminds me a lot of kindergarten, because it is a time when fairy tales are told. It is a time when history is rewritten.

The history is clear—the history and the impost on business irrespective of size, in the electorate of Reid and right across Australia. The jury is in. Irrespective of what those opposite want to stand and argue—that yes, they are still terminating the carbon tax and want to move to an ETS—that was the policy they took to the last election. That was the policy resoundingly dismissed and defeated at the last election. To argue any differently is quite simply political spin. I rise today to commend the minister and speak in support of this bill, and I look forward to the political groundhog day that we have had since 9 September last year finally coming to an end, when this is hopefully passed in the Senate, so that we can get out of the expense side of business irrespective of size and households in my electorate and right around Australia.

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (15:47): It amazes me that as I rise to my feet today to speak on the carbon tax repeal legislation we still do not actually have a written copy of the government's amendments before us. I think that is symbolic of the chaotic way the government is handling this most important issue. I agree with the member for Reid on one thing: this is a most important issue, because we know for sure and certain, as sure as we can be, that carbon pollution is happening, that it is causing climate change. We are as sure as we can be about any scientific fact. In fact, someone recently compared it to the fact that there are still some people who would say that smoking does not cause cancer, but it is really not the sort of risk any sensible person would take. It is the same thing here.

Mr Sukkar: That is rubbish. That is a disgraceful argument.

Ms PLIBERSEK: We have some guy up there—I do not know who he is—saying that this is rubbish. The vast majority of the world's scientists agree that climate change is real, that it is being caused by humans and that it is being caused by carbon pollution. One other thing we know for sure and certain is that the cost of not acting today will be borne by future generations, and it will be borne at a much higher rate than the cost of reasonable mitigation strategies today. We are leaving for our children not just an environmental disaster but the economic cost of dealing with that environmental disaster. And we have a responsibility, not just because we as parents and grandparents consider the sort of world that we want to leave our children but because, per capita, Australians are one of the greatest emitters of carbon pollution in the world. We have a responsibility to be part of global action to reduce the risk of dangerous climate change.

Labor has always been consistent about the need to act on this. Back in the day, John Howard was also committed to action on climate change. In fact, we had both John Howard and Kevin Rudd going to the 2007 election saying that they would introduce an emissions trading scheme, because climate change is real, it is happening, and we need to do something about it. And that is what we have been working on since 2007: a real, fair dinkum scheme that will actually reduce carbon emissions over time. Our carbon pollution reduction scheme—the first one that was negotiated between Kevin Rudd as Prime Minister and Malcolm Turnbull as Leader of the Opposition back in the day—would have done that. It would have achieved that. Unfortunately the member for Wentworth, the Minister for Communications, who is actually a believer in climate change and someone who is prepared
to stand by and have the courage of his convictions and not be weathervane on this issue, was
defeated by just one vote by his own caucus. And the rest, as they say, is history. The Greens
went on to help. The Tony-Abbot-led Liberal Party actually blocked that very important
motion.

Mr Bandt: And you were so keen to go ahead with it and get our support!

Ms PLIBERSEK: We now have the Green interjecting, trying to defend the indefensible.

You know that if you had agreed to that legislation we would have an emissions trading
scheme in place now that would already be acting to reduce carbon pollution. We would not
be having this debate today, and the member for Melbourne knows that.

We are already seeing the effects, the beginnings of climate change around the globe. We
are seeing it in Australia, in extreme weather events more frequent and more extreme. The last
13 years of this century were the hottest years on record. We are seeing hotter days, higher
sea levels, and more severe storms, droughts and fires. We are seeing all of that. In Australia
it is costing us already, but have a thought for our neighbours as well, those Pacific Island
nations that are actually making plans to remove their whole population when their nation
becomes uninhabitable. Think about what is happening not just to us in Australia but also in
our region.

What is even more frustrating about this debate that we are having today is that we actually
have a scheme in place and it is working to reduce carbon emissions. We are the only country
in the world that has a scheme that is already operating and in place, and we are turning our
backs on it. We are walking away from it and we are going backwards on our scheme. We are
going to that place under the stewardship of the so-called Minister for the Environment, who
wrote his honours thesis about how a market mechanism would be the best way to handle
climate change. We are going—

Mr Hunt: No, I did not.

Ms PLIBERSEK: You did not write your thesis on climate change and market
mechanisms?

Mr Hunt: No, I did not. It was on market mechanisms and pollution.

Ms PLIBERSEK: On markets and pollution—that is good! The so-called Minister for the
Environment is saying that markets are the best way to deal with pollution, but just not in the
case of carbon pollution. We actually have a scheme at the moment that levies big polluters. It
takes money from big polluters and uses that money for climate change mitigation, reducing
the effects on families—

Mr Hunt interjecting—

Mr Sukkar: No, it does not. It takes money from households.

Ms PLIBERSEK: Mr Acting Deputy Speaker, I cannot get a sentence out with these
interjections.

The DEPUTY SPEAKER (Mr Craig Kelly): Order! The Minister for the Environment
should not interject.

Ms PLIBERSEK: And that other guy as well.

The DEPUTY SPEAKER: The next time he interjects, I will happily pull him up.
Mr Sukkar: Do not be rattled, just look at your notes!

Ms PLIBERSEK: I am not rattled, I would just like to—

Mr Sukkar interjecting—

Ms PLIBERSEK: I do not even know who he is.

Mr Chester interjecting—

Ms PLIBERSEK: You don't either, do you?

The DEPUTY SPEAKER: All members in the chamber should not be interjecting.

Ms PLIBERSEK: We are going to be the only country in the world that is actually walking away from a scheme that is working and going to a scheme that no economist, no environmentalist and nobody else in the world actually thinks will work to effectively bring down carbon pollution and mitigate against the dangers of climate change. We now have some of our biggest trading partners all moving in one direction and we are moving back in the other direction.

Today, 39 national and 23 sub-national jurisdictions—accounting for almost a quarter of global greenhouse gas emissions—have implemented or are moving to implement carbon pricing instruments, including emissions trading schemes. We had the Treasurer earlier today talking about China. I have been to China recently, too. I spoke to the same person that he says he spoke to, who told me that they hope to move from their seven very large emissions trading pilot schemes in China at the moment to a national scheme by the end of the decade. We have got our most major trading partner, China; 39 national jurisdictions and 23 sub-national jurisdictions moving this way.

In the United States just recently, there was a very significant step towards tackling climate change with President Obama announcing a 30 per cent reduction in carbon dioxide emissions from power plants by 2030, compared with 2005 levels. Yes, he has faced domestic roadblocks from the Tea Party mates of those opposite, but he is moving around those to implement strict new carbon dioxide emissions caps on power plants in the United States. That comes on top of the 2011 strict fuel efficiency standards for new vehicles and the other measures, like last year's Environmental Protection Agency declaration that new coal-fired plants may not emit more than 1,100 pounds of carbon dioxide per megawatt hour, which has the effect of the ending the building of new dirty coal-fired power stations in the United States.

There are very significant moves from our major trading partners. When you are talking about our major trading partners, it is not just China and the United States. Look at the government's conservative friends in the United Kingdom and in Germany. When the Prime Minister was in 'Canadia' earlier this year, he said:

There is no sign that trading schemes are increasingly being adopted. If anything trading schemes are being discarded not adopted.

Yet, his own friends—conservative governments in the United Kingdom and Germany—are amongst those in the forefront of adopting strict and successful programs to reduce carbon emissions.

Emissions trading schemes are in place across Europe, as I said earlier, and in some states of the United States, in Canada, in New Zealand, in Australia and in Japan. South Korea will
have a scheme beginning in 2015—so the beginning of next year—which is legislated already. In these places it is not just a nutty left-wing conspiracy to destroy the industrial state, as the Prime Minister seems to imply at times. You actually have conservatives like Lord Deben in the UK calling our move away from an emissions trading scheme ‘reckless’. He said it was ‘deeply shaming’. He said:

It’s a … deeply retrograde step … There has been a notable reduction in emissions and businesses have not found it to be the imposition that they said it would be.

This is a man who served in Margaret Thatcher's government. This is no radical. He is a man who served in Margaret Thatcher's government.

We had the US Secretary of the Treasury, Henry Paulson, saying last month that Australia would be making a huge mistake in dropping the ETS. Again, he is no radical. We have had more Australian economists than I could poke a stick at saying the same. AMP Capital's chief economist, Shane Oliver, said:

… it was hard to say the carbon tax had had any negative macro–economic impacts on Australia such as on growth and employment.

Ross Garnaut has said in a newly published interview today that:

There’s no doubt that Australia is out of step. First of all, out of step for not dealing more strongly with the issue of climate change—you can reduce emissions and play your full part in an international effort without a market-based mechanism, it’s just that the alternatives are more expensive, more difficult, and less certain to deliver good results than an emissions trading scheme or broadly based carbon pricing in other forms.

Across the world we have major economies, major trading partners, moving in one direction and we are moving from that place backwards. We are retreating from action on climate change.

The benefit of an emissions trading scheme is that you put in place a cap on carbon pollution and then people trade within that cap to find the least-cost way of remaining under it. Even if those opposite do not believe what the vast majority of scientists around the world believe, why do they think it is a bad thing to reduce air pollution in Australia? Can anyone explain to me why we do not let people dump whatever they want in rivers, why we do not let people dump whatever they want on the side of the street, and yet we do not want to limit the carbon pollution we are putting into the atmosphere? I have never heard from those opposite why it is a bad idea to limit the amount of pollution going into our atmosphere.

I said earlier that this is a scheme that is working. In the very short time that this scheme has been in place, Australia’s wind capacity has trebled. More than a million households have had solar panels installed, up from fewer than 7,500 under Prime Minister Howard. Employment in the renewable energy industry has more than doubled, to over 24,000 people. Has there been the python squeeze; has it wiped Whyalla off the map; has it led to $100 legs of lamb? None of the disastrous predictions have come true. In fact, 160,000 jobs were created in the first year. The economy continued to grow at 2½ per cent, and inflation remained low. Pollution in the National Electricity Market decreased by seven per cent, and renewable power generation as a share of the National Electricity Market increased by 25 per cent. We have a scheme that is working, and we should move to the next phase of that scheme—a proper emissions trading scheme with a floating price—but we do need to take
real action on reducing carbon pollution because the environmental and economic debt we are leaving our children through inaction is completely unacceptable.

Mrs WICKS (Robertson) (16:02): I am pleased to rise in support of the carbon tax repeal legislation, because the repeal of the carbon tax is a core commitment that we made to the people of my electorate of Robertson in the lead-up to the last election. Day after day, month after month and for more than a year prior to September 2013 I spoke with tens of thousands of people in my electorate who told me emphatically that they did not want a carbon tax. We had signatures from thousands of people who were prepared to put their name to a petition to see this toxic tax axed. I met with people in their homes in Green Point, Point Frederick, East Gosford, Kariong and Point Clare; in cafes at Erina, Woy Woy, Gosford and Terrigal; on street corners at Umina, Avoca Beach and Kincumber; and in people's local businesses right across the coast. The overwhelming response from people on the Central Coast was that they did not want a carbon tax—a carbon tax that before the 2010 election we were told would not be implemented. But after the election, all of a sudden, it was. The people on the Central Coast told me that the overwhelming reason for their determination to see the carbon tax scrapped was the impact on their cost of living, especially their electricity and gas bills, and the impact on jobs. The cost of living and the need for more local jobs in my electorate are two important concerns and today I am proud to stand in this chamber and say to the people of my electorate that through these bills the coalition government will lower your bills.

I will never forget the stories of some of the householders I spoke with following the implementation of this toxic tax. A nurse I spoke with at Woy Woy was concerned about the wellbeing of her 80-something-year-old mother, who was refusing to turn on the heater at night in the middle of winter because she could not afford the electricity bills. There was the retired gentleman I doorknocked in Umina who spoke of his concern that, should the cost of electricity continue to rise, he would be forced to consider selling his home just to pay his bills. Pensioners are crying out for the carbon tax to be scrapped, and I am pleased to note that age pensioners will significantly benefit from the carbon tax being scrapped—they will keep the Clean Energy Supplement and, furthermore, the pension will continue to increase twice a year as it always has.

I will always remember the story of a local business on the peninsula who told me they were forced to choose between paying the carbon tax on their electricity bill or letting go one of their part-time or casual workers. Such is the impact of this tax. That is why we are committed to abolishing the carbon tax and why we will not stop until that is done—this government takes its election commitments seriously. Our commitments reflect what the Australian people voted for—what people on the Central Coast voted for—and our absolute awareness of this $550 a year hit on households. It is not just a hit on households; it is also a massive hit on local businesses. Central Coast New South Wales Business Chamber Regional Manager Daniel Farmer told me that the carbon tax simply is not fair. He said that small business is the backbone of the Central Coast's economy, and it is not fair for them to have to pay increased costs for services such as electricity, distribution and resources. I have heard Daniel describe the carbon tax several times as a slap in the face and yet another surcharge that small businesses are forced to pay. The President of the Peninsula Chamber of Commerce, Matthew Wales, told me that his chamber has always endorsed abolishing the carbon tax because it has a direct impact on electricity prices which in turn affect small
businesses and their competitiveness in the market place. This is particularly important on the peninsula, where a majority of businesses are small and medium enterprises.

The owner of Starship Cruises, based in Gosford, Alan Draper said his maintenance costs are soaring because the cost of producing parts and even the cost of servicing has gone up, thanks to the impact of higher electricity costs for businesses and manufacturing industry since the implementation of the carbon tax. Another local business owner, Beau Woodley, who owns Central Coast Plastering Service, has described the increase in cost to buy the materials he needs as 'dramatic'. Mr Woodley already has significant running costs, and the carbon tax has become a burden. In his words, he will rest easier at night once the carbon tax has gone. The owner of a business in West Gosford, Packaging Plus, Greg Howell, told me that electricity bills have significantly increased since the introduction of the carbon tax. It is now more expensive to run his business and he too wants this toxic tax gone. The impact of the carbon tax is also being felt by local real estate agents. Kerrie Ryan, the owner of Ray White at Killcare is apprehensive about future annual increases in the carbon tax and how this will affect bills—that is, unless we scrap the tax. This is why I am so pleased to support the carbon tax repeal legislation now before the House.

Labor's carbon tax has already caused $15.4 billion worth of damage to the Australian economy in its first two years of operation. And, as Kerrie Ryan from Ray White Killcare feared, from this month the carbon tax is expected to rise by more than five per cent from $24.15 to $25.40 per tonne. This hike will put even more pressure on families and businesses. The carbon tax means higher electricity prices, more jobs at risk and damage to Australia's international competitiveness. What is worse is that members on the opposite side know this. Even though they know this, the former Member for Robertson—now a Labor senator in the other place—has voted to keep the carbon tax, despite all the evidence to the contrary that the people of the Central Coast want it scrapped. Labor has another chance to support for repeal of the carbon tax and vote in favour of lower electricity prices for Australian families. Today I call on Labor to stop standing in the way of much needed relief for families on the Central Coast.

Treasury modelling has shown that the removal of the carbon tax in 2014-15 will reduce average costs for households by around $550 a year. It is estimated that retail electricity should be around nine per cent lower and retail gas prices around seven per cent lower. On this basis, a household's average electricity bills will be around $200 lower than they otherwise would be and average gas bills will be around $70 lower. The termination of the carbon tax will reduce the consumer price index by around 0.7 percentage points. And business compliance costs are expected to fall by around $87.6 million per annum as a consequence of repealing the carbon tax.

The question people have been asking me over the past few months, and particularly over the last couple of weeks, when I am out and about buying a coffee in Gosford, or speaking with small businesses in Umina, or greeting commuters at Woy Woy station, or having a cup of tea or coffee with local residents at one of the regular community morning teas that we hold across my electorate—in Copacabana, Tascott, Terrigal or Ettalong—is always the same: 'Why won't Labor get out of the way?' The carbon tax just does not do what Labor and the Greens claimed it would do. In its first year, the carbon tax raised $7.6 billion but emissions were almost unchanged. Looking ahead, domestic emissions are projected not to
fall, as those on the other side of the House claim as the reason they are clinging to this toxic
tax, but in actual fact to rise to rise under the carbon tax—from 560 million tonnes in 2010 to
621 million tonnes in 2020.

This is a tax that impacts on the lowest income earners in our society, but it does not do the
job it was supposed to do. The coalition government has a plan and is firmly committed to
reducing Australia's emissions. We are determined to meet our target of being at five per cent
below 2000 levels by 2020. To achieve this, our Direct Action program will see us plant more
trees, capture more carbon in soils and clean up power stations. We are proposing to invest
some $2.5 billion in practical measures to help the environment and not to harm our economy
in the process.

I have been out on the ground in places like Copacabana, Macmasters Beach and Erina
Creek, working with local community groups to help clean up our environment. Some of
these areas may benefit under the coalition's Green Army program. The Green Army will be
Australia's largest-ever team supporting environmental action across the country, building to
15,000 young Australians by 2018. I do not support the carbon tax because it has done
nothing to help our environment, but it has done a lot to hurt our economy. It has resulted in a
tax that reaches deep into the pockets of families on the Central Coast and takes out $550 a
year. It is a direct hit on local businesses and it is a hit on local jobs and local job
opportunities on the Central Coast.

When the carbon tax is scrapped, the price for groceries, for household items and for
services should also fall because the price of power is embedded in every price in our
economy. When the price of power comes down, the ACCC will be ready to ensure that these
price cuts are passed on. I support the carbon tax repeal legislation because people in my
electorate of Robertson are demanding that we scrap the carbon tax. These amendments, and I
understand they have been circulated, will ensure there is no doubt as to what they cover—
gas, electricity and synthetic greenhouse gas bulk importers. In addition to the $1.1 million
penalty in the original bills, some complementary amendments will be included. As the
Minister for the Environment outlined in the House earlier in this debate, the amendments are
designed to ensure large suppliers of regulated goods, electricity, natural gas and synthetic
greenhouse gases must pass on all cost savings. They will impose a penalty on electricity and
natural gas suppliers equal to 250 per cent of any cost savings they do not pass on. They
require electricity and natural gas retailers and bulk importers of synthetic greenhouse gases
to inform the ACCC and customers about how they are passing on cost savings. Businesses
should be able to explain to customers how changes in their costs are flowing through to
changes in their prices. The government is aware that major electricity and gas retailers are
already committed to providing this information to households and businesses on bills, inserts
and websites.

In conclusion, I restate that this government is determined to repeal the carbon tax. Every
day the carbon tax stays in place costs Australians $11 million on their power bills. We are
voting to scrap the carbon tax because that is the best way to take pressure off families,
particularly families on the Central Coast, as well as help the economy. I commend these bills
to the House.

Mr BANDT (Melbourne) (16:15): This is parliament's asbestos moment. This is parliament's tobacco moment. This is the moment when we have all the facts at our fingertips
and have to make a decision about whether to act. When we look back on this moment, we will see this as the point when we knew that the way we had been doing things was no longer sustainable. This is the point when we decide whether we let the large companies that are making a lot of money out of hurting people and hurting the planet keep going—or whether we do the right thing by the community and by our children.

Australia for many years has been powered by coal. Our electricity networks are really a series of copper lines out to coalmines. This has been the story for a good part of two centuries—not because a group of people sat around and worked out how they could do the most damage to the society. It happened because for many years we here in Australia thought, as did the rest of the world, that you could dig up coal and burn it for free. We thought that it was, to use the terminology of the last century—still repeated by this government—a 'cheap source of energy'.

But what we are realising—what we have now known for at least a couple of decades and probably longer—is that, when you dig up fossil fuels and burn them, you put pollution into the atmosphere. It is basic physics. When you put pollution into the atmosphere, if you do it on a worldwide scale and if you do it long enough, you start to change the planet's temperature. The greenhouse effect, as it used to be called, kicks in. We have been put on notice that, as surely as night follows day, if we keep burning fossil fuels, we will heat the planet up. What is incontrovertible is that, since the beginning of the industrial era, we collectively as a species, despite all the amazing things we have done, have heated the planet by about 0.8 of a degree. What we also know—because the scientists have been telling us until they reach the point of despair—is that, even if we turned off all pollution in the world tomorrow, lags in the climate system mean that we will still have heated up the planet by about another 0.7 or 0.8 of a degree, so we are up to close to about 1.6 degrees.

That 1.6 degrees might not sound like a lot, but the thing is that the planet is not like this room, where you can turn the thermostat up and down and adjust the temperature. The planet is more like the human body, where you have a narrow range of temperatures within which your body can be safe. If your body gets too hot or too cold, the doctor might not be able to tell you exactly which organ will fail and might not be able to tell you exactly how sick you will get, but any doctor will tell you that you do not want to go there and that you want to stay within the safe range. The planet has a safe range and the scientists, again, have been telling us until they are blue in the face that we cannot heat this planet by more than about two degrees without running the risk of runaway climate change—and that means that things might start happening that we can no longer control.

In the Arctic, for example, not only will the ice sheet start melting faster but feedback loops may kick in. If you shrink the expanse of white, resulting in more dark space, more heat will be absorbed from the sun—because white surfaces reflect light energy while dark surfaces absorb it and heat up. That means the ocean will heat up and the ice will melt even quicker—and so the feedback loop kicks in. The scientists tell us that we may not be able to stop these kinds of feedback loops and that, if we want a better than even chance of staying safe, we should stay below the two-degree guardrail.

As I have just said, however, we know that we are already at about 1.6 or 1.7 degrees of warming. That means that the decisions we make within the next couple of decades are crucial. That is why the Climate Commission called this 'the critical decade'. They are saying
that it is not free to pollute—fossil fuels are not a cheap source of energy. It comes at a massive cost to the planet and to the people on the planet.

You have two choices when faced with that. You either say to the big polluters in this country and elsewhere, ‘We are now going to make you pay for the cost, or at least part of the cost, of the pollution you are putting into the atmosphere that affects our health and affects our way of life.’ That is the approach that currently exists. The alternative is to do what the government is proposing, which is to say, ‘Tell you what: instead of the big polluters paying the government and the government giving half that money to households, we will make households pay—so we can give money to the big polluters to keep on polluting.’ That is the absurd choice we are being faced with with this set of bills that the government wants to rush through this parliament today. After the election in 2010, we the Greens were in the position to secure action on global warming. Working together with the then Labor government and other members of the crossbench, we put a price on pollution. In addition, we secured things that had never been secured before in this country—a Clean Energy Finance Corporation that would put $10 billion into cleaner, renewable energy in this country, so that Australia could become a renewable energy powerhouse and would have something to sell to the rest of the world in 15 years time that was not just coal and gas, but was clean energy technology.

We secured ARENA—$3 billion to go into early stage research and development for solar and wind farms around this country—and we secured the Climate Change Authority, which would give this government independent advice about just how quickly we needed to act on global warming if we want to preserve the Australian way of life. Those things had never before been put on the table by any political party other than the Greens, and we secured them in 2010. I thank the previous Labor government for delivering on that, and I thank the members of the crossbench for working to deliver on that, because we did something that had not been done before. We had conservative country independents, progressive city independents, the Greens and Labor all on the same page, informed by experts and coming up with a way of putting a price on pollution and then putting the money into compensation for households and into developing clean energy in this country.

We are now at the point where it looks like some of that is going to go, but it also looks like some of it is going to stay. In that respect I want to note the Palmer United Party senators, who have agreed to keep those gains secured by the Greens—ARENA, the CEFC, the Climate Change Authority, and also the securing of the renewable energy target. That is very, very important; and I thank them for that. But I say to everyone in this chamber that there are two types of denial about climate change. There is denying the science, which is what our Prime Minister and most of this government is famous for. Then there is the denying of the consequences of the science. The thing about believing in climate change is that you cannot be half pregnant. Once you accept that global warming is real, then it means that we have to act—we have to act now if we want to make sure that we preserve the Australian way of life for the rest of us in this country, and everyone who comes after us. In that respect I say to Labor, to the extent that this forces you to go back to the drawing board: please break your bipartisan agreement with the coalition for an appalling five per cent emissions reduction—that is a death sentence. If you go to the next election saying that a five per cent cut in pollution is enough, you will be condemned, just as the coalition is being condemned.
The reality at the moment is that we have a government that is saying the science of climate change is 'absolute crap' and people can keep on polluting in the way they have been, and that has a five per cent emissions reduction target that is not even legally binding. You know it is not legally binding, and the Minister for the Environment knows it is not legally binding, because the government has said that if the money runs out they will not keep spending to reach five per cent—or happily we will reach three or four per cent, maybe. We know that in the face of that coming from this government, the two biggest threats to the Australian way of life are global warming and Tony Abbott, the Prime Minister. This Prime Minister is writing this country a prescription for more bushfires happening more often, more intense weather events, and more heatwaves.

I do not know about you, but I do not want to go on every Christmas holiday worrying about where the next bushfire is going to hit, or worrying about how many people are going to die from the heatwaves. But what we know—because the scientists employed by the government have told us over and over again—is that in Victoria, for example, unless we get global warming under control, we can expect to see something like the Black Saturday bushfires happening, on average, every two years. They tell us that Melbourne's climate will become like Cowra, and that they cannot find an analogous place on earth to describe what Darwin will be like under four degrees of warming, because that is what is in store.

We are doing this a very short period of time after scientists have also told us that they fear the West Antarctic ice sheet may be irreversibly melting. Faced with the biggest ever threat to our way of life, our Prime Minister chooses a policy of appeasement. This is an appeasing government that is selling out our future and is one of the biggest threats to our way of life that we have seen. Ronald Reagan—hardly someone I quote often—said that the first duty of every government is to protect its people, but Tony Abbott, the Prime Minister, is failing in that duty, because he is giving Australians a prescription for a worse way of life.

In the summer accompanying the Black Saturday bushfires, more people died from the heatwaves than died in the bushfires themselves, and that is what we know is in store for us here in Australia. The vulnerable, the poor, the elderly—those who cannot afford to fit out their houses with air conditioning in the same way that others might be able to and whose health is already frail—are the ones who are going to suffer the most, thanks to this government. In recognition of the fact that, if we are to accept the science of climate change, we also have to accept the consequences of that science, I move the following amendment. I move:

That all words after "That" be omitted with a view to substituting the following words: "the House declines to give the bill a second reading and:
(1) notes that:
(a) the world is on track for 4 degrees of warming; and
(b) warming of less than 1 degree is already intensifying extreme weather events in Australia and around the world with enormous costs to life and property; and
(2) calls on the Government to:
(a) protect the Australian people and environment from climate change by approving no new coal mines or extensions of existing mines, or new coal export terminals; and
(b) adopt a trajectory of 40–60% below 2000 levels by 2030 and net carbon zero by 2050 emissions reduction target in global negotiations for a 2015 treaty.”

In the last minute and a half, I want to talk about how, as many people would know, the science of climate change led me to quit my job and start running in elections. It was the understanding that we have a decade or two to turn the ship around or else we are in serious trouble, the understanding that global warming is already influencing the extreme weather that we are seeing, the understanding that we have just experienced the hottest year, the hottest month and the hottest day on record and the understanding that if you are under 30 in this world you have never experienced a March that is cooler than the average March or a January that is cooler than the average January. In other words, if you are under 30, you have never experienced a cooler than average month on this planet. It was in light of all of that that I started running in elections and got involved in politics.

I feel incredibly proud to have achieved the laws that we are debating here today, some of which may be repealed but some of which may be kept. But this is not about me or really about any of us in here; it is about the rest of the country and all of those who are coming after us and whether we are prepared to be the next James Hardie or the next British American Tobacco— (Time expired)

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

Mr WILKIE (Denison) (16:30): I second the amendment moved by my colleague the member for Melbourne. I commend the member for Melbourne on his unflinching commitment to keep the pressure up in this place to do something about climate change. I urge the members of this House to embrace the amendment, because to do otherwise would be madness. Frankly, it is madness to be wanting to wind back strong action on climate change. It is madness to be wanting to take the price off carbon. I just do not get it. I do not see why the government is wanting to act in this way for any reason other than its political self-interest and trying to score political points in an important area of public policy. That can be the only explanation for the behaviour of this government, because every other way that you might approach the challenge in this area of public policy you reach the same conclusion. When you approach this issue from any other direction, you reach the conclusion that we must act on climate change and this includes first and foremost putting a price on carbon and keeping a price on carbon. This will ensure that the price on carbon sends a very strong signal to the markets that companies which pollute must clean up their act and a strong signal to consumers to stay away from products that are more expensive because they are based on polluting the climate and, instead, to go towards products and services that are cheaper because they are based on production techniques and ways of doing things that are better for the environment.

I think one of the problems is that too many members on that side of the chamber, too many members of the government, will not admit—some will admit and others will not, although I suspect many of them admit it in their private conversations with their constituents—that they do not believe in climate change. They need to admit it: they are deniers. They do not believe that mankind is making the environment more dirty and that, because of it, we are helping to change the climate. Yes, the climate has changed over millennia for all sorts of reasons, but surely there can be no doubt that, in 2014, it is the
behaviour of human kind that is accelerating the change in climate in bad and dangerous ways.

The member for Melbourne has eloquently talked about extreme weather events and the fact that it is only a matter of time before catastrophic bushfires will be regular events, perhaps every couple of years. Yes, with some of the effects of climate change, a rich, lucky and fortunate country like Australia will be able to adapt but what about less developed countries, less rich countries—countries in our region? They do not have the riches and the know-how that we have. We could move entire cities if we had to; but they cannot. They will die—and they will die in droves—from the effects of climate change. Because of the effects of climate change and its cost to us in Australia, we have to do something about it. But perhaps a greater moral imperative is to do something about it so as to help those less fortunate people than ourselves, who are less well equipped to do something about climate change.

I do not get why so many members of the government just do not believe in climate change. There is an overwhelming consensus amongst the very best minds in the world that the climate is changing on account of human kind and that we must change the way we do business. Members of the government do not seem to understand that this is not just a problem now. In some ways, the bigger problem will be in the future and the world that we will leave to our children, their children and their children. In fact, climate change is one of the most dramatic examples of intergenerational social injustice that you could possibly comprehend. What right do we have? We have no right to leave the world knowingly in a worse state than when we found it. As the father of a seven-year-old and a five-year-old, I want to be able to look them in the eye—and I cannot fathom why members of the government are not wanting to look their children and their grandchildren in the eye; surely, they want to look them in the eye—and say: 'When push came to shove and we had the opportunity in this place to do something about climate change, we did something. We acted.' How are the members of the government going to look their kids and grand-kids in the eye and say that they were the government that took the price off carbon and left it to future generations to deal with the problems of climate change—and a greater problem it will be.

We must take a leadership position in this place and make the tough decisions. We as a nation must take a leadership position on the global stage. While the percentage of global pollution that comes from Australia is but a proportion of global pollution, it would not even matter if it were zero pollution: there would still be the moral imperative for us to take a leadership role on the global stage.

I do not know what Robert Menzies would think about what has happened to the Liberal Party, and I will associate the Country Party, now The Nationals, with that comment. Even if you did not agree with the Liberal Party of the Menzies era, it was still a great party. There might have been policies which people disagreed with, but it was still a great party. What has the Liberal Party now become? It is the party of invading Iraq and of sending asylum seekers back to the authorities from which they claim to be fleeing. It is now the party that would dismantle the monumental reform of the 43rd Parliament to put a price on carbon—and a monumental and difficult reform it was. History will show that the decision by the 43rd Parliament to put a price on carbon was one of the greatest political achievements of any government in any parliament since Federation. So too will history record that in removing
the price on carbon the government in the 44th Parliament made one of the greatest blunders of any government.

There is a lot of talk in here about the economy. How about we start talking about the environment? How about we start talking about society? How about we start talking about the public interest and the interests of our kids, their kids and those who will follow them? If we started talking about the environment, about the community and about the future for our kids, maybe people in this place would have a different response, instead of just talking just about the economy. Yes, it does cost to make the world a better place. That is a cost that we should be prepared to pay. What right do we have to say that the price is too much now but will not be too much for our kids in the future? We do not have that right, particularly when the costs we are leaving our kids will be so much greater at a time of unknown economic circumstances. We do not know what capacity they will have to pay the bill we are going to leave them. They may have much reduced capacity to pay the bill we are leaving them. We have no right to leave them that bill, because we and the people who came before us ran up this tab. We have a moral obligation to pay the bill now and pay it while it is affordable. And it is affordable. Yes, we are looking at a system that sends price signals and makes some things more expensive. I am not going to shy away from that; I am not going to dodge that. That is the whole point of putting a price on carbon—making dirty things dearer, making clean things cheaper, steering businesses towards doing things more cleanly, steering consumers towards buying things that are produced more cleanly. Yes, electricity and gas become a little bit dearer. It is no wonder, then, that we are seeing so much movement towards renewables, technologies that are becoming cheaper. That is the whole point. We should be celebrating, not demonising, the achievements of the 43rd Parliament. We really should be.

Where does this leave our senators? I have nothing personal against the Liberal or Palmer United senators for Tasmania. They are all good people in their own way. But I disagree with them on this; I disagree with them very, very strongly. In doing away with the price on carbon, Tasmanian senators are not acting in my state's best interest. It is well remarked upon by now that doing away with the price on carbon will cost Hydro in my state $70 billion a year and hundreds of jobs. That is a fact. Do not look at me with a funny, quizzical look, Member for Corangamite. It is a fact. Getting rid of the carbon price will cost my state dearly. This is another good example of where senators need to stand up for their state and not let their chain be yanked by their political party. If the Liberal and Palmer United Party senators stood up for Tasmania, then all 12 senators—Liberal, Palmer, Labor and the Greens—would be voting against the repeal of a price on carbon. But they will not. They will allow their chains to be yanked by their party masters. That is a serious failure of the Senate.

I have been very, very alarmed in recent days to hear and see the comments of some corporations in this country that they will not pass on any reduction in price from the abolition of the price on carbon. I read just yesterday that Qantas and Jetstar are saying that there will be no price reduction. Heavens! They were some of the first companies to say that the price would go through the roof. They had better pass on any savings that come from the abolition of a price on carbon. A comment was made in question time that, I think it was, Woolworths was saying that there was no real extra cost then, so there will not be any reductions in prices now. That had better not be the case, because I will be out the front on the barricades steering
consumers towards those companies that act honestly and ethically and do genuinely pass on any reductions in price coming from the abolition of the price on carbon. Let the market judge those companies that do not pass on any reductions in prices coming from these developments. To that end, the Palmer United Party attempt to at least hold some companies to account is in principle a good idea. I hope, Minister, that the government will keep a close eye on all operators in the market to ensure that they all genuinely pass on to the consumer any reduction in the cost of production.

This is a very, very sad day in this place. It is a repeat of the very sad day we had when this legislation went through the House previously. It all comes down to crass politics. There are enough good men and women in the government, people of sharp mind and good heart, who understand the importance of putting a price on carbon not just for the environment but for the community, for our kids and for the economy, because it will help prepare us for the future global economy, because all our trading partners are moving or have moved to put a price on carbon.

It disappoints me greatly that they are prepared to put the delivery of a three-word slogan during an election campaign and what was ultimately just a strategy to destruct the previous government ahead of the public interest, ahead of the economy and certainly ahead of the environment. That is a terrible failure of governments in this country, that any party would be prepared to do that.

Again, I make the point: I just do not get it. I do not know why people would do that. I do not know why people would not understand the science. But what about those who do understand science? As a speaker made the point earlier, even if they do not believe the science about climate change, surely they understand that it is a good idea to help clean up the environment? I think it was the member for Sydney who said that we do not let people put sludge in the river or drop litter by the roadside so why is it okay to pump pollution into the atmosphere? Why can we not put politics aside for a moment? I do not get it, other than to understand that in this area of public policy this government is failing us terribly. And let the record show that. Let the record show for a long time to come which government and which members voted to put a price on carbon. And that the record show which members are now working to overturn it.

At least I will be able, and I know that the member for Melbourne will be able, to look at the next generation in the eye—

Ms MacTiernan: As will we!

Mr WILKIE: And the members of the Labor Party, and good on you! The Labor Party has been good on this, and I applaud them. I do not applaud them for everything but I will certainly applaud them for this.

At least we can look our kids and their kids in the eye and we can see that when the pressure was on we did the right thing.

Ms HENDERSON (Corangamite) (16:46): I rise to speak on the Clean Energy Legislation (Carbon Tax Repeal) Bill 2014 and related bills this afternoon. We, as a government, are determined to repeal the carbon tax. In my electorate of Corangamite, throughout the Geelong region and across our nation, this is an insidious tax. It is a tax on jobs, a tax on agriculture and, particularly, a tax on manufacturing. The carbon tax represents
a $1.1 billion-hit on manufacturing each and every year. So far, the carbon tax has cost our nation some $15.4 billion over two years. I refer to the contribution that we have just heard in the House made by the member for Denison. He did express concern about the cost on our children and our grandchildren. I say to the member for Denison and I say to those opposite: we are concerned about the cost that this tax is causing to our economy. We are concerned about the way in which the previous Labor government drove up the debt and the deficit. We are adamantly that as a government we are determined to wind back and to tackle the irresponsible spending under the previous government.

Mr Bandt: This raises money!

Ms HENDERSON: You can sit there and laugh, member for Melbourne! You think it is funny! But it is not funny—the cost of living for many people in my electorate and across the nation is a really serious issue. As we have spoken about today and for many days since our election, and before that, the carbon tax is costing every family $550 a year on average. That is no laughing matter, because for many people in my electorate and across the nation a nine per cent increase in electricity and a seven per cent increase in gas actually mean a lot.

It actually makes a big difference for low-income households. It actually means that elderly people—the vulnerable—are sitting there not knowing whether to turn the heater on or off because of the cost of their power. This may be a laughing matter to you but for many people the cost of living is a really serious issue. In my electorate it is a particularly serious issue, given some of the—

Mr Wilkie: Mr Acting Deputy Speaker, I rise on a point of order. I was definitely not laughing; I had a most serious look on my face. I would be appalled if anyone listening to that speech or reading the Hansard would think that I would laugh at that! These are very serious matters.

The DEPUTY SPEAKER (Mr Vasta): I thank the member for Denison. The member for Corangamite has the call.

Ms HENDERSON: Members opposite have spoken about the compensation package they offered when in government—a compensation package that we are keeping—

Mr Wilkie: Mr Acting Deputy Speaker, I rise on a point of order. I would be grateful if the member for Corangamite withdrew that comment about me laughing. I was not laughing.

Ms HENDERSON: Mr Acting Deputy Speaker, I will not withdraw that comment because the member for Denison was laughing. I am sorry, that is not a correct—

The DEPUTY SPEAKER: The member for Corangamite has the call. She will be heard in silence. There will be no points of order. Let the member for Corangamite finish her speech, please.

Ms HENDERSON: We have heard today members opposite talking about the compensation package offered when in government—

Mr Wilkie: That was a bold-faced lie!

The DEPUTY SPEAKER: The member for Denison has other means of addressing that, not in the middle of her speech.

Ms HENDERSON: This is a compensation package that we are keeping whilst repealing the carbon tax. But one of the many flaws with Labours carbon tax was that it forgot small
business. It forgot about the costs imposed on small business through higher electricity and gas prices—butchers, bakers, grocers. Of course, let's face it, Labor forgot about small business generally—519,000 jobs were lost in small business over the six years that Labor was in power.

It forgot about our manufacturers, as I mentioned. There was a $1.1 billion-hit on manufacturing. In my electorate of Corangamite just consider the case of Boral, then—now known as Blue Circle Southern Cement in Waurn Ponds. Under the previous Labor government 90 people at Boral lost their jobs. While there were various cost pressures on Boral, the carbon tax ensured that Boral was less competitive on the international market. The cost of making clinker was driven higher by some 18 per cent because of the carbon tax, and now we see Blue Circle Southern Cement importing clinker and only 20 or so employees remaining at this production facility.

Labor also forgot about our farmers, and particularly our dairy farmers. Let's look at the cost imposed on dairying as a result of the carbon tax. It has driven up the cost of power for our dairy farmers by between $5,000 and $7,000 a year. Many of the dairy farmers in my electorate and across south-west Victoria simply cannot afford that cost hike and that has placed real pressures on such an important industry. Labor forgot about the likes of Bulla ice-cream, one of Colac's most successful local manufacturers. It forgot about the likes of Murray Goulburn, which is currently paying $14 million a year in carbon tax, and Fonterra, which is paying a carbon tax bill of around $7 million a year. I note that some 130 people lost their jobs at Fonterra just outside Colac about 18 months ago.

Let us not forget what Labor's policy is. If Labor was still in power, we would have seen a carbon tax on diesel fuel which would see the cost of off-road diesel rise by 6.5c a litre. That would be a direct hit on mining and manufacturing. Again, that is bad for business, it is bad for jobs and it is bad for our international competitiveness.

In question time today we heard from the member for Port Adelaide, who boasted about how he had terminated the carbon tax—how Labor had terminated the carbon tax and, as a result of doing that, they were going to be addressing cost of living pressures on ordinary Australian families. This is a great example of Labor saying one thing before the election and another, entirely different, thing after the election. Time and time again we see members opposite supporting the carbon tax. This is hypocrisy at its very worst.

It was disappointing to hear from the member for Melbourne today and some of his rhetoric in portraying our party as one that does not believe in climate change.

Mr Watts: You don't!

Ms HENDERSON: This is fundamentally untrue.

Mr Watts: Is it absolute crap?

Ms HENDERSON: The coalition government has a very strong commitment to combating climate change. There is a strong commitment to renewable energy.

Opposition members interjecting—

Ms HENDERSON: There, again, we see laughter—

Mr Watts: We're laughing at you!

Ms HENDERSON: from the member from Melbourne. It really is disappointing.
Ms HENDERSON: It was actually the coalition under John Howard that introduced the renewable energy target which has done so much to drive investment in renewable energy. We are very proud of what we have done, but there is a better way than a jobs-destroying carbon tax. I want particularly to make reference to what we are doing to drive down carbon emissions.

We have a very strong commitment to reduce carbon emissions by five per cent below 2000 levels by the year 2020. The government will reach its target through direct action with the Emissions Reduction Fund as its centrepiece. Our plan is to efficiently and effectively source low-cost emissions reduction and improve Australia’s environment. This is a $2.55 billion commitment to our environment—to driving down carbon emissions. It has been opposed by those opposite.

Mr Watts: That’s a lot of magic beans!

The DEPUTY SPEAKER: Order! The member for Gellibrand will let the member for Corangamite speak in silence.

Ms HENDERSON: Through the Emissions Reduction Fund we will provide incentives for abatement activities across the Australian economy, rather than by pushing up prices in the hope of making electricity unaffordable. The Emissions Reduction Fund will support projects such as upgrading commercial buildings for energy efficiency; improving energy efficiency elsewhere in homes and industrial facilities; reducing electricity generation emissions; capturing landfill gas; reducing waste coalmine gas; reforesting and revegetating marginal lands; improving Australia’s agricultural soils; upgrading vehicles and improving transport logistics; and managing fires in savanna grasslands. Countries around the world, as the Minister for the Environment discussed in his second reading speech a number of weeks ago, are implementing the schemes which work best for them. In Australia, we will introduce the scheme that works best for Australia—not one that is going to be a $15.4 billion hit to the Australian economy.

At the moment in my electorate of Corangamite, and across the Geelong region, manufacturing is under particular pressure. Part of that is because of the cost of electricity. We must have the most competitive manufacturing sector we possibly can. I have spoken many times about the importance of advanced manufacturing and what our government is doing to invest in advanced manufacturing through our Geelong Region Innovation and Investment Fund, our growth fund, our strong investment in jobs and projects like the East West Link—another project that members opposite are opposing which will deliver in excess of 6,000 construction jobs. We cannot afford this toxic tax.

I want to make particular note of the member for Corio. Corio is an area which is particularly dependent on manufacturing and it is a poor reflection on the member for Corio’s capacity to stand up for his electorate because he has remained silent on this tax. He has not stood up for his electorate; he has not stood up for manufacturing; he has not stood up for the many important employees and employers in his electorate and spoken out against this tax that he knows is driving up the cost of electricity and gas and really hurting manufacturers.
I am very proud to be speaking on these bills today. These are bills that will do much to improve Australia's economy and I commend these bills to the House.

Mr HUNT (Flinders—Minister for the Environment) (16:58): I move:

That the question be now put.

The DEPUTY SPEAKER (Mr Vasta): The question is that the question be put.

The House divided. [17:03]

(The Deputy Speaker—Mr Vasta)

Ayes .................84
Noes .................53
Majority.............31

AYES

Alexander, JG
Andrews, KL
Billson, BF
Briggs, JE
Broadbent, RE
Buchholz, S (teller)
Christensen, GR
Cobb, JK
Coulton, M (teller)
Entsch, WG
Gambaro, T
Goodenough, IR
Hartley, L
Hendy, PW
Hogan, KJ
Hunt, GA
Irons, SJ
Jones, ET
Katter, RC
Kelly, C
Landry, ML
Ley, SP
Marino, NB
McCormack, MF
Morrison, SJ
O'Dowd, KD
Palmer, CF
Pitt, KJ
Price, ML
Ramsey, RE
Robb, AJ
Roy, WB
Scott, FM
Smith, ADH
Stone, SN
Sukkar, MS
Tehan, DT
Tudge, AE
Van Manen, AJ
Whiteley, BD

Andrews, KJ
Baldwin, RC
Bishop, JI
Broad, AJ
Brough, MT
Chester, D
Ciobo, SM
Coleman, DB
Dutton, PC
Frydenberg, JA
Gillespie, DA
Griggs, NL
Henderson, SM
Hockey, JB
Howarth, LR
Hutchinson, ER
Jensen, DG
Joyce, BT
Keenan, M
Laming, A
Laundy, C
Macfarlane, IE
Matheson, RG
McNamara, KJ
Nikolic, AA
O'Dwyer, KM
Pasin, A
Prentice, J
Pyne, CM
Randall, DJ
Robert, SR
Ruddock, PM
Simpkins, LXL
Southcott, AJ
Sudmalis, AE
Taylor, AJ
Truss, WE
Turnbull, MB
Varvaris, N
Wicks, LE
A division having been called and the bells having been rung—

The DEPUTY SPEAKER: Order! As there are fewer than five members on the side of the ayes in this division, I declare the question resolved in the negative in accordance with standing order 127. The names of those members who are in the minority will be recorded in the Votes and Proceedings.

Question negatived, Mr Bandt and Mr Wilkie voting yes.

The DEPUTY SPEAKER: The question now is that the bills be read a second time.
The House divided. [17:11]
(The Deputy Speaker—Mr Vasta)

Ayes ................. 85
Noes ................. 54
Majority ............. 31

AYES

Alexander, JG
Andrews, KL
Billson, BF
Briggs, JE
Broadbent, RE
Buchholz, S (teller)
Christensen, GR
Cobb, JK
Coulton, M (teller)
Entsch, WG
Gambaro, T
Goodenough, IR
Hartseyker, L
Hendy, PW
Hogan, KJ
Hunt, GA
Irons, SJ
Jones, ET
Katter, RC
Kelly, C
Landry, ML
Ley, SP
Marino, NB
McCormack, MF
Morrison, SJ
O'Dowd, KD
Palmer, CF
Pitt, KJ
Price, ML
Ramsey, RE
Robb, AJ
Roy, WB
Scott, BC
Simpkins, LXL
Southcott, AJ
Sudmalis, AE
Taylor, AJ
Truss, WE
Turnbull, MB
Varvaris, N
Wicks, LE
Wilson, RJ
Wyatt, KG

ANDREWS, KJ
Baldwin, RC
Bishop, JI
Broad, AJ
Brough, MT
Chester, D
Ciobo, SM
Coleman, DB
Dutton, PC
Frydenberg, JA
Gillespie, DA
Griggs, NL
Henderson, SM
Hockey, JB
Howarth, LR
Hutchinson, ER
Jensen, DG
Joyce, BT
Keenan, M
Laming, A
Laundy, C
Macfarlane, IE
Matheson, RG
McNamara, KJ
Nikolic, AA
O'Dwyer, KM
Pasin, A
Prentice, J
Pyne, CM
Randall, DJ
Robert, SR
Ruddock, PM
Scott, FM
Smith, ADH
Stone, SN
Sukkar, MS
Tehan, DT
Tudge, AE
Van Manen, AJ
Whiteley, BD
Williams, MP
Wood, JP
Question agreed to.

Bills read a second time.

Message from the Governor-General recommending appropriation announced.

**Consideration in Detail**

Bills—by leave—taken as a whole.

**Mr HUNT** (Flinders—Minister for the Environment) (17:15): I present a supplementary explanatory memorandum to the Clean Energy Legislation (Carbon Tax Repeal) Bill 2014. I move government amendments (1) to (48) to the Clean Energy Legislation (Carbon Tax Repeal) Bill 2014 together:

1. Schedule 2, heading, page 71 (lines 1 and 2), omit "**Price exploitation in relation to the carbon tax repeal**", substitute "**Carbon tax price reduction obligation**".
2. Schedule 2, item 3, page 71 (lines 13 and 14), omit "**Price exploitation in relation to the carbon tax repeal**", substitute "**Carbon tax price reduction obligation**".
5. Schedule 2, item 3, page 71 (after line 24), after the third dot-point in section 60, insert:
An entity that sells electricity or natural gas, or an entity that is a bulk SGG importer and sells synthetic greenhouse gas, will be required to explain and substantiate:

(a) how the carbon tax repeal has affected, or is affecting, the entity's regulated supply input costs; and

(b) how reductions in the entity's regulated supply input costs that are directly or indirectly attributable to the carbon tax repeal are reflected in the prices charged by the entity for regulated supplies of electricity, natural gas or synthetic greenhouse gas.

An entity that sells electricity or natural gas to customers, or an entity that is a bulk SGG importer and sells synthetic greenhouse gas to customers, must:

(a) give a carbon tax removal substantiation statement to the Commission; and

(b) include in the statement the entity's estimate, on an average annual percentage price basis, or an average annual dollar price basis, of the entity's cost savings that have been, are, or will be, attributable to the carbon tax repeal and that have been, are being, or will be, passed on to customers during the financial year that began on 1 July 2014; and

(c) provide information with the statement that substantiates such an estimate; and

(d) in a case where the entity sells electricity or natural gas to customers—communicate to customers a statement that identifies, on an average annual percentage price basis, or an average annual dollar price basis, the estimated cost savings to customers that are for the financial year that began on 1 July 2014.

(6) Schedule 2, item 3, page 72 (line 1), after "for", insert "certain".

(7) Schedule 2, item 3, page 72 (after line 2), after section 60, insert:

60AA Objects etc.

(1) The main objects of this Part are:

(a) to deter price exploitation in relation to the carbon tax repeal at each point in the supply chain for regulated goods; and

(b) to ensure that all cost savings attributable to the carbon tax repeal are passed through the supply chain for regulated goods.

(2) The intention of the Parliament in enacting this Part is to ensure that all cost savings attributable to the carbon tax repeal are passed on to consumers of regulated goods through lower prices.

(8) Schedule 2, item 3, page 72 (before line 5), before the definition of carbon charge component in section 60A, insert:

applicable compliance period, for a carbon tax removal substantiation notice, has the meaning given by subsection 60FC(2).

bulk SGG importer means an entity that:

(a) holds a controlled substances licence under the Ozone Protection and Synthetic Greenhouse Gas Management Act 1989 that allows the entity to import synthetic greenhouse gases; and

(b) supplies synthetic greenhouse gas to SGG customers.

(9) Schedule 2, item 3, page 72 (after line 9), after the definition of carbon charge component in section 60A, insert:

carbon tax removal substantiation notice has the meaning given by subsection 60FA(3).

(10) Schedule 2, item 3, page 72 (before line 10), before the definition of carbon tax repeal in section 60A, insert:

carbon tax removal substantiation statement has the meaning given by subsection 60FD(3).
(11) Schedule 2, item 3, page 73 (after line 34), after the definition of carbon tax scheme in section 60A, insert:

   electricity customer means an entity that purchases electricity.

   electricity retailer means:
   (a) an entity who:
       (i) is a retailer within the meaning of the National Energy Retail Law as it applies in a State or a Territory; and
       (ii) sells electricity to electricity customers; or
   (b) an entity who is a retailer within the meaning of the Electricity Industry Act 2000 (Vic.); or
   (c) an entity who is a retail entity within the meaning of the Electricity Act 1994 (Qld); or
   (d) an entity who:
       (i) holds a retail licence within the meaning of the Electricity Industry Act 2004 (WA); or
       (ii) holds an integrated regional licence within the meaning of the Electricity Industry Act 2004 (WA) that authorises the entity to sell electricity; or
   (e) an entity who is an electricity entity within the meaning of the Electricity Reform Act (NT) and whose licence under that Act authorises the entity to sell electricity; or
   (f) any other entity who produces electricity in Australia.

(12) Schedule 2, item 3, page 73 (after line 36), after the definition of engages in price exploitation in relation to the carbon tax repeal in section 60A, insert:

   entity means any of the following:
   (a) a corporation (as defined by section 4);
   (b) an individual;
   (c) a body corporate;
   (d) a corporation sole;
   (e) a body politic;
   (f) a partnership;
   (g) any other unincorporated association or body of entities;
   (h) a trust;
   (i) any party or entity which can or does buy or sell electricity, natural gas or synthetic greenhouse gas.

(13) Schedule 2, item 3, page 74 (after line 6), after the definition of listed corporation in section 60A, insert:

   National Energy Retail Law means the National Energy Retail Law set out in the Schedule to the National Energy Retail Law (South Australia) Act 2011 (SA).

(14) Schedule 2, item 3, page 74 (after line 9), after the definition of natural gas in section 60A, insert:

   natural gas customer means an entity that purchases natural gas.

   natural gas retailer means:
   (a) an entity who:
       (i) is a retailer within the meaning of the National Energy Retail Law as it applies in a State or a Territory; and
       (ii) sells natural gas to natural gas customers; or
(b) an entity who is a gas retailer within the meaning of the Gas Industry Act 2001 (Vic.); or
(c) an entity who is a retailer within the meaning of the Gas Supply Act 2003 (Qld); or
(d) an entity who holds a trading licence under the Energy Coordination Act 1994 (WA); or
(e) an entity who holds a licence under the Gas Act 2000 (Tas.) to sell gas by retail.

(15) Schedule 2, item 3, page 74 (after line 18), after the definition of regulated supply in section 60A, insert:

regulated supply input costs of an entity means the entity's input costs in relation to the making by the entity of regulated supplies of electricity, natural gas or synthetic greenhouse gas.

Royal Assent day means the day on which the Act that inserted this Part receives the Royal Assent.

SGG customer means an entity that purchases synthetic greenhouse gas.

(16) Schedule 2, item 3, page 75 (lines 3 and 4), omit "Price exploitation in relation to the carbon tax repeal", substitute "Carbon tax price reduction obligation".

(17) Schedule 2, item 3, page 75 (line 6), omit "A corporation", substitute "An entity".

(18) Schedule 2, item 3, page 75 (line 8), omit "a corporation", substitute "an entity".

(19) Schedule 2, item 3, page 75 (lines 11 to 17), omit paragraphs 60C(2)(b) and (c), substitute:

(b) the price for the supply does not pass through all of the entity's cost savings relating to the supply that are directly or indirectly attributable to the carbon tax repeal.

(20) Schedule 2, item 3, page 75 (after line 17), at the end of section 60C, add:

(3) For the purposes of this Part, in determining whether the price for a supply made by an entity does not pass through all of the entity's cost savings relating to the supply that are directly or indirectly attributable to the carbon tax repeal, have regard to the following matters:

(a) the entity's cost savings that are directly or indirectly attributable to the carbon tax repeal;

(b) how the cost savings mentioned in paragraph (a) can reasonably be attributed to the different supplies that the entity makes;

(c) the entity's costs;

(d) any other relevant matter that may reasonably influence the price.

(21) Schedule 2, item 3, page 75 (before line 18), before section 60D, insert:

60CA Failure to pass on cost savings—250% penalty

(1) If:

(a) either:

(i) an entity contravenes subsection 60C(1) in relation to a particular supply of electricity or natural gas; or

(ii) an entity that is a bulk SGG importer contravenes subsection 60C(1) in relation to a particular supply of synthetic greenhouse gas; and

(b) the contravention involved a failure to pass through all of the entity's cost savings relating to the supply that are directly or indirectly attributable to the carbon tax repeal;

there is payable by the entity to the Commonwealth, and the entity shall pay to the Commonwealth, by way of penalty, an amount equal to 250% of those cost savings that were not passed through.

When penalty becomes due and payable

(2) An amount payable by an entity under subsection (1) is due and payable on 1 July 2015.

Late payment penalty

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CHAMBER
(3) If an amount payable by an entity under subsection (1) remains unpaid after the time when it became due for payment, there is payable by the entity to the Commonwealth, and the entity shall pay to the Commonwealth, by way of penalty, an amount calculated at the rate of 6% per annum on the amount unpaid, computed from that time.

Recovery of penalties

(4) An amount payable by an entity under subsection (1) or (3):

(a) is a debt due to the Commonwealth; and

(b) shall be recovered by the Commission, on behalf of the Commonwealth, by action in a court of competent jurisdiction, unless the cost of doing so exceeds the amount.

Report to Parliament

(5) Within 13 months after the Royal Assent day, the Commission must report to Parliament in respect of penalties payable by entities.

(22) Schedule 2, item 3, page 75 (line 18), omit "corporation", substitute "entity".

(23) Schedule 2, item 3, page 75 (line 20), omit "a corporation", substitute "an entity".

(24) Schedule 2, item 3, page 75 (line 21), omit "corporation", substitute "entity".

(25) Schedule 2, item 3, page 75 (line 26), omit "corporation", substitute "entity".

(26) Schedule 2, item 3, page 75 (line 29) to page 76 (line 2), omit paragraph 60D(2)(c), substitute:

(c) state that, in the Commission's opinion, the price for the supply did not pass through all of the entity's cost savings relating to the supply that were directly or indirectly attributable to the carbon tax repeal.

(27) Schedule 2, item 3, page 76 (before line 4), before paragraph 60D(3)(a), insert:

(aa) under section 60CA; or

(28) Schedule 2, item 3, page 76 (lines 9 to 13), omit all the words from and including "the notice" to and including "60C(2)(c)", substitute:

the notice is prima facie evidence that the price for the supply did not pass through all of the entity's cost savings relating to the supply that were directly or indirectly attributable to the carbon tax repeal.

(29) Schedule 2, item 3, page 76 (line 15), omit "corporation", substitute "entity".

(30) Schedule 2, item 3, page 76 (line 16), omit "corporation", substitute "entity".

(31) Schedule 2, item 3, page 76 (line 21), omit "a corporation", substitute "an entity".

(32) Schedule 2, item 3, page 76 (line 23), omit "corporation", substitute "entity".

(33) Schedule 2, item 3, page 76 (line 27), omit "corporation", substitute "entity".

(34) Schedule 2, item 3, page 77 (line 5), omit "corporation", substitute "entity".

(35) Schedule 2, item 3, page 77 (line 12), omit "corporation", substitute "entity".

(36) Schedule 2, item 3, page 77 (after line 28), after Division 2, insert:

Division 2A—Carbon tax removal substantiation notices

60FA Carbon tax removal substantiation notices

Scope

(1) This section applies to an entity if the entity:

(a) is an electricity retailer that sells electricity to electricity customers; or

(b) is a natural gas retailer that sells natural gas to natural gas customers; or

(c) is a bulk SGG importer that sells synthetic greenhouse gas to SGG customers.
Carbon tax removal substantiation notice

(2) The Commission must, within 30 days after the Royal Assent day, by written notice given to the entity, require the entity:

(a) to give to the Commission, within the period specified in the notice, a written statement that explains:

(i) how the carbon tax repeal has affected, or is affecting, the entity's regulated supply input costs; and

(ii) how reductions in the entity's regulated supply input costs that are directly or indirectly attributable to the carbon tax repeal are reflected in the prices charged by the entity for regulated supplies of electricity, natural gas or synthetic greenhouse gas; and

(b) to do either or both of the following:

(i) give to the Commission, within the period and in the manner and form specified in the notice, information that substantiates the explanation set out in the statement;

(ii) produce to the Commission, within the period and in the manner specified in the notice, documents that substantiate the explanation set out in the statement.

(3) A notice under subsection (2) is to be known as a carbon tax removal substantiation notice.

(4) A period specified in a carbon tax removal substantiation notice must be 21 days after the notice is given.

(5) A carbon tax removal substantiation notice must explain the effect of:

(a) section 60FB; and

(b) section 60FC; and

(c) sections 137.1 and 137.2 of the Criminal Code.

Section does not limit section 60H

(6) This section does not limit section 60H (which is about the price-related information-gathering powers of the Commission).

Section does not limit section 155

(7) This section does not limit section 155 (which is about the general information-gathering powers of the Commission).

60FB Extending periods for complying with carbon tax removal substantiation notices

(1) An entity that has been given a carbon tax removal substantiation notice may, at any time within 14 days after the notice was given to the entity by the Commission, apply in writing to the Commission for an extension of the period for complying with the notice.

(2) The Commission may, by written notice given to the entity, extend the period within which the entity must comply with the notice, so long as the extension is for a period of not more than 28 days.

60FC Compliance with carbon tax removal substantiation notices

(1) An entity that is given a carbon tax removal substantiation notice must comply with it within the applicable compliance period for the notice.

(2) The applicable compliance period for a carbon tax removal substantiation notice is:

(a) the period of 21 days specified in the notice; or

(b) if the period for complying with the notice has been extended under section 60FB—the period as so extended;
and includes (if an application has been made under section 60FB for an extension of the period for complying with the notice) the period up until the time when the applicant is given notice of the Commission's decision on the application.

(3) An entity commits an offence if:
   (a) the entity is subject to a requirement under subsection (1); and
   (b) the entity is capable of complying with the requirement; and
   (c) the entity omits to do an act; and
   (d) the omission breaches the requirement.

Penalty: 200 penalty units.

(4) Subsection (3) is an offence of strict liability.

Note: For strict liability, see section 6.1 of the Criminal Code.

(5) If subsection (3) of this section applies to an individual (whether or not because of subsection 6(2)), subsection (3) of this section has effect, in relation to the individual, as if the reference to 200 penalty units were a reference to 40 penalty units.

(6) If subsection (1) of this section applies to an individual (whether or not because of subsection 6(2)), the individual is excused from giving information or producing a document in accordance with a carbon tax removal substantiation notice on the ground that the information or the production of the document might tend to incriminate the individual or expose the individual to a penalty.

**Division 2B—Carbon tax removal substantiation statements**

**60FD Carbon tax removal substantiation statements**

**Scope**

(1) This section applies to an entity if the entity:
   (a) is an electricity retailer that sells electricity to electricity customers; or
   (b) is a natural gas retailer that sells natural gas to natural gas customers; or
   (c) is a bulk SGG importer that sells synthetic greenhouse gas to SGG customers.

**Carbon tax removal substantiation statement**

(2) Within 30 days after the Royal Assent day, the entity must give to the Commission:
   (a) a written statement that sets out:
      (i) if the entity has electricity customers—the entity's estimate, on an average annual percentage price basis, or an average annual dollar price basis, of the entity's cost savings that have been, are, or will be, directly or indirectly attributable to the carbon tax repeal and that have been, are being, or will be, passed on to each class of electricity customers during the financial year that began on 1 July 2014; and
      (ii) if the entity has natural gas customers—the entity's estimate, on an average annual percentage price basis, or an average annual dollar price basis, of the entity's cost savings that have been, are, or will be, directly or indirectly attributable to the carbon tax repeal and that have been, are being, or will be, passed on to each class of natural gas customers during the financial year that began on 1 July 2014; and
      (iii) if the entity has SGG customers—the entity's estimate, on an average annual percentage price basis, or an average annual dollar price basis, of the entity's cost savings that have been, are, or will be, directly or indirectly attributable to the carbon tax repeal and that have been, are being, or will be, passed on to each class of SGG customers during the financial year that began on 1 July 2014; and
   (b) information that substantiates the estimate or estimates set out in the statement.
Note: Section 137.1 of the Criminal Code creates an offence of providing false or misleading information.

(3) A statement under paragraph (2)(a) is to be known as a carbon tax removal substantiation statement.

(4) If the entity has given a carbon tax removal substantiation statement to the Commission, the entity must ensure that a copy of the statement is available on the entity's website, in a way that is readily accessible by the public, until the end of 30 June 2015.

Compliance

(5) An entity commits an offence if:

(a) the entity is subject to a requirement under subsection (2) or (4); and
(b) the entity is capable of complying with the requirement; and
(c) the entity omits to do an act; and
(d) the omission breaches the requirement.

Penalty: 500 penalty units.

(6) Subsection (5) is an offence of strict liability.

Note: For strict liability, see section 6.1 of the Criminal Code.

(7) If subsection (5) of this section applies to an individual (whether or not because of subsection 6(2)), subsection (5) of this section has effect, in relation to the individual, as if the reference to 500 penalty units were a reference to 40 penalty units.

(8) If subsection (2) of this section applies to an individual (whether or not because of subsection 6(2)), the individual is excused from giving an estimate or information under subsection (2) of this section on the ground that the estimate or information might tend to incriminate the individual or expose the individual to a penalty.

Section does not limit section 60H

(9) This section does not limit section 60H (which is about the price-related information-gathering powers of the Commission).

Section does not limit section 155

(10) This section does not limit section 155 (which is about the general information-gathering powers of the Commission).

Report to Parliament

(11) Within 13 months after the Royal Assent day, the Commission must report to Parliament in respect of compliance by all entities.

Division 2C—Statements for customers

60FE Statements for customers

Scope

(1) This section applies to an entity if the entity:

(a) is an electricity retailer that sells electricity to electricity customers; or
(b) is a natural gas retailer that sells natural gas to natural gas customers.

Preparation of statement

(2) Within 30 days after the Royal Assent day, the entity must prepare a statement that:
(a) if the entity has electricity customers—identifies, on an average annual percentage price basis, or an average annual dollar price basis, the estimated cost savings, to each class of electricity customers, that:

(i) have been, are, or will be, directly or indirectly attributable to the carbon tax repeal; and

(ii) are for the financial year that began on 1 July 2014; and

(b) if the entity has natural gas customers—identifies, on an average annual percentage price basis, or an average annual dollar price basis, the estimated cost savings, to each class of natural gas customers, that:

(i) have been, are, or will be, directly or indirectly attributable to the carbon tax repeal; and

(ii) are for the financial year that began on 1 July 2014.

Communication of contents of statement to customers

During the period:

(a) beginning 30 days after the Royal Assent day; and

(b) ending 60 days after the Royal Assent day;

the entity must ensure that the contents of the statement prepared by it under subsection (2) that relates to a class of electricity customers or natural gas customers is communicated to each customer of that class.

Note: Section 137.1 of the Criminal Code creates an offence of providing false or misleading information.

Compliance

(4) An entity commits an offence if:

(a) the entity is subject to a requirement under subsection (2) or (3); and

(b) the entity is capable of complying with the requirement; and

(c) the entity omits to do an act; and

(d) the omission breaches the requirement.

Penalty: 400 penalty units.

(5) Subsection (4) is an offence of strict liability.

Note: For strict liability, see section 6.1 of the Criminal Code.

(6) If subsection (4) of this section applies to an individual (whether or not because of subsection 6(2)), subsection (4) of this section has effect, in relation to the individual, as if the reference to 400 penalty units were a reference to 40 penalty units.

(7) If subsection (2) or (3) of this section applies to an individual (whether or not because of subsection 6(2)), the individual is excused from:

(a) preparing a statement under subsection (2) of this section; or

(b) communicating the contents of a statement under subsection (3) of this section;

on the ground that the information in the statement might tend to incriminate the individual or expose the individual to a penalty.

(37) Schedule 2, item 3, page 78 (line 7), omit "corporations", substitute "entities".

(38) Schedule 2, item 3, page 78 (line 17), omit "corporations", substitute "entities".

(39) Schedule 2, item 3, page 78 (line 21), omit "a corporation", substitute "an entity".

(40) Schedule 2, item 3, page 78 (line 30), omit "a corporation", substitute "an entity".

(41) Schedule 2, item 3, page 79 (line 3), omit "a corporation", substitute "an entity".
(42) Schedule 2, item 3, page 79 (line 8), omit "corporations", substitute "entities".
(43) Schedule 2, item 3, page 79 (line 18), omit "corporations", substitute "entities".
(44) Schedule 2, item 3, page 79 (line 23), omit "a corporation", substitute "an entity".
(45) Schedule 2, item 3, page 79 (lines 32 and 33), omit "a corporation", substitute "an entity".
(46) Schedule 2, item 3, page 81 (after line 21), after subsection 60H(5), insert:

Section does not limit section 60FA

(5A) This section does not limit section 60FA (which is about carbon tax removal substantiation notices).
(47) Schedule 2, item 3, page 82 (line 23), omit "A corporation", substitute "An entity".
(48) Schedule 2, item 25, page 90 (line 24), omit "section", substitute "paragraph 60FD(2)(b) or section 60FA or".

Mr BUTLER (Port Adelaide) (17:16): Earlier today I circulated amendments in the same format that they were circulated when this package of bills was last debated before the House. As the Speaker pointed out in some part during this debate, those amendments were in a different form to the amendments moved in December because of the particular standing order that the Speaker ruled on at that time in December, and I want to acknowledge the point the Speaker rightly made. It is worth making a few comments about an emissions trading scheme that has been moved. I move opposition amendments (1) to (4) to the Clean Energy Legislation (Carbon Tax Repeal) Bill 2014 together:

(1) Title, page 1 (line 1), omit "repeal", substitute "amend".
(2) Clause 2, page 1 (line 7) to page 2 (line 6), omit the clause, substitute:

2 Comencement

This Act commences on the day after this Act receives the Royal Assent.
(3) Schedule 1, page 4 (line 1) to page 70 (line 21), omit the Schedule, substitute:

Schedule 1—Amendments

Australian National Registry of Emissions Units Act 2011

1 Subsection 66F(2) (paragraph (b) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)

Omit "31 July 2014", substitute "31 October 2014".

2 Subsection 66F(2) (paragraph (c) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)

Repeal the paragraph.

3 Subsection 66F(4) (paragraph (b) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)

Omit "31 July 2014", substitute "31 October 2014".

4 Subsection 66F(4) (paragraph (c) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)

Repeal the paragraph.

Clean Energy Act 2011

5 Section 4

Omit ", 1 July 2013 and 1 July 2014", substitute "and 1 July 2013".

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6 Section 4
Before "1 July 2015", insert "1 July 2014,".

7 Section 5 (definition of fixed charge year)
Repeal the definition, substitute:

*fixed charge year* means:
(a) the eligible financial year beginning on 1 July 2012; or
(b) the eligible financial year beginning on 1 July 2013.

For the purposes of paragraph (b), the months of July, August and September 2014 are taken to be part of the financial year beginning on 1 July 2013.

8 Section 5 (definition of flexible charge year)
Repeal the definition, substitute:

*flexible charge year* means:
(a) the eligible financial year beginning on 1 July 2014; or
(b) a later eligible financial year.

For the purposes of paragraph (a), the months of October, November and December 2014, and January, February, March, April, May and June 2015, are taken to be the financial year beginning on 1 July 2014.

9 After paragraph 14(2)(b)
Insert:
(ba) if the regulations declare the carbon pollution cap, and the carbon pollution cap number, for the flexible charge year beginning on 1 July 2014—
(i) was given to the Minister by the Climate Change Authority under section 60 of the Climate Change Authority Act 2011; and
(ii) dealt with the carbon pollution cap for that year; and

10 At the end of subsection 15(1)
Add "(other than regulations that declare the carbon pollution cap, and the carbon pollution cap number, for the flexible charge year beginning on 1 July 2014)".

11 After section 15
Insert:

15A When regulations must be tabled—2014-15 flexible charge year

Scope
(1) This section applies to regulations that declare the carbon pollution cap, and the carbon pollution cap number, for the flexible charge year beginning on 1 July 2014.

When regulations must be tabled
(2) The Minister must take all reasonable steps to ensure that the regulations are tabled in each House of the Parliament under section 38 of the Legislative Instruments Act 2003 not later than 31 August 2014.

Reasons must be tabled
(3) The regulations must not be made, or tabled in a House of the Parliament, after 31 August 2014.

(4) If, on a particular day (the *tabling day*), a copy of the regulations is tabled in a House of the Parliament under section 38 of the Legislative Instruments Act 2003, the Minister must:
(a) cause to be tabled in that House a written statement setting out the Minister's reasons for making the recommendation to the Governor-General about the regulations; and
(b) do so on, or as soon as practicable after, the tabling day.

12 Section 16 (at the end of the heading)
Add "—later flexible charge years".

13 Subsections 16(1) and (2)
Omit "31 May 2014", substitute "30 November 2014".

14 Subsection 16(3)
Omit "of May that is 14 months before the start of a particular flexible charge year beginning on or after 1 July 2016, no regulations made for the purposes of section 14", substitute "of November that is 8 months before the start of a particular flexible charge year beginning on or after 1 July 2016, no regulations to which section 15 applies".

15 Subsection 16(3)
Omit "that May", substitute "that November".

16 Subsection 16(4)
Omit "the May", substitute "the November".

17 Section 17 (heading)
Omit "2015-16", substitute "2014-15".

18 Subsection 17(1)
Omit "1 July 2015", substitute "1 July 2014".

19 Subsection 17(2) (formula)
Repeal the formula, substitute:
Total emissions numbers for the eligible financial year beginning on 1 July 2012 – 25,000,000

20 Subsection 18(1)
Omit "1 July 2016", substitute "1 July 2015".

21 Section 93
Before "1 July 2015", insert "1 July 2014, ".

22 Subsection 100(1)
After "following table", insert "(other than an exempt item)".

23 Subsection 100(1) (table items 5 and 6)
Repeal the items.

24 Subsection 100(1) (table items 7, 8 and 9)
Repeal the items, substitute:

<table>
<thead>
<tr>
<th>Period</th>
<th>The period:</th>
<th>The amount prescribed by the regulations for the purposes of this table item</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(a)</td>
<td>the eligible financial year beginning on 1 July 2014; and</td>
</tr>
<tr>
<td></td>
<td>(b)</td>
<td>ending at the end of 1 February 2016.</td>
</tr>
</tbody>
</table>

CHAMBER
8 The period:
   (a) beginning at the emissions number publication time of the person for the eligible financial year beginning on 1 July 2015; and
   (b) ending at the end of 1 February 2017.

9 The period:
   (a) beginning at the emissions number publication time of the person for the eligible financial year beginning on 1 July 2016; and
   (b) ending at the end of 1 February 2018.

10 The period:
   (a) beginning at the emissions number publication time of the person for the eligible financial year beginning on 1 July 2017; and
   (b) ending at the end of 1 February 2019.

25 Subsection 100(1) (note)
   Omit "Note", substitute "Note 1".

26 At the end of subsection 100(1) (after the note)
   Add:
   Note 2: For exempt item, see subsections (13A), (13B) and (13C).

27 Subsection 100(2)
   Omit "item 7, 8 or 9", substitute "item 7, 8, 9 or 10".

28 Subsection 100(3) (heading)
   Omit "items 1, 3 and 5", substitute "items 1 and 3".

29 Subsection 100(3)
   Omit "item 1, 3 or 5", substitute "item 1 or 3".

30 Subsection 100(4) (heading)
   Omit "6, 7, 8 and 9", substitute "7, 8, 9 and 10".

31 Subsection 100(4)
   Omit "item 2, 4, 6, 7, 8 or 9", substitute "item 2, 4, 7, 8, 9 or 10".

32 Subsection 100(6)
   After "subsection (1)", insert "(other than an exempt item)".
33 At the end of subsection 100(6)
   Add:
   Note: For exempt item, see subsections (13A), (13B) and (13C).

34 Before paragraph 100(9)(a)
   Insert:
   (aa) the eligible financial year beginning on 1 July 2014;

35 After subsection 100(13)
   Insert:
   Exempt item
   (13A) The regulations may declare that item 8 of the table in subsection (1) is an exempt item for the purposes of this section.
   (13B) The regulations may declare that item 9 of the table in subsection (1) is an exempt item for the purposes of this section.
   (13C) The regulations may declare that item 10 of the table in subsection (1) is an exempt item for the purposes of this section.

36 Subsection 100(14)
   Omit "31 May 2014", substitute "31 August 2014".

37 Subsection 100(15)
   Repeal the subsection.

38 Before subsection 101(1A)
   Insert:
   (1AA) Subsection (1) does not apply to carbon units with the vintage year beginning on 1 July 2014 that are issued as a result of auctions that are conducted by the Regulator during the financial year beginning on 1 July 2013.
   (1AB) The Regulator must ensure that not more than 40 million carbon units with the vintage year beginning on 1 July 2014 are issued as a result of auctions that were conducted by the Regulator during the financial year beginning on 1 July 2013 if there are no regulations in effect that declare the carbon pollution cap, and the carbon pollution cap number, for the vintage year.

39 At the end of subsection 111(3)
   Add "However, for the eligible financial year beginning on 1 July 2014, the charge for the issue of a carbon unit may not be more than $25.40.".

40 Subsection 121
   Omit "first 5 flexible charge years", substitute "first 6 flexible charge years".

41 Subsection 123A(3)
   Omit "1 July 2015", substitute "1 July 2014".

42 Subparagraph 123A(6)(a)(i)
   Omit "1 July 2015", substitute "1 July 2014".

43 Subparagraphs 123A(6)(b)(i) and (ii)
   Repeal the subparagraphs, substitute:
   (i) if the eligible financial year begins on 1 July 2014—6.25%; or
   (ii) if the eligible financial year begins on 1 July 2015, 1 July 2016, 1 July 2017, 1 July 2018 or 1 July 2019—12.5%; or
(iii) if the eligible financial year begins on or after 1 July 2020, and the regulations do not specify a percentage for that year—12.5%; or
(iv) if the eligible financial year begins on or after 1 July 2020, and the regulations specify a percentage for that year—that percentage; and

44 Subsection 123A(7)
Omit "(6)(b)(ii)", substitute "(6)(b)(iv)".

45 Subparagraphs 133(7)(a)(i) and (7A)(a)(i)
Omit "1 July 2015", substitute "1 July 2014".

46 Subparagraph 133(7A)(a)(ii)
Omit "4", substitute "5".

47 Subparagraph 133(7E)(a)(i)
Omit "1 July 2015", substitute "1 July 2014".

48 Subparagraph 133(7E)(a)(ii)
Omit "4", substitute "5".

49 Subparagraph 133(7F)(a)(i)
Omit "1 July 2015", substitute "1 July 2014".

50 Section 160
Omit "each of the next 3 financial years", substitute "the financial year beginning on 1 July 2014".

51 Subsection 161(2)
Omit all the words from and including "On each" to and including "the following formula", substitute "On 1 September in the eligible financial year beginning on 1 July 2013, the Regulator must issue a number of free carbon units equal to the number worked out using the following formula".

52 Subsection 161(3) (formula)
Repeal the formula, substitute:

\[
\frac{\text{Annual assistance factor specified in the certificate}}{\text{Total annual assistance factors for that eligible financial year}} \times 125,115,000 = A \times B
\]

53 Subsection 196(1AA) (heading)
Omit "11 months", substitute "8 months".

54 Subsection 196(1AA) (definition of number of units issued as the result of auctions)
Omit "11-month period", substitute "8-month period".

55 Subsection 196(1AA) (definition of total auction proceeds)
Omit "11-month period", substitute "8-month period".

56 Paragraph 196(1)(a)
Omit "May 2016", substitute "May 2015".

57 Paragraph 196(2)(a)
Omit "November 2015", substitute "November 2014".

58 Paragraph 196(3)(a)
Omit "1 July 2015", substitute "1 July 2014".

59 Subsection 196A(18) (paragraph (c) of the definition of designated 6-month period)
Omit "November 2015", substitute "November 2014".

60 Subsection 212(2) (paragraph (b) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)
Omit "31 July 2014", substitute "31 October 2014".

61 Subsection 212(2) (paragraph (c) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)
Repeal the paragraph.

62 Subsection 212(3) (paragraph (b) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)
Omit "31 July 2014", substitute "31 October 2014".

63 Subsection 212(3) (paragraph (c) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)
Repeal the paragraph.

64 Subsection 289(8)
Repeal the subsection, substitute:

Report

(8) The report of the first review must set out recommendations relating to the level of carbon pollution caps for each of the following flexible charge years:
   (a) the eligible financial year beginning on 1 July 2015;
   (b) the eligible financial year beginning on 1 July 2016;
   (c) the eligible financial year beginning on 1 July 2017;
   (d) the eligible financial year beginning on 1 July 2018;
   (e) the eligible financial year beginning on 1 July 2019.

(4) Schedules 2 to 5, page 71 (line 1) to page 94 (line 4), omit the Schedules.

Mr BANDT (Melbourne) (17:17): I move Australian Greens amendments (1) and (2) to the Clean Energy Legislation (Carbon Tax Repeal) Bill 2014 together:
(1) Clause 2, page 2 (table item 9), omit the table item.
(2) Schedule 5, page 93 (line 1) to page 94 (line 4), omit the Schedule.

Mr HUNT (Flinders—Minister for the Environment) (17:17): The government is moving these amendments to provide greater clarity on how business should pass on all carbon tax repeal savings. We are doing it to make sure that there is no doubt that Australian families, Australian businesses and Australian pensioners will receive the full benefit of the carbon tax repeal. The amendment complements the already existing powers that the ACCC has been given by the government through the broader legislative repeal package. In particular, the amendments moved here include guarantees that large retailers of regulated goods, electricity and natural gas, and bulk importers of synthetic greenhouse gases must pass on all cost savings. They introduce a penalty on electricity and natural gas retailers and bulk importers of synthetic greenhouse gases equal to 250 per cent of any cost savings they do not pass on, and they require electricity and natural gas retailers and bulk importers of synthetic greenhouse gases to inform the ACCC and customers as to how they are passing on cost savings.

The amendments will ensure there is no doubt as to who is covered by the obligations regarding electricity, gas and synthetic greenhouse gas bulk importers. The changes to the bill
balance new compliance obligations with the need to ensure that household and business customers benefit. They are a light touch approach, but they carry with them an extra capacity. Businesses should be able to explain to customers how changes in their costs are flowing through to changes in their prices. The government is aware that major electricity and gas retailers are already committed to providing this information to households and businesses on bills, inserts and websites.

For the purposes of the Acts Interpretation Act 1901, I confirm that the definition of electricity retailer is limited to electricity retailers and electricity producers selling electricity into a wholesale electricity market to a retailer. By agreement, this is not intended to override any pre-existing contract. For the purposes of the Acts Interpretation Act 1901, I also confirm that bulk importers of synthetic greenhouse gas defined under section 13A(2)(c) of the Ozone Protection and Synthetic Greenhouse Gas Management Act 1989 are covered by the new requirements. The cost of synthetic greenhouse gases was significantly impacted by the carbon tax; therefore, to minimise the cost of compliance, small imports of synthetic greenhouse gases—such as imports of synthetic greenhouse gas contained in equipment such as refrigerators, cars and air conditioners—are not covered.

In finishing this debate for the government, I wish to make two points. Firstly, I wish to think the ACCC, which I have not previously thanked, as a professional, independent organisation led by Rod Sims and Brenton Philp. They have provided invaluable impartial and professional policy advice. Secondly, I want to take a different tack to what has characterised much of this debate. There is much agreement across this chamber and across this parliament and much goodwill about reducing emissions, and we should always remember that the commitment on both sides of this chamber is to reduce emissions in the lowest cost way. We disagree on the mechanisms—we have voted on the mechanisms, the community has voted on the mechanisms—but the intention is clear: to reduce our emissions, but to find a way that does it which is cost-effective and which is effective in actually reducing those emissions. For all of these reasons, I commend the bills and I commend the amendments to the House.

Mr BUTLER (Port Adelaide) (17:21): I will make some remarks about the government's amendments, which we have only been able to look at in the last hour or two. As I think was mentioned earlier in the debate, there has obviously been a deal of discussion about this over the past three or four days, since the debacle in the Senate last week. We are now a little bit clearer on quite how wide the scope of the guarantee of any price reductions that would flow from these repeal bills passing would be for Australian households—it is quite clear that it is a pretty narrow scope—and also on what the range of businesses would be who would be involved in the quite significant compliance obligations that are included in this deal that the government has now done with the Palmer United Party.

What is clear looking at these amendments is that the legal obligations apply to a very limited number of businesses in the electricity, the gas and the SGG industries. That is fine, so far as it goes, and the opposition can indicate that we will be supporting these amendments. But let us be crystal clear about this: these amendments do not in any way come close to matching up to the claims made and the commitments given by the now Prime Minister when he was the Leader of the Opposition about what the impact of a carbon price mechanism would be, or was, in the grocery sector, in the airline sector, in the housing construction...
sector, in the farm sector and many others beside. They do not come close to matching those claims and they certainly do not do anything to deliver the commitment that the Prime Minister made in all of those sectors that what apparently went up—not that we accept that they did go up—would come down and that here would be enforcement mechanisms put in place to ensure that those prices came down.

We had a discussion about this in question time. Deputy Speaker Vasta, you would remember that the Prime Minister, when he was Leader of the Opposition, claimed that the carbon price mechanism would result in grocery bills going up by $10 per week—a claim not echoed or reflected in any other advice or modelling able to be found, but a claim made very clearly by that then Leader of the Opposition, along with a guarantee that these repeal bills would deliver a commensurate reduction in grocery bills. There is nothing in the amendments that in any way obliges Woolworths, Coles or any other retailer to deliver any price reduction whatsoever. There is nothing in the amendments that obliges an airline to deliver any price reduction, that obliges the housing industry to deliver the $6,000 reduction in new house prices that the Prime Minister again committed to in question time today. So we will support the amendments, but it must be clearly stated that the amendments do not reflect the hyperbole, the overreach, the hysterical claims and commitments made by this Prime Minister when he was the Leader of the Opposition.

Given that this is the third time these bills have come through this House, I have had many an occasion to talk about Labor's ETS amendment. Every time we have occasion to debate this, the case for an emissions trading scheme becomes stronger because increasingly around the world this is being recognised as the best policy response to the challenge of climate change that exists. The combination of rigour around carbon pollution in the form of a legal cap that is calibrated to our international commitments around reducing carbon pollution along with a market mechanism—not a series of decisions made in the minister's office or the Prime Minister's office, but a true market mechanism where business works out the cheapest and most effective way to operate within this cap—is not only the mechanism that has been put in place for some years now in our oldest trading partners, like the United Kingdom, France, Germany and many parts of North America, such as California, many states in the north-east of the United States and Canadian provinces. We are also seeing it in our own region, most importantly in China, our largest trading partner. South Korea, our third-largest export partner, will be commencing a very significant national emissions trading scheme in only a matter of five or six months.

This is the policy we took to the election. It is the right policy for Australia. It is pretty clear that it will not be carried by the parliament today, but the Labor Party is very clear: this is the type of response Australia will eventually come to—maybe not under this Prime Minister but under a more far-sighted one than we have today.

**Mr WATTS** (Gellibrand) (17:26): The amendments being considered before the House today are just further evidence of this government's shameful abrogation of its responsibility to future generations of Australians. The fact is Lord Deben, the former environment minister in the Thatcher government, has said:

I think future generations will ask ‘what did you do to stop the world being overwhelmed by climate change?’ Mr Abbott—

the Prime Minister—

CHAMBER
will have to answer that and I don’t know how he can look children in the eye.

Nowhere is this more clearly seen than in the government’s Direct Action plan. Of course, this is all we are left with in response to climate change, given the fact that Labor’s amendments to establish an ETS—the same policy we took to the last election—will not be supported today. It is the whitest of white elephants, the most tepid of token efforts which will do nothing for climate change and cost the Australian people billions of dollars.

After rolling his colleague Malcolm Turnbull as Liberal leader on the issue of climate change, the now Prime Minister realised he better have some sort of response to what President Obama has called one of the most significant long-term challenges, if not the most significant long-term challenge, that the planet faces. But, as so often happens, he spoke first and thought later.

Rather than consulting widely with economists and environmental experts, he cobbled together a 1950s era policy and gave it a 1950s name—Direct Action. When released, the policy was widely condemned by economists and environmental groups as being both ineffective and expensive. It is worth reflecting in this debate on the comments at a time from the member for Wentworth about the policy farce that we are left with today. The member for Wentworth belled the cat in 2009 when he stated:

The Liberal Party is currently led by people whose conviction on climate change is that it is "crap" and you don't need to do anything about it. Any policy that is announced will simply be a con, an environmental fig leaf to cover a determination to do nothing.

Quite a contrast with the statements the Minister for the Environment made earlier!

The Abbott opposition did have three years to listen to the experts and the response that Direct Action received after it was initially announced. They had a chance to formulate a policy that may have actually been effective. Of course, they were not interested. They had their fig leaf on climate policy. They would hold onto it without shame even when it did less to cover up their climate cowardice than a pair of red Speedos. Unfortunately, it underwent very little change in the following three years. There was no research produced to demonstrate the policy's effectiveness; no modelling released to demonstrate the impact it would have on carbon emissions. Even Liberal backbenchers questioned its effectiveness, with Liberal MP Mal Washer claiming in May 2013, 'if we are not going to get a big environmental bang for our buck, then we ought not to do it'. The member for Tangney admitted at the same time that the Direct Action Plan was 'not optimal policy' and argued, 'I think there is room to manoeuvre, after the election, on direct action'. Sadly, the only manoeuvres we have seen recently have been with the Palmer United Party, and they have not been on the direct action policy.

As with many of Tony Abbott's signature policies, this criticism was not limited to the party floor. Liberals of all stripes came out against the policies, including the patron of many of those opposite and former Treasurer, Peter Costello, who criticised the affordability of the scheme. The Abbott government continued to ignore the strident criticism from both sides of the political plan, and stuck with its direct-action albatross. However, once the coalition won government, it was time to turn this afterthought of an election promise into a coherent government policy for combating climate change. During the implementation process we have seen not only the results of this shoddy policy but also its smokescreen effect—it has turned a small farming program, the Carbon Farming Initiative, into a showpiece of the
coalition's climate change policy: the Emissions Reduction Fund. Even this fund is riddled with policy errors. It is a fund that is missing key elements as to how it will operate, such as how historical baselines are set and how credits are to be calculated. It is a fund that takes control of key aspects away from an independent body and gives that control to a very partisan minister—key aspects such as eligibility for the funds allocated, and the calculation of carbon credits. It is a fund that is not even clear about how much money it has to spend.

The most damning entitlement of this policy is that there are no binding caps whatsoever. The money spent under their direct action policy could be spent on magic beans, for all those opposite care. Magic beans do nothing to reduce our carbon emissions in this country but cost the taxpayer billions at the end of the day. The coalition's direct action policy is a poorly modelled piece of policy which has been roundly condemned by experts around the country. A senate inquiry into the Emissions Reduction Fund firmly recommended that the government not proceed with this unfortunate policy. Expert after expert in this inquiry reiterated how ineffective and expensive the scheme would be. Not one single expert called to the inquiry supported the government's plans, or expressed the belief that it would enable the government to reach its emissions reductions targets. Even the government's own department has expressed disbelief, and at a recent senate estimates hearing admitted that they are unable to confirm the policy will reach their targets—it just does not add up to a pile of magic beans, Mr Speaker.

Mr BANDT (Melbourne) (17:32): History will condemn this government; and I feel extraordinarily proud to have voted to keep the world-leading price on pollution that we have. I rise to speak on the Greens amendments to the Clean Energy Legislation (Carbon Tax Repeal) Amendment Bill 2014. Much of the debate so far on this bill and related bills has centred around the price on pollution, but there is one other aspect to this bill that deserves attention. ARENA, the Australian Renewable Energy Agency, is doing amazing work. If you ever wanted an example of 'direct action' in practice, it is ARENA.

ARENA is an organisation that was established at the Greens' request, under the previous arrangement reached with the Labor government, to ensure that $3 billion would be put aside to develop renewable energy in this country, especially that early-stage research. That agency now exists—at arm's length from a minister, so it cannot be politicised—and it is driving solar, wind and other forms of renewable energy in Australia. Of the initial $3-billion budget, $1.8 billion will be lost if this bill goes ahead—that is, $717 million over the next three years. Where is that money being spent? What are the kinds of things that ARENA is doing which will be at risk if the amendments I have moved to this bill are not passed? Well, just recently, researchers in New South Wales found a way to heat steam, using solar, to a point where that steam was able to drive turbines. What does that mean? It means that, if this technology is able to be proven and commercialised, existing coal-fired power stations could be run by solar—the existing turbines in those stations could be powered by steam produced by the sun. That is just one of ARENA's projects. There are 64 solar projects going on around the country: 14 bioenergy, 19 hybrid projects, six ocean and wave projects, and six geothermal projects—all being supported by ARENA.

Seventy per cent of ARENA funding has gone to regional and rural Australia. Members opposite who represent those regional and rural electorates where this money is going—and
driving the shift to renewable energy, and actually making a difference—are about to cut $1.8 billion from their communities.

What ARENA is doing is the first stage in the chain: helping research into renewable technologies—things like storage, geothermal and solar—so that Australia can become a renewable energy world leader. And then, when those projects are proven to work, some of those projects can then go and get funding from the second stage—the Clean Energy Finance Corporation. What we have at the moment is, in fact, an ecosystem that supports the development and then the commercialisation of clean and renewable energies in this country. Whatever your ideological commitment to repealing the carbon tax—or however you want to put it—I do not think that people knew, at the election, that they were voting for ripping out $1.8 billion from solar and geothermal energy around this country. That is not what they voted for. That was not put up in lights in the coalition's policy.

Whatever one thinks about the other matters before us here today, I urge the House to support the amendments that will restore the funding to ARENA. We know now, because of a decision made by senators in the other place, that ARENA is going to stay. The government's efforts to repeal and abolish ARENA through separate legislation will not work. Given that ARENA is going to stay, we now need to give it back the funding that it was relying on—so that solar, geothermal and wave power in Australia can become world-leading.

I have had the privilege of meeting a number of people in the course of my time here. One of them was the climate adviser to the G8, and to Angela Merkel, who said: 'We Germans look at you Australians, and we cannot understand, with all your sun and your wind and your waves, why you are not leading the world in renewable energy.' Keep ARENA, and maybe we can.

Mr HUNT (Flinders—Minister for the Environment) (17:37): I move:

That the questions be now put.

The DEPUTY SPEAKER (Mr Whiteley): The question is that the questions be now put. The House divided. [17:41]

(The Deputy Speaker—Mr Whiteley)

Ayes .................83
Noes .................53
Majority ..............30

AYES

Abbott, AJ
Andrews, KJ
Baldwin, RC
Bishop, JI
Broad, AJ
Brough, MT
Chester, D
Ciobo, SM
Coleman, DB
Dutton, PC
Frydenberg, JA
Goodenough, IR
Hartsuyker, L
Alexander, JG
Andrews, KL
Billson, BF
Briggs, JE
Broadbent, RE
Bachholz, S (teller)
Christensen, GR
Cobb, JK
Coulton, M (teller)
Entsch, WG
Gillespie, DA
Griggs, NL
Henderson, SM
Monday, 14 July 2014

AIES

Hendy, PW
Hogan, KJ
Hunt, GA
Irons, SJ
Jones, ET
Keenan, M
Laming, A
Laundy, C
Macfarlane, IE
Matheson, RG
McNamara, KJ
Nikolic, AA
O'Dwyer, KM
Pasin, A
Prentice, J
Pyne, CM
Randall, DJ
Robert, SR
Scott, BC
Simpkins, LXL
Southcott, AJ
Sudmalis, AE
Taylor, AJ
Truss, WE
Turnbull, MB
Varvaris, N
Wicks, LE
Wilson, RJ
Wyatt, KG

NOES

Albanese, AN
Bird, SL
Brodmann, G
Burke, AS
Butler, TM
Chalmers, JE
Chesters, LM
Claydon, SC
Conroy, PM
Dreyfus, MA
Ellis, KM
Ferguson, LDT
Giles, AJ
Griffin, AP
Jones, SP
Leigh, AK
MacTiernan, AJGC
McGowan, C
Neumann, SK
O'Neil, CE
Parke, M

Bandt, AP
Bowen, CE
Burke, AE
Butler, MC
Byrne, AM
Champion, ND
Clare, JD
Collins, JM
Danby, M
Elliot, MJ
Feeney, D
Fitzgibbon, JA
Gray, G
Hall, JG (teller)
King, CF
Macklin, JL
Marles, RD
Mitchell, RG
O'Connor, BPJ
Owens, J
Perrett, GD

CHAMBER
Question agreed to.

**The DEPUTY SPEAKER (Mr Whiteley) (17:47):** The question now is that the government amendments moved by the Minister for the Environment be agreed to.

Question agreed to.

**The DEPUTY SPEAKER:** The question now is that the amendments moved by the member for Port Adelaide be agreed to.

The House divided. [17:49]

(The Deputy Speaker—Mr Whiteley)

| Ayes .......................53 |
| Noes .......................83 |
| Majority ..................30 |

**AYES**

Albanese, AN
Bandt, AP

Bowen, CE
Burke, AE

Burke, AS
Butler, MC

Byrne, AM
Champion, ND

Clare, JD
Collins, JM

Danby, M
Elliott, M

Elliot, MJ
Feeney, D

Fitzgibbon, JA
Gray, G

Hall, JG (teller)
Jones, SP

King, CF
Leigh, AK

Macklin, JL
MacTiernan, AJGC

Marles, RD
McGowan, C

Mitchell, RG
Neumann, SK

O’Connor, BPJ
O’Neill, CE

Owens, J
Parke, M

Perrett, GD
Ripoll, BF

Rishworth, AL
Rowland, MA

Ryan, JC (teller)
Snowdon, WE

Thistlethwaite, MJ
Thomson, KJ

Vamvakinou, M
Watts, TG

Wilkie, AD
Zappia, A
Monday, 14 July 2014

NOES

Abbott, AJ
Andrews, KJ
Baldwin, RC
Bishop, JI
Broad, AJ
Brough, MT
Chester, D
Ciobo, SM
Coleman, DB
Dutton, PC
Frydenberg, JA
Goodenough, IR
Hartomyer, L
Hendy, PW
Hogan, KJ
Hunt, GA
Irons, SJ
Jones, ET
Keenan, M
Laming, A
Laundy, C
Macfarlane, IE
Matheson, RG
McNamara, KJ
Nikolic, AA
O'Dwyer, KM
Pasin, A
Prentice, J
Pyne, CM
Randall, DJ
Robert, SR
Scott, BC
Simpkins, LXL
Southcott, AJ
Sudmalis, AE
Taylor, AJ
Truss, WE
Turnbull, MB
Varvastos, N
Wicks, LE
Wilson, RJ
Wyatt, KG

Alexander, JG
Andrews, KL
Billson, BF
Briggs, JE
Broadbent, RE
Buchholz, S (teller)
Christensen, GR
Cobb, JK
Coulton, M (teller)
Entsch, WG
Gillespie, DA
Griggs, NL
Henderson, SM
Hockey, JB
Howarth, LR
Hutchinson, ER
Jensen, DG
Joyce, BT
Kelly, C
Landry, ML
Ley, SP
Marino, NB
McCormack, MF
Morrison, SJ
O'Dowd, KD
Palmer, CF
Pitt, KJ
Price, ML
Ramsey, RE
Robb, AJ
Roy, WB
Scott, FM
Smith, ADH
Stone, SN
Sukkar, MS
Tehan, DT
Tudge, AE
Van Manen, AJ
Vasta, RX
Williams, MP
Wood, JP

Question negatived.

The DEPUTY SPEAKER (Mr Whiteley) (17:51): The question is that the amendments moved by the member for Melbourne be agreed to.

The House divided. [17:52]

(The Deputy Speaker—Mr Whiteley)

Ayes .................. 54
Noes .................. 83
Majority ............ 29
AYES
Albanese, AN  Bandt, AP  
Bird, SL  Bowen, CE  
Brodmann, G  Burke, AE  
Burke, AS  Butler, MC  
Butler, TM  Byrne, AM  
Chalmers, JE  Champion, ND  
Chesters, LM  Clare, JD  
Claydon, SC  Collins, JM  
Conroy, PM  Danby, M  
Dreyfus, MA  Elliot, MJ  
Ellis, KM  Feeney, D  
Ferguson, LDT  Fitzgibbon, JA  
Giles, AJ  Gray, G  
Griffin, AP  Hall, JG (teller)  
Jones, SP  King, CF  
Leigh, AK  Macklin, JL  
MacTiernan, AJGC  Marles, RD  
McGowan, C  Mitchell, RG  
Neumann, SK  O'Connor, BPJ  
O'Neil, CE  Owens, J  
Parke, M  Perrett, GD  
Ripoll, BF  Rishworth, AL  
Rowland, MA  Ryan, JC (teller)  
Shorten, WR  Snowdon, WE  
Thistlethwaite, MJ  Thomson, KJ  
Vamvakinou, M  Watts, TG  
Wilkie, AD  Zappia, A

NOES
Abbott, AJ  Alexander, JG  
Andrews, KJ  Andrews, KL  
Baldwin, RC  Billson, BF  
Bishop, JI  Briggs, JE  
Broad, AJ  Broadbent, RE  
Brough, MT  Buchholz, S (teller)  
Chester, D  Christensen, GR  
Ciobo, SM  Cobb, JK  
Coleman, DB  Coulton, M (teller)  
Dutton, PC  Entsch, WG  
Frydenberg, JA  Gillespie, DA  
Goodenough, IR  Griggs, NL  
Hartsuyker, L  Henderson, SM  
Hendy, PW  Hockey, JB  
Hogan, KJ  Howarth, LR  
Hunt, GA  Hutchinson, ER  
Irons, SJ  Jensen, DG  
Jones, ET  Joyce, BT  
Keenan, M  Kelly, C  
Laming, A  Landry, ML  
Laundy, C  Ley, SP  
Macfarlane, IE  Marino, NB  
Matheson, RG  McCormack, MF
The question negatived.

The DEPUTY SPEAKER (Mr Whiteley) (17:54): The question is that Clean Energy Legislation (Carbon Tax Repeal Bill) 2014 as amended, and related bills, be agreed to.

The House divided [17:55]

The Deputy Speaker—Mr Whiteley)

Ayes .................83
Noes ..................54
Majority ..............29

AYES
Abbott, AJ
Andrews, KJ
Baldwin, RC
Bishop, Ji
Broad, AJ
Broughton, MT
Chester, D
Ciobo, SM
Coleman, DB
Dutton, PC
Frydenberg, JA
Goodenough, IR
Hartley, L
Hendy, PW
Hogan, KJ
Hunt, GA
Irons, SJ
Jones, ET
Keenan, M
Laming, A

NOES
McNamara, KJ
Nikolic, AA
O'Dwyer, KM
Pasin, A
Prentice, J
Pyne, CM
Randall, DJ
Robert, SR
Scott, BC
Simpkins, LXL
Southcott, AJ
Sudmalis, AE
Taylor, AJ
Truss, WE
Turnbull, MB
Varvaris, N
Wicks, LE
Wilson, RJ
Wyatt, KG

Morrison, SJ
O'Dowd, KD
Palmer, CF
Pitt, KJ
Price, ML
Ramsey, RE
Robb, AJ
Roy, WB
Scott, FM
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Sukkar, MS
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Tudge, AE
Van Manen, AJ
Vasta, RX
Williams, MP
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Question agreed to.
Bills, as amended, agreed to.

Third Reading

Bills read a third time.

Agricultural and Veterinary Chemicals Legislation Amendment (Removing Re-approval and Re-registration) Bill 2014

G20 (Safety and Security) Complementary Bill 2014

Returned from Senate
Message received from the Senate returning the bills without amendment or request.

COMMITTEES
Public Works Committee

Approval of Work

Mr McCormack (Riverina—Parliamentary Secretary to the Minister for Finance) (17:59): I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: AIR 9000 Phase 5C Replacement Chinook Facilities Project, Townsville, QLD.

In accordance with the provisions of the Public Works Committee Act 1969, it is expedient to provide new and refurbished facilities at the Royal Australian Air Force Base in Townsville, Queensland, to support the introduction of new CH-47F Chinook helicopters for the Australian Army. I referred this project to the Public Works Committee on 25 March 2014. The project is valued at $54.8 million plus GST and includes the provision of facilities and supporting infrastructure necessary to support the new F model Chinook medium-lift helicopter by enhancing capability to provide efficiencies in the delivery of the capability through the provision of either new or expanded and modified facilities.

This investment will bring economic benefits for local industry in the Townsville region over the next three years and will generate around 50 full-time jobs over the life of the project. In its report the Public Works Committee has recommended that these works proceed. On behalf of the government I would like to thank the committee, under the leadership of the member for McPherson, for its consideration and support for this project. I commend the motion to the House.

Question agreed to.

Approval of Work

Mr McCormack (Riverina—Parliamentary Secretary to the Minister for Finance) (18:02): I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Defence Terrestrial Communications Network Facilities and Infrastructure Project.
In accordance with the provisions of the Public Works Committee Act 1969 it is expedient to remediate and upgrade the terrestrial communications network facilities and communications infrastructure at 282 Department of Defence sites in all states and territories. I referred this project to the Public Works Committee on 25 March 2014. The upgrade is valued at $131.1 million, and funding has been approved by the government. The cost includes management and design fees, construction costs, furniture, fittings and equipment, contingencies and an allowance for escalation.

The works will bring economic benefits to local industry at the 282 locations. Defence's investment will generate job opportunities for local subcontractors over the next two years. In its report the Public Works Committee has recommended that these works proceed subject to the recommendations of the committee. Defence accepts and will implement the recommendations. On behalf of the government I would like to thank the committee, which is headed by the member for McPherson, for its consideration and for its support for this project. With that, I commend the motion to the House.

Question agreed to.

**BILLS**

**Fair Work (Registered Organisations) Amendment Bill 2014**

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

**Mr BANDT** (Melbourne) (18:04): I was making the point when this matter was last before the House that the government, when you look at the various pieces of legislation that they are putting forward and what is in the budget, is coming for people's rights at work indirectly this time around. They have learnt the lesson from the John Howard era of WorkChoices that if you come and attack people's rights at work they will fight back and they will turf you out. So now, this time, the government is coming at it in a far more sly fashion. As I mentioned last time, we are seeing legislation that will enable people who work to be paid in kind by the businesses that they work for. If you work at the fish and chips shop, expect now to be paid partly in fish and chips. You cannot pay your rent with that, you cannot pay your electricity bill with that, but that is no concern of the Prime Minister's.

And then we see this bill. It is said by the minister and by those who support it that this bill is about putting corporations and unions on an even footing and saying that organisations of workers should be treated in the same way as organisations that exist to make a profit. I will come back in a moment to the functions of registered organisations that make them very, very different from corporations. But let us just take that suggestion at face value for a moment. If the government was serious about saying that we are now going to regulate corporations in the same way as unions, then what flows from that? Firstly, I can tell you that unions are required under the Fair Work Act and other legislation to be democratic organisations, which means that the people who run those organisations have to be elected to those positions.

So, assuming that the government is right that now corporations are going to be treated the same way, it is going to come as a shock to most CEOs who have been appointed by their board to find out that now they are going to have to be elected, because presumably that is what this government thinks is fair. It is also going to come as a shock to everyone who has a
proprietary limited company to learn that their accounts and their financial returns for every year are now going to be published on the internet, because that is what happens with registered organisations and unions at the moment. The standard of scrutiny over their accounts is well above that of someone who sets up a Pty Ltd company.

So if the government is truly serious about this, they will be requiring everyone who incorporates their small business to now not only elect the people who run it but also publish all of their information and their financial affairs on the internet. You understand that the government, of course, is not interested in that. The government is quite happy to let companies run their own race, but feels completely legitimate about coming in and saying to organisations that represent workers, ‘We deserve the right to micromanage you in a way that we would never dream of doing to a private company, but we will impose the same penalties on you as we might on a publicly listed company.’

What the government fails completely to understand is that organisations of workers do not exist for the same purposes as businesses. That is where the whole argument behind this legislation falls down. Businesses exist for a purpose. They exist to make a profit. That is what they do and they are judged on that basis. Corporations law requires directors to act in the best interests of their shareholders and continue to make a profit. They are judged accordingly. Unions do not exist that reason. Unions exist to advance the interests of the people they represent.

I very much doubt that, apart from perhaps the odd member of the AMA, anyone on the government’s side of the benches has ever been a member of a union. Had they been in a union, actually been involved in a union and understood what unions do, they would not be pursuing this bill. What they would understand is that there are many, many people who work in this country who do not know their rights. There are many people who work in this country who rely on someone to advise them about what they are entitled to, and who then rely on someone to go in and enforce that basic entitlement. That is the role of a union.

Before I came to this place, I worked for many years representing some of the lowest paid workers in this country and their unions. There are people in Melbourne working in garages, sheds or their own rooms who are making the clothes that you will find being sold on Bourke Street or Swanston Street for $200 or $300 and they are getting paid $3 an hour for it. These people do not have sick pay and they do not get annual leave. They are required to look after their own workers’ compensation. They usually do not speak English as a first language. If they get injured, they have to look after themselves. They are so-called independent contractors, even though they are doing all the work of employees and of workers.

The only reason that these people are able to enjoy something approaching a decent income and quality of life—which most of us would take for granted—is because they have had a union that has gone in there and told them what their rights are and then gone out and advocated for them. They have had a union that has gone out and fought for changes to our workplace laws. The unions do not do that for their own benefit. They do it for the benefit of others, and they do not get a direct financial benefit from it. That is where unions—and employer organisations as well, because they participate in the industrial sphere with the aim of advancing the conditions of others—are fundamentally different from profit-making companies such as your BHP or your corner shop. It is why they should be treated differently.
I think anyone who has been in a union or has been involved in a union would condemn any union official who breaches that fundamental principle and who starts getting involved in union activity for their own personal benefit. The government is using that as a justification for this law, but I would say two things about that. Firstly, we have seen very clearly that the current laws work when it comes to finding those people and prosecuting them. If the current laws did not work, we would not have people now facing jail sentences. The current laws do work. Secondly, the suggestion that somehow the imposition of new penalties is somehow going to make life better for the people who these organisations are supposedly representing is just fanciful, because if this were a charity the government would be getting up and saying, 'This is red tape.' In fact, that is exactly what the government is saying when it comes to the charities regulator.

With the charities regulator, you have organisations saying, 'We would much rather have a one-stop shop so that we do not have to go to multiple places of regulation and so that everyone can be assured that we are doing the right thing.' The government says, 'No, no. We are going to take that away, because it is too much red tape.' Yet when it comes to unions, they are prepared to put the kinds of regulations and oversight on them that they would never dream of doing to businesses and that they are trying to unwind for charities. So why is the government doing it? It cannot be about better regulation or better governance. They are doing it simply because they know one fundamental fact: for many, many workers and for many people who do not have the time themselves to go out and defend their own interests, because they are just too busy making ends meet or living their own lives, they know that they have unions out there in this country that look after them.

The unions have fought for shorter working weeks in this country and have helped bring us the weekend. It is thanks to unions that we have the penalty rates in this country that mean that people who work unsociable hours get to have a decent income, in recognition of the fact that their family members and their friends might be out having a good time, catching up on the weekend, and yet the workers are stuck at work. Many people know that when they see annual leave loading on their pay slip it is not there because an employer decided, 'What a good idea, I will give it to you.' It was there because it was fought for.

That is why the government is introducing this legislation. It is to tie up workers and their unions in red tape so that they do not have time to go and advance the interests of the people that they are looking after. It is a transparent piece of legislation. The day that the government comes in and says, 'Yes, we are willing to make every private company and every public company subject to the same level of scrutiny, disclosure and democracy as a trade union,' is when I will start taking them seriously that they are interested in levelling the playing field. But they are not interested in that. This is just the wind-up for the attack on people's rights at work. We, on behalf of the Greens, will be having none of that. If someone breaches the law and if someone breaches fundamental principles and starts getting involved in a union for their own personal financial benefit, they deserve to have the book thrown at them. What we are seeing every day is that they will have the book thrown at them. There is no need for this legislation.

Mrs McNAMARA (Dobell) (18:15): This government is committed to improving the fair work laws so we can build a more stable, fair and prosperous future for Australian workers, businesses and the economy. The measures in the Fair Work (Registered Organisations)
Amendment Bill are a key election commitment and deliver our pre-election policy for better accountability and transparency of registered organisations. There is no doubting the public's support for these measures, particularly in light of recent findings following the Fair Work investigation into the Health Services Union and the current royal commission into registered organisations. This government is determined to improve protection for members of registered organisations through the implementation of a comprehensive plan to enhance the government's accountability of registered organisations. Never again should the hardworking members of an organisation such as the HSU experience misappropriation of their funds towards an individual's personal gain. This is why we are reintroducing the Fair Work (Registered Organisations) Amendment Bill.

When Labor and the Greens combined to vote down this legislation, they demonstrated a refusal to support greater accountability and transparency for registered organisations. They have voted against improved protection for union members and have given the green light to further exploitation of honest union members by dishonest union officials. They have also voted against a clearer and simpler reporting framework that would assist both unions and employer associations to comply. While members opposite champion themselves as the defenders of Australian workers, they will be judged by their actions, not their rhetoric. The shadow minister for employment and workplace relations, the member for Gorton, said during his contribution to the original debate in the House:

... the opposition has no tolerance for corruption—none whatsoever—whether it be by union officials or officers of employer bodies. We support tough penalties for those who break the law. We support appropriate regulation for registered organisations, including a properly empowered regulator and consequences for those who do not follow the rules.

Yet the member for Gorton opposed this legislation and went as far as moving an amendment to deny a second reading on the grounds that the House would be ill advised to continue, having regard to the adverse impact of the creation of the Registered Organisations Commission on registered organisations, including unions and employer and employee groups.

There should be absolutely no question about the importance of this legislation. Until this parliament acts and supports this legislation, Australia will be denied a sufficiently robust system to tackle corruption within registered organisations. It is no longer tenable to argue that the present system is adequate to deal with or discourage the sort of behaviour brought to light by the investigation into the HSU. By rejecting this legislation the unholy Labor-Green alliance has given the green light to more of the same behaviour as demonstrated by the HSU, Craig Thomson and Michael Williamson.

This bill replicates the Fair Work (Registered Organisations) Amendment Bill 2013, which was rejected by the Senate on 14 May 2014. However, the previous government's amendments to the Fair Work (Registered Organisations) Amendment Act 2012 demonstrated that there was a need to increase financial accountability of registered organisations, strengthen investigative powers and increase penalties. But these changes were not adequate. In a submission to the Senate Standing Committee on Education, Employment and Workplace Relations inquiry into the registered organisations amendment legislation, the Australian Mines and Metals Association advised in reference to the former Labor government:
… the changes the government has proposed are not tough enough to deliver the accountability that the members of those organisations are seeking.

The Institute of Public Affairs commented:

Further measures should be taken to strengthen the financial management and regulation of registered organisations, commensurate with their considerable financial resources.

This government agrees that the Labor government’s amendments did not go far enough. This is why this bill strengthens reporting and disclosure obligations to align more closely with the Corporations Act, moves obligations from the rules of registered organisations to the face of the legislation, and provides the new Registered Organisations Commission greater scope to ensure that officers are complying with their obligations and greater powers to investigate when a member makes a complaint about a registered organisation. It is this government’s view that registered organisations should be as accountable to their members as company directors are to their shareholders. Like companies, many registered organisations control assets worth millions of dollars, and we have seen members from the other side access these funds to aid their election campaigns. We want to see that these assets are administered properly and used to benefit members.

According to the Australian Bureau of Statistics, in August 2012 1.8 million people were members of trade unions. As of 17 October 2013, there were 112 registered organisations listed with the Fair Work Commission. The majority of these registered organisations are not-for-profit and operate to serve the interests of their members. Some have additional arms or subsidiaries to the organisation that are not related to their status as a registered organisation, such as a for-profit training arm.

For the purpose of this debate, it is important that we acknowledge the financial strength of these registered organisations and demonstrate the level of responsibility assigned to their office bearers. Forty-five per cent of employer organisations and 73 per cent of employee organisations have net assets valued at over $2 million. These assets, and the functions of Registered Organisations, are to protect their members’ interests by representing members in industrial matters and campaigning on policies that affect them, such as taxation, workplace relations and broader government policies. Naturally, in order to achieve their aims, registered organisations require funds to cover their direct operating costs, such as advertising and legal matters. These funds are obtained from membership fees, donations and other investments. Therefore, the trust placed in the officials of these registered organisations is high, and the membership deserves appropriate protections and recourse when their funds are misused.

Importantly, this bill introduces higher penalties for breaches of civil penalty provisions, some criminal penalties and stricter reporting and disclosure obligations that compare with those under the Corporations Act 2001. This bill increases penalties for a wide range of civil offences in order to create a real deterrence for wrongdoing by registered organisations and their officers. Serious breaches of an officer’s duty, such as where an officer uses their position to obtain benefit for themselves or someone else, are criminal offences. The maximum penalty for these offences is $340,000 or five years imprisonment, or both. The civil penalties for serious contraventions will be $204,000 for an individual or $1,020,000 for a body corporate. Currently maximum penalties for serious offences are only $10,200 for individuals. These offences relate to officers and employees of registered organisations who
fail to discharge duties in good faith and for a proper purpose. Criminal sanctions will also apply where an officer does not comply with the commissioner's new investigative powers.

A strong message needs to be sent to discourage wrongdoing by officers and to rebuild the confidence of members and the community. Stronger requirements for registered organisations and stronger penalties will only successfully combat corruption with a tough cop on the beat. This bill establishes the Registered Organisations Commission headed by the Registered Organisations Commissioner. The Registered Organisations Commission will be established within the Office of the Fair Work Ombudsman. Importantly, the commissioner will have independence in the exercise of their functions and powers to direct the staff of the commission. Significantly, the activities of the commission will be subject to the same oversight by the Commonwealth Ombudsman as Commonwealth agencies. This will ensure the appropriate level of transparency and public accountability.

Whilst members opposite oppose these measures, members of the government have not forgotten why these measures are absolutely necessary. The limitations of the Fair Work Ombudsman were exposed through the investigation into the HSU. Members opposite defended the Fair Work Ombudsman, but it took far too long between the allegations first being raised and the eventual findings by the justice system—in total five years. It is clear that the investigations into the HSU by the Fair Work Commission took too long and questioned the Fair Work Commission's capacity to be an effective regulator of registered organisations.

The Registered Organisations Commission will ensure that allegations of wrongdoing are investigated quickly and efficiently. Its sole focus will be on rules relating to the accountability and transparency of registered organisations. Importantly this bill ensures a strong interaction between the Registered Organisations Commission and the Fair Work Commission. Transitional arrangements are included in the bill to ensure any ongoing matters being dealt with by the Fair Work Commission relating to registered organisations can be dealt with by the newly established Registered Organisations Commission. It is absolutely essential that the Registered Organisations Commissioner be able to share information with law enforcement agencies if they reasonably believe it is to appropriate to do so in the course of conducting their role.

This is in direct response to the recent investigation into the HSU, which exposed shortcomings when dealing with possible breaches of criminal laws. My electorate of Dobell, more than any other electorate, has witnessed firsthand the stench of this corruption within the trade union movement. The charges and allegations against the former Labor-turned-independent member for Dobell, Craig Thomson, along with ALP national president, Michael Williamson, exposed the vulnerability of the current registered organisation arrangements. So serious were the allegations stemming from the systemic rorting in the HSU, the breaches were investigated by both the Fair Work Commission and the Victorian Police.

The Fair Work Commission investigation into the HSU identified a total of 181 contraventions of the Registered Organisations Act and HSU rules by union officials and others. The claim against Mr Thomson included 37 alleged breaches of general duties imposed on officers of registered organisations and a further 25 alleged breaches of HSU rules. In addition to these findings, Mr Thomson was arrested in relation to more than 150 fraud related criminal charges, including allegations that his 2007 federal election campaign was partly funded by union money without authorisation. The magistrate found Mr Thomson
guilty of using credit cards issued to him in his role as national secretary of the HSU between 2002 and 2007. Mr Thomson was found guilty of stealing HSU funds and obtaining a financial advantage by deception when he used the HSU credit card to pay for escort services, cigarettes, firewood, travel expenses for his previous wife and withdrawing nearly $10,000 in cash from ATMs.

The hard-working, honest members of registered organisations, such as the HSU, deserve better treatment from the people elected to represent their interests. They also deserve government support to stand by their side, and not by the side of dishonest union officials. If it was not for Mr Thomson and Mr Williams' high-profile involvement in the Australian Labor Party, one wonders if the truth of the matter would ever have been exposed. This government is of the firm belief that corruption and poor governance within Australia's trade union movement should be identified and stopped. This government's determination to stand up for honest union members is exemplified through the establishment of the Royal Commission into Trade Union Governance and Corruption. It is clear that the Australian people have become increasingly concerned about a range of revelations and allegations involving officials of industrial organisations benefiting from certain funds, which have been set up for purposes that are often unknown. In the words of former Prime Minister Julia Gillard:

'It's common practice, indeed every union has what it refers to as a re-election fund, slush fund … The royal commission will ensure that wrongdoing in the union movement is exposed and those responsible for illegal actions are held to account.

This government is serious about protecting workers and tackling a culture riddled with allegations of corruption, dodgy deals and secret funds. The time has come for this legislation to be supported; the rorts, the rackets and the rip-offs must end. Members of registered organisations must have their interests protected, and the community must have faith in our institutions. The only people who have anything to fear by these amendments are those who do the wrong thing. Members of registered organisations and the community have everything to gain. It is time for members opposite to stand with the government to ensure honest workers are not ripped off by dishonest union bosses. I commend this legislation to the House and I call on members opposite to do likewise.

Ms OWENS (Parramatta) (18:29): I will start by commenting on a couple of the things the member for Dobell covered in her speech on the Fair Work (Registered Organisations) Amendment Bill 2014. Firstly, at the very beginning of her speech, she said that the fact that the opposition was not supporting the bill was an indication that the opposition supported some of the worst behaviour of a small number of union officials. That of course is not the truth. For the benefit of the member for Dobell: sometimes two people can see the same problem—and can even have equivalent views about the seriousness of the problem—but can disagree on the answer. I think that is what is happening in this House at the moment. I do not think there is anyone in this House, on either side, who believes that officials of registered organisations—be they representatives of unions or employers—should be able to get away with the kinds of behaviour we have seen in recent months from some people who had been elected or appointed to represent the interests of their members.

When we on this side look at the problem, however, we disagree with the answer the government has put forward. We disagree for a number of reasons. Firstly, the member for
Dobell herself said that she was seeking to ensure that officials of registered organisations were held to account in the same way those in corporations were. But this bill goes much further than that. The penalties imposed on officials of registered organisations exceed those imposed for equivalent corporate crimes. So this bill does not match the penalties for registered organisations with those for corporations; it in fact goes further for registered organisations—much further.

The other interesting part of the member for Dobell’s speech was when she listed the outcomes of the inquiries into the HSU case involving Mr Thomson. She talked about the Fair Work inquiry. She talked about the 181 breaches of registered organisation rules and HSU rules—and about the penalties imposed. In doing so, she in fact described how effective the current regime was in dealing with the HSU case. While she was putting all that forward as an indication of why you should change the rules, it actually demonstrates that those rules worked. A person has been appropriately investigated, breaches have been found and penalties have been applied—a jail sentence has been handed down. That demonstrates an extremely effective piece of regulation that did its job very well.

It is not really necessary to state this, because I think everybody in this House would agree, but none of us have any tolerance for corrupt union officials or for corrupt officers of employer bodies. Nobody in this House has a tolerance for that. I have no tolerance for people who offer bribes to union officials or for those who receive them. I do not make the distinction that one side is better than the other. When the government talks about corrupt union officials, I would feel more comfortable if it also occasionally mentioned the people who offered or received the bribes—or the businesses that engaged bikie gangs to collect their debts or to bully union officials. There are many aspects surrounding this issue of union corruption that we are not talking about. Again, I would feel more confident that the government was seriously concerned about corruption if the debate dealt also with those who interact with union officials.

Unlike many of those on the other side, I am a great supporter of the union movement, although I do not myself come from the union movement. I did work for a registered organisation, but it was an employer body. I ran the Australian Independent Record Labels Association for nearly seven years. It represented almost all—about 80 per cent by the end of my time there—of the independent labels in Australia. We worked to level the playing field. We did the kinds of deals and bulk agreements needed to level the playing field between the small end of the industry and the very large players. It was a great occupation to have. It was one of the best jobs in the country.

So my background, my perspective, is that of a person who represented employers, not workers. Yet I have been a union member all of my life—because I think they are incredibly important organisations. In many ways the work the union movement has done for over a century has helped to create a ballast in our economy that perhaps those on the opposite side of this chamber do not appreciate—the permanent secure work that so many people enjoyed for so long and the working conditions in our public service, in our public hospitals and in our fire brigades. Secure, stable jobs create a ballast. As a result of the efforts of the union movement, when there is great volatility in the economy, there remains a substantial group of workers who feel secure. That group is less likely to stop spending as quickly as others stop
spending and they are more likely to start spending again a little earlier. That helps to smooth out some of the bumps, some of the volatility, in the economy.

For over a century, unions have worked to help provide real opportunities for family life—the 38-hour week, weekends, days off, extra rostered days off, four weeks annual leave, family leave et cetera. These things allow people to spend time with their family. Even more importantly than that, perhaps, unions have helped ensure that work requirements are planned in advance—so families can know what time they will be able to spend together. All of these things help create ballast in our economy as well. They help to create stable families, families who have savings, who plan, who accumulate assets and who have a greater chance of staying together.

So behind all the to-and-fro in this House about whether unions are good or bad—and we know the government do not like any worker who belongs to a union; they do not like the maritime workers, they do not like the construction workers and they do not like manufacturing workers, because they are unionised—

Mr Robert: On a point of order, Mr Deputy Speaker: the standing orders do not allow a member to impugn the motives of other members. That includes impugning the motives of all members of the government. For the member for Parramatta to say, 'The government does not like any worker', is impugning our motives and should be withdrawn.

Ms OWENS: I withdraw.

The DEPUTY SPEAKER (Mr Broadbent): The member has withdrawn.

Ms OWENS: It is interesting to watch the government's lack of support for industries such as the manufacturing sector, the construction sector, the maritime sector; to see the extraordinary lack of support for those areas of work. But underneath that to and fro, I think there really should be a recognition in this House that over many, many years the union movement has done an extraordinary job in providing a way of life that in many ways Australians have now take for granted. An incredible effort over many decades went into that.

The Fair Work (Registered Organisations) Amendment Bill 2014 is a reintroduction of a previous bill with some amendments that came from the Senate legislative committee report, but there are still a number of problems with it from this side of the House. It establishes the Registered Organisations Commission and amends the Fair Work (Registered Organisations) Act. The Registered Organisations Commission will be headed by a registered organisations commissioner with greater investigative powers than those available to the general manager of the Fair Work Commission. It also modifies disclosure requirements to make them more onerous, no doubt, including higher penalties for civil contraventions, and it introduces criminal offences in respect of officers' duties that are modelled on but also exceed those found in the Corporations Act. So it increases the red tape burden, makes the disclosure requirements considerably more onerous and raises the penalties to a higher level than those found in the Corporations Act. While one of the rationales for this bill is to make those penalties even, it actually increases the penalties beyond those of the Corporations Act.

Registered organisations play a fundamental role in Australia's workplace relations systems, whether they be registered organisations that represent employers or employees. They also represent their members before industrial tribunals and courts and work with governments on policy matters ranging from employment issues to economic and social
policy. They are incredibly important, but they are not corporations—they are elected in many cases, and appointed in some others. People in various positions are not remunerated in the same way that corporations are, and they are often volunteers, as well. They are not corporations, and to impose penalties that are higher than those for for-profit organisations is quite extraordinary, and we cannot support that.

We do support appropriate regulation for registered organisations, including properly empowered regulators and consequences for those who do not follow the rules. This side of the House is committed to ensuring financial accountability by unions and employer organisations, and that is why in 2012 we toughened the laws to improve financial transparency and disclosure by registered organisations to their members. That original law was enacted by Tony Abbott, but we strengthened that in 2012. The regulation of trade unions in Australia has never been stronger than it is now, and accountability has never been higher. The powers of the Fair Work Commission to investigate and prosecute for breaches have never been broader than they already are, and while in government we tripled penalties, which means they have never been tougher. Much of the work that the government is now trying to do was already done in 2012, and resulted in the comprehensive pursuit of wrongdoers in the HSU case and in serious criminal penalties.

The minister consistently uses the HSU matters, having often inappropriately commented on matters before the judiciary, to justify the government's changes. But they are ignoring the fact that the Registered Organisations Act already prohibits members' money from being used to favour particular candidates in internal elections or campaigns. The Registered Organisations Act already allows for criminal proceedings to be initiated where funds are stolen or obtained by fraud. It already ensures that the Fair Work Commission can share information with police as appropriate, as we saw in the HSU case, and it already provides for statutory civil penalties where a party knowingly or recklessly contravenes an order or direction made by the federal court or the Fair Work Commission under the Registered Organisations Act or the Fair Work Act.

When unions and industry representatives agree with each other that something is not a good idea, then perhaps a government should listen. Usually in government one side or the other will support you and the other will not, but in this case both sides of the argument believe that this is a bad deal. The new criminal provisions, if enacted, mean that registered organisations, employer unions and bodies are likely to have difficulty in persuading people often in a voluntary capacity, to take on official responsibilities. The AI Group states:

If the proposed criminal penalties and proposed massive financial penalties for breaches of duties are included in the RO Act, this would operate as a major disincentive to existing voluntary officers of registered organisations continuing in their roles, and would deter other people from holding office. These are genuine concerns expressed by both unions and industry representatives, and these concerns have not been addressed by the government, in spite of the amendments that were made in this most recent version of the bill. Unions have also raised quite legitimate concerns about the impacts of the proposed laws. Usually when you have industry bodies and unions lining up together on a unity ticket against a government proposition, the government may be well served to realise that something is very wrong. That is certainly the case here.

Of all the concerns with this bill, the biggest concern is that the penalties the government seeks to impose on officers of registered organisations quite substantially exceed those that
are imposed through the Corporations Act, and again, the arguments the government makes is that they are trying to make those penalties even—this bill does not do that. It fails in that, and we will not be supporting it.

Dr JENSEN (Tangney) (18:44): The Fair Work (Registered Organisations) Amendment Bill 2014 seeks to address the foolish and bungled amendments that Labor passed in 2012, led by none other than the current Leader of the Opposition. The issues in this bill are core to the promises we gave at the last election, and we intend to deliver on our promise to help the Australian people and the economy. This bill seeks to cut the large amount of unnecessary red tape, especially relating to the unjustifiable power and position that unions can impose on the workplace. It seeks to minimise the huge amount of inefficiency that unions bring to business, whilst ensuring and entitling that the rights and integrity of workers are preserved. These amendments hope to engage unions and the workplace in fairer dealing. It essentially puts the 'fair' back into 'fair work'.

The current policy imposes a large amount of red tape and gives inexcusable powers to unions to frustrate and inconvenience businesses in their day-to-day operations. These common sense amendments will aid businesses; however, at the same time, they will limit but not cease union powers. Unions do have their place in society, but let us make some distinction here with how businesses and the economy take the centre role. It is Australian businesses and the economy, not unions, which line the pockets of workers. It is Australian businesses and the economy, not unions, that put bread on the table. And it is Australian businesses and the economy, not unions, that bring prosperity to the Australian people.

These amendments address the disgraceful extent to which unions are impinging on Australian businesses. For example, BHP recorded 676 right-of-entry visits to the Worsley alumina plant in 2010 alone. These visits require employers to set aside time and resources to attend to entry requests, and they must also allocate resources to escorting permit holders on the premises. The current legislation allows union representatives to enter the workplace and to enter into discussions with employees, even though the workplace may have no members of the union in question.

These amendments follow on from the Fair Work Act Review Panel's recommendations, which the previous government failed to implement during their term. The review set out some common sense, practical recommendations, which are reflected in these amendments. The Leader of the Opposition, who was then the responsible minister, pushed through rushed reforms, without understanding or anticipating how his solutions would be worked. Labor rushed them through, without thinking about how they would affect other parts of Australia's society; instead, they were just thinking about how to appease their union mates. Unions, under Labor's misguided modifications, advance the notion that unions can enter into a workplace, even though no employee has sought their presence. So, if the unions are claiming to represent the workers, why are they entering into workplaces without the permission of those workers they claim to represent? This is a fantastic demonstration of how Labor failed to take a macro perspective on the Fair Work Act, just as it has done with so many other areas of policy.

The fair work amendments rebalance the powers of unions with the efficiency of businesses. This policy ought to have the support of both sides of the House, because this amendment aims to put the 'fair' back into 'fair work'. It aims to rebalance the personal
liberties of Australian workers, whilst supporting the prosperity of Australian businesses and thus the prosperity of Australia's economy. It aims to rebalance the fairness of the act and to cut red tape which intrudes unnecessarily on Australian commercial interests, whilst ensuring transparency, accountability and responsibility of those commercial interests. This policy reflects the coalition's central philosophies of ensuring and instilling personal liberty and choice to the Australia people. It releases the shackles that the unions have imposed upon Australia, whilst allowing them, the unions, to fulfil a role in society that does not dominate or damage the liberty of Australian workers or does not dominate or damage the Australian economy.

It is false to assume that workers' rights cannot hang in harmony with that of economic prosperity. These two fundamental parts of a workplace should not, and will not, be at odds with these amendments. Industrial action hurts employers, employees, customers and families. It is the aim of these amendments to settle industrial disputes in a peaceful manner that prevents undue action, without an extensive bargaining stage. Labor's loophole in the current bill allows unions to 'strike first, talk later'. This must be stopped! The loophole must be closed and unions need to know that negotiation is the first step in settling an industrial dispute. Ironically, Labor's promise from 2007 will actually be legislated.

The only reason why these recommendations were not legislated during the terms of previous Labor governments is that they just could not get their act together. These amendments are fair and balanced. The government is now introducing policy which will make sure that, if an employee of the Commonwealth is for some apparent reason owed money by the Commonwealth, that employee will retain the value of that money by introducing interest payments. These interest payments will retain the value of the money owed, with the payment being calculated in line with the consumer price index.

The amendments will also address the growing need in Australian workplaces for flexibility. The bill at inception has seen the need for flexibility. However, just like many other policy areas, Labor identified but failed to address this very important area of Australia's modern workplace. This government is determined not to impose decisions about industrial action on the people of Australia. Rather, we will enforce the power of choice to the Australian people. We, on this side of the House, give the choice to Australia and Australians. We on this side of the House, give liberty.

The amendments to the Fair Work Act not only give fairness to workers and business but are a sign that Australia is prepared and well equipped to handle future problems. They are a sign to investors that Australia is open for business. They give business and investors confidence through knowing that Australia is mature in handling industrial disputes. Investment in Australia will ensure the future success of all Australian business and thus the prosperity of workers and the prosperity of all Australians.

I am speaking today on the Fair Work amendment bill, because I want to bring the issue of fairness to the Fair Work debate. I note that the Labor party has an undying adherence to the mantra of fairness. In particular, Labor fancies philosophers such as the American John Rawls to justify their attempts at redistributive fairness. How ironic is it that Fair Work as Labor knows it, sees it and wants it is so unfair. Fairness by definition and practice is entwined with personal liberty. No matter whether it is a positive or negative view of personal liberty or
the freedom from or freedom to, fairness and liberty are related. How unfair is it then that unions can so entrust themselves in the Australian workplace in their own every inefficient way? How unfair is it then that unions take from the productive to line the pockets of the unproductive? How unfair is it then that Labor used legislation when it was in government to try to protect the position of the unions? Labor knew that the concept, need and purpose of the unions was dead. Membership is going in one direction only, to the grave. It is going to zero. The union movement in my experience has been a parasitic beast tormenting small and medium businesses in the electorate of Tangney. I need not remind members opposite of the names of disgraced ex-union officials. Names like Jackson and Thompson ring around the homes of this nation, as unwanted as the names Ben and Jerry are wanted.

This debate and this government are all about productivity and adding value. This debate should be about protecting those who add value, not those who only take and, most insidiously, are on the take. Do not just take my word for it. Former AWU National Secretary Paul Howes said in 2013, in relation to union dishonesty and corruption, ‘If we ignore any pocket of dishonesty it will grow like a cancer’. This legislation and these amendments have the strong support of those members of the union movement who share the same discouragement, disillusionment and disappointment.

Let me educate the good members who oppose what we are doing. We are acting because we said we would. We are keeping our promises, something Labor will never understand. Our plan, the fully costed policy document we took to the last election, spelt out clearly how we felt about unions. It also spelt out how we were going to make unions work for workers again, not for unions. We promised the Australian public ‘better transparency and accountability of registered organisations’. It is the coalition’s belief that Australians joining trade unions deserve to have confidence in the conduct and administration of these organisations. Let me say also that this debate takes place in the context of the ongoing inquiry by the royal commission into union corruption. Unions and corruption seem to go together like bread and butter—Wilson, Blewitt, Gillard. The Liberal Party has been the law and order party ever since the days of Menzies. How could I not support this bill? How could I not be happy about this bill, as it increases the penalties for breaches of current civil penalty provisions and even criminal penalties in some cases.

In sum, being light on union heavies is no longer possible. The economy and our global competitiveness position demand that we get more innovative and more competitive. Our future prosperity demands that we get the heavy hand of union mobs off the economic tillers. If we do not act now then, due to union greed and myopia, Australia will become what Singapore’s former and first Prime Minister, Lee Kuan Yew, predicted: ‘The poor white trash of Asia’.

Ms HALL (Shortland—Opposition Whip) (18:57): I find the previous speaker's contribution to this debate on the Fair Work (Registered Organisations) Amendment Bill 2014 really incredible. He finished by saying that the government is keeping its promises. Each and every day in this House we hear how the government is breaking its promises. Before the last election it promised that there would be no cuts to health and education. Over $80 billion has been taken out of health and education. It promised that pensioners would not have their pensions cut. Legislation that will lead to a direct reduction in the rates of pensions has passed through this House. It promised that there would be no cuts to the ABC. There have been cuts
to the ABC. So for the member for Tangney to stand up in this place and say, 'This
government is keeping its promises,' shows just how much we can trust members on the other
side of this House.

The member for Tangney spent a lot of time talking about individual liberty, about the
right of people to make decisions of their own—basically, about how it was liberating for
people to be able to do as they wish. He talked ad nauseam about personal liberty and at the
same time was very critical of any form of what I would call mutual obligation. According to
him, the power of choice is tantamount to everything; it is about an individuals right, about
liberty. The member for Tangney would be quite happy to see the liberty of one group
transcend the rights of another group. He is very much of the view that unions should have a
zero membership—and those words passed through his mouth when he was speaking of this.
He referred to unions as 'heavy-handed'. He referred to 'a mature handling of industrial
relations'—I think a mature handling of industrial relations as far as the member for Tangney
is concerned would be to have an industrial relations system where there were no unions
whatsoever.

When I was sitting down preparing this speech, I really struggled to understand this
government's approach to unions and to workers. I feel that it has adopted a position where it
will not rest until unions do not exist. To hear the member for Tangney's contribution, I really
believe that that is the situation. There is an ideological hatred of unions, and I ask: why? The
member for Tangney pointed out that he wanted to bring fairness to the debate. Well, I think
unions bring fairness to the equation. Any study of history will show that unions have actually
brought fairness to the equation—unions provide protection for workers, just as employer
groups provide a voice for employers. I will put on the record now that I appreciate what
employers do in our community. I went to a small business awards ceremony in my electorate
on Saturday night, and I was so proud of each and every one of those small-business people
who were there and of the enormous contributions that they have made to my local area—just
as I am really proud of the way unions stand up for workers, the way unions move to create
some fairness in the equation, and the way unions protect workers. There is an imbalance
of power, if you have a very strong employer group and a very weak union group. The idea is to
have a balance.

When I hear members like the member for Tangney putting forward their extreme, right-
wing, harsh, uncaring, unbalanced contributions to this debate, I can see why this legislation
is before us in the House. I do not think that all members on the other side of this House could
possibly share the extreme views that were expressed a moment ago. I do not see how people
could accept a situation where personal liberty—the right to choose whatever you wish to do,
over anything else—is paramount. I am sure there are members on the other side of the House
who can see that there is a strong role for unions, just as there is for employers—because
workers deserve protection. It is about balance and it is about fairness.

I look at this legislation before us today, the Fair Work (Registered Organisations)
Amendment Bill 2014, and I ask, how is it fair to impose on unions requirements and
penalties that are more onerous than those in the Corporations Act? And for once, we have a
unity ticket here between employer groups and union groups—both of those groups believe
this legislation is flawed. The government is reintroducing legislation that came before this
House in November. We did not support it then, and we certainly won't be supporting it this
time. Even with the proposed amendments, employer and employee organisations still have significant concerns about the bill. As I said, employers and unions are on a unity ticket. Even with the proposed amendments, the penalties in this bill still exceed the penalties in the Corporations Act 2001. The government promised to regulate registered organisations in the same way as corporations—well, it certainly is not doing that in this legislation. If this bill is passed, the legislation implemented will place much harsher requirements on registered organisations. This is just another broken promise, by a government that comes in each day and breaks promises. The Australian people know that. And the Australian people are very suspicious about this kind of legislation. They know that those on the other side of this House—the large majority of them—have an ideological hatred of unions. The Australian people know that those opposite would like a situation where there were no unions; where workers were at the mercy of employers. But to have a good industrial relations system, you need balance; you need a system where you have strong employers and strong employee organisations—strong unions.

Now a bit of history: this bill has come through the Senate. The committee tabled its report in December 2013, and on 27 March this year the Senate committee's report was actually tabled. That report did not support the legislation, and in March the amendments recommended by the Senate legislative committee were put in the Senate, and the bill was negated.

As I have already mentioned, the bill also modifies disclosure requirements, making them more onerous. It includes higher penalties for civil contraventions, and it introduces criminal offences, in respect of officers' duties, which are modelled on, but also exceed, those found in the Corporations Act.

Registered organisations—and this is where we come from—play a fundamental role in the Australian workplace relations system. The organisations are created and registered for the purpose of representing Australian employers and employees, giving them a voice—that is what it is about. Unfortunately, this bill seeks to take that voice away from them. Registered organisations represent members before industrial relations tribunals and courts. On a regular basis I have people come to my office who need that sort of assistance and are in a position where, even if they seek to exercise their individual rights and freedom, they do not have the ability or the knowledge to be able to do that without the assistance of their unions. Therein lies the answer to the question. Many of those on the other side do not believe that the people who find themselves in that situation should have a voice.

While we have problems with this legislation, we have absolutely no tolerance for corruption by union officials or officers in employer bodies, just as we have no sympathy for any corruption within corporations. We support tough penalties for breaking the law. I would argue that those tough penalties are already available. We support appropriate regulation for registered organisations, including a properly empowered regulator. The Leader of the Opposition, when he was minister, toughened the laws to include financial transparency and disclosure by registered organisations. As a result, the regulations for trade unions in Australia have never been stronger. Listening to those on the other side of this House, you would think that the regulations are weak and that the country is controlled by trade unions. Australia has one of the lowest levels of industrial disputes in the world. Accountability has never been higher. The power of the Fair Work Commission to investigate and prosecute for
breaches has never been broader. We tripled the penalties, which means that they have never been tougher. But this government thinks that—even given those facts—the regulations should be tougher. The government wants to take away all power from the trade unions. It wants to create a situation where workers have no voice or ability to protect themselves. The Fair Work (Registered Organisations) Act 2009 already prohibits members' money being used to favour particular candidates in internal elections. It already allows for criminal proceedings to be initiated. It already ensures that the Fair Work Commission shares information with police. The Fair Work (Registered Organisations) Act already provides statutory civil penalties.

Under the Fair Work (Registered Organisations) Act, registered organisations have a fiduciary duty akin to directors of corporations. It requires them to disclose their personal interests. A friend of mine told me about the level of disclosure he has to make in relation to his own personal interests—which includes disclosing payments made to relative parties and exercising care and diligence.

It is a really unusual situation when you have industry bodies and unions lining up on a unity ticket against the proposition. There is something very wrong with legislation that creates that situation. The opposition sought to engage with the government to ensure that the penalties did not exceed those in the Corporations Act, but the government was not willing. There are a number of issues, not the least of which is that this bill does not cover and regulate a range of entities and bodies, which are those that have been seen in New South Wales—bodies that have come before ICAC and that have put the honesty and integrity of organisations in that state into question.

This is flawed legislation. This is legislation that should not be passed. It is ill conceived and is another example of this government's broken promises saying one thing before the election and doing another thing after the election.

Mr BUCHHOLZ (Wright—Government Whip) (19:12): It is a pleasure to be able to stand in this House once again speaking to the Fair Work (Registered Organisations) Amendment Bill 2014.

I remind the House that in the last parliament I put forward a private member's motion to bring into line some of the concerns that were raised by the previous speaker—that is, making unions accountable under the Corporations Act, and the penalties that would apply the same as those that already exist under the Corporations Act. It will not surprise those in this House that that private member's motion was not successful, because those on the other side of this House mostly owe their seats, their position in this parliament, either through direct or indirect funding, to a union movement. At the last election, the front bench of the previous government—I think it was 10 out of 12 of them—had some direct linkage to union movements.

The previous speaker also talked about how on this side of government we have a hatred for unions. That is just farcical. My operations in the transport sector work very closely with unions. I have found that the union reps that I deal with are always accommodating, because I put forward a logical, succinct argument about why some of the decisions I made would be for the greater benefit of my employees. So to come into this place and say that this side of that House has a hatred for unions is predominantly flawed.
The amendments to the Fair Work Act 2009 contained in this bill are important items of the coalition's Fair Work policy that we took to the election. We did not say one thing before the election and another after, which has been the mantra of those opposite as they have come into the chamber to debate this. That has been the thread or flavour of their debate. They have been making that claim. Nothing could be further from the truth. We are actually doing what we said we were going to do before the election, and we are doing it consistent with an eminent panel.

In particular, this bill responds to a number of outstanding recommendations included in the *Towards more productive and equitable workplaces: an evaluation of the Fair Work legislation* review conducted in June 2012 when it was commissioned by the now Leader of the Opposition. The very capable review panel of eminent Australians—comprising of the Reserve Bank board member John Edwards, the former Federal Court judge Hon. Michael Moore and the noted legal and workplace relations academic Professor Ron McCallum AO—were asked to provide recommendations on areas where the operation of the act could be improved. They provided 53 proposals to tackle a range of issues and inspired many of the amendments contained in this bill. Do those on the other side of the chamber suggest that those eminent gentlemen who I just mentioned are also union haters? That is not the truth. It is unfair to come in and cast those aspersions in this House.

An interesting conclusion drawn from the review relates to the economic aspects of the Fair Work Act. The panel determined that since the Fair Work Act came into force important outcomes such as wages growth, industrial disputes, the responsiveness of wages to supply and demand, the rate of employment growth and the flexibility of work patterns have been favourable to Australia's continuing prosperity.

The exception has been productivity growth. That is what is missing. As a government—

**Ms Butler interjecting—**

**Mr BUCHHOLZ:** I sat here for the last three speakers and heard your speakers in silence, so do not come in here with your union intimidatory tactics and yell and shout. Just sit. The expectation has been for productivity growth. It has been disappointing in the Fair Work Act framework and in the two preceding frameworks over the last decade. It is this which has motivated the coalition's amendments. If you were not yapping, you would have just heard that. It is this which has motivated the coalition's amendments to the Fair Work Act. The coalition is dedicated to making Australia a more prosperous nation in which productivity growth plays an instrumental role. In order to achieve productivity growth, several of the amendments contain in this bill seek to eradicate loopholes, negatively geared systemic problems and prohibiting factors preventing Australian employers and employees from getting on with the job of growing their Australian economic pie.

One of the proposed amendments which the coalition has adopted from the Fair Work panel review relates to offering additional support to new greenfield industrial agreements. When reading it, I was quite surprised that the Fair Work Act review recommended:

- greenfields agreement provisions be made consistent with the general enterprise bargaining stream by applying suitably modified good faith bargaining rules to negotiations for proposed agreements. Given the national significance of some greenfields projects and the need for assurance in project design and investment, the Panel also recommends a form of arbitration be available if the parties are unable to reach agreement within a suitable time frame
Under Labor, the Fair Work laws effectively gave unions the power to veto new projects by requiring an employer to always negotiate a greenfield agreement with a union. To date, unions have exploited this veto power by deliberately causing delays and setbacks, while others have used it as a tool to demand exorbitant conditions. In addition, these irresponsible actions are responsible for the perceived doubt surrounding many important new projects which have failed to receive adequate investment as a result. The coalition wants to ensure that enterprise agreements for greenfield agreements can be negotiated quickly to ensure that infrastructure projects are not delayed and to encourage investment for everyone's benefit.

This bill also addresses the imbalance in union workplace access rules currently impeding the productivity of many workplaces. The Fair Work panel review expressed the need for changes to the right-of-entry provisions to unions as a means of encouraging productivity and fairness in our work environments. I have a real-life example on entry provisions. I took the opportunity to reach out to one of the processors where a number of people in my electorate are employed. It is in a neighbouring electorate. They turn over around $365 million, with a workforce of around 1,800. In spite of the employees voting in favour of working under a new EBA to secure the future of the plant and 1,000 jobs, the union has continued to run legal action through Fair Work Australia and now the Federal Court because it has lost its privileges. The union has lost privileges that do not matter to the workforce. The workforce said in this particular case that they were quite happy with the EBA. But the union has still taken the company to court. This has been ongoing for 10 months, causing great uncertainty and threatening the viability of the business. The union has already delayed the first wage increase of three per cent for employees. Fancy that—a union delaying an increase in employees' entitlements! It has extended the life of the new EBA by six months. If the union is successful, 70 per cent of the employees will suffer a wage decrease, which means they will come off the three per cent that they have agreed to in the workplace to receive a lesser amount. Groundbreaking, profit-sharing bonuses will be at risk—$3,000 to $5,000 per employee. It is about sharing the profits and sharing the productivity gains with the employees. The union would not have anything to do with that.

The new EBA is classic win-win: improved productivity, wage increases and profit share. The IR system has allowed this farcical situation to occur and flourish. In their email to me, this business went on to say that these government's amendments are only the start of much-needed reform if we are going to have any chance of running successful manufacturing and processing in this country.

Furthermore, the unlawful practices and inappropriate behaviour conducted by unions are well documented. For example, the Royal Commission into the Building and Construction Industry of 2001 identified no fewer than 392 separate instances of unlawful conduct—

Ms Butler: There were no charges.

Mr BUCHHOLZ: 25 different types of unlawfulness and 90 different types of inappropriate behaviour, as well as referring 31 individuals who had possibly breached criminal laws. I take the interjection from the member opposite. The royal commission was back in 2001. I state for the record that the member indicated that there were no charges.

The changes included in this bill fairly and sensibly balance the right of employees to be represented in the workplace if they wish to be with the right of employers to go about their business without unnecessary disruption. There is clear evidence of union representatives
abusing their right of entry, with excessive workplace visits recorded at a number of sites. For example, the Pluto LNG project received over 200 right-of-entry visits in a period of only three months. BHP Billiton's Worsley alumina plant faced 676 right-of-entry visits in a single year. There is no doubt that this sort of blatant interference on a work site by union representatives is hindering workers' ability to just get on with their jobs. There is no doubting the motivations behind such excessive visitation and access. Unions are fighting for representation of members and they are targeting workers in the workplace as a means of getting them signed up.

Given the union movement has a long reputation of intimidation in the workplace—people who do not wish to become members, employers and each other—I think it is fair to recommend that this sort of behaviour is not acceptable. Intimidatory tactics in the workplace to force people to sign up are not acceptable. We heard those opposite say that corruption is not acceptable. I take it one step further: intimidation in the workplace should never be seen as an acceptable workplace practice by the union movement.

Importantly, we will repeal the amendments which make the meal room or break room at the premises the default location for discussions between unions and workers and which require employers to provide transport and accommodation for unions seeking to access remote worksites. We will restore the arrangements that were in place previously, including that union officials must comply with any reasonable request by the employer to hold discussions in a particular location. Our changes will also mean that occupiers at remote worksites do not have to facilitate accommodation and transport for union officials to visit their workplace, reducing unnecessary and costly regulation for affected employers.

To be clear, these amendments will enact Labor's publicly stated position prior to the 2007 election—a promise that was not honoured. Given that the Labor Party in opposition, with the strong support of the union movement, supported this 2007 policy platform, we expect that these amendments will not be contentious and will go through. However, in the vein of what speakers before me have said, I would suggest that we may be going to a vote on this.

An additional aspect of this bill amends a significant loophole in the current system of strike first, talk later, which is costing our economy millions. The ABS reports that the number of work days lost as a result of industrial action is at an eight-year high. The member for Shortland mentioned that the union movement's strikes in this country are low when compared with those globally. I suggest that when 293,100 days are being lost annually, that is not a figure to crow about.

Under the existing Fair Work Act industrial action is able to commence before any bargaining has commenced. This has resulted in more frequent strikes occurring and on a larger scale. We are seeking to remove this loophole in the interests of small business and the economy. The bill will amend the Fair Work Act to provide that protected industrial action can only be taken if bargaining for a proposed agreement has commenced. This means that costly and productivity-hindering industrial action cannot be the first step in the bargaining process, which will restore order and balance to the enterprise bargaining approach. So that is not a bad amendment to have.

In conclusion, I would like to commend this bill to the House. It cements the coalition government's commitment to help make Australian workplaces even better, by improving the Fair Work laws to provide a stable, fair and prosperous future. We on this side of the House
do not hate unions. I have worked closely with them and I will continue to work closely with them. If those on the other side want some advice, they should ask themselves: why has union membership in Australia fallen dramatically over the past 30 years? These amendments are not going to affect future union membership. If you want to build a successful union, if you want a union that members can find value in, support this bill and these amendments. Make the same conditions apply to the union movement that apply under the Corporations Act.

Ms BUTLER (Griffith) (19:28): I rise to oppose the government's Fair Work (Registered Organisations) Amendment Bill 2014 and the circulated amendments. This bill ignores all advice from stakeholders and represents yet more broken promises from this government.

This bill will establish the Registered Organisations Commission, the ROC, and amends the Fair Work (Registered Organisations) Act. The ROC will be headed by a Registered Organisations Commissioner, with greater investigative powers than those available to the General Manager of the Fair Work Commission. The bill also modifies disclosure requirements, includes higher penalties for civil contraventions and introduces criminal offences in respect of officers' duties, which are modelled on, but also in some cases exceed, those found in the Corporations Act 2001.

We all know that the reason we are debating this bill tonight is that, as we have seen in recent weeks, this government would like to talk about anything but its toxic budget. It is a budget that takes money out of the pockets of the very people who trusted this Prime Minister before the election. As is the hallmark of this government, this bill represents yet another broken promise from a Prime Minister and a government that are watching their trust and support slip away like sand between their fingers. It is hardly surprising that when a Liberal-National government is in trouble, they run towards what they know best, which is attacking workers and attacking representative organisations. This bill is about registered organisations, which are employer and employee organisations registered under the Fair Work regime.

They play an important role in Australia's workplace relations system. They are registered organisations that this bill seeks to further regulate.

I listened to the previous speaker, the member for Wright, with interest, and I wish to offer to him in good faith a conversation about the effect of the Fair Work laws, because, as he might have noticed, there were quite a few things that he mentioned in his speech with which I disagree. One of them is this idea about greenfields agreements. The previous speaker said that somehow it was a problem that greenfields agreements were to be negotiated with unions.

But I ask: who else would a greenfields agreement be negotiated with? The definition of the greenfields agreement is that there are no employees with whom to negotiate. If the employer is not negotiating with the future employee's representative organisation, then with whom would they negotiate? Would we really want to go back to Work Choices? That is the alternative. The alternative is to go back to the Work Choices regime for greenfields agreements.

Let us think about that Work Choices regime for a second. An employer could make a greenfields agreement called an employer greenfields agreement. Who were the parties to that employer greenfields agreement? They were the employer and itself. In other words, the employer called a meeting with itself. It went into a room and said: 'Hello, employer. I'd like to give them no wage increase in the next three years. How do you feel about that?' 'Well, employer, that seems pretty fair to me. Let's shake on it.' That is ridiculous. That is why
greenfields agreements need to be negotiated with representative organisations that are acting in the interests of the future employees, because, frankly, there is nothing more than a glaring conflict of interest when an employer negotiates with itself, as occurred under the WorkChoices regime of the federal government under Mr Howard. That is the sort of thing the previous speaker was talking about: going back to that Work Choices regime, where there were no protections for future employees of greenfields projects.

But coming back to this bill, let us talk about registered organisations. The previous person who spoke to this bill was at pains to say that the coalition is not against unions. Well, I beg to differ. The trade unions royal commission that we see at the moment is an exercise in de-legitimising the union movement. That is what it is an attempt to do. It is to make the union movement seem like it is not legitimate. And why? We have seen things like the HSU scandal, a scandal in which the HSU was the victim of white-collar crime from unscrupulous, unethical persons who committed crimes against that union and its membership. But that does not mean that we should accept that unions in and of themselves are illegitimate, and unfortunately that is what this bill is aimed at giving the impression of. When we talk about registered organisations we are talking about employer organisations like the Australian Industry Group, like the Australian Chamber of Commerce and Industry, and about trade unions, like the CFMEU and other unions we have heard spoken about. These are organisations that are registered under the Fair Work legislation with an obligation to represent their members, both in the workplace and before industrial tribunals and courts. And they play a broader role. Unions and employer associations are part of a civil society, they are part of the fabric of Australian democracy, and they provide support to people individually but they also contribute to the sort of society that we want to live in.

If you want to know about the importance of unions in this country and in democracies, you might want to consider the case of CFMEU v North Goonyella Coal Mine Pty Ltd [2013 FCA 1444]. It is a case very close to my heart, because my former colleagues at Maurice Blackburn—Emma Thornton and Kelly Thomas—did such a great job working in that case, where an employer was being pursued for its contraventions of the Fair Work Act for adverse action against members of unions. It was a really important decision, and it was one in which His Honour Justice Logan spoke at length about the importance of unions in our democracy. He said that the case:

… provides a very useful occasion to recall why in our country, for so many years, trade unions have been regarded as lawful and why it is that those who take what is called these days adverse action against persons because of trade union activity are amenable to penalty.

To understand that, one has to go back almost 200 years to a case which was passed into history as the Tolpuddle Martyrs’ Case, but which is known in the law reports as R v Lovelass and Others (1834) 172 ER 1380. That case was decided in England against the background of a group of farm workers … who wished to form a union to prevent reduction of their wages. … The farm workers concerned met in the home of a Thomas Standfield. They there took an oath to combine together and to seek to prevent the reduction of their wages. They formed what was known as the Friendly Society of Agricultural Labourers. They were prosecuted under an Act, the Unlawful Oaths Act 1797 (UK). That Act had been passed by the British parliament in response to a threat of mutinies following the French Revolution. It made it illegal to make an oath and an offence to not reveal the oath in particular contexts. The workers concerned were convicted and sentenced to transportation to Australia. Such was the outpouring of popular outrage in respect of that prosecution and its sequel that the British government decided to return the workers concerned from Australia. Some later migrated to Canada. One remained here.
It is that case which is generally regarded as providing the inception of a movement which gradually throughout the 19th century led to the recognition by the British parliament and then by colonial parliaments here of trade unions as lawful organisations. The history of the progression from the Tolpuddle Martyrs’ Case, through the 19th Century, to the recognition under the Trade Union Act 1871 (UK) and the Trade Disputes Act 1906 (UK), which have Australian equivalents, is set out, notably, in a work by Sidney Webb (later Baron Passfield) and his wife, Martha Beatrice Webb, The History of Trade Unionism (Revised Edition, 1920).

In Australia, drawing on that heritage, ever since we have had a federal industrial relations statute, trade unions have been recognised expressly by our parliament upon registration as lawful organisations, having a recognised representational role in our industrial relations system. The history of the provisions proscribing adverse action in the Fair Work Act is as long as federal industrial regulation in Australia.

The case that His Honour was dealing with involved an employer taking adverse action against people for their union involvement. His Honour said:

The long and the short of it is that this case displays a blatant, deliberate, concerted and fulfilled endeavour on the part of an employer to subvert a deeply rooted feature— and this is the important part for our purposes today— not just of our industrial relations system, but of our democracy itself.

He was there talking about trade unions and their importance to our democracy, and he said:

I cannot overemphasise the seriousness of the conduct concerned. It is no new subject that trade unions are regarded as lawful and that those who seek to take adverse actions against person on the basis of trade union activity are subject to penalty.

Equally as important for the purposes of our consideration of this bill tonight, His Honour went on to say:

Of course, with the benefit of recognition as lawful organisations comes great responsibility for trade unions and those who hold office in trade unions. Over time, a number of commissions of inquiry, State and Federal, have exposed practices where the privilege of recognition of trade unions has been abused, or where those who hold office within unions have abused a privileged position.

With the greatest of respect to His Honour, I most humbly agree with him. It is very important that the seriousness of the role of the representation of working people be conducted absolutely without any corruption and without any unlawful behaviour. It is a role of great trust and great responsibility. Labor knows that and that is why we have no tolerance for corruption by union officials or officers of employer bodies, who equally share that sacred obligation as a representative and as a person to whom their membership look to represent their best interests.

The Labor Party has always supported tough penalties for those that break the law. We have always supported appropriate regulation for registered organisations, unions and employer associations, including a properly empowered regulator and consequences for those who break the rules. That is because we know better than anyone how important that position of trust is, not just to the individual members and to the members as a whole, but to our democracy and our society. It is fundamental to our democracy and society that we have a union movement that is held in high esteem. That is why we have always been committed to ensuring financial accountability by unions and employer organisations. So much so that the now Leader of the Opposition, Bill Shorten, as a minister, strengthened the laws around transparency and disclosure by registered organisations to their members.
Yet here we have those opposite standing here to talk about unions in a negative way, just like their counterparts in my home state of Queensland. That is where we saw anti-union legislation. Wasn't that a success! It was such a success that the Queensland LNP had to rush into the parliament to repeal their own transparency laws, because they knew that they were not going to survive an upcoming High Court challenge. Those rushed through anti-union laws did not survive and were so poorly written and so poorly put together. The facts though, from Labor's perspective, speak for themselves.

As a result of Bill Shorten's work, the regulation of trade unions in Australia has never been stronger, accountability has never been greater, the powers of the Fair Work Commission to investigate and prosecute for breaches have never been broader and penalties for breaches have never been tougher. Labor tripled the penalties when we were in government. Yet we now hear those opposite coming in here to try to manufacture a basis to justify their changes. They refer to things like the HSU, which, as I have said, was a victim of white collar crime but unscrupulous officials.

Let us have a look at the Registered Organisations Act as it now stands. Does the act prohibit members' money from being used to favour particular candidates in internal elections or campaigns? Yes, as it has been a longstanding principle of industrial law in this country that members' money cannot be spent on electing particular candidates in union election campaigns.

Mr Ciobo: Someone should have told Craig Thomson.

Ms Butler: I will take the interjection. Craig Thomson has just been raised. As we know, he broke the law and he should suffer the full consequences of a breach of the law. The fact is that the union was the victim of that crime. Just as if a director of a company defrauds that company, that does not make that company illegitimate; so if an official of a union defrauds a union, that is not a basis to claim that unions are illegitimate. Does the act allow for criminal proceedings to be initiated where funds are stolen or are obtained by fraud? Yes, it does. Does the act already ensure that the Fair Work Commission can share information with the police as appropriate? Yes, it does. The Registered Organisations Act already provides for statutory civil penalties where a party knowingly or recklessly contravenes an order or direction made by the Federal Court or the Fair Work Commission under the Registered Organisations Act or the Fair Work Act.

 Officers of registered organisations already have fiduciary duties akin to those for directors under the Corporations Law and there are corresponding statutory obligations. The Registered Organisations Act already requires officers to disclose their personal interests, already requires officers to disclose when payments are made to related parties and already requires officers to exercise care and diligence, act with good faith and not improperly use their position for advantage. Given all of this, we cannot help but question the motives of this government in introducing this bill.

Why is the government rushing to impose this new regime, which includes some penalties that exceed the Corporations Act? It is just yet another attack on unions, because they do not want to talk about their budget. They are looking for something—anything—to talk about other than their toxic budget, which is the budget that has been rejected so comprehensively by the Australian people and that breaches those pre-election commitments of no cuts to health, no cuts to education, no changes to the pension and no new taxes. What have we seen?
We have seen the GP tax, the tax when you go and get an x-ray, the tax when you get a blood test, the deregulation of higher education, the cuts to education, the changes to the pension indexation that will leave pensioners worse off and the petrol tax. It is a litany of broken promises and twisted priorities. (Time expired)

Ms CHESTERS (Bendigo) (19:43): I also rise to speak in opposition to the Fair Work (Registered Organisations) Amendment Bill 2014, for the second time in this term of parliament. Still the government has not done their homework on the bill before us. They have not improved their work at all. It is still a failure. It is still a poorly conceived bill that is badly motivated and entirely unnecessary, because this issue was dealt with by the 43rd parliament. Nobody is denying that if there is criminal behaviour and if it occurs in any organisation, then it should be dealt with properly by the Criminal Code Act.

That is exactly what we have seen happen, whether it be Craig Thomson or whether it be Geoff Shaw. If there is somebody who breaks the law, they will be dealt with appropriately. That is why this bill is not the right place for this. The Fair Work Act and this bill seek to impose penalties that are tougher than we have seen anywhere else in any part of our acts, including the Corporations Act.

Nobody is excusing the behaviour of one or two individuals, but, as we have said repeatedly, you cannot punish the entire institution of registered organisations for the actions of one or two individuals. If we were to adopt the government's logic, we would be punishing every MP in the Victorian parliament because of the actions of one, Jeff Shaw. But we have not seen that happen. All this bill seeks to do is to union bash—to bash up the natural foe of the conservatives, our trade union movement. Along their way, in their frantic push to bash the trade union movement, the government have caught up a few of their traditional supporters, their own organisations—the employer groups.

The burden of this extra regulation will fall not just on the full-time, salaried union officials that they seek to punish but also on the volunteers of the trade unions or registered organisations such as the Australian Industry Group. These groups have been quite vocal in their opposition to this bill, not once or twice but a number of times, whether it be to individual members of parliament or whether it be to Senate inquiries, but the government still ignores their words and their pleas. The government has wrongly claimed that these reforms will protect union members' interests and give greater democracy to union members. Again, it is just another attempt by a desperate government to distort the facts. This bill will achieve the exact opposite. It will impose tough and rigid regulations on the largely rank and file members who run our trade unions. The government seek to impose large fines on those rank and file members.

I know those opposite struggle to understand what a trade union looks like. As an example, the executive, the council, of United Voice in the state of Victoria, like in every state, is made up of rank and file members. There are only a couple of people who are paid officials. Take, for example, Marie Angrilli, who works for Spotless as a part-time school cleaner. She gives up her spare time as a volunteer to be president of United Voice in Victoria. Why should she be treated any differently from the president of a school council, who is also a volunteer, or the president of a sporting club? That is exactly the distinction this bill tries to make. The government has wrongly labelled Marie, who is a volunteer rank and file member on the union executive, as one of the union bosses and union heavies, and seeks to impose on her, as
well as on all the other members who are rank and file members elected to their trade union state councils or executives, very tough penalties. The other union I wish to mention is the rail division of the RTBU. Bob Bassett is a full-time conductor for V/Line—another hardworking person who this government seek to victimise, demonise, call a union boss and vilify in the way they are trying to do in this bill. The government suggest that these people are union bosses and union heavies, but nothing could be further from the truth.

There are still two million people in Australia who are members of a trade union, making the trade union movement one of the largest community based rank and file organisations in this country. Yet this government is dead set scared of them. I can understand why. When working people are active, when they get together, when they organise around their working rights, when they stand up, when they have a voice, they become a broadbased movement that can speak directly against what this government is trying to do. It is no wonder that upon being elected one of the first things that this government did was try to tear down the union movement—because they, unlike the rest of Australia, knew about that horror budget, that shocker budget, that they were about to bring down. That budget did one thing, and that was to tear at our working people. It attacked their children, whether they be in school or trying to get a university education, and it attacked working people's parents, whether they be self-funded retirees or on a pension, or in an aged care facility, possibly victims of the government's latest cut to the dementia supplement. It is no wonder that the government has brought forward this bill to try and attack unions, to distract their members from the real battle that is going on outside of the workplace, whether it be in their homes, whether it be in their children's schools, whether it be with their parents and their pension. The government is no fan of working people. They are not the great saviours of the working people that they like to champion. Whether it be on this version of the debate or a previous version of the debate, speaker after speaker from the government side have claimed that they are the best friend of working people.

As I have mentioned, it is not only trade unions that are opposed to this bill but also a number of employer organisations. I note the submission of the Australian Industry Group to the Senate Education and Employment Legislation Committee. When I was first elected I never thought I would be standing up in the parliament saying that I agreed with the Australian Industry Group on the matter of workplace relations. But here I am in this House doing that. It just shows how far to the right the government has gone when employer groups are saying that their proposal concerning part of the Fair Work Act is too radical and too draconian. Just as our union delegates come from the rank and file, the Australian Industry Group also have rank and file not delegates but councillors that run their incorporated organisations in New South Wales, Victoria and Queensland—in fact, 85 people from their rank and file membership based organisations.

Like many of our union delegates who work on state councils and state executives running their unions, these officers for the Australian Industry Group are volunteers. They give up their time without payment for their role. This bill seeks to make their job harder by imposing new regulations on volunteers who make sure their organisation is run properly. Yet, all it will do will is increase the amount of time, regulation and red tape for these volunteer based organisations. This means these organisations, like our trade union movement, would have
less time to spend on their businesses, less time to spend on policy, and potentially some of
them would have to give up their role as volunteers in a registered organisation.

This is what the government seeks to do with this bill. It is an example of how poorly-
conceived and rushed the government is in their desperate attempt to union bash and distract
the community from their real agenda, which is to attack working people in every aspect of
their lives. I quote from the Australian Industry Group's submission to the Senate inquiry on
this bill. They state:

Unlawful conduct within one organisation must not be used as an excuse to impose unfair laws or an
excessive compliance burden upon all registered organisations.

I also note that they cite the ILO's Freedom of Association and Protection of the Right to
Organise Convention, 1948. When you have the Australian Industry Group in a submission to
an inquiry talking about protection of the freedom of association, you know the government is
on the wrong path. They, like their workers, seek to organise—seek to have a collective voice.
From time to time, bosses and workers do disagree, but nobody should deny their right to
organise. Yet this government seeks to do that; it seeks to tear at that basic convention—that
of freedom of association.

As I have said, this bill is poorly-conceived, badly-motivated and entirely unnecessary. It
should be rejected in its entirety. It creates a large volume of new regulation without evidence
that it is necessary. The work was already done in the former parliament. This bill also creates
a new Commonwealth regulator, where one already exists. This is from a government that
claims that it wants to get rid of red tape—yet, it is introducing more. This bill creates a large
volume of new regulation that will not just increase the burden for registered trade unions, but
it will also increase the burden on employer organisations. As I have said, it should be
rejected in its entirety.

The problem with this debate is that, once again, it is centred around the rhetoric of union
bashing. Why on earth does the government continue with its union bashing? Why does it
seek to perpetuate this myth? Perhaps it is for their own purposes—they need an enemy. So
let's create one from working people. Let's remind ourselves who unions are: they are men
and women in a workplace who get together; they organise to have a say about their
workplace rights. And they are very good at it; they have had a lot of influence. In some
sectors they have organised well—they have good working conditions. Yet this government,
we know, in other bills seeks to tear those down. We also know that in a number of new
industries unions are still doing the hard work of ensuring that their members have good
workplace conditions. The cleaners here in Parliament House and the cleaners who work for
the government are some of the latest victims of this government's budget shocker. In their
determination to cut costs, they have cut the wages of their own cleaners. I would like to cite a
comment from an editorial in the *Herald Sun*, challenging the psychology of the government's
IR minister: what sort of psyche does a man have if he cuts the wages by up to $5 an hour of
the person who cleans his toilet? To me that statement says it all: if you cut the wages of your
own cleaners—the people who clean your toilets—you are not a friend of hard-working
people. It does not matter how many times you say in front of the mirror that you are the
worker's friend, it is simply not true.

The government's actions when they were previously in government demonstrate that they
are not the fans or supporters of working people. When the Prime Minister was the workplace
relations minister, he showed very little regard for working people. He said that the Howard government's legacy would be WorkChoices; he said it was one of their proudest achievements. It is simply not true. WorkChoices, as we know, is not 'dead, buried and cremated', as the Prime Minister has continued to say. In fact, it could not be further from the truth. We have seen through their attempt to try to amend the IFA and their other bill on the Fair Work Act that they are seeking to bring it back. That is why they have to demonise the very organisations that stand up against them. Let us not forget what the government did when they changed unfair dismissal, when they went after penalty rates, when they attacked people's retirement income and when they made sure that working people would have less access to their union representatives. Let's be clear about this bill: it seeks to demonise unions and hard-working union officials. (Time expired)

Mr STEPHEN JONES (Throsby) (19:58): This bill is about the regulation of unions, employer associations and their officers and officials. In common parlance, the word 'official' is taken to mean somebody who is elected or appointed to a full-time job within an organisation and who draws a salary for performing those functions. It belies the fact that the majority of officials, at least within unions, are volunteers who give up hundreds of hours of their time every year for a purpose and a cause that they believe in. For unions, the cause is the protection and the betterment of the wages and conditions of the people they represent—ordinary Australian workers. They help them balance the cost of living with their income and they help them get a fair go at work.

Any debate about workplace relations in this place is always conducted on many levels. As the contributors to this debate have demonstrated, it is as much about the political contest between the conservative parties and us, the Labor Party, as it is about the subject matter of the bill. We have heard numerous contributions from those on the other side of the House and from those on this side of the House which give testament to that. It has been that way since Federation. Governments have risen and fallen on the question of industrial relations. It is an unfortunate fact that the objects of the legislation, by which I mean those for whom it purports to regulate, are often swept aside.

I would like to say a few words about a mate of mine to correct the balance. My friend's name is Kerry Edsall. She was a government employee who started work in the Department of Social Security, as it then was, in one of the first call centres that that department established, in Geelong in 1993. She was a strong woman with a great work ethic who was as respected by the workers in her workplace and nationally as she was by her employers. She joined the union soon after becoming an employee of the Department of Social Security and became deputy delegate in her workplace soon after. She represented the department and Centrelink on the union's section council from 2001 and became the union secretary in 2003, a position that she then held for over 10 years—all on a voluntary basis. In 2013, in recognition of her many decades of service to the union, she was granted a life membership.

She was a key CPSU leader in Centrelink and the Department of Human Services and represented members through many agreement negotiations and in other national and international forums. She was well respected by management, by government and by union representatives because of her deep knowledge of the work of the department, the needs of the clients of the department, the operation of the union and the needs of their members. As well as supporting and engaging members in her workplace, Kerry mentored many young workers,
including workplace delegates and section councillors, across the country. She was a courageous leader and a courageous worker who genuinely lived up to the cliche that you have to walk the walk as well as talk the talk. She never dodged difficult discussions with members, with management or with anyone who needed to hear the truth. She was a person who was very comfortable speaking truth to power.

Kerry understood that union strength comes from the work that you do in the workplace—not from acts of parliament, as important as they are and as influential as they can be in governing workers' rights, but from the strength within the workplace. Her commitment and passion for union and Labor values motivated many members throughout her workplace and around the country. Her commitment to union work was legendary, and I repeat: it was all done on a volunteer basis. It was not uncommon for her to rise before sun-up and take the long commute from Geelong to Canberra to be involved in negotiations with management—only to turn around and go back again and be one of the first people at work the very next day.

You can only imagine the high regard in which she was held within the workplace and within the union—and you can only imagine the devastation people felt when, on 23 June this year, Kerry passed away after a relatively short battle with cancer. She is survived by her husband John and her daughters, Sheridan and Shea, whom she adored and was as proud of as they were of her. Kerry did more than just promote the values of the union; she lived them. So when I see members opposite and others around this parliament seeking to go about the task of demonising unions and union officials, I know they have a tough battle ahead of them if they want to demonise people like Kerry Edsall. She was someone who lived the values of the union—and she did it all for nothing. She was a great example and a great mentor to generations of young women.

When you are in government you have limited time, and how you spend that time is a statement of your priorities and your values. That is why I say that this bill before the House demonstrates the fact that this government has its priorities all wrong when it comes to workplace relations. They had the opportunity to correct an outrageous error—perhaps it was not an error; perhaps it was a deliberate act—they perpetrated during that great failed episode of 'Deregulation Day'. By the stroke of a pen on that day, they cut the wages of cleaners by somewhere between $172 and $225 per week. I am talking about some of the lowest paid people who work in this place. If you were to look at a diagram of who the highest paid and who the lowest paid people in this place are, you would find the Prime Minister and the Treasurer somewhere near the top of the pay pile—and you would find the people who clean this place when we have gone home near the bottom. So you have to ask yourself: what was in the minds of the Prime Minister, the Treasurer and his parliamentary secretary when he tried to bury a provision, within over 50,000 pages of government regulation, to cut the wages of some of the lowest paid people in the parliament and within government employment. It is a statement of the government's priorities.

We could today be debating a bill that corrected that error. We could be debating, perhaps, amendments from government members effectively saying, 'We know we got it wrong when we cut the wages of some of the lowest paid people in the country.' Instead, they have used the limited resources and the limited time available to this parliament to debate a bill which
does something completely different. I will get to what it does in a moment, but I think that speaks volumes about the priorities of this government.

I am a relatively new member, Deputy Speaker Mitchell. We came into this parliament at the same time, after the 2010 election. I remember an important debate that we had in this parliament when Labor introduced legislation regarding directors' salaries, and an important reform Labor introduced that gave ordinary shareholders some say in the outrageous salaries that many directors were awarding themselves, and a mechanism to correct those salaries.

When I heard the Prime Minister say before the election that one of his objectives in workplace reform was to ensure that we brought into line the obligations incumbent upon unions and union officials in the Workplace Relations Act so they more closely mirrored the obligations upon directors and companies within the Corporations Law, I thought I would find a provision in there that enabled that reciprocal flow of obligations. I can tell you this—and I have quite detailed knowledge about this—there would not be a union in this country whose rules did not provide that if a meeting of the members properly constituted of that union, or the governing body of that union, passed a resolution that said the officials of that union shall afford themselves a particular salary or a particular form of remuneration, and no more or no less, then the officials of that union would have to comply with that resolution of the membership body. When the government says they want to align the obligations of unions and corporations, that is one they have overlooked—because I remember very well, as you would remember very well, Deputy Speaker Mitchell, that they opposed tooth and nail those changes to the Corporations Law. They argued against them as 'excessive red tape'. If the government is truly interested in ensuring that the same obligations upon unions and employer associations apply to corporations, they would be rethinking their policies when it came to that particular issue around director salaries.

I listened with great interest to a number of the contributors to this debate when they talked about the genesis or the objectives of the legislation, and they invariably relied upon the great scandal concerning the Health Services Union. I am appalled by some of the revelations that have come to light about the expenditures and the use of members' money within the Health Services Union, but it is worth noting that the officials who have done the wrong thing within that union have had those malfeasances brought to light, they have been charged and have been prosecuted under the existing laws. If the motivation for bringing these laws before the parliament is to correct something that was going wrong in one or two organisations, I simply make the point that the reforms have already been implemented. In fact, the now Leader of the Opposition introduced those reforms when he was the government minister in relation to workplace relations. The reforms have created greater obligations for registered organisations and have ensured that there are greater penalties for non-compliance and greater obligations in relation to the use and reportage around members' funds, and other obligations.

For example, in 2012 he toughened the laws to improve the financial transparency, and the disclosure by registered organisations and their members. If the motivation is anything more than kicking the industrial question into the political debate, then you have to look at what has already been done and the remedies that are already available. We on this side of the House say that we stand shoulder-to-shoulder with those in the community who are appalled that the funds of any registered organisation—or any community organisation, or any charity or any company, for that matter—could be used for any purpose other than the purpose for which
they are contributed. We should come down on them like a ton of bricks. But we look at the legislation and at what is already there, and we cannot draw any other conclusion but the fact that this is just an opportunity for the government to kick the industrial question back into parliament to use it as a part of a concerted campaign to try to reintroduce laws they said they would never reintroduce and to try to muddy up those who are their political opponents, and in doing that give themselves some form of political advantage.

So we are all for looking at and introducing laws that ensure the highest standards are imposed upon employer and employee organisations, but we say that this legislation does not do that. We say that this legislation is not necessary, that we will be opposing the legislation, and that we will be doing it because we say it is introduced to the House for an entirely different purpose altogether.

Mr NEUMANN (Blair) (20:13): I speak in relation to the Fair Work (Registered Organisations) Amendment Bill 2014 to express my opposition to it. The government has reintroduced legislation before the chamber—a bill they have submitted earlier in this term of parliament, back in November. We did not support it then and we will not support it now. The whole purpose of this legislation is driven by rank right-wing ideology. This is not about registered organisations and their best interests, or the best interests of industrial relations, and fairer, simpler and decent workplaces—this is motivated by ideology.

In some countries the division between the major political parties is driven by religion, in some it is driven by geography and in others it is driven by language. In Australia, the divide between the major political parties is on industrial relations, and it has been for decades. Labor on this side has stood up for working people; on the other side, they have stood up for the interests of capital. Labor believe that employers and employees can work productively and constructively in the workplace, without coercive, investigative and onerous powers being put on by bodies created for the purpose of imposing ideology in the workplace. We saw that when those opposite were in government back before 2007, and we are seeing it resurrected yet again. It is in their DNA. They just cannot help it. It is reflexive. It is what they believe in their blood and bone, and that is to prosecute and persecute workers in the workplace. So we will not support this legislation.

We believe the bill exceeds the penalties that are necessary in the workplace to make sure that registered organisations do the right thing. The bill exceeds penalties in the Corporations Act, which governs so much of corporate Australia. The government promised it would regulate registered organisations in the same way that companies, directors and shareholders are dealt with, but that is not what is happening here. What this bill actually does, as it has done before when it was introduced previously and when we opposed it, is establish a registered organisations commission; it amends the Fair Work (Registered Organisations) Act 2009. That registered organisations commission, headed by a registered organisations commissioner, will have more investigative and coercive powers than those available to the general manager of the Fair Work Commission. There are some more onerous disclosure provisions and, of course, greater penalties in terms of civil contraventions. There is also some criminality introduced in terms of criminal offences with respect to officer's duties which are discharged in the exercise of the work for those registered organisations.

Registered organisations are absolutely crucial to Australia's workplace relations system. They play a very important role in the maintenance of productive, flexible and fair
workplaces. Australian employers and their employees are entitled to representation in their workplaces. They are entitled to representation before the courts and before tribunals which deal with areas of disputation, whether it is internal within one state or across state and territory borders. They are entitled to that representation to advance their concerns and their interests. When governments consider policies in relation to industrial relations, employers and employees are also interested in how it affects their rights, their interests and their obligations. They are entitled to that representation free of corruption by employers, by employees and also by the bodies that represent those interests. They are entitled to know that their membership fees are not being misspent. As the Australian Industry Group stated in their submission to the Senate Education and Employment Legislation Committee inquiry into this bill:

Overwhelmingly the officials and staff of registered organisations of employers and employees are dedicated and ethical people who work very hard for the benefit of their Members, their industries and the broader community.

This is absolutely accurate and correct.

In my time as a federal member of parliament and in my days before that, as an employer and as someone who has lived in the Ipswich and West Moreton community all my life, I must say that I have had very productive and genuine dealings with representatives of both employer and employee registered organisations. However, we must acknowledge that, although corruption is rare, it does occur in business, in government and in the community. I want to make it plain that Labor will not tolerate corruption by union officials or by officers of employer bodies. We support appropriate regulation of registered organisations in Australia's workplaces. We support a properly empowered regulator. We support appropriate and tough penalties for those who do not follow the rules and for those who break the law. It does not and should not matter if the registered organisation found to be breaking the rules represents employers or their employees. We demonstrated this when in government.

In 2012, Labor in government then toughened the rules for registered organisations. We made their finances more transparent to their members. We dramatically increased the disclosure responsibilities. When the now Leader of the Opposition was the minister in charge of workplace relations he achieved this with legislation that he initiated in this place. The then Labor government acted to strengthen the regulation of registered organisations, whether trade union or employer organisations. That regulation, which currently governs the workplaces of this country, is the strongest it has ever been.

As I said, the background to this this bill is really important. We made it a requirement that officers of a registered organisation disclose to that organisation the remuneration paid to them by the organisation, by a related party to the organisation or because the officer is a member of a board due to being an officer of the organisation. We made it a requirement that officers of a registered organisation disclose to that organisation any material personal interest that they or their relatives—spouse, parent, child, grandchild, grandparent, brother or sister—have or acquire relating to the affairs of that particular organisation. We made it a requirement that the registered organisation disclose to their members and to the Fair Work Commission by 31 December 2014 and every year thereafter the remuneration which the five highest paid organisational officers and the two highest branch officers had been paid in that previous year, the material personal interest which the officers had disclosed and all payments to
related parties of the organisation, including payments to entities controlled by officers of the organisation. It is through the Labor government's actions that members of registered organisations now know more than they ever did before and can have confidence in the organisations which seek to represent them in the workplace. We acted to broaden the Fair Work Commission's power to investigate suspected rule breaking by those registered organisations or individuals associated with them. When this rule breaking was proved, we acted to broaden the Fair Work Commission's powers to prosecute that breach.

The minister is a regular commentator on the Health Services Union, even when the matter is before the judiciary. He justifies this bill and changes made previously through constant references to the HSU. He says that this bill will sort it all out. What he will not admit is that the current legislation—the Fair Work Act and the registered organisations act—already contains the powers to deal with HSU matters. We already have in the registered organisations act prohibitions on members' money being used to favour particular candidates in internal elections or campaigns and provisions in relation to criminal proceedings being initiated where funds are stolen or are obtained by fraud. The current legislation ensures that the Fair Work Commission can share information with the police when appropriate for an investigation. The legislation currently provides for statutory penalties where a party knowingly or recklessly contravenes an order or direction made by the Federal Court or the Fair Work Commission under the registered organisations act or the Fair Work Act. These things exist already; they are already in place. There is no need for the legislation before the chamber to be brought before the House again.

The Fair Work Act already places on officers of a registered organisation a fiduciary duty that is very much similar and akin to the obligations that a director has under the Corporations Law in relation to the disclosure of personal interests, the disclosure of payments to related parties, being required to exercise a responsibility with care and diligence, acting in good faith and not acting improperly to use their position for political advantage. These are already obligations in the law. If you breach those obligations the Fair Work Commission has broad powers to investigate and if necessary prosecute. If officers are found guilty they face a range of serious penalties. This is not fancy. This is not fiction. This is what the law is currently. All of that would occur under the Fair Work Act and the registered organisations act as they currently exist. So why is the government trying to do this? As I said before, this is about ideology. There is no rhyme or reason, other than pure ideology, for these changes. The penalties are draconian. They are not supported by industry. The Australian Industry Group said of what the government is trying to do:

If the proposed criminal penalties and proposed massive financial penalties for breaches of duties are included in the RO Act, this would operate as a major disincentive to existing voluntary officers of registered organisations continuing in their roles, and would deter other people from holding office.

The penalties in this legislation are punitive. When you consider what a person can face in civil and criminal prosecution under this legislation for a failure to disclose or for reckless use of their position you can see that these penalties would act as a disincentive, as the Australian Industry Group has said. Who would volunteer if there are massive penalties for a mistake? Why does this bill seek to introduce criminal penalties for behaviour that is already covered by and subject to criminal law in other legislation? This is not about the government being concerned for registered organisations. This is part of an agenda. It is irrational. The government is not interested in good policy or empirical evidence. This is about the
government's DNA and their blood and bone. They hate unions and they hate those who represent workers in the workplace.

We have always remained open to the government's discussing good industrial relations policy and the concerns they may have about defects in the system and about deficiencies that could be remedied, but we cannot support this legislation. If the government were fair dinkum about tackling corruption, regardless of the type of organisation involved, they would not have this legislation before the chamber. Why is the bill silent on non-registered organisations? The bill is not about good governance at all. I believe that Australians will see the bill for what it is, yet another ideological attack on Australia's unions and Australian workers. They have established the royal commissions into the trade union movement. They have done so many things since they have been in power, as the member for Throsby said in relation to cleaners and elsewhere. They just cannot help themselves. This legislation is not about good governance or better workplace relations. It is not about reducing red tape. It is simply about ideology. We will oppose this bill. It is another broken promise like their budget of betrayal and broken promises. We will not stand for it. Australians should oppose it; they will see the bill before the chamber for what it is, another attack by a government that has no regard for Australian workers.

Mr SNOWDON (Lingiari) (20:28): I thank the member for Blair for his contribution and say how well it elucidated the issues before the chamber. I was particularly struck by his description of the coalition and what is contained within their DNA. I participate in this debate on the Fair Work (Registered Organisations) Amendment Bill 2014 as someone who has been here longer than anyone else on our side of the chamber and only one other person—

Dr Chalmers: A hundred years!

Mr SNOWDON: A bloody long time! One other person, Deputy Speaker Scott, has been here a lot longer than me. You still have hair, Deputy Speaker, I have little.

Mr Hartsuyker: That wouldn't be hard, to have more hair than you!

Mr SNOWDON: That is true. I have to tell you that I have not lost that hair worrying about trade unions. I have lost that hair worrying about this government, and about what the conservatives and the far Right in this country are wanting to do to the people of this country. This bill, as the member for Blair rightly pointed out, is a really good lesson as to this government's political agenda and how much it replicates—across the board—their own ideological self-interest, and their lack of recognition of the proper place of unions in this country and of the rights of Australian workers to be represented by those unions. I remember being on a building site at age 15 and labouring—I won't tell you how successful I was at that job; I was not that flash, I have to tell you—

Mr Butler: In the Boer War intervention!

Mr SNOWDON: In the Boer War intervention. But I had a very close friendship with the local BWIU organiser—someone who I was able to talk to about the job I was in; someone who was able to give me some guidance about occupational health and safety issues in that workplace; someone who was able to talk to me about my rights, as a young man earning adult wages at 15 and labouring on a building site, here at the university which my friend here, the member for Rankin, has just—well, relatively recently, as far as I am concerned!—received his PhD from: working in that workplace was very instructive. It taught me—as if I
had not been told by others, including my family—about the importance of joining a union. From then on, throughout my whole working life, I have been and remain a member of the union. I organised as a union representative—I was a shop steward, effectively—in my workplace. I was an elected official in a trade union; not a paid official but an elected representative of my peers. By being in that organisation, I found out how important it is to understand the intrinsic value of organising workers in this country, the role of trade unions, and their historical importance and their validity, not only historically but also today. This bill demonstrates to us the government's disguised and absolute disdain for and abhorrence of unions and their historically critical role in representing Australian workers—

Mrs Griggs: Craig Thomson did a good job!

Mr Snowdon: I will come to you later; just don’t go out of here! The role of the unions in winning pay and conditions from capital, by dint of their organisational ability, their capacity as individuals, their advocacy, and their professionalism—that is what it is about; understanding the proper role of trade unions. In this country, we all know—even the blue bloods opposite know; those with the silver spoon know this, and they have got that silver-spoon privilege not by dint of their own work but by the work of hardworking Australian men and women—that those people doing the hard yakka in the workplace: in the coalfields; on the building sites; in the financial sector; in the hospitals; those are the people doing the work. These are the people who create value for us. It might well be thought that you would recognise that even if you were born with a silver spoon in your mouth, as many of the other side seem to have been. I have a great deal of respect for some—not all, but some—members of the government. I know them to be fair and genuine people—you yourself included, Mr Deputy Speaker. Not that I want to malign you—

Mr Butler: Or damn with faint praise!

Mr Snowdon: Or damn you with faint praise! But nevertheless, this government, as the member for Blair has rightly said, has form. Since I first came here a long time ago, at every opportunity the coalition, whether in government or in opposition, has sought to undermine the rights of Australian working men and women by attacking their trade unions. It is absolutely true: the historical record speaks for itself. It is in their DNA to vilify, attack and undermine the role of unions in the workforce and the rights of their members. And I, among many in this place, lived through the Work Choices debacle, and what followed: we all remember the dogs on the wharf; we all remember those things. That is what is in the DNA of this government. That is what this bill represents. It is, as the member for Blair rightly said, irrational. It is superfluous. There is no need for this legislation. We need to comprehend for a moment what it in fact seeks to do. This bill, as you know Mr Deputy Speaker, would establish the Registered Organisations Commission, or ROC, and would amend the Fair Work (Registered Organisations) Act. The ROC would be headed by a Registered Organisations Commissioner with greater investigative powers than those available to the General Manager of the Fair Work Commission.

This same bill was first introduced in November of last year. It was defeated in the Senate; earlier this year, the amendments recommended by the senate legislative committee were circulated in the House. Now we have got the same piece of legislation again. As the member for Blair has said, we will not be supporting this government's Fair Work (Registered Organisations) Amendment Bill 2014, or the circulated amendments. As I pointed out earlier,
these registered organisations—these trade unions—play a fundamental role in Australia's workplace relations system. They are created and registered for the purpose of representing Australian employers and employees at work. Registered organisations also represent their members before industrial tribunals and courts, and work with government on policy matters ranging from employment issues to economic and social policy. I want to refer to other contributions about union officials who acted inappropriately and corruptly: there is no place for them. We in the Labor Party have no tolerance for corruption by union officials or anyone else, including officers of employer bodies. We support tough penalties for those who break the law. As the member for Blair so eloquently pointed out, there are existing legislative frameworks which deal with those matters and make this piece of legislation redundant.

We support appropriate regulation for registered organisations, including a properly empowered regulator and consequences for those who do not follow the rules. We support—and are committed to ensuring—financial accountability for unions and employer organisations alike. That is why the now Leader of the Opposition, as minister, toughened the laws in 2012 to improve financial transparency and disclosure to their members by registered organisations, that Tony Abbott had enacted. As a result, the regulation of trade unions in Australia has never been stronger, accountability has never been higher, and the powers of the Fair Work Commission to investigate and prosecute for breaches have never been broader.

The minister consistently uses the HSU matters, of which we are all aware. We say that those matters can be fairly and properly dealt with by other areas of the law. Under the Fair Work (Registered Organisations) Act, officers of registered organisations already have fiduciary duties akin to those for directors under the Corporations Act. The Fair Work (Registered Organisations) Act already requires officers to disclose their personal interests. The Fair Work (Registered Organisations) Act already requires officers to disclose when payments are being made to related parties. It already requires officers to exercise care and diligence, to act with good faith and not to use their position improperly for political advantage. The government promised to regulate registered organisations in the same way as corporations and as you would expect—and I am sure you would not have to admit to this—they have broken that commitment. This bill places higher penalties and a more onerous regime on officers of registered organisations than those imposed on company directors. The Australian Industry Group suggests that the alignment of disclosure requirements for registered organisations with company directors under the Corporation Act was inappropriate.

Let us be very clear. The Australian community needs to understand—and I am sure it does—that we on this side of the House will not tolerate criminal or corrupt behaviour by anyone, least of all those people who are in charge of these registered organisations. The member for Solomon had the good grace to intervene a little earlier. I noticed that she had a contribution to make in an earlier discussion on the Fair Work (Registered Organisations) Amendment Bill. She made some observations which, as we have come to understand, were quite wrong. She railed against the Australian Education Union's Northern Territory branch, and attempted to discredit the union and its members by referring to that union's former president standing as a candidate in the recent Northern Territory by-election. It is true that the union president contested this election, and a union president moving from the industrial to the political arena is not on—even more so when it is without reference to the union he works for. The member's statement about this being a grotesque misuse of resources is
factually incorrect. It is just plain wrong. It is my understanding that both the AEU and the
candidate himself made it very clear from the outset of his misplaced and unacceptable
campaign. For the public record, I, as a union member, criticise his decisions and the way he
was operating as a president of the union. I made it very clear that neither I nor his members
supported what he was up to. But it is very clear that not one cent of AEU funds or members' funds went on his campaign expenditure. The member for Solomon got it wrong again.
Ignorance is no excuse for her willingness to mislead the parliament in the way that she has
done. In fact, all of her contributions fitted that description: ignorant and misleading.

Had the member for Solomon wanted to genuinely address corruption in the Northern
Territory, she needed only to look at the Northern Territory government. That was all she had
to do. The CLP government in the Northern Territory have set the standard for corrupt
behaviour in Australia—at worst, a standard for corrupt behaviour in practicing Australian
politics for many years. Their latest slush fund, Foundation 51, has replaced its discredited
precursor, the Carpentaria trust proprietary limited company. A former director of Foundation
51, Mr Peter Maley, now a magistrate, retired from the position once his involvement was
publicly exposed. The conflict of interest was obvious, but it goes deeper. Just look at the
facts. The corrupt behaviour of the CLP government in the Northern Territory needs to be
properly and clearly understood by the people of the Northern Territory and the people of
Australia—and I am sure they will come to understand it. They know it already. The CLP
government is deeply unpopular—almost as unpopular as the member for Solomon. Let me
be fairly clear, we will not be supporting this legislation. We will stand up for the rights of
unions and union members, and we will make sure that those people who act corruptly are
dealt with properly by the law.

Mr Giles (Scullin) (20:43): I rise in opposition to the Fair Work (Registered
Organisations) Amendment Bill 2014. Deputy Speaker, I hope you will forgive me for saying
that I am not pleased to do so, because I am not. This is an unnecessary debate concerning
unnecessary legislation.

As other contributions in this debate have already noted, this is not the first time this place
has considered those matters that are the substance of the bill which is before us. Last year, I
spoke in opposition to an identical bill, as I believe many of my colleagues did. I fear to some
extent that I may be going over old ground, but this is worth repeating—or so it would seem.
Perhaps this time the members opposite will listen. I note that the few of them that
participated certainly did not have much to say in this debate.

The other place, wisely, in my opinion, rejected this bill. The government dominated
Senate committee made a series of amendments to the original bill which the government
agreed to. Then that bill was also negatived by the Senate in May. Bizarrely, the government,
having accepted the recommendations for amendments from that Senate committee, has now
introduced the bill essentially in its original form and has reintroduced the amendments
instead of redrafting the current bill to incorporate those amendments. Surely this is just
another sign of this government's dysfunction? This is a long way from what could be
described as situation normal. This is incompetence and it cannot—although I suspect that it
will—be blamed on everyone else.

But it is a bit more than dysfunction and incompetence; it is also a sign of this
government's desperation. As the member for Griffith put it so well earlier in this debate, we
see here before us a government determined to talk about everything but their cruel, unfair budget of broken promises. At one level, it is hard to blame them for that. The budget is toxic and it has caused a reversion to their basic DNA and make-up for members opposite—their ideologically driven aversion to collective action and unionism.

This debate today is another example of this government's twisted priorities. In this case, it is a distraction from debating the substance of the budget that people in my constituency—and I am sure people in the member for Lalor's constituency—want to talk about and want to hold members opposite accountable for. Whatever else this government is, this government is not, as the minister stated in his second reading contribution, 'staunchly committed to improving protections for members of registered organisations'. Rather, it is simply reverting to type, breaking yet more election promises while attacking not just unionism but ordinary working people. I think about the people spoken of by the member for Throsby and the member for Bendigo in their excellent contributions to this debate—ordinary working people taking voluntary roles to oversee the management of the organisations they are proud to be members of, people who are a long way from the boardroom, decent people who should be supported in these important voluntary roles. The rhetoric of the minister suggests that that is his concern, but his actions fly in the face of those statements.

Regardless of the government's confusion in this space, Labor's position is clear: we have zero tolerance for corrupt much less criminal practice, as the member for Lingiari just said, and support proper accountability of registered organisations for their members and the community. So we oppose this bill and its associated amendments.

I will turn very briefly to the structure and substance, such as it is, of the legislation which is before us. The current bill, like the previous bill, seeks to create a registered organisations commissioner and a registered organisations commission within the Office of the Fair Work Ombudsman. This commissioner would supervise the conduct of employer and employee organisations that are registered under the Fair Work Act 2009. Interestingly, as the member for Gorton has noted, it would pay no heed to those unregistered organisations that are amongst the very few cheerleaders of this legislation. The bill also provides for: increased disclosure requirements for registered organisations and officers; stronger coercive investigatory powers—they have been described as 'draconian'—for the commissioner, with very limited restrictions on their use; and also increased penalties, including criminal penalties.

I note that, even with the proposed amendments, employer and employee organisations alike still have significant concerns with the bill—and rightly so. I also note the concerns of the Senate Standing Committee for the Scrutiny of Bills in this regard, concerns the minister has done little to allay. The government promised to regulate registered organisations in the same way as corporations. However, like many other promises, the coalition has broken this one as well, because those provisions which are contained within this bill exceed those penalties contained in the Corporations Act. This is unnecessary legislation. It contains extensive duplication. I am reminded of being in this place when the member for Kooyong and other members opposite celebrated with their little tea party red tape repeal day. It is astonishing that a government that took such pleasure in a deregulatory agenda could be putting forward legislation such as this. I note in this regard that, moreover, regulation of registered organisations has never been stronger. Last year in December and today we heard
much sensationalism in this debate from the very few members inclined to participate on the opposite side but with very little grounding in the substance of those matters which are contained within the bill that is before us.

I am reminded that in 2012, before I was here, the 43rd Parliament considered all of those substantive matters that are the subject of this bill before enacting into law the Fair Work (Registered Organisations) Amendment Act 2012. So I ask myself: why are rushing into this new regime? It is proposed, in effect, that we discard one regime, an evidence based regime, before it has had a chance to do its work and for that work to be appropriately scrutinised. I said last year that the government was proceeding with this bill with undue haste to remedy a problem it has been unable to properly articulate. Save to recite a predictable list of failings and breaches—including certainly some very serious matters but which are irrelevant to the present debate—the government is still yet to justify this legislation.

I say again: Labor takes a zero tolerance approach to union corruption and criminality and remains committed to ensuring accountability of all registered organisations—those representing employers and those representing employees. That is we properly toughened the legislative regime as well as making it more open and transparent. We enacted properly what this minister talked about disingenuously. I asked last year and I ask again: where is the evidence that these present arrangements have not worked? What specific aspect, if any, can the government point to that is not working today? If there is something specific that is not working as best it can then why not take the time to work with the system to ameliorate any problems? The government have not made the case. In fact, they have not even tried to engage with these questions.

Eight months on from that debate, I am concerned that members opposite do not seem to appreciate that registered organisations, be they reflecting the concerns of employers or employees, are fundamentally different from for-profit corporations. This difference is about purpose as well as structure. So we say to the avid deregulators opposite that regulation must be fit for purpose. Before us in this debate I can see a lot of unnecessary red tape.

I am reminded that in his original second reading speech, the Minister for Education stated: Many registered organisations control assets worth millions of dollars. They are effectively dealing with cash flow and investments similar to those of large businesses.

I take this opportunity once more to remind him that this is a misleading assertion. Usually, the biggest asset that a union might have would be its premises, so to compare this to the investment of a large business is, at best, meaningless. And I also note that the proposed increased penalties are, to say the least, vastly disproportionate to the assets of most registered organisations, particularly those representing the concerns of employees. What may be right in relation to the regulation of large companies is unlikely to suit these types of not-for-profits. In this regard I again refer to the concerns of the Australian Industry Group, who say, 'It is unfair to subject non-profit organisations to the same disclosure rules applying to listed company executives. Much less, of course, more onerous obligations.' And it is unfair. It is as simple as that for anyone without ideological blinkers firmly affixed or for someone who is not desperate for a distraction.

I note in this regard that that bastion of the sensible centre beloved of the former workplace relations minister, now Prime Minister, the Institute of Public Affairs, gets star billing as one of the very few strong supporters of the bill before us. What a surprise that is! The IPA,
according to the explanatory memorandum, believes that 'further measures should be taken to strengthen the financial management and regulation of registered organisations, commensurate with their considerable financial resources'—repeating that canard of the minister's. Maybe the IPA is where he got it from. It is one thing to support this principle—a principle, I remind members opposite, that is presently enacted in law. Regulation is currently fit for purpose. But it is quite another to use it to attempt to justify these onerous, unnecessary provisions. And, of course, it is just wrong as a matter of fact.

I spoke last year about what I hoped might be unintended consequences of the legislation before us. I note that non-registered organisations continue to be, unsurprisingly, much keener on this bill than registered ones. It creates a real disincentive against office-holding and a powerful incentive for those registered organisations that can—that is not employee organisations—cease their registration under the act. And so I say that surely we should be encouraging democratic participation in the governance of registered organisations, if we are sincere in our concern for their members. We should be, if the words of the minister are more than just words, if our actions in this place are to match our rhetoric here and outside. But instead we see, in the words of the socialist sect the Australian Industry Group, this 'unfair' commitment, that will, I am sure, push ordinary members—those people spoken of so movingly by the member for Bendigo and the member for Throsby—away from involvement in governance, involvement in being a meaningful check and balance on the operation of those who act on their behalf, and from a meaningful role in organisations that are at the core of our democratic system, in trade unions.

It is worth remembering that the current regulatory regime for registered organisations already provides for obligations and duties very similar to those applying to corporate directors, as many previous speakers on this side have noted, but it is a fact which seems to elude members opposite. Financial disclosure and transparency rules for registered organisations have been dramatically improved under the process Labor embarked upon in 2012 and that I spoke of earlier. Training has been underway for some time since that legislation passed. It has been improving the operation and accountability of registered organisations. So it is, to say the least, disappointing that, in having this unnecessary debate again, we cannot have regard to the efficacy of the regime which is presently in place. We are not considering the lived experience of those presently subject to it after only a very short amount of time. I noted in December that some of the provisions we were proposing to repeal had not yet become operative. That is the contempt which this government has for the process of this place and for evidence based decision making.

We have already provided under the 2012 legislation for the disclosure of remuneration, including board fees, of high-paid officials of registered organisations, and these are aligned with the usual reporting periods for annual reports and the filing of financial returns. Again, this is creating a system of obligations and duties very much like those applying under the Corporations Act. Labor has recognised and acted upon appropriately the seriousness of complying with workplace laws, of looking after members' interests, and so increased penalties but kept those penalties proportional to the distinct nature of registered organisations. This was fit-for-purpose regulation, made in response to circumstances and enacted following appropriate consultation with stakeholders across the whole spectrum—employers, employees, registered organisations and unregistered organisations—not just the
IPA and certain unregistered organisations. This is in stark contrast with the bill before the House now and in December last year. This bill is at odds with its stated justification. This bill, as it has been reincarnated, albeit with very little life breathed into it, was an attack on trade unionism then and it remains so today.

If members of the coalition care about union members and people on low to middle incomes more generally, then they would not have supported a budget that attacks their way of life, their ability to see a doctor or to get an education. We are being asked on the one hand to have regard to a royal commission, but with this bill we are being told the government has already made its mind up anyway. I oppose this bill, which has at its core an attack on the very notion of collective action. (Time expired)

Ms RYAN (Lalor—Opposition Whip) (20:58): I, like the member for Scullin, rise to speak again on the Fair Work (Registered Organisations) Amendment Bill 2014. Like the member for Scullin, I spoke in December. As then, tonight I will speak for a few moments and return to the speech at another time.

I oppose this bill, just like I oppose the Treasurer's so-called fair budget, with its so-called fair changes to pensions, fair cuts to education, fair GP tax, fair changes to Newstart eligibility and fair changes to higher education, training and apprenticeships. I rise to oppose the ludicrous, the ridiculous situation whereby this government would retain the word 'fair' while making amendments that are not fair.

When I was working in schools in the western suburbs of Melbourne I saw the impact on local families of the then Minister Abbott's WorkChoices legislation. I saw students exploited by individual contracts. I heard direct from these kids about being paid in pizzas. I heard time and time again about kids who did not get a job when they asked about the conditions and overtime arrangements. I saw parents under pressure, too—

Debate interrupted.

ADJOURNMENT

The SPEAKER (21:00): I propose the question:
That the House do now adjourn.

Higher Education

Ms OWENS (Parramatta) (21:00): Is there any election promise that this government will not break? On 26 August 2012 Christopher Pyne said in a media release:
The coalition has no plans to increase university fees.
Then, on 1 September 2013, the then opposition leader, Tony Abbott, said:
I want to give people this absolute assurance: no cuts to education …
No plans to increase university fees and no cuts to education: two very clear promises, both broken, appallingly, in this savage budget.

The truth is that there is more than $5 billion in cuts to higher education alone in this budget. For a start, we see the government reduce the per-student Commonwealth Grant Scheme funding by an average of 20 per cent per student across all the disciplines. It is different for each discipline; it varies quite considerably. But on average it means an increase of $2,251 per annum in fees for each student just to cover the cuts that the government is making to the per-student contribution. The increases range from a modest one per cent
increase in fees for allied health up to a 110 per cent increase in fees paid by the student for environmental studies. This means, in the case of the largest increase, a $9,876 per annum fee increase for a student of environmental studies. We see increases across the board: a 61 per cent increase in fees for social studies; a 97 per cent increase for communications, excluding audio-visual; a 49 per cent increase for visual and performing arts; a 24 per cent increase for nursing; a 58 per cent increase for engineering, science and surveying; a 110 per cent increase for environmental studies; a 43 per cent increase for dentistry, medicine and veterinary science; and a 43 per cent increase for agriculture. These are fee increases just to cover the cuts that the government is making to the per-student contribution. On top of that, of course, we have the increase in the interest repayments. Loans will have interest of between four and six per cent rather than the current two and three per cent. Students will be obliged to repay loans earlier. They will receive less financial assistance, and they will lose the HECS-HELP benefit for graduates in education, nursing, early childhood, maths and science.

These are appalling changes that will dramatically change the face of our education. There will also be over $200 million less for university teaching and research programs as a result of changes to indexation and $171 million in cuts to equity programs. The low-SES funding will be reduced by $51 million over four years nationally. The Education Investment Fund will be transferred to the Asset Recycling Fund. That is another loss, of $3.5 billion. And the reward funding of $121 million, which rewarded universities for meeting various government KPIs, will be cut. These are dramatic changes. Since the 1970s we have had a university sector where the quality of your work in school, your abilities, determined whether or not you could get into university. With this budget—with the Pyne-Abbott model—we see the end of that. We see a situation where, once again in this country, the ability to go to university will be determined not by your abilities but by the extent of your wealth.

In the electorate of Parramatta there is overwhelming rejection of this change. An independent survey, commissioned by the National Tertiary Education Union, of 2,000 people found that nearly 70 per cent of them reject the increase in fees for university. That is an overwhelming rejection of an appalling policy by a government that cannot keep a promise from one day to the next. But add on top of that the complete deregulation of the setting of fees that allows universities to raise fees above those massive average 29 per cent increases just to cover the cuts, and we see a university system that is absolutely skewed to those who can afford it and against those who cannot. I reject this government's model and urge them to reconsider.

**Mining**

Mr WILSON (O'Connor) (21:05): I rise today to discuss the important measures the coalition government is putting in place to assist the mining, exploration and resources industries get back on track. I am proud that Kalgoorlie, one of Australia's mining centres, is a big part of my electorate of O'Connor. Founded in 1893 when Irishman Paddy Hannan struck gold, Kalgoorlie was born when fortune seekers from across the country descended on the region. Over the next 120 years the mining of gold, along with other metals, such as nickel, has been a major industry. Today it employs about one-quarter of Kalgoorlie's workforce and generates a significant proportion of its income.

The Super Pit, the biggest open-pit mine in Australia, is located right next to the town and has been operated by Kalgoorlie Consolidated Gold Mines since 1989. At 3.6 kilometres long,
1.6 kilometres wide and more than 600 metres deep, the Super Pit is as deep as Uluru is high and has about the same circumference. The Super Pit produces up to 850,000 ounces of gold every year and its operation far outweighs any other mining centre in Australia. But, as great as the Super Pit is for the goldfields' economy, the current reserve has a finite mine life, as all current deposits do. This is an important point in looking to the future of the region's economy, and also Australia's. While greenfields exploration expenditure has remained relatively stable in real terms over recent years, it has fallen as a proportion of total exploration from 40 to 33 per cent over the last decade.

Last week, the Minister for Industry, the Hon. Ian Macfarlane, chose Kalgoorlie to regionally launch the federal government's Exploration Development Incentive scheme. Starting on 1 July 2014, the EDI is a $100 million incentive to allow investors in junior companies to deduct a proportion of their exploration expenditure against their taxable income. The EDI will free up resources for the private sector and create better incentives and more opportunities for businesses and individuals to succeed.

While in Kalgoorlie, Minister Macfarlane reiterated:

Exploration is a precursor to development and production and exports. If you're not doing the exploration work then the future looks grim. At the moment we are facing the reality of a 10-year low in greenfields exploration. Although there are some drillers who remain pessimistic about the EDI and think it is not enough, in reality the $100 million will create $300 million worth of capital for exploration. If we have long-running operations looking at closing in the next 20 years, we need to find the new deposits now so that the industry will keep running for another 100 years.

This sentiment is echoed by the Chamber of Minerals and Energy of Western Australia's chief executive, Reg Howard-Smith, who said after the announcement on budget night:

All resources projects begin with a discovery and to that end, CME welcomes the continuation of funding for the Exploration Incentive Scheme.

He goes on to say:

To establish a future pipeline of projects we rely upon increasing the current level of exploration activity here in Western Australia. The EDI is about ensuring that we regain and maintain the momentum of discovery and ensure that we have a rich and prosperous way forward. I cannot stress enough how important it is for anyone who is eligible to make the most of the EDI.

There are two other measures that I believe will also help the mining and resources industries: repealing the minerals resource rent tax and repealing the carbon tax. The minerals resource rent tax damaged international investor confidence in Australia, in particular in the energy and resources sector. Repealing this tax will provide a boost for the mining industry and is a strong step towards repairing the perceptions that international investors have formed about Australia over recent years. The repeal of the minerals resource rent tax and its associated expenditure will not only improve the budget bottom line but will save millions of dollars in compliance expenses for small, medium and large entities. The cost of the carbon tax on Australia's minerals industry exceeds $1.2 billion a year; when the price of emissions permits, the impact on diesel fuel and higher energy charges are included.
Maintaining a high fixed price on carbon will continue to damage the competitiveness of Australian businesses, especially in mining and resources. I urge the Senate to repeal the carbon tax bill so that the mining and resources industries can focus on getting back on track. I firmly believe the EDI and the repealing of the minerals resource rent tax and carbon tax will benefit the mining and resources sectors and underscore the words of the Prime Minister on election night so that Australia really is open for business.

**Asylum Seekers**

Mr Giles (Scullin) (21:10): Before September 2001, I had not given much thought to Australia's policies in relation to asylum seekers or the politics of this question. I suspect I am not alone. Since then, it has been very different. The arrival of the people on the MV Tampa in Australian waters clearly represented a watershed moment in Australian politics and society. In 2001, I was a small part of the legal team that acted on behalf of the asylum seekers on the Tampa. This involvement, more than anything else, led me towards seeking election to this place.

I am acutely and uncomfortably conscious of the parallels between then and now as we consider the circumstances of people who are aboard two boats in the Indian Ocean. Of course, this is not about me, any more than it should be about Minister Morrison's scorecard. This is a debate that goes to the heart of how we, as Australians, see ourselves. How developed nations meet their obligations to the world's most vulnerable people is a vital and pressing question, as is the matter of how we democratically engage with this question.

In considering the parallels between September 2001 and July 2014, I am concerned not only about how we treat those asking us for help but also the fundamental questions of the effective operation of our democracy that arose then. They must be dealt with now. How extraordinary it is that Australians are informed about what is going on in respect to the people in our care through the Solicitor-General addressing the High Court, not the Minister for Immigration responding to the parliament.

It seems that this is why, as David Marr has written, the government regards the law as the enemy within. That is because it shines a light, even more so than because 'secrecy works best'. As Marr puts it:

The harder it is to know what’s happening on the Indian Ocean, the tougher it is for lawyers to get traction.

This is a debate constrained by rhetoric, by an absence of information, by things we do not know and by things we are prevented from knowing. We are not alone in confronting these challenges. Two weekends ago, 5,000 people were picked up by patrol boats in the Mediterranean. Sometimes a bit of context is useful.

As the UNHCR has reminded us:

... anyone claiming asylum has a right to have their case properly assessed by qualified personnel in accordance with the necessary procedural and legal safeguards.

Asylum seekers are people, who should be afforded the same dignity and respect that we would want for ourselves if we were in need. Surely, this is not too much to ask. Surely, this question of rights deserves to be squarely addressed and not deflected or ignored. Saying something is compassionate does not make it so and asserting that we must be cruel to be kind
does not prove that point either. Fundamentally, compassion requires empathy and understanding.

But this government operates in a perpetual shroud of secrecy, wilfully obscuring facts and stories that the people of Australia have a right to know, understand and emphasise with. We are simply meant to take their word for it that people are being treated humanely and that their claims for asylum are being properly assessed and processed. People seeking asylum need to be processed in facilities that are safe, dignified and humane. We need to know that human beings in our care are being dealt with fairly and decently.

It is worth noting that in the present circumstances this need not be a debate over policy settings. As the member for Corio has noted, those seeking asylum on the two boats could have been assessed offshore. He said:
The government has options. The reason they are not taking those options is because they want to protect nothing other than a political scoreboard—and that is not good enough and in the process what they are doing is trashing this country's international reputation.

Of course, this government—like the Howard government in 2001—could not care less about our international reputation or our obligations. It seeks to reduce this debate to its lowest common denominator and so it is in thrall to its rhetoric and not to anyone's best interests. In asking Australians to choose fear over hope, it constructs threats in the place of vulnerable human beings and denies us access to their stories—even for the purposes of testing those stories.

Chest beating, at the end of the day, cannot hide the weakness at the core of this government's position. A government with the courage of its convictions would not hide from scrutiny—scrutiny in the parliament, scrutiny by the courts and scrutiny by Australians at large. The policy challenges of asylum are vast, but this need not be so of the politics. If we start by recognising our common humanity and supporting the strength of our great democratic institutions, I am confident that we would do better.

Mr LAMING (Bowman) (21:15): I have committed to spending, since 1994—20 years ago—two weeks of my working year in remote Australia. I am pleased to have had the privilege to spend a week in the Arnhem community of Ramingining, including a weekend. There is no better opportunity than to be there on a weekend and to hear the dingoes howling at night, to hear the card games being played in the evening, to watch the sport being played and of course to see the ordinary operations of a community that we often do not get to witness when we just fly in and fly out. Brokering this visit and giving me the chance to make a few observations tonight was John Japp, who is the head of the Arnhem council; Barnambi, the senior Indigenous member on the council; and locally in Ramingining Peter van Heusden, Lynda Reid, Gary Wise and community council liaison officer Richard Bandalil. The three key community elders, together with Aunty Judy Ramingining Nulmurrum, are Matthew Dhuolumburrk and the two other senior men, Bobbie Bununnuggurr and Billy Black, the now actor who was departing the community as I arrived. He has very exciting times ahead. We are delighted that Rebel Films have decided to pick up four of these young Ramingining men who are members of the Black As group, as they describe themselves—Joseph Smith, Dino Wanybarringa, Chico Lilipiyan and Jerome Lilipyana. They all have an exciting career ahead
in film, and that obviously follows the fantastic film Ten Canoes, which was based in the community of Ramingining.

Ramingining was originally an outpost of Milingimbi, on the Crocodile Islands off the Glyde River. It was established for greater water security in the 1950s and 1960s. Around 1,800 adults moved between Ramingining and Milingimbi communities and more distantly down a goat track to the Arnhem Highway, giving them access in the dry to Gove and to Darwin and Katherine. In the wet, of course, they would make just an 85 kilometre trip to one of the larger communities where they do have access to a few additional services.

I want to recognise the important work that is happening in a community like Ramingining. It is a snapshot of what is happening in Indigenous Australia. But I have to note that there are also areas of great concern. What we have here is a hundred dwellings, and $3.4 million of housing repairs are needed in that small community. Fifteen per cent of the total budget to maintain those dwellings is collected from this community. Of the 1,800 people in these two communities, just two per cent are currently what we would term retirees—two per cent of the community living to the age of 65—of the 330 young people between 15 and 24, just 18 have a job. There is a five per cent likelihood of getting a job when you leave school. They are not functional economies where we see a cycling of money through the public and the private sector; there is virtually no visible private sector in these communities. That means money is spent at the store and, with a single economic pass, it is lost to the community. To put it another way, in this single community around $20 million is paid in fortnightly pulses of welfare. Virtually all of it disappears in a single pass, without any form of demonstrable non-public sector financial activity.

We need more attention on the zero to five year group. Ramingining was a community that missed out on an Indigenous early education centre because of its size. Strategies in school attendance have yielded a 10 per cent increase in school attendance, but we have so much further to go. The walking bus is showing some glimmer of promise. School principals need to be CEOs answering to a traditional community board. I am glad that that is working relatively well in Ramingining, though I did not have a chance to meet the principal, Sue McAvoy. The school council chairperson, Albert Waninymarr, is doing hard work in that area. Ben and Paddy, the police, have a great hand on what is happening there and in Milingimbi. We have Ben Wallace leading Bula Bula, probably one of the major private sector activities outside of the store, selling world-renowned art and fostering and cultivating the great artists of the future, and of course there is Chris Hayward and Liam Flanagan, the Training and Employment Services manager and the operations manager of RJCP respectively.

I was also hosted by Dr Buddhima Lokuge and the health clinic, with Rhonda Golsby-Smith, Jennifer Banaka Lilipiyanu, Bruce Reid and Brett Ionn, and there was Carey Peterson, who heads up the Homeland Resources Centre. They all taught us that beyond the culture of kava, cards and chaos there is genuine effort to find employment opportunities for every young person, starting from the age of 15. They know in Ramingining that they can break this cycle of despondency and welfare reliance, but it will take a full-frontal attack on traditional and vested interests. I wish them the very best in their important steps ahead through the RJCP.
Medicare

Ms RYAN (Lalor—Opposition Whip) (21:20): For over 30 years we have had universal health care, the core of which is every Australian's capacity to see a GP and have X-rays, blood tests and imaging without the need for cash on the day. It is the cornerstone of our health care system—that primary care is easily accessible. How do we do this? Through a Medicare levy paid by taxpayers. These services have not been and are not free, as was asserted yet again by the Minister for Health in question time today, and those who use bulk billing services are not a burden on our economy.

What will it mean if this GP tax becomes a reality? It will mean families will have to find the cash for primary health care costs every time they go to the doctor or have follow-up tests. It is bad enough that this government thinks that that is okay—but they also fail to understand that this will mean families make choices that may mean worse health outcomes and a longer term, more expensive treatment. Or do those opposite fail to understand? I think they understand too well what this means—they know it will undermine Medicare. They know it will change the business model for GPs and be the end of bulk billing, just as they know that starving public hospitals of recurrent operating costs will undermine the system and cancelling preventative health programs will lead to higher costs and worse health.

The people I represent in this place and I struggle to understand the rationale behind these measures when the so-called budget emergency argument has been shown to be a furphy. There is, however, an emergency developing—a health funding emergency. We have a health funding emergency and a health minister emergency.

We have a health minister who does not seem to take advice from those professionals delivering health services on the ground and, worse than that, who will not take the time to listen.

I heard yesterday a story that demonstrates this lack of listening and that paints a picture of a minister who lacks empathy. I heard this story from a resident who has a small child suffering from cystic fibrosis, who is, like others around the country, waiting for the outcome of the Pharmaceutical Benefits Advisory Committee process to see Kalydeco made available under the PBS. Understandably parents, whose children are set to benefit from receiving this treatment, are anxious for approval to be granted as soon as possible. These parents understand the approval process. They know that the minister has no role to play in the process but, understandably, they cannot do nothing and just wait. So they are doing what any parent would do when faced with these circumstances—they are engaging in the process through any avenue possible. These parents have been running an awareness campaign: visiting electorate offices to talk to their members of parliament, visiting Canberra, writing letters, appearing on TV and being active in social media. Naturally, this includes engaging, or trying to engage, the health minister. And what is the health minister's response? Does he engage with them on social media? No! And, even worse, he deletes their postings and blocks their access to his Facebook page!

As a local member, I have also taken the time to try and engage the health minister and have found a similar response—letters go unanswered for months, requests for meetings are not followed up and, as a result, the brand new Catherine McCauley rehab centre in the Werribee Mercy Hospital and its need for recurrent funding is ignored. I have to ask: what does this minister do with his time? The only time he bobs his head out from the sand is to
announce a new health tax or a new health cut. This is a minister prepared to destroy our world envied health system; cut hospital funding; increase costs to patients; and cut preventive health programs. All these measures place an added burden on family budgets and on the longer-term health costs of the country.

The Kalydeco families, the local GP who wrote to the Age today, the Werribee Mercy Hospital, the seniors I met with last week, the families and pensioners responding to my community survey and the 30,000 people who marched in Melbourne the other Sunday all know the value of our current Medicare health system and want to defend it. I implore this minister to get a heart, to start listening and to act in the interest of Australians.

Economy

Mr O'DOWD (Flynn) (21:25): I rise to inform the House that Australia must act urgently to address the economic issues we currently face. It appears that some people are either asleep or in denial on this issue. I am talking about Australians who reject the need for change. I am talking about the elected representatives who pretend nothing needs to be done, that everything is bright and rosy and that action needs to be deferred until sometime in the future. Well, something needs to be done, and it needs to be done now.

We can no longer just expect the good times to keep on coming. We cannot foolishly rely on the idea that we have a 'miracle' economy that will always get us through. When will it become clear to everyone in this place and, in particular those opposite, that tough decisions need to be made now to fix our economy? What will be the consequences if we do not take serious action now?

The warnings are quite clear. They are coming from business leaders such as Don Argus, the former chairman of BHP Billiton and Brambles and former chief executive of NAB, from the noted economist, Henry Ergas, and from RBA Governor Glenn Stevens. As reported in the Weekend Australian, Mr Stevens said:

A failure to tackle the budget deficit would erode confidence and expose Australia to much greater risk. Likewise, Mr Argus warned that our economy is being undermined by the 'nonsense' of the opposition thwarting the government's budget measures in the Senate. Mr Argus stated that:

Australia was now at a stage where we could not afford any further government or private debt.

The economist, Henry Ergas, wrote on Saturday that if the government's proposed savings measures were not implemented, the cumulative deficit to 2017-18 would climb to 20.5 per cent of GDP, exceeding that of every downturn, including the Great Depression of the 1930s.

Greater debt would limit the borrowing capacity of future governments to cushion adverse shocks that happen from time to time, as happened in 2008. With the Reserve Bank's cash rate already at a low ebb—close to zero—the ability of monetary policy to cushion adverse shocks would be limited, eventually necessitating deeper cuts and prolonged hardship. So what is the hardship we face if these measures do not pass? Industries will close and jobs will go. If you look at my electorate, that is exactly what is happening at this moment. Business has never been so poorly off. There is no confidence in the electorate of Flynn, which is an industrial powerhouse. The downturn in the mining industry has not helped. The aluminium industry is under great pressure, the cement industry under the RET is in trouble and this, of course, means lots of jobs—6,000 indirect jobs in the aluminium industry and 250 to 300 jobs in the cement industry. And so it goes on. We have already lost 8,000 jobs in the coal mining
industry. There is no confidence and economic uncertainty is not doing our region any good whatsoever.

While we dilly-dally over this budget by not getting it through the Senate, things will only get worse. Confidence drops further every day in my electorate and I imagine it drops every day across Australia. Australia cannot continue to be complacent. In the past strong economic policy and good fortune got us through. Before the last downturn in 2008, Australia was in a good fiscal position, thanks to the Howard government. However, thanks to the previous Labor government, this is not the case anymore. In fact, Labor turned nearly $50 billion in the bank into projected net debt well over $200 billion—the fastest deterioration in debt in dollar terms and as a share of GDP in modern Australian history.

House adjourned at 21:30
NOTICES
Presentation

Mr Zappia to move:
That this House:
(1) notes that the Government has:
   (a) cut the supplementary local road funding for South Australian councils which provided $17.8 million to South Australia in 2013-14;
   (b) cut $650 million of Murray-Darling Basin water buybacks;
   (c) failed to secure the future of General Motors Holden Ltd in South Australia;
   (d) seriously disadvantaged South Australian schools by not honouring the six year Gonski education funding agreement secured by the previous Government;
   (e) allocated only 4 per cent of infrastructure funding to South Australia in the budget’s forward estimates; and
   (f) made no defence spending commitments to South Australia in respect of the provision of naval ships and the Future Submarine program;
(2) condemns the Government for:
   (a) misleading South Australians in the 2013 election; and
   (b) ignoring the needs of South Australia;
(3) acknowledges that:
   (a) a healthy Murray, the defence and automotive sectors, and education and infrastructure funding are critical to South Australia’s economy, and were key election issues for South Australians in the September 2013 election; and
   (b) the South Australian economy will be detrimentally affected by the Government’s neglect of South Australia and the breaking of election promises; and
(4) calls upon the Government to:
   (a) treat all states equally and fairly;
   (b) honour 2013 election commitments made to South Australia;
   (c) restore supplementary local road funding grants to South Australia;
   (d) support South Australia’s defence sector by committing to Australian construction of naval vessels;
   (e) ensure South Australia receives a fair share of education funding; and

CHAMBER
(f) secure River Murray water flows into South Australia.

Mr Zappia to move:

That this House:

(1) notes that:
   (a) Rossi Boots has existed for over 100 years and has previously supplied boots to the Australian military;
   (b) the company was not selected by the Government for the provision of 100,000 boots worth around $15 million; and
   (c) the Government:
        (i) will source the boots from overseas manufacturers; and
        (ii) is also proposing to cut $25 million of assistance to the textile, clothing and footwear industry innovation programs;

(2) acknowledges:
   (a) that Australian Government contracts are vital for many Australian businesses;
   (b) that Australian produced goods generate jobs and benefit the Australian economy; and
   (c) the loss of this contract will result in jobs being lost at the Rossi Boots factory in South Australia; and

(3) calls upon the Government to:
   (a) purchase Australian made boots where it is possible to do so and the Australian made product meets compliance requirements; and
   (b) review the operation of the Commonwealth Procurement Rules to ensure that ‘value for money’ criteria gives suitable consideration to whole of life costs and the benefits to the Australian economy through:
        (i) direct employment of Australians by the winning tenderer;
        (ii) indirect employment of Australians through the economic multiplier effect; and
        (iii) increases in taxation revenue associated with the additional employment and economic activity.
CONSTITUENCY STATEMENTS

Australian Hearing

Ms HALL (Shortland—Opposition Whip) (10:32): I am sure members have been contacted by their constituents about the proposal to sell off Australian Hearing, and the scoping study that is currently being undertaken. I have been contacted by many constituents in my electorate.

I want to share with the House the story of a mother of twin boys who came to see me on Friday, 4 July 2014. Angela Lamb has two boys, Kai and Ryan, and they were born at 28 weeks. Ryan has a very, very significant hearing loss. Angela told me it was all a blur at the start. There were numerous tests that had to be undertaken. The costs of hearing aids, FMs and batteries were all covered for her by Australian Hearing. Angela also had access to early intervention services. Those early intervention services were coordinated through Australian Hearing and have made an enormous impact on Ryan’s life. He has been able to attend a mainstream daycare centre, and he will be attending a mainstream school next year. He has been exposed to so many different things because of the way his hearing loss has been handled by Australian Hearing. Ryan’s mum works two days a week at Lake Macquarie City Council. Angela has received the best available support for Ryan and that has helped not only to reduce the impact of his hearing loss but also to ensure that he has a very significant bond with his brother.

Angela is very concerned about the potential sale of Australian Hearing that was outlined in the 2014 budget. She thinks it will have a profound affect on the lives of young Australians and she does not want to see a system that has worked so well for her and her son, Ryan, change: a system that has allowed him to be in a position where he will attend mainstream school next year. Australian Hearing is vitally important to Angela and to other parents with children that suffer hearing loss.

I have also been contacted by a number of senior Australians who have used the services of Australian Hearing. They speak so highly of it and they rely on it to ensure that they get access to the quality hearing services that they need to maintain a good level of hearing. (Time expired)

NAIDOC Week

Mr BROADBENT (McMillan) (10:35): This year's NAIDOC Week had the theme of Serving Country, honouring all Aboriginals and Torres Strait Islanders who have fought in Australian wars. This aspect of history has been somewhat neglected by this nation, but that is now changing. The Serving Our Country project aims to collect the personal stories of Indigenous servicemen and servicewomen around the country. Indigenous soldiers often found it difficult to join, with prejudice a significant barrier for many. As our now Governor-General Peter Cosgrove said in a newspaper article last year:

They were not obliged, of course, to serve. In fact … they were discouraged from serving, but so many of them volunteered.
The Governor-General described the Indigenous soldiers who managed to join as 'magnificent' soldiers.

In the 11 July edition of the *Warragul & Baw Baw Citizen*, guest columnist Kurnai elder Linda Mullett said that, despite a proud history of serving the nation in all Australia's major conflicts and peacekeeping efforts, Indigenous and Torres Strait Islander soldiers were not even considered citizens until 1960. And the story is told that, even though they were allowed to serve their nation when they arrived home, they could not be served a beer in a pub. The way we cared for many of our soldiers who did return from war—especially those of darker skin—has been an embarrassment to the nation over a long period of time.

In this NAIDOC Week, people are celebrating that which is important: remembering those that served—whatever they were, whatever station they came from in this country—and what they gave to this nation, to their own families and to the wellbeing of this nation to this day. Having a former serving officer, a brigadier, sitting beside me today makes the situation even more poignant. Whilst we who have not served can empathise with those who have served, until such time as you have lived the life you cannot fully grasp nor understand the importance of their service. To be an Aboriginal or Torres Strait Islander person and be further discriminated against and not recognised must be devastating for the individual. To be a comrade one day and discarded the next must be the greatest pain that you can inflict on any individual in this nation.

Having said those words, I am proud to identify with this NAIDOC Week's theme and all those who served this country, of whatever colour, creed or background they came from. I salute them, I honour them and I wish their families all the best.

**NAIDOC Week**

Mr THISTLETHWAITE (Kingsford Smith) (10:38): Each year in July the electorate of Kingsford Smith pays tribute and thanks to the local Aboriginal community and celebrates its history, culture and achievements through NAIDOC Week. NAIDOC Week, of course, provides an opportunity for our local Indigenous community to showcase its rich and diverse history dating back many thousands of years. This year, there are a number of important events in our community.

A local group, First Hand Solutions, held a Black Market at the historic Bare Island in Goorewall—or La Perouse as it is more commonly known—with a NAIDOC focus and attractions such as spear-making sessions, catch and cook fishing, a smoking ceremony, plant and artefact talks and visits from local Indigenous elders, particularly Laddie Timbery and Esme Timbery, whose family has been running a shell-making business in the community for 188 years and whose ancestry and connection with that land and that community dates back 7,000 years. It makes an absolute mockery of the assertion by our Prime Minister that this country was unsettled prior to English colonisation. I pay tribute to Peter Cooley and Sarah Martin from First Hand for the wonderful work that they have done in establishing the Black Market and getting it running.

I was also honoured to attend a special mass at the Reconciliation Church at Phillip Bay. Father Frank Brennan was the presiding priest at that wonderful service. The mass, hosted by the local Aboriginal Catholic Ministry, acknowledged Aboriginal Sunday and provided a moving service for all those who attended. I think the elders from the community who
attended that mass. The NAIDOC Cup, a challenge between the La Perouse Panthers and the Redfern All Blacks, was held at La Perouse. Unfortunately, the Redfern All Blacks, from the neighbouring electorate of Sydney, got up this year! Well done to all those who participated and played in what was a tough game of rugby league.

The La Perouse Aboriginal Land Council paid tribute to those from an Indigenous background who served our nation in wars. It was heartening and quite moving to hear the tributes to some of our local Indigenous people who had served our nation, in particular Vic Sims, a member of the local Indigenous community who served our nation in World War II. There were also wonderful events hosted by Randwick and Botany councils. I attended a wonderful event at the Prince of Wales Hospital which showcased traditional Aboriginal art and also many community events that brought our community together to celebrate NAIDOC Week.

Judicial Behaviour

Mr CRAIG KELLY (Hughes) (10:41): The concepts of separation of powers and judicial independence are very important pillars of our democracy. However, those concepts are not absolute. Our High Court has the power to review laws passed by this parliament and declare such laws invalid. Likewise, our Constitution contains provisions to ensure we have judicial accountability by giving parliament the power to sack judges. That is in section 72 of our Constitution which provides:

The Justices of the High Court and of other courts created by the Parliament:

(ii) Shall not be removed except by the Governor-General in Council, on an address from both Houses of parliament in the same session, prayed for such removal on the ground of proved misbehaviour …

All our state constitutions have similar provisions. This is an important part of the checks and balances in our system to make sure no one sector has too much power.

What constitutes proven misbehaviour? I would say a judge making comments that aid and abet paedophilia constitutes misbehaviour. And that is what we have had, sadly, in a case in New South Wales recently. I will quote the words of that particular judge. He said:

If this was the 50s and you had a jury of 12 men there, which is what you'd invariably have, they would say it's unnatural for a man to be interested in another man or a man being interested in a boy. Those things have gone.

It is unbelievable that that comment could be made by anyone in our society at a time when we are having an inquiry into child sexual assault. Cathy Kezelman, who is president of Adults Surviving Child Abuse, has said:

To equate homosexuality, incest and the crime of child sexual assault is as ill-informed as it is outrageous. For it to be paraded by a Judge in Australia in 2014 during the time of the Royal Commission into Institutional Abuse, or at any time, is beyond belief. Literally thousands of survivors of child sexual abuse have given testimony before the commission of the decades of damage their abuse has caused.

We must have zero tolerance of paedophilia in this country. We must have zero tolerance in our community and in our parliament but, most of all, we should have zero tolerance in our judiciary. I congratulate our New South Wales Attorney General for the steps he has taken to
bring these comments to account before the judicial commission. I hope our New South Wales parliament, on both sides of politics, does the right thing and takes action against this most abhorrent, disgusting and obscene statement by this judge.

**Women in Maths, Science and Engineering**

Ms RISHWORTH (Kingston) (10:44): I rise to celebrate the groundbreaking work that is done right around this country by women working in the areas of maths, science and engineering, particularly in South Australia. I was very privileged to co-host the Parliamentary Friends of Women in Maths, Science and Engineering at the South Australian Health and Medical Research Institute a couple of weeks ago.

The Parliamentary Friends of Women in Science, Maths and Engineering, which I founded together with the member for Higgins, aims to promote the role and achievements of women in the STEM area—promoting their work to parliamentarians especially, but also to the wider community. It was therefore extremely wonderful to hear directly from researchers at SAHMRI in South Australia who spoke about their current state-of-the-art research. We heard from Professor Deb White, director of Cancer Research and Principal Research Fellow at SAHMRI. Professor White and her research team have made major breakthroughs in the fight against cancer with a new way to kill leukaemia cells. Professor White and her team found that blocking a common protein which was crucial to leukaemia cells' ability to survive chemotherapy appeared to persuade the cells to die after short periods of intensive therapy. For patients this could mean short, intensive exposure to therapy rather than continuous treatment with its debilitating side-effects.

We were also very privileged to hear from Michelle Gheorghiu, the woman who oversaw the establishment of this $200 million dedicated flagship research institute in South Australia. For those who have not seen it, it is a magnificent building—really state-of-the-art—and, most importantly, the work that is going on inside is really wonderful.

Their stories were incredibly inspirational to all the young scientists, engineers and maths researchers who were there. Unfortunately, though, such stories are under threat from the Abbott government which is ripping $5.8 billion from our universities. This will really rip the guts out of our universities. We know from the NATSEM modelling data that a female science student graduate, under the Liberal party's proposed plan, could pay up to $123,000 for a degree which now costs $44,000. That is an increase of more than $78,000—and it will take double the time to pay off, increasing from 8.4 years to 16.4 years.

This is an unfair measure. These university changes are unfair measures which will affect women, in particular, when it comes to higher education. Unfortunately this government does not have a minister for science. I ask the Prime Minister, as the minister for women, to reconsider his higher education changes because they are bad for women in science.

**Flynn Electorate: Emerald Westpac Ag-Grow Field Day**

Mr O'DOWD (Flynn) (10:47): The Ag-Grow field days in Emerald are very important annual events of the agricultural community of Central Queensland. The three-day event is one of the premier Queensland agricultural field days. Located on the grounds of the agricultural college, this was the 25th anniversary of the event.

Last week I attended and jointly opened the Westpac Ag-Grow field day in Emerald, along with my state colleague and friend, the member for Gregory, Vaughan Johnson. I congratulate...
Geoff Dein and the Ag-Grow team on turning a quarter of a century. I greatly enjoyed once again being part of this Ag-Grow field day.

Highlights included the bull sales, the stockhorse sales, the horse and cattle events, the dog-training events, fashion parades for the ladies and entertainment for the kids. It highlighted farm technology and how it is improving on a year-to-year basis. It keeps our farmers in the mix when it comes to producing fine quality products for our overseas markets. There were innovations in feed, renewable energy, machinery, fencing, security and also farm finance for vehicles and other types of equipment. Westpac and Rabobank were there, along with other financial institutions, to talk to the different buying groups.

Drones are becoming a part of the agricultural world. We now have a German-built drone that is very good. It aids the grazier in mustering. It can locate where a fence is down or see if there is a water shortage in some part of the property. GPS systems are also improving on a week-to-week, year-to-year basis. The event had the support of local businesses—some 1,200 traders and 350 to 400 exhibitors. Emerald also runs a number of social events which complement the ag show. There was a breakfast that started at half past six in the morning, just on daylight, and it was well supported by the people in and around Emerald. And it was not only people around Emerald; people came from far and wide to attend this ag show.

It is great to try and give the farmers the boost they need. There will be markets out there in the future once the free trade agreement with China comes into force, hopefully by the end of this year. Already we have seen an upturn in markets in Korea and Japan since those free trade agreements have been ratified. All in all, it augurs well, but farmers cannot make money overnight. They need to invest a lot in their industries and I wish them well in the future.

(Time expired)

Budget

Ms OWENS (Parramatta) (10:50): The Abbott government has introduced a lot of legislation since the budget that makes it harder and harder for families to support themselves and raise their children, perhaps none more so than the bill which has the sole purpose of reducing the real value of the childcare benefit, which 5,070 families in Parramatta rely on. Of the electorates with the highest number of families receiving the childcare benefit, eight out of the top 10 are in Western Sydney—with over 45,000 families in Western Sydney relying on the childcare benefit to make ends meet.

The childcare benefit is a means-tested payment to low- and middle-income families to assist with the cost of child care. The Department of Education has admitted that 500,000 low- and middle-income families will be worse off because of this cut, a cut which will directly hit families earning as little as $42,000 a year. It directly hits those families who can least afford it, including many parents who would otherwise be forced to leave the workforce.

Since the election the government has announced over $1 billion in cuts to child care, this one being the latest. This is an unprecedented attack: no previous government has moved to cut the childcare benefit, a benefit which helps those most in need care for their children. Many parents are worried that they will not be able to find a place for their child, let alone afford the costs of child care. Without the assistance that the childcare benefit provides, many of these parents will not be able to return to work or will have to reduce their working hours.
But that is not the only blow to low-income families trying to cover the costs of child care. The Abbott government's budget has also axed $157 million from the Community Support Program, which provides funding to assist family day-care operators with administration and quality control. Funding cuts to the Community Support Program will mean that local family day-care providers will be forced to close their doors to children needing day care. Local family day-care provider Christian Community Aid Family Day Care say that funding cuts could mean that their service will close and that families will no longer have access to affordable, flexible, quality day care. Janice Francis of Christian Community Aid Day Care said that the closure of a service like hers would mean that 1,700 childcare places will be lost in our community and no affordable day-care options would be there for more than 500 families. They have been providing child care for 37 years. Closing up would mean places gone, experience gone and almost 90 jobs lost. While they are determined to keep their doors open, they understand the challenges they face and they know that the funding cuts will have serious cost impacts on families, particularly those families least able to afford it.

I urge the government to reconsider these savage cuts to child care. Childcare assistance is now a basic part of the family budget and anything that weakens it or reduces its real value makes it harder and harder for families to do what we all need them to do and raise their children well.

**Bass Electorate: Bell Bay Aluminium**

Mr NIKOLIC (Bass) (10:53): I rise to discuss the importance of Rio Tinto's aluminium smelter at Bell Bay, in my electorate of Bass, which is a major contributor to the Tasmanian economy. This was the first aluminium smelter built in the Southern Hemisphere, but, sadly, it is one of the few businesses of this size left in northern Tasmania. Bell Bay Aluminium, either directly or indirectly, employs over 1,000 Tasmanians and uses about 25 per cent of Tasmania's total electricity. Importantly, 80 per cent of the electricity it uses is produced by renewable energy, or hydropower.

So you may wonder: why does this business, which uses 80 per cent renewable energy, contribute to the renewable energy target? As I have made clear in recent comments to the media, I believe Bell Bay Aluminium should be 100 per cent exempted from the renewable energy target. In a recent radio interview, Greens leader Senator Christine Milne dismissed concerns about how Labor-Greens policies were impacting jobs at Bell Bay, where over 120 jobs have been cut in the last two years. In keeping with the recent Labor-Greens tradition of framing the national debate as some sort of class war between billionaires and poor people, she said: 'Aluminium companies have been profiting off the backs of the community for years.' What Senator Milne wants to do is sell the electricity the smelter uses into the national grid. She is happy to sacrifice the jobs at Bell Bay, on the altar of Greens' ideology, even though that business is powered by 80 per cent renewable energy. As the editor of Launceston's *Examiner*, Martin Gilmour, said in a recent column, Senator Milne's statement was 'rubbish'. Bell Bay Aluminium contributes almost $700 million per year to Tasmania's gross state product and it supports over 1,000 Tasmanian jobs. Selling the power interstate, as Senator Milne prefers, would generate only $130 million to $140 million and virtually no jobs.

To heap indignity on stupidity, Launceston based Senator Helen Polley and her Greens colleague Peter Whish-Wilson have remained silent in the face of Senator Milne's
ideologically driven attacks. By contrast, my position is clear: I strongly support Bell Bay Aluminium and the vital contribution this business makes to Tasmania's economy. I call on Labor Senator Helen Polley, who lives very close to Bell Bay, to please explain: does she endorse Senator Milne's remarks and, if not, why has she remained silent? I call on Greens Senator Peter Whish-Wilson, who is also based in Launceston, to please explain: does he support his leader's callous disregard for jobs at Bell Bay and, if not, why has he remained silent? It is time for these senators to stand up for jobs in northern Tasmania and to repudiate Senator Milne's ridiculous public comments.

O'Connor Electorate: Respite Care

Mr WILSON (O'Connor) (10:56): I rise today in recognition of the great work done by unpaid carers in our communities and the networks that support them. I also take this opportunity to thank Senator Dean Smith and the Minister for Health, the Hon. Peter Dutton, for their assistance in securing ongoing funding for a respite centre in my electorate.

Unpaid carers are a valuable asset to our community. They undertake the care of friends, relatives and loved ones in an act of selflessness which is often unrecognised. Caring can be a 24-hour job that is both physically and emotionally draining. It can be relentless and without respite. Eventually, even the most dedicated carers need a break.

In Albany, we are fortunate to have a purpose-built respite facility attached to the Albany Community Care Centre. It provides both emergency and planned respite accommodation for frail-aged or younger disabled clients and allows carers some welcome time-out to attend to their own health and emotional needs. This five-bed facility has a 95 per cent occupancy rate for most of the year, with four beds dedicated to planned respite care and one reserved for emergency situations.

Unlike many respite centres, the Albany community respite centre was funded under a national partnership agreement with the West Australian state government to provide subacute care initiatives. This three-year funding arrangement expired on 30 June 2014. Most respite centres in Australia are funded under the National Respite for Carers Program, which the government has extended until July 2015. Consequently, the Albany community respite centre found they fell through a gap in funding continuity and were faced with a very real prospect of closure. Up to 13 jobs would have been lost and over 500 families from throughout the Great Southern would have been denied this valuable service.

The respite centre manager, Colleen Tombleson, first alerted me to their predicament in October last year, but matters became urgent in February this year, when it was confirmed there would be no funding beyond 30 June 2014. Senator Dean Smith and I took their cause to both state and federal health ministers. There appeared to be no opportunity for extending their existing NPA funding arrangement, nor for a transfer to the extended National Respite for Carers Program. The WA and federal budgets were handed down and there were no new avenues for funding to pursue. As a result, the respite centre stopped taking bookings and were scheduled to close in the first week of July. Then came the announcement we had all been hoping for: Minister Dutton had secured a one-off funding package through the Chronic Disease Prevention and Service Improvement Fund.

On 3 July, Senator Smith announced to a jubilant collection of carers, clients and staff at the Albany Community Care Centre that the federal government would provide the $370,000
necessary to fund the next 12 months of operations—until the next round of federal funding opens. The grant will provide a total of up to 1,460 bed days of respite care over the next year. This will enable the continuation of the respite centre services, including: chronic disease and palliative care management, care of stable mental health patients, transition of acute hospital care patients to home and community care, and respite care for frail-aged and disability patients, as well as their carers. This has been a great team effort to ensure the continuity of this essential service. *(Time expired)*

Grayndler Electorate: Survivors & Mates Support Network

Mr ALBANESE (Grayndler) (10:59): Today I rise to recognise one of the many great community organisations in my electorate of Grayndler, SAMSN, which was started by one of my constituents, Craig Hughes-Cashmore and his mate Shane McNamara in 2011. SAMSN—the Survivors & Mates Support Network—provides critical support for male survivors of childhood sexual abuse and makes a phenomenal difference in the lives of the men who participate. The biblical story of Samson tells of how his strength helped him overcome his demons and oppressors. This is what SAMSN the organisation does. It is Australia's first NGO committed to helping male survivors of childhood sexual abuse. To date it has run seven, eight-week psychologist-led support groups in Erskineville and a successful first workshop for men and their families in the Hunter region. The organisation hopes to expand their service provision throughout regional Australia.

In January 2013 Labor set up the Royal Commission into Institutional Responses to Child Sexual Abuse. At the same time Labor also recognised that there was a need to ensure those who spoke up about their past had access to the support services they might need. To address this we set aside $45 million for community-based organisations that provide support for those suffering from childhood sexual abuse. This has occurred.

In round two of the funding process under the coalition government, SAMSN's application for funding was rejected. This is despite the fact that 64 per cent of people presenting to the royal commission are men and 38 per cent of institutions under investigation by the royal commissioner are based in New South Wales. Last year in the November Community Affairs Legislation Committee we were told that the department had left some funding unallocated for later years. Simpson's eighth eight-week group commenced in May. It is full, with 12 men ranging in age from their late 20s to their early 60s. They have had to put another nine men on a waiting list and over 100 men and their families from around the country have expressed interest in doing one or more of the workshops. If this is not sufficiently indicative of the need for more support services then I don't know what is. I want to recognise the tremendous work that SAMSN does and call upon the government to ensure that any remaining money is spent on organisations such as SAMSN who deliver this vital service.

Winter, Ms Beryl

Mr ALBANESE (Grayndler) (11:02): I rise to pay tribute to the late Beryl Winter, who died last Thursday at the age of 94. Beryl was a life member of the Australian Labor Party; a former drama teacher; employee of Film Australia, the ABC and Sydney Festival; volunteer with 2RPH radio for the blind; member of Marrickville Heritage Society; and the wife of the former member of the ACTU executive and Conciliation and Arbitration Commissioner, Terry Winter, who was also a life member of the ALP before his passing.
Beryl brought light and love into the lives of many people in my local community. I celebrate her life, mourn her passing and pay tribute to her today. I wish her family and friends all the best for her send-off, which will be a celebration conducted this coming Thursday.

PRIVATE MEMBERS' BUSINESS

Human Rights in Myanmar

Ms PARKE (Fremantle) (11:03): by leave—I move notice No.1, as amended, relating to human rights in Myanmar:

That this House:

(1) notes that:

(a) the sectarian unrest in parts of Burma and also in the Mandalay, Bago, and Rangoon regions, but in Rakhine state in particular where around 140,000 people have been displaced for almost two years, is of particular concern;

(b) Human Rights Watch released two reports on the unrest in Rakhine state and the situation of Rohingya Muslims there, which raise concerns about persecution against Rohingya and outlines the dire humanitarian situation in Rakhine state;

(c) Rohingya in Rakhine state were unable to self-identify in the national census in Burma in April 2014;

(d) on 27 May 2014 Burma’s state-run media published a draft law on religious conversions that would impose restrictions on citizens wishing to change their religion, which would encourage further repression and violence against Muslims and other religious minorities;

(e) the Australian Government continues to assist affected people in Rakhine state through direct humanitarian assistance, and has provided almost $10.7 million in humanitarian assistance since the violence in 2012, making Australia one of the largest humanitarian donors to Rakhine state; and

(f) significant acts of discrimination or violence against any persons in Burma will impact on Burma’s international standing and consequently harm its bilateral relationships; and

(2) calls on the Australian Government to urge the Myanmar Government to:

(a) elevate its efforts to resolve sectarian unrest in parts of Burma and provide a safe and secure environment for aid personnel so they can continue to provide vital humanitarian assistance to people in need, including in Rakhine state;

(b) allow the establishment of the United Nations Office of the High Commissioner of Human Rights in Burma with a full rights protection, promotion and technical assistance mandate, and permit unfettered access to all areas where sectarian violence has occurred;

(c) permit Médecins Sans Frontières to freely enter and operate in Rakhine state, and provide humanitarian assistance to all persons needing it;

(d) impartially investigate and bring to justice all those responsible for abuses, regardless of their status, position, or rank;

(e) ensure the security of all persons in Rakhine state while protecting human rights, including the right to freedom of movement, maintaining proper rule of law and good governance that includes an end to all discriminatory policies against Rohingya;

(f) take steps to remove or amend any current laws which discriminate against minority ethnic or religious groups, including Burma's 1982 Citizenship Law;

(g) abandon the proposed law on religious conversions that would politicise religion and permit government intrusion on decisions of faith;
(h) ensure right to fair trial to all persons held in jails in Burma;

(i) ensure all local laws are non-discriminatory and fair to all people of Burma, and respect the rights to movement, religion, work and access to health care and education;

(j) condemn violence and abuse inflicted on any persons, ensuring proper judicial procedures are applied;

(k) ensure Burma security forces protect all communities equally and uphold the law of the state;

(l) initiate appropriate investigations into incidents of violence involving minority ethnic or religious groups, such as the Du Cheer Yar Tan incident in Maungdaw township in January 2014

(m) support the citizenship rights of Rohingya and reconciliation of local communities;

(n) ensure the rights of women by protecting a women’s right to choose whom they will marry without regard to religious faith, and permit persons the right to freely choose the size of their family;

(o) provide appropriate humanitarian assistance, including adequate shelter and access by humanitarian organisations, to those affected by the unrest; and

(p) ensure that any return of internally displaced peoples to their place of origin is conducted voluntarily, in safety and with dignity.

The ethnic and sectarian conflict in Burma continues to involve serious and persistent outbreaks of murder and violence against the Rohingya, a Muslim minority of some 800,000 people who are concentrated in Rakhine state, which in the north borders Bangladesh. Though Burma is home to more than 130 recognised ethnic groups, the Rohingya have been denied recognition and the government continues to regard this group as comprising an illegal migration from Bangladesh, despite evidence that Muslim communities have lived in Rakhine state for centuries.

There is substantial evidence of widespread discrimination against the Rohingya, and this has been enabled and exacerbated by both government policy and government inaction. As a result, the Rohingya have been subject to very serious oppression and to human rights abuses, including violence, dispossession and forcible displacement. The purpose and effect of the mistreatment of the Rohingya has been a form of ethnic cleansing. People have been forced out of their homes—out of the towns and cities where they have lived all their lives—and into camps where conditions are dangerous to health, especially now in the monsoon season.

The oppression of the Rohingya has led many to flee by boat, and this in turn has resulted in deaths at sea, in detention and incarceration without due process of asylum claims, and in the exploitation, ransoming or trafficking of vulnerable people, especially through Thailand. Unfortunately, the transition that took place in Burma in 2011 from military based authoritarianism to a fledgling form of democratic civilian government has released some long-contained antipathies in places like Rakhine state—and certainly the Rohingyas have been comprehensively targeted since that time. Conflict between Buddhists and Rohingyas in Rakhine state in 2012 resulted in nearly 200 people killed and more than 100,000 Rohingyas displaced.

With international concern growing, Burma's President Thein Sein commissioned a report into the situation in Rakhine, but its recommendations, released in April last year, were in large part unhelpful in moving towards a lasting settlement of the issue. The report referred to the Rohingya as 'Bengalis', a clear suggestion that they emanate from and belong in Bangladesh, and also made reference to the need for family planning advice, which adverts to a common prejudice regarding the birth-rate of Muslim minority groups. Other government
initiatives have involved seeking to register Rohingyas for resettlement, but this first required them to identify as Bengalis, which, understandably, they refuse to do. In May this year a draft law was published which would ban religious conversions without prior consent—another measure that reinforces a prejudicial perception that the Muslim minority is seeking to grow through intermarriage. This approach is not a recipe for peace and reconciliation, let alone for the sensible and proper integration of the Rohingya within the mainstream of civic life in Burma, with the human rights and protections that such inclusion would guarantee.

I am glad that Australia has made a contribution to addressing the crisis in Rakhine state, including through the provision of nearly $6 million in humanitarian aid, which makes us one of the largest contributors of assistance. But there is more that can be done; and there is more that we must do. Only through persistent and coordinated international pressure can the plight of the Rohingyas be alleviated. In circumstances where the Burmese government's capacity and willingness to prevent further oppression of the Rohingyas is inadequate and uncertain, it is essential that there be greater scrutiny and direct on-the-ground assistance provided by relevant UN agencies and by humanitarian NGOs.

As it stands, the involvement of the Office of the High Commissioner for Human Rights occurs by deployment of personnel from Bangkok when it would be far preferable if that office could maintain an appropriately resourced presence in Burma itself. Similarly, the banning of Medecins Sans Frontieres, or Doctors Without Borders, from operating in Rakhine state is unacceptable and must be protested at the highest level. Medecins Sans Frontieres has been the principal provider of health care in Rakhine, operating nine clinics in towns across the state, but it was ordered by the Burmese government to cease providing this critical function on the grounds of alleged impartiality shown towards the Rohingya. The real reason may be that MSF has been prepared to report accurately on atrocities committed against the Rohingya, such as the incident at Maungdaw earlier this year, where 48 villagers were killed.

In April, the Asia Society announced that a team from Reuters had won the 2014 Osborn Elliott Prize for Excellence in Journalism on Asia for their series of investigative reports on the 'dirty war' against the Rohingya people. I encourage interested members to visit the Asia Society website, which includes links to all the Reuters reports and which, in addition to presenting both the complexity of the big picture and the tragedy of individual human stories, also reminds us of the importance of free, courageous journalism at a time when journalists like Peter Greste and many others are silenced by regimes that would prefer to operate without criticism or scrutiny.

Finally, I thank the government for supporting this motion and those members who are contributing to this debate. I am sure that there is a shared recognition of the terrible mistreatment of the Rohingya minority by their own government and a shared desire to see Australia take all appropriate action to help bring this oppression to an end.

The DEPUTY SPEAKER (Mrs Andrews): Is the motion seconded?

Mr RUDDOCK (Berowra—Chief Government Whip) (11:08): I rise not only to support the motion but also to second it. I am delighted to do so. I thank the member for Fremantle for her consultation about the form which it might take and I commend her for bringing it forward. Australia, and I have said this frequently, is an example to the rest of the world, where people of different faiths, different religions, different cultures and different races can function effectively as a community—committed Australians. I am very proud of what we are
able to achieve and I say to other people in other parts of the world: they should look to Australia as an example, because it is possible.

I thought at the time when Burma was able to change fundamentally from a military dictatorship that we would see a change for all of the people of Burma through democratisation. When we were welcoming Aung San Suu Kyi to Australia, as somebody who has fought for it, I saw that as an ideal opportunity. I said that to her in the context of the issue we are speaking about here today. This is a very special time for Burma to be able to demonstrate that you can bring about political change and it is change that is for the benefit of all the people of the nation.

It is in that context that I think we need to understand that the Rohingya are indigenous to Myanmar, Burma. They are today denied the right to be who they are. They have existed there for over 1,000 years. They have always identified themselves as Rohingya and I believe they will always do so, yet their identity is being destroyed. A recent census had questions that excluded people identifying as Rohingya. Anybody who wrote this down was not even going to be counted. There has been displacement and violence. The citizenship law that formalised the exclusion of their nationality restricts movement, marriage and now religious conversion. Rohingya have a ban on having more than two children, on land rights and on education. They are treated as illegal. On top of that there are restrictions, as the member for Fremantle noted, on humanitarian groups being able to have offices in Burma, Myanmar, for them. These people have been left to either leave or fend for themselves.

I have met with delegations. I have spoken about this issue; I addressed a conference at the University of Western Sydney on this matter. I have met with the president of the local group of the Rohingya, Dr Myint. I know that they all are very concerned. They do not wish to be seen as Bangladeshis. They do not want to identify as another nationality. They want to remain in their homeland. They want to remain as Rohingya. They want freedom.

I am pleased that our Minister for Foreign Affairs, Julie Bishop, who recently visited Burma, had discussions with President Thein Sein, with members of the government and with human rights advocate Aung San Suu Kyi. She met with representatives of both the Rohingya and Rakhine communities during her visit. I am informed that she raised directly the human rights issues with the government during this time. She has informed me that the government is very concerned about this issue. I think that is as it should be.

We have been providing aid to assist with humanitarian needs in the Rakhine state. The government will continue to do so. I am told that in 2014-15 we will increase development assistance in Burma to an estimated $90 million. I join with the member for Fremantle in calling for the government to commit itself to a reform process, to allow humanitarian assistance and protection, to give people the ability to enter the areas of Rakhine and set up offices and to allow the UNHCR to be there. I join with her in calling for fair trials for all those people held in prison and to abandon harsh laws and further laws on restricting religion, land rights and like matters. I think the citizenship act has to be amended. I urge the government to take positive and necessary measures to prevent further violence. I call upon the government to provide its own humanitarian assistance and to return internally displaced people to their own homes.

This is an important time for the future of this nation. How they deal with this issue will determine the way in which the country will be seen. I commend the member for Fremantle
for giving us all an opportunity to speak about this matter in a bipartisan way as we seek to protect the rights of individuals.

Mr LAURIE FERGUSON (Werriwa) (11:13): Whilst the reform process continues in Burma and there are positive aspects, on the other hand Human Rights Watch speaks of an uneven reform process and laws being enforced inconsistently. Nevertheless, the manifest main problem facing this country at the moment is the situation of the Rohingya in Rakhine state. I think it is very important that we have a voice on this issue because we have a situation where even those people we associate with the call for democracy and human rights in Burma—whether it is the first NLD delegation to come to this country, come to the dining room and discuss the issue with us, Aung San Suu Kyi's performance at the Sydney Opera House or a group of democracy 88 activists who came here in the last parliamentary sitting—have been found somewhat wanting on this issue. There has clearly been reluctance by the reform forces in Burma to confront the issue because of the controversy and unpopularity of the situation.

I am pleased that we do join with the US Congress, through the intervention of James P McGovern—a Democrat from Massachusetts—who, on 4 May, resolved to call for the end of the persecution of the Rohingya people and spoke of the need to recognise them as an ethnic group. He said:

The situation is dire and rapidly deteriorating.

It is particularly important that those people who have been seeking to diminish the authority of the government in Burma over a long period of time, and who are still campaigning for constitutional change, and at the same time reiterate that they are absolutely dissatisfied with the situation of the Rohingya. It is not only what is happening to those people in Burma; it is, as some speakers indicated earlier, what is happening to them once they are expelled. There was a situation where Thai authorities, at one stage, drove boats into the sea and refugee claimants were forced to be drowned in their own waters. We have got a situation where refugee claimants, and others in Thailand, are being hugely exploited in the prawn industry and the broader aquaculture industry. We have got a situation in Bangladesh where their religious confrères condemn them to very third-rate conditions. There are no proper camps and people are basically exploited in Bangladesh once expelled from Burma. Indisputably, this question of their definition and their rights in the country is a concern.

On 30 March 2014, The Hindu quoted government spokesman, Ye Htut, as saying:

If a household wants to identify themselves as 'Rohingya', we will not register it.

People do not have the right to self-define, as we do in Australia. They are basically being told that they are Bengalis, full-stop, or they are not counted. MP Aung Mya Kyaw went on to say:

They will only write down 'Bengali' because Rohingya doesn’t exist.

The previous speaker made it clear that there has been a Muslim presence, not only the Rohingya but also others groups as well, in the country for 1,000 years. Yes, there might have been some flow of Muslims into Burma in recent decades because of overpopulation, despite the historic efforts of the Bangladesh government on birth control, but indisputably there has been a strong presence. It has only been since the 1970s that we have seen this very strong, Buddhist, chauvinistic move going very strongly against them. We heard earlier today of
restrictions with regard to marriage and the number of children they can have, and now a contrived attempt in respect of conversions to further restrict them.

We had a situation in 2012 where we received various estimates about how many people were displaced. Let us, for the sake of argument, accept the government's position of 50,000. That was accompanied by uncounted, wide variations of death estimates, the destruction of houses and the destruction of shops, and that has continued through 2013. There was violence in Meiktila in March 2013—there was knowledge of that and the information was suppressed. In August there was the burning of houses and shops. In October last, at least seven people were murdered and another 50 in March of 2014. It is a very sad tale of a lack of intervention by the government to protect these people and, in some cases, collusion of police in their suppression.

In giving foreign aid to the country, it is important that Australia is out there campaigning, that Medecins Sans Frontieres are allowed back into the area. One of the criticisms is, from Human Rights Watch and others, that we cannot get information—the government is suppressing this information. It is important that Australia does exercise its influence on the matter.

Ms GAMBARO (Brisbane) (11:18): I rise to support the motion that has been put before the House by the member for Fremantle. I thank her for her ongoing commitment to this issue and, in particular, for putting this motion here today so that we can all join with her.

At the onset, and by way of clarification, the Australian government is very concerned and is watching developments in Burma very closely. I would also like to thank the member for amending her motion to make use of the word 'Burma' as a term that now appears in Australian formal government communications. The Burmese embassy was advised about these changes on 8 November. Australia is a major donor and is increasing our development assistance, which is very important, to $90 million in 2014-15.

I had the privilege of visiting Burma two years ago and saw some of the reform processes being undertaken. Australia is committed to helping Burma through the next stages of its development. I met a number of government agencies, including the UNDP, to see how the economic, political, financial and health reforms are going to take place. Burma is at a crossroads in its development. Sadly, all the goodwill in the world can exist but if we do not solve the issues and stop the violence in Rakhine state the rest of the world will be watching very closely.

There is an opportunity here for the country to move forward. The Abbott government hopes that any constitutional amendments will provide for a strong and inclusive democratic system in Burma, but ultimately what happens in the future is a matter for the Burmese people. Burma's government has made notable progress in improving its human rights record since 2011, but there is so much more to do. The challenges remain: we see the hostilities, the tensions and the violence, particularly involving ethnic minority groups in Rakhine state. It would be great to see independence of the judiciary. There are ongoing allegations of abuse by the military, including the use of torture, and the land grabbing must be reformed. They cannot continue to exist.

Violence between the Rakhine Buddhists and the Muslim Rohingyas in 2012 left 140,000 internally displaced people, most of them Rohingyas. I have seen many of them in camps. The
situation remains bleak. From 26 to 27 March, violence targeting UN officers and international NGOs resulted in the destruction of property and the relocation of aid workers, including Australians. Improvements have included the release of more than 1,100 political prisoners, the establishment of a national human rights commission and greater freedom of the press. Australia has raised our concerns about the situation for the Rohingyas, and about human rights more generally, directly with the Burmese government. It was great to see my parliamentary colleague the Minister for Foreign Affairs, the Hon. Julie Bishop, issue a media release expressing concerns about the humanitarian situation in Rakhine state and the targeting of UN and NGO officers. Immigration Minister Morrison also raised Australia's concerns during his visit to Burma between 6 and 9 February this year. In her most recent visit to Burma, from 2 to 9 July, Minister Bishop again raised these human rights issues in meetings with leaders of the country. Minister Bishop met with representatives of the Rohingya and Rakhine communities during this visit.

Australia is very, very concerned about what is happening in Rakhine state. The Australian government continues to assist affected people in Rakhine state through direct humanitarian assistance and has provided $10.7 million since the violence in the 2012. This makes Australia one of the largest humanitarian aid donors to Rakhine state. Our support is provided on the basis of need and does not discriminate between ethnic groups. It also extends to providing an additional $12 million to support the broader peace process in Burma. Peace is absolutely essential for the country to achieve long-term stability and economic growth. Again, I thank the member for Fremantle for allowing us to join in a bipartisan way today on this motion.

Mr GRIFFIN (Bruce) (11:24): I join with other speakers in thanking the member for Fremantle for bringing forward this motion. It is a comprehensive motion which outlines in key point form a number of very serious issues facing the Rohingya within Burma but also goes to a number of specific actions that need to be supported by the Australian government and internationally to ensure that there is actually some effective change within that environment. A lot of thought has obviously gone into this motion.

I also visited Myanmar a couple of years ago with the member for Brisbane and others to view some of the aid programs that were being undertaken there by international organisations and also to try to get a sense of what was occurring within Burma with regard to the process of political change. I think we can all agree that there is no doubt that Burma has come from martial law and the extreme dictatorship of a military nature that had been in place since the sixties to, now, a situation where there have been genuine attempts to try to embrace democracy. It is a story that is still being written, but what we saw when we were there were certainly some movements in the right direction. I think we all encourage those movements, but the fact of the matter is there is still a long way to go. The journey the Burmese people are travelling and the Burmese political leadership are seeking to pursue has a long way to go.

Perhaps no group in Burmese society has further to go in terms of getting a fair go than the Rohingya. They are amongst a number of other ethnic minorities within greater Burma. The fact is that the circumstances faced by the Rohingya are particularly debilitating with regard to how they are treated. As other speakers have said, there is actually a situation where their ethnicity is not recognised. They have been recognised internationally as one of the largest stateless people in the international scene. They lack rights. They lack the capacity to be full
members of civil society. They have been victim to persecution and to violence sometimes at the hands of extreme elements of the Buddhist community but often, sadly, in a situation where it is with a silent sense of approval or at the very least acquiescence from some elements of the Burmese government and civil society.

That is why it is important that international organisations are able to get into Burma and properly engage. That is why it is important that aid organisations can operate freely and safely within the areas where the Rohingya remain. That is why it is important that there is a conversation internationally but also an engagement with the Burmese leadership about why it is important that these issues are taken seriously. There is no doubt that under President Sein there have been steps taken in the right direction, and we welcome that and encourage it. But, as international citizens, we also have a responsibility to ensure that progress is ongoing and that those who have difficulty speaking for themselves are supported in international forums and in parliaments such as this. So I welcome the statements from members of the government about the actions that are being taken by the Foreign Minister and by the government as a whole with regard to aid and also raising issues with the Burmese leadership, but I think it is important that as a parliament we also make it clear that that is merely a step on the road.

The changes that are needed in terms of ensuring the Rohingya have the right to participate within Burmese society must take place. The opportunity for Rohingya families to be able to live, to gain an education, to celebrate their religion and also to be valuable members of civil society are all steps that needs to be taken. We need to combine encouragement to the Burmese leadership to keep moving forward and recognising the achievements that they have had so far with the fact that there must be an unwavering commitment from the international community to ensure that those who are not getting a fair go do get a fair go in Burma as it develops into the future. The member for Fremantle has done a credit to herself and to this House by raising these issues, by outlining what needs to be done and by ensuring that we encapsulate in a motion the sorts of actions that are required to ensure the Rohingya get a fair go.

Mr LAUNDY (Reid) (11:29): I have only been in parliament a short period of time, but far and away this is my favourite part: both sides coming together and speaking about issues that unite us, not divide us. In my way of thinking, we spend a lot of time in this place talking about things that divide us, and this is Australian parliament working its best. So I not only speak in favour of the motion but commend the member for Fremantle. Although we are on different political sides, there is not a lot that the member for Fremantle puts up to this chamber and to the main chamber that I do not agree with. Today is no exception to that.

The sectarian unrest in parts of Burma, and in particular in the Rakhine State, continues to be an issue of concern for the Australian government. Also of concern is the continuing impact of the 2012 violence between Rakhine Buddhists and Muslim Rohingya which left 140,000 people internally displaced. I note that this government has made regular representations directly to the Burmese government regarding this ongoing situation. The recent violence targeting UN officers and international NGOs is also deeply concerning—and I acknowledge the member for Fremantle's background working with the UN, and I know the pride and passion she has in that organisation. It is truly worrying, because these aid workers are needed, yet they have had to be safely relocated. Many of these aid organisations provide
important humanitarian, medical and other assistance to communities throughout the Rakhine State, and the relocation of these workers has left many of Burma's most vulnerable people without access to medical services, water, food or sanitation.

Australia continues to assist the people of the Rakhine State through direct humanitarian assistance and has provided almost $10.7 million since the violence in 2012. This makes Australia one of the largest humanitarian donors to the Rakhine State. I commend the foreign minister for raising Australia's concerns relating to the most recent unrest, during her visit to Burma earlier this month. I also commend the immigration minister for similarly raising Australia's concern during his visit to Burma earlier this year.

The Australian government continues to watch the developments in Burma closely and acknowledges that significant challenges remain. Despite these remaining challenges, it is notable that the Burmese government has made progress on improving its human rights record since 2011. These improvements have seen the release of 1,100 political prisoners, the establishment of a national human rights commission and greater freedom of the press. A report on constitutional reform from Burma's parliament was provided in January this year, and a charter amendment implementation committee has been established to develop a law to amend the constitution. The Australian government supports this reform process. It is committed to helping Burma be a politically stable and economically prosperous country in our region again.

Of course, as an end result to these reforms, I hope any amendments promote a strong and inclusive democratic system in Burma. Looking to the future, it should of course be a priority for the Burmese government and its people to resolve the sectarian unrest in parts of Burma and provide a safe and secure environment for aid personnel. I also express my wish to see Burma's government implement reforms to reflect values that we, as Australians, hold so dear—values such as the removal of discriminatory legislation; the recognition of all minorities; a right to a fair trial for all; freedom of movement, religion, and work; and access to health care and education.

As I have mentioned before, the Australian government is one of the largest humanitarian donors to the Rakhine State. We are also a large donor to Burma as a whole. Australia increased its development assistance program to Burma to an estimated $90 million in 2014-15. Australia also provides $12 million to support the broader peace process in Burma, without which there is little chance of a stable and prosperous economy. Australia has long advocated with all the country's leaders for a resolution of the situation in Rakhine State. We will continue to do so in the future.

It is an honour to speak in favour of this motion brought by the member for Fremantle, recognising that, as the member for Reid, I have a diverse community. Having sat with and spoken to Rohingya Muslims in my office and listened to their stories personally, this one is close to my heart. Congratulations for doing so and may we work together to make a change.

Debate adjourned.

**Australian Defence Force**

Ms GAMBARO (Brisbane) (11:34): I move:

That this House applauds the Government for its resolute commitment to supporting the men and women of the Australian Defence Force (ADF), past and present, by:
(1) honouring its election promise to:

(a) introduce from 1 January 2014, free basic health care to all eligible dependents of full-time ADF members and Reservists undertaking continuous full time service; and
(b) provide ‘fair indexation’ for military superannuants by amending the indexation arrangements for more than 57,000 Defence Forces Retirement Benefits and Defence Force Retirement and Death Benefits scheme pensioners from 1 July 2014;

(2) officially launching Project Suakin, which introduces a range of full-time, part time and casual employment categories within the ADF that will offer members increased flexibility to match their changing personal circumstances and enable the ADF to respond to current and future workforce challenges; and

(3) directing Defence Housing Australia to upgrade housing stock available to Defence personnel and reduce pressure on local community housing markets through programs such as the Top End Defence housing strategy which will deliver over 2,300 additional homes in Darwin.

Families of ADF personnel make significant sacrifices in support of their ADF personnel. In recognition of this fact the Abbott government has been supporting families with ADF personnel rendering full-time service by providing free GP and basic allied health care to registered dependants since 1 January 2014. The Abbott government's full rollout of this program fulfils one of the coalition's key defence commitments from the 2013 election. Under the policy, registered dependants of ADF members rendering full-time service are provided reimbursement for all of their out-of-pocket expenses for GP services. Additionally, each ADF dependant will be able to claim back up to $400 per year for allied health and specialist services, such as dentistry, physiotherapy, psychology and podiatry. Importantly, families are able to pool their entitlements for allied health and specialist services to support a dependant with higher needs.

Under the coalition, since 1 January 2014 all 71,000 registered ADF spouses and dependants have been eligible for the ADF Family Health Program. Between 1 January and 1 June 2014 the ADF Family Health Program supported ADF families access 7,548 GP and 30,420 specialist and allied health consultations. The coalition is proud to have delivered on its commitment and to deliver for all of the ADF families.

Labor has flip-flopped on this issue since 2007. Labor delayed the full rollout of the program on at least two occasions for a period of 18 months. Under Labor, the program never progressed beyond the trial stage and was open to only approximately one-fifth of the approximately 71,000 registered ADF dependants.

The coalition has long recognised also the unique nature of military service and has maintained a consistent position on the need to provide new indexation for DFRB and DFRDB military superannuation pensions. True to our commitment in 2010 and 2013, on 20 March 2014 the Abbott government introduced the Defence Force Retirement Benefits Legislation Amendment (Fair Indexation) Bill 2014 into the House of Representatives. The bill's successful passage through parliament during the first six months of the Abbott government is yet another clear demonstration of the coalition's commitment to those who serve in uniform in our name, past and present. As at 1 July this year, DFRB and DFRDB superannuants and their families are now better off and the new indexation arrangements will apply when their payments are indexed in March and September each year.

FEDERATION CHAMBER
During their entire six years in government, Labor used every excuse in the book to deny veterans and their families the fair go that they deserve. This approach is very typical of how Labor treats defence and veterans' policy. Labor did not even have a veterans' or defence policy for the 2013 federal election.

Project Suakin is a major workforce reform. It was developed in consultation with more than 10,000 ADF members, reserve and permanent, and is an important initiative that recognises that ultimately the ADF's greatest strategic capability is its people. Suakin was launched by the Assistant Minister for Defence, the Hon. Stuart Robert, and the Vice Chief of the Defence Force, Air Marshal Mark Binskin, on 26 November 2013. It will modernise the way the ADF engages with its soldiers, sailors and airmen and will allow it to build an organisational culture that embraces its changing workforce by redesigning ADF employment to introduce a range of full-time, part-time and casual service options and introducing flexible career options.

Lastly, the motion deals with Defence Housing Australia and the Top End housing strategy. This is an initiative that strikes the balance between the need to retain key Defence land, which is critical to Australia's strategic interests, and delivering housing for Defence Force members. I commend the government on the plan over the next five years to deliver an additional 800 houses for defence members and their families and to deliver 1,500 houses for the general public in Darwin. I commend the motion to the House.

The DEPUTY SPEAKER (Mrs Andrews): Is the motion seconded?

Mr GRIFFIN (Bruce) (11:41): I second the motion. I support a number of the initiatives that are part of this motion. I support them because, frankly, they are largely Labor policy. They are not only Labor policy but also they were largely labour initiatives. Before I get interjections from the other side—which I know are coming—I will go to a couple of particular points. The National ADF Family Health Program was introduced by the Labor Party and rolled out by the Labor Party. For example, in November 2013, the Commander Joint Health, Rear Admiral Robyn Walker, confirmed that Labor's plan to deliver improved health care to ADF families was on track to be delivered by 1 January, and no changes have been made to this program since the election—no changes. The fact of the matter is that what we are seeing rolled out is basically what we were doing.

Project Suakin is, again, a program that was developed under Labor; an initiative which was launched by the then parliamentary secretary to defence in August 2011. Once again, it is basically our program. So, I support the initiative. I note that it took some three years to develop. Frankly, the members opposite might remember that they were not in government over the previous three years. So, again, we are seeing an initiative that was rolled out by Labor being rebadged by the coalition.

On Defence Housing, I raise a concern. The government have made it clear that they are seeking to privatise. The government have made it clear that they are looking at scoping the question of getting rid of Defence Housing. I ask them to be very, very careful if they should move down that track. At the moment, as far as I understand it, the details around the scoping study are still not known. But the bottom-line is this: look at the overseas experience and I refer particularly to the UK. In 1996, they privatised their defence housing and a number of concerns were raised about how that operated. I am not saying that is going to happen here, but I am saying that the government needs to be very aware when they move into this area
and expose the private sector to this field. As the member for Herbert knows, Defence Housing has a very high approval rating within the defence forces. It provides a very high quality service. But when it happened in the UK, there were significant concerns about poor-standard accommodation and maintenance, and all of those issues had a direct impact on defence personnel. So they need to be very careful.

The last issue I will come to is the question of indexation of DFRB and DFRDB. I absolutely concede that the government—on that one—finally delivered on an election commitment. But in the process of doing so, they neglected to mention to the Australian people that they were going to go the other way with respect to the indexation methodologies for a range of other pensions and benefits. The circumstances are that DFRDB and DFRB recipients will go backwards when changes in relation to the indexation for disability pensions and for income support payments come into effect in a couple of years time. The increase that they may get as a result of improved indexation methodologies for their superannuation payments will be completely negated. In many cases, the penalty will be worse with respect to the changes that will occur around the indexation of other benefits. For example, someone who is a TPI—a totally and permanently incapacitated member of the defence force—who also happens to be a DFRDB recipient will lose more as a result of the changes that the government has foreshadowed with respect to their disability pension than they would receive in respect of any increase to their DFRB payment, unless they are an Air Vice Marshall in terms of their retirement payment. On the average payment in relation to the DFRDB, which as I recall is around $22,000 to $23,000, the circumstances are that it is well below the TPI payment and the impact on them will be worse. So what we are seeing here is the government giving to a few people—under $60,000 with respect to these superannuation payments—while taking from many more, many of whom are Defence Force personnel or ex-personnel and many of whom have served this country well. They do not deserve to be treated in this way.

Mr EWEN JONES (Herbert) (11:45): I always like following the member for Bruce. Can I just say it is not the size of the spend; it is the quality of the spend and it is the actual spend. I like the member for Bruce—he is a good man—but they are big on announcement and small on delivery. In 2007 the then Leader of the Opposition, Kevin Rudd, came to Townsville and announced that there would be a stand-alone medical facility at Lavarack Barracks for the exclusive use of defence personnel and their families. The member for Brisbane is right when she talks about a lot of these things on health, but that thing has still not been delivered. It was never going to be delivered by Labor. The GP superclinic that was promised at the exact same time opened last week, so it took seven years. Labor is great on announcement, but let's get the thing through.

It is not the size of the spend; it is the quality of the spend. I acknowledge the member for Bruce, since we are talking about DFRDB, but let's get a bit of perspective here. I think both Labor and Liberal have a long history in this. It is a symbolic gesture more than anything, I always thought, for this group of people who were shafted by both sides of government for a long time, since the early 1970s. It has gone all the way through. We took it in 2010. I know Labor made a series of promises and the then Minister for Defence Materiel, Mike Kelly, said just before the election that he was going to fully fund it, and poor old Warren Snowdon, the member for Lingiari, was left hanging out there to dry all the way through.
But we are talking about a finite number of people. We are talking about a superannuation scheme, so it is going to get smaller and smaller as we go through. If we were not faced with the debt and deficit problems that we have and, going into the future, the problems we have with our structural spending, we would not have to make the announcements in relation to the changes to everyone's pensions. Everyone must help pay back our structural debt and make sure that we bring our budget spending back into order. That is the issue here and everyone must pay a price. I do not know anyone who has been able to pay back a loan without making a payment.

I am actually proud to say that my nephew has just received notification that he has been accepted into the Army. At the end of this year he finishes year 12 at Burdekin Catholic High School. He is looking to become a fitter and turner and he is going to do that through the Army. He wants to blow things up, so hopefully he will end up in cavalry or armoured.

I would like to spend my time talking about a couple of things here. Once again I think it is about the quality of the spend and where we spend the money. In Townsville we have RAAF Base Garbutt. It used to be home to the Caribou. The de Havilland Caribou was a great aircraft—quick take-off, quick landing, or short take-off, short landing. That aircraft has since been retired. The replacement, the C27J, has been earmarked to come to Australia by about 2018 or 2019. The then Prime Minister Howard said that the plane would come to Townsville. We understand that RAAF want it to go to Amberley.

My issue if it comes through to Amberley is that we have a situation where we have a superbase where defence will spend money building a facility on defence land and then charge defence rent. You just have this money churning, not benefiting anyone. If you brought it to Townsville you could have proper, private investment. Put the investment in Townsville and develop an aviation hub in northern Australia. It would be perfect for it. We have the land. We have the quality. RAAF Base Amberley is already a superbase. I think we need to look at those sorts of things as we go forward.

I would also like to put the government on notice that I think cadets, reservists and the string of people who are part of this motion are the way that we should employ people. I know that under the previous government we cut cadets' hours continually. So you will never have a budget blow-out in reserves; you just have fewer and fewer hours, fewer and fewer facilities and less and less commitment. What we must do is ensure that we have a way of transitioning people out of the Army and still keeping them in the service so that you do get the reserves and so that cadets are supported.

There should not be one person in this place who does not support our cadets and trying to get more people involved in this—because cadets are good people and I think there is a good way through this. So I would like to ensure that our government continues to support cadets, support reserves and support the many people who work in our defence forces. I congratulate the member for Brisbane on bringing this motion forward. I support it wholeheartedly.

Ms BRODTMANN (Canberra) (11:50): As mentioned by the member for Bruce, in reading this motion his initial thought, and mine, was that the member for Brisbane was actually asking the House to congratulate the previous Labor government for its commitment to supporting the men and women of the ADF—congratulations that would be well deserved. The first item concerns free basic health care. As I said at the time of the announcement by the government on 31 January, I welcome the Abbott government's decision to proceed with
Labor’s National Australian Defence Force Family Health Program, which provides free basic medical services for Defence families. I thank the member for Brisbane for giving me the opportunity to do so again.

In April last year, Labor committed to the national rollout of this program after a four-year trial in regional locations found it to be incredibly effective. Under the program, all dependants of permanent ADF members and reservists on continuous full-time service will be eligible to receive full reimbursement for their medical out-of-pocket expenses when visiting a general practice, and up to $400 each year per dependant towards allied health and specialist services.

Under the Abbott government’s new, unfair Medicare co-payment, the Medicare rebate is reduced by $5 for all GP services, which appears to suggest that ADF family program beneficiaries are likely to be affected. If the beneficiary is bulk-billed, a $7 patient copayment will be imposed, again affecting ADF personnel and their families. The government must clarify whether or not Defence families will be worse off because of its unfair Medicare copayment.

I also read that the member for Brisbane asks the House to applaud the government for 'officially launching' the Suakin project on 26 November last year. The member for Brisbane would of course be aware that Plan Suakin was an initiative of the previous Labor government and indeed was originally launched in August 2011 by my energetic colleague the member for Batman. As the member pointed out at the time of the second 'official launch', this plan had been on the Defence website for over a year and was referenced in the Defence white paper published in 2013.

While the member for Brisbane is quick to applaud these initiatives, which I welcome, of the previous Labor government, she conveniently makes no mention of the retrograde steps that have been taken by the Abbott government over the last 10 months—for example, the ideological decision to conduct a privatisation scoping study on Defence Housing Australia. I say 'ideological' because the government has so far not been able to come up with any evidence or explanation as to why privatisation should be pursued or that there is a case that it would improve the effectiveness of provision of housing to ADF personnel. In fact, at a Senate estimates hearing on 26 June, the Minister for Defence said Defence Housing Australia is—to quote him—'well run'. Why is the government insisting on a disruptive process to consider the privatisation of a business that is well run, according to the Minister for Defence, knowing that it is creating uncertainty among ADF personnel and their families?

The member for Brisbane also ignores the deferral of phase 3 of the Single LEAP, or Living Environment and Accommodation Precinct, project. Single LEAP is a multiphase project that was to have provided 4,410 accommodation units and supporting infrastructure at 20 sites across 17 ADF bases. Single LEAP phases 1 and 2 were delivered under the former Labor government, significantly improving accommodation for single personnel. The deferral of phase 3 is an unnecessary setback for our serving men and women.

The member for Brisbane also conveniently omits mention of the Abbott government’s decision to cut the indexation of veterans' pensions to CPI only. The member for Brisbane also omits to mention the axing of the three months backdating of veterans’ disability pensions for successful claimants and the scrapping of the seniors supplement for 29,000 war veterans.
Just this morning I was going through the Vietnam veterans peacekeepers and peacemakers journal, running through page 4, the bad news. It mentions a range of things—a slap in the face for veterans, pensions under attack, service pension concessions under attack, backdating of pension claims scrapped, the $211 a year income support payment to children of a dead or injured parent with overseas service axed, DVA offices closing in regional areas and veterans being sent to Centrelink, senior supplements scrapped, military super to be counted as income, and phonebook cuts. These are just some of the areas that Vietnam veterans and other vets are very concerned about.

In closing, the member for Brisbane also completely ignores the disappointing performance of the Abbott government in failing the Australian shipbuilding industry. (Time expired)

Mrs PRENTICE (Ryan) (11:55): I rise to support the motion moved by my colleague the member for Brisbane. The coalition has a long history of supporting and bolstering the Australian Defence Force. It is one of our core policies. The Abbott coalition government is in fact increasing defence spending, improving defence capability and providing better support for current and past defence personnel.

With Gallipoli Barracks in my electorate of Ryan and with many of the defence personnel as constituents, I know how the life of defence families, with routine postings every three years, is constantly disrupted. It is important that we acknowledge the vital and sometimes difficult pressures placed on defence families who support their uniformed loved ones.

The Assistant Minister for Defence's announcement about the government's initiative to provide dependants of ADF members around Australia with free basic medical services was warmly welcomed by my residents. Under the government's national program, every dependant of full-time ADF members and reservists on continuous full-time service will be eligible no matter where they live in Australia. Each eligible ADF dependant will be reimbursed for their out-of-pocket expenses when visiting their local general practitioner and, in addition, may claim up to $400 per year for allied health services such as physiotherapy, dentistry and mental health support.

I have spoken many times in this place about the importance of the coalition's promise to our veterans to fairly index the DFRDB and DFRB. We promised prior to the 2010 election to give veterans a fair go. We even pushed for it while in opposition and the Labor government refused. It refused to give our veterans the respect they deserve for putting their lives on the line to fight for our freedom and our rights.

So we took the policy of fair indexation to the 2013 election. On winning government, we quickly delivered on our promise and I am proud to stand on this side of the chamber today knowing that thousands of veterans on the DFRDB and DFRB are now receiving a fairly indexed pension. Since 1 July we have received numerous calls and emails from retired defence personnel very pleased to now receive a fairer dollar amount each week to help ease their cost-of-living pressures.

The Suakin workforce reform intends to introduce a range of full-time, part-time and casual employment categories that will offer ADF members more options and more employment flexibility as their circumstances change. The reform aims to improve the ADF's ability to respond to current and future workforce challenges, as well as changes in the security environment and the economy, by giving it a more flexible workforce structure. After a
considerable amount of research and consultation with both permanent and reserve ADF members, the coalition government has learnt that there is substantial capacity and willingness among reservists to contribute more than they do at present, while the permanent ADF workforce aspires to greater career flexibility.

The Suakin reforms focus on retaining a trained, experienced and highly skilled workforce. This aim is vital to a sustainable, affordable and deployable people capability. ADF personnel living in my electorate, based at the Gallipoli Barracks within Ryan, have commended these reforms. The outcome will be a better engaged ADF workforce and is therefore an excellent outcome for the nation. While the ADF expects to have the framework for the service model in place this year, it is anticipated that it will take a number of years for it to reach a fully mature operating state. I again commend the proactive action of this coalition government and I look forward to seeing the benefits of the Suakin reforms realised.

As someone who has visited our defence facilities in Darwin on a number of occasions, I was pleased to hear of the Assistant Minister for Defence's recent announcement of the Top End defence housing strategy, which will deliver more high-quality housing for defence members while also delivering more land for residential developments that will benefit the general community. The government's plan will deliver an additional 800 houses for defence members and their families and, importantly, more than 1,500 houses for the general public in Darwin. I know my colleague the member for Solomon also welcomes this decision.

As someone whose family has been actively involved in the Australian Defence Force since Federation I am proud to stand on this side of the chamber where I can continue to speak about the positive policies the coalition has for a strong Defence Force and the support we give to current and veteran ADF personnel and their families. I commend this motion to the House.

Mr FEENEY (Batman) (12:00): I rise to speak on this motion from the member for Brisbane and I guess in my opening remarks I should pay her a compliment. It is quite typical when a new government comes into office that they will desperately try and take the credit for the achievements of the previous government, but generally speaking there are some approaches when undertaking that task which the honourable member for Brisbane has set herself apart from. The first thing one often does when trying to take the credit for the work of one's predecessor is change the name. It is very important if you are going to take the credit for the work and if you are not going to acknowledge the work that was done previously that you change the name of the program. With a new name and a new program the government can then desperately claim it as its own. But, to be fair to the honourable member for Brisbane, she and her colleagues have eschewed that tired old stratagem and instead are keeping the same name that we had under the former government. There really is absolutely no pretence here about their plagiarism: they have leapt into the future armed not just with Labor policies but, indeed, with the same name for those Labor policies.

Let me bring a little bit of detail to this. Firstly, they ask us to congratulate the government for the changes in health care. Of course I join with them in congratulating the Gillard Labor government for those changes—they were superb changes. Under that program we saw all dependants of permanent ADF members and reservists on continuous full-time service receive the health services that have been described. This was all Labor's National Australian Defence Force Family Health Program, a fine and upstanding program. As with so many
policy elements in Defence, we saw those opposite complain and hark about it and, in their own desperately ham-fisted and childlike way, try and poke holes in these programs in estimates. But now, having come into government, they have not only embraced them, they have not only come into this place and congratulated these policies for their work, but they have not even gone to the effort of changing the name of these policies.

My personal favourite on this front is Plan Suakin. I am absolutely delighted to join with those opposite in congratulating the government for Plan Suakin because this was an outstanding policy of the Gillard Labor government and, indeed, I might say an outstanding policy of the Parliamentary Secretary for Defence at the time—hang on, that was me! We are invited to congratulate the government for the launch of Plan Suakin. Of course, Plan Suakin was launched in August 2011 and it was launched by me. The program was then run by the Cadet, Reserve and Employer Support Division of Defence. Major General Brereton led that division at the time. Plan Suakin was built on a reference from me about how we could normalise terms and conditions between reservists and full-time service members. I thought this was an important piece of the work the Gillard government was doing in the reserves space. I am sure we will see the fruits of that work continue to be desperately taken by the other side as their own accomplishments, but let me congratulate the member for Brisbane for being big-hearted enough to congratulate me on this piece of work.

It is perhaps a sad thing that responsibility within Defence for Plan Suakin has now moved from CRESD to the People Group. Of course those opposite would not have a clue about that, but as they desperately try and take credit for this program that me remind them that not only was Plan Suakin initiated under our government, it was launched under our government, and you have not even had the good manners to change the name. What you have had is the good manners to move this from being a responsibility of the Parliamentary Secretary for Defence—as I said, it was my program as parliamentary secretary in government—to now being something looked after by the Assistant Minister for Defence.

In the absence of Stuart Robert having a portfolio of responsibilities in the context of the Minister for Defence having kept everything for himself and not delegated anything, we now see this fine and outstanding accomplishment of Senator David Feeney not even changing its name, not even changing its terms but now moved to a different member of government. Here you are, big hearted folk that you are, in the place congratulating me and the former government for that program. We thank you for your generosity of spirit; absolutely outstanding stuff!

Not to be outdone, you have then congratulated yourselves for your changes to DFRB and DFRDB, and desperately you cling to this policy life raft. There are 57,000 former ADF members in that scheme that ended in 1992—(Time expired)

Mr COLEMAN (Banks) (12:05): I am very pleased to speak on this motion by the member for Brisbane and follow that very selfless speech from the member for Batman. We do need to take a step back and reflect on why these areas are so important. They are so important because they affect the lives and conditions of people who sign up to potentially risk their safety and their life on behalf of the people of Australia. There obviously can be no higher calling in Australian life than to represent the people in the sense of security, and we only enjoy the freedoms that we have because we have people who are willing to do that. We must never forget that the deliberations that occur in this place and the freedoms that we enjoy
as a nation can only exist so long as we have a military to keep us secure. We have seen that in our history, and history teaches us never to forget that that can occur again.

Most people do not risk their lives in their jobs whether it is the public sector or private sector. I certainly do not and have not, and most of us have not. But some of us have, and they are people who deserve the very highest standard of care. That is why these initiatives are so welcome and why the motion as put by the member for Brisbane is such an important one. It goes to how we as a society care for the people who put their lives on the line for us. The family health initiative is a particularly important one because people who are dependants of people in the military often experience difficulty, long separations and emotional separation from people who are in training or overseas, and it is entirely appropriate that we make sure that those people who are dependants of military personnel are well treated. So the full reimbursement of GP services is very important, as is the $400 for the allied health and specialist services.

Despite the comments of the member for Batman before, this program was, of course, only operational on a trial basis under the previous government, and it has taken the current government and, indeed, the Assistant Minister for Defence, to fully operationalise this program. It is a very welcome initiative, as is the fair indexation of DFRB and DFRDB. Again, for many years this was talked about. No doubt you would have observed the public statements by previous governments about introducing this indexation, but it was never acted upon under Labor. It is long overdue and something that I know veterans in my community of Banks are very pleased about and supportive of.

With regard to Project Suakin, the military obviously operates in a competitive labour market, and that means it has to offer the flexibility and opportunities that other industries offer. That means for some people part-time work is appropriate. Casual work is appropriate for others. It should no longer be the case that somebody who signs up must be full time and must be able to be sent off on a moment's notice. That cannot fit with everyone's lifestyle. Introducing that flexibility under this project is very important. It is also important that such extensive consultation has occurred with members of our military about what they require.

Indeed, the fourth matter mentioned in the member for Brisbane's motion in relation to housing in Darwin is very important. Of course, the Darwin housing market has really exploded in recent years, partially due to a lack of supply and the huge LNG projects and so on going on in that area. This sensible use of Defence land for housing for Defence personnel and also some other homes is a very welcome initiative. I am certainly very supportive of the member for Brisbane's motion, as it goes to supporting the people who are the very finest Australians.

**The DEPUTY SPEAKER (Mr Randall):** I thank the member for Banks. Before calling the member for Wakefield, I alert the chamber that a division in the House is imminent. The question is that the motion be agreed to.

**Mr CHAMPION (Wakefield) (12:11):** Thank you, Deputy Speaker. I was only going to be nice to the member for Brisbane anyway, and celebrating her very bipartisan motion, congratulating the member for Batman on his good work in government. It is important that we do not hype up any partisan differences in this chamber when discussing matters of defence. The previous member for Banks was right in that these very brave men and women do give extraordinary service with extraordinary professionalism in a range of tasks in the
service of our country. They deserve absolutely the support of this parliament in all its many variations and colours of partisanship that we might find, but we should find common cause celebrating their efforts.

In my own electorate of Wakefield there is RAAF Base Edinburgh, which is a very important military base and has been the home of 92 Wing for a long time. It is a unit that has done a lot of service over the last few years, particularly in border protection and in other areas, which has been very important to the country. It is now home to 7RAR, who, again, have served this country with distinction in places like Afghanistan. It is great to have them in the electorate. They certainly change the colour of the shopping centre, because you see a lot of uniforms around the place. I remember being with the member for Batman opening up the Single LEAP housing, which was a very important series of projects to basically improve service men and women's housing on bases. They were very important projects. I remember being with him and opening the Single LEAP housing project at Edinburgh, which has really updated the accommodation at that base.

We know the government likes to congratulate itself, and I think the member for Batman was talking about pensions and he was about to, I think, point out that from 2017 there are many pensions that are now going to be indexed to CPI only. I have had Leon Eddy, President of TPI Association SA, and Ian Swan in my office last week discussing this matter and worrying about it. We hope that the government, in its presentation of the budget to the Senate, does think clearly about some of the changes they have made, because, of course, they are very serious changes and have a big effect on all those who are on fixed incomes over a period of time.

Nothing can be more damaging for a government to go around the place saying that they have absolutely fulfilled the commitment in one area only to have broken their commitments in another and think that one is somehow a defence of the other. My experience has been that that sort of tortured logic only harms a government and does not help it. You are better off—if I could provide some advice to those opposite—giving up the tortured logic and the broken promises and clearly think about what you are doing to ordinary people in this budget.

These are not the only areas, of course, where defence is important. In my state, the defence industry is particularly important. We have seen the government completely misjudge the importance of shipbuilding to South Australia. This is a vital national capacity. It will become more vital in the future. We are now seeing some great maritime challenges and so it is sensible for this country to have a shipbuilding industry. It is sensible for it not to fall into disrepair. For the government to exclude Australian companies from tendering for the two Navy supply ships—in effect exporting jobs and expertise to places like Spain and South Korea—is foolish in the extreme. We now see the same sort of softening up in terms of the submarine project as well. These are critical issues for South Australia and for jobs in South Australia.

While I commend the member for Brisbane for bringing the motion to the House, this government has got little to be proud of and should look to embrace bipartisan matters.

Debate adjourned.
Atypical Haemolytic Uraemic Syndrome

Ms OWENS (Parramatta) (12:16): I move:

That this House:

(1) notes:
   (a) the devastating effects of atypical Haemolytic Uraemic Syndrome (HUS) and its long term impact on the lives of the sufferer, as well as their friends and family;
   (b) that atypical HUS is a genetic disease of excessive immune dysfunction that affects people of all ages, with symptoms including heart failure, pulmonary edema, clotting in the lungs, blurred vision and kidney failure; and
   (c) that the current treatment regimen of plasma exchange and/or dialysis has significant risks and can result in a further reduction in the quality of life for the patient;

(2) acknowledges the community advocacy work that has brought this condition to the attention of the House, such as the work by Ms Jeanette Daher who seeks a listing of the drug under the Government’s Life Saving Drugs Program;

(3) notes that the Pharmaceutical Benefits Advisory Committee (PBAC) is due to make a recommendation on the use of the drug Soliris (Eculizumab), which has shown to put the disease into remission; and

(4) urges the Minister for Health to carefully consider any favourable recommendation of the PBAC as a matter of urgency.

A few months ago a wonderful woman named Jeanette Daher came to see me in my office. Her sister, Marie Taouk, had a very rare disease—in fact it is known as an ultra-rare disease—known as atypical haemolytic uraemic syndrome. This disease affects two people in one million. In Australia, we probably have 60 to 70 sufferers. In fact, out of the 150 members in the House, no more than half of us would have one person in our electorate who suffers from this disease. But, rare as it is, it is also a particularly ugly disease. It is caused by genetic deficiency in one or more complementary regulatory genes and it can lead to a condition known as thrombotic microangiopathy, TMA, which is the formation of very small blood clots in the smaller blood vessels throughout the body. It can happen at any time and there can be a sudden onset.

When a person suffers from TMA, the effect on the body is quite devastating. It will lead to life-threatening damage to vital organs, including the kidneys, the heart and the brain. Nearly two-thirds of patients with atypical haemolytic uraemic syndrome will die or require kidney dialysis or have permanent renal damage or life-threatening damage to their heart or brain within one year of diagnosis. So it is a devastating disease.

Jeanette came to see me because there is a drug called Soliris, which is available in 40 other countries and can have a dramatic impact on a person with this particular disease. She was lobbying for this drug to be included on the PBS. Of course, PBS decisions are made at arm's length from government, but I thought it was worth putting a motion before the House that acknowledged the work of Jeanette and many others around the country who have been lobbying for this drug and asking the parliament to consider it should the Pharmaceutical Benefits Advisory Committee recommend it. Fortunately, since this motion was put on the Notice Paper, the PBAC have considered listing Soliris for the treatment of this disease. In their March 2014 meeting they considered that the medicine could be cost-effective if the sponsor rebated part of or all of the price of the drug. They have, essentially, recommended
that a working party be put together to work out the conditions of a prescription. This is truly wonderful.

The stakeholder meeting was held on 24 June. It included representatives from the Australian and New Zealand Paediatric Nephrology Association, the Haematology Society of Australia and New Zealand, Kidney Health Australia, the AHUS Patient Support Group Australia, Rare Voices Australia, Alexion and the PBAC. There was very, very constructive discussion that worked towards finalising the prescribing criteria for listing the product on the PBS, in recognition of the high clinical need for an effective treatment for patients.

The results of tests have also been incredibly good. In the tests, which the PBAC reviewed, there were, for example, 40 patients who were on dialysis that had recently been commenced—that is, within four months of the trial entry. In the results, it was noted that 33 of these 40 patients, 82.5 per cent, were able to cease the use of short-term dialysis during the treatment with Soliris and they remained dialysis free through two years of treatment. Again, it is an incredibly effective drug which will change the lives of people with atypical haemolytic uraemic syndrome profoundly and, of course, the lives of their families.

I, along with Jeanette and the many others who have been working so hard to have this drug listed, urge the Minister for Health, should the PBAC make the recommendation, to consider the recommendation very quickly and, hopefully, make this drug available to the 60 or 70 people in Australia who suffer from this appalling disease.

The DEPUTY SPEAKER (Mr Randall): Is the motion seconded?

Mr LAUNDY (Reid) (12:21): I second the motion. I add my voice to the statement made by the member for Parramatta. On 28 April 2014, the outcomes of the March 2014 PBAC meeting were made public. At this meeting, the PBAC recommended the drug Soliris for listing on the PBS for the treatment of atypical haemolytic uraemic syndrome, which I will call aHUS. Despite the extremely high price requested, the PBAC decided that the medicine could be most effective if the sponsor agreed to participate in a managed entry scheme. This scheme would require the pharmaceutical company to rebate part of the entire price of the drug depending on how well the patient responded to the treatment. As a result of this important decision, all sufferers of aHUS will be eligible to receive subsidised Soliris on the Pharmaceutical Benefits Scheme.

As the only available treatment that is clinically proven to prevent premature death and vital organ damage for people with aHUS, subsidised Soliris could be life-saving treatment for one of my constituents—like the constituent of the member for Parramatta. This constituent of Reid is a mother of two teenage children who is currently on dialysis and requires a renal transplant as a part of her treatment. For a person suffering from end-stage renal failure, dialysis will only keep them alive temporarily. Undergoing dialysis also entails a substantial reduction in the quality of life, and its outcome is far inferior to that of transplantation.

Professor Steve Chadban is the senior staff nephrologist and transplant physician at the Royal Prince Alfred Hospital. According to the professor, transplantation for patients—

*A division having been called in the House of Representatives—*

Proceedings suspended from 12:23 to 12:40
Mr LAUNDY: Renal transplantation with Soliris offers a high probability of success but ongoing treatment is extremely expensive. The government is currently in negotiations with the manufacturer and sponsor of Soliris, Alexion Pharmaceuticals Australasia Pty Ltd, to reach an equitable price for the drug. Once an agreement has been made, the PBAC will be provided with a price proposal and will conduct the finalisation of the conditions for the listing on the PBS.

Alexion previously estimated a total cost to the PBS of between $100 million and $200 million over the first five years of listing. If a drug costs more than $20 million in any of the first four years of listing, it must be put before cabinet for consideration. This is of course the likely outcome for Soliris. While the cost of Soliris on a per patient case is high, the condition itself is extremely rare, with only two in one million Australians battling this life-threatening blood disease—that is, approximately 44 people across the entire country. Whilst this may at first appear to be a high cost for the benefit of so few people, I submit to the House the following comments made by my constituent’s GP prior to the PBAC’s positive recommendation:

This is a rare condition affecting people of any age. [My patient] is a mother with teenage children, a wife, a daughter of elderly parents and a potential employee. One does not have to be a health economist to do the calculations [to] realise that the cost to society will be outweighed by the benefits of her health …

Untreated, this syndrome has far further implications than just the physical health of the patient. The lady I have been speaking to in my electorate has described to me in detail the adverse impact her diagnosis with aHUS and the following treatment phase have had on not just her children and husband but also her parents and wider social group. The restrictions of the existing treatment methods have also had an effect on her emotional and mental health. The availability and affordability of Soliris for those suffering aHUS obviously have wider benefits for not just patients but their family and the community.

I congratulate the PBAC for its recommendation to list the treatment on the PBS and for moving us closer to the goal of wider accessibility to Soliris. I also take this opportunity to thank the Minister for Health for all his assistance in this matter. I look forward to seeing this matter finalised and having this life-saving drug more accessible to all Australians who are afflicted with this most horrible condition.

Ms HALL (Shortland—Opposition Whip) (12:43): Firstly I would like to congratulate the member for Parramatta for bringing to the parliament this important motion on atypical haemolytic uraemic syndrome. It is a motion that shows that this parliament is interested in providing treatments, medications and research in the area of rare diseases. aHUS is a rare disease. Only 60 to 70 Australians are living with this disease. It is a genetic disease that causes abnormal blood clots to form in small blood vessels. It can severely damage vital organs, such as the kidneys, the heart and the brain.

There are three major problems: there is progressive renal failure, problems associated with red blood cells and platelet counts and problems that occur in the vascular system. It is life threatening. It is an ultrarare disease. It is caused by a genetic deficiency in one or more of the complementary regulatory genes. It is definitely a life-threatening disease and people living with it have their life very much modified. aHUS is, as I said, a rare, life-threatening, progressive disease that frequently causes very, very severe impacts on those people that are
living with it. It is in most cases caused by the chronic, uncontrolled activation of a branch of the body's immune system that destroys and removes foreign particles.

The PBAC met recently and considered the listing of Soliris. It is a medication that can be used and used very successfully to treat aHUS. When it met it made the recommendation that this drug should be listed. The public summary documents outlined in detail the PBAC's recommendations for Soliris. That happened at its March 2014 meeting. The Department of Health is currently working with the medicine's sponsors, Alexion Pharmaceuticals Australasia Pty Ltd, to progress the PBAC recommendation. A stakeholder meeting was held on 24 June 2014. It included representatives from a number of organisations, including the Australian and New Zealand Paediatric Nephrology Association, the Haematology Society of Australia & New Zealand, Kidney Health Australia, aHUS Patient Support Group and Rare Voices Australia. I just need to emphasise again the wonderful work that rare voices does. It is not only aHUS but it is also any number of rare diseases where there is only a small number of patients that are actually living with that disease. They get in there and they advocate very strongly for those people living with the disease. It is through their work in a number of areas that there has been some changes and support offered to people who are living with a rare disease.

The next step is for cabinet to consider the listing of this medication. As the member for Parramatta emphasised, a study showed that of the 40 patients on dialysis, 33 no longer received dialysis once they started using the medication Soliris. To my way of thinking that is a cost saving to government. If people no longer needed to undergo constant dialysis and that can be replaced with the medication Soliris, it is a good step—it is a step in the right direction. It not only improves the quality of life of those people that are living with aHUS but it is also a saving to government. I recommend the motion to the House.

Debate adjourned.

Citizenship and National Security

Mr SIMPKINS (Cowan) (12:48): I move:

That this House:

(1) notes the increasing instances of Australian citizens taking up arms for foreign military and extremist causes including, but not limited to, the Islamic State of Iraq and the Levant, representing a threat to good order in international affairs and the safety of Australian citizens;

(2) acknowledges:

(a) that by taking up arms or supporting such causes, those citizens have failed to comply with the pledge they made when they became an Australian citizen, to uphold the laws of Australia; and

(b) those who have taken up arms or supported such causes, and were born Australian citizens but have a second citizenship, have also repudiated their allegiance to Australia; and

(3) urges the Government to amend the Australian Citizenship Act 2007 to allow the revocation of the status of citizen for those who take up arms, or provide material and/or financial support for military/extremist causes, except where such action is at the direction of the Government.

We should remember the pledge that new citizens make:

From this time forward, under God,
I pledge my loyalty to Australia and its people,
whose democratic beliefs I share,
whose rights and liberties I respect, and
whose laws I will uphold and obey.

They say it themselves and I know that on almost every occasion the person that makes the oath remains true to it. Today I will speak on the need for a government to take firm action against those who have dual citizenship and who have betrayed their country when they fight and allied themselves with terrorist organisations. The action I speak of is to revoke citizenship of those who have turned against us. They show that they have broken faith with our country and they are putting another cause before Australia.

It is true that there are some 150 cases of Australian citizens taking up arms for foreign extremist causes. They have forsaken our country and, contrary to Australian law, taken up the cause of jihad with terrorist organisations. Once they break the law, they show their disregard for this nation and their clear opposition to this country. When they have done so, they can no longer be trusted to come back to Australia and not be a threat.

What I propose in this motion is to take firm action to remove the threat that these disloyal dual citizens pose to Australia. Put simply, there are some people that have left Australia and are now known to be fighting in such places as Syria and Iraq. In this case, we should not want them back here at all. Although we do not try people in absentia, the objective should remain that they not return to Australia to either pose a threat or act as some recruiter or encouragement for others. In this case, I propose that the minister be given the power to act on strong classified intelligence to make a decision to revoke citizenship. This would achieve the objective of keeping that particular threat out of Australia. I do not expect that this will sit well with some people, but I nevertheless advance it. The examples I speak of are where there is a photo of an Australian dual citizen jihadist holding a gun to the head of an unarmed person or other such clear information. Similarly, a person convicted of a terrorism offence overseas would also be liable to such action by the minister.

It is not, however, just those that take up arms and fight overseas that I propose the revocation of citizenship to affect. I also speak of those that remain in Australia and provide material support, financial support or recruiting, or who commit other terrorism crimes, including planning or carrying out such an act in Australia. In that case I believe that section 34 of the Australian Citizenship Act 2007 could be amended to also include section 102 of the Criminal Code Act and also crimes under sections 6, 7, 8 and 9 of the Crimes (Foreign Incursions and Recruitment) Act 1978. This would allow those dual citizens convicted of terrorism-related crimes, foreign incursions or inciting and supporting terrorism to have their citizenship revoked and, of course, be deported at the end of the sentence. So the courts can deal with those that recruit in the suburbs of Australia or raise funds for jihad or other extremist causes and then further action would take place, as I have already said.

This proposal is not about racism; it is about the safety of Australians. It is about removing a threat and dealing with those that have put other causes above the oath they made to this country. It is about holding those that betray Australia to account for the decisions they make. I recently spoke at an anti-ISIS rally in Perth. It was held by the Iraqi community consisting of Shiahs, Sunnis, Kurds and Christians, who all came from Iraq. When I spoke of this proposal they supported it very strongly. This proposal is, therefore, not about racism, it is not about a lack of tolerance and it is not about any of those moral trump card words so often used to stifle debate. It is about keeping the men, the women and the children of Australia safe from
terrorism and extremists. It is not about religion or the vilification of anyone. It is about calling those who made the oath to account, and saying to them, 'What you said at your citizenship ceremony did actually mean something, it did count for something, and now this is the outcome of your lack of respect for that commitment you made.'

I thank the other speakers on this motion who support it. I know that many people throughout the country support my proposal as well. They support it because they value the rights and liberties that define this country. They support this proposal because they too know that with rights and liberties come duties and obligations. They know that they are not in isolation, but rather are hand in hand with each other. The oath or affirmation are not just words; they mean something. They are principles by which we live and a contract that we honour.

To conclude, I propose that the legislative and regulatory changes that I have identified be adopted by the government or that they are used to guide similar action to achieve the desired objective of safeguarding the lives and safety of Australians and others from the extremist threat.

The DEPUTY SPEAKER (Mr Ewen Jones): Is the motion seconded?

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

Mr Danby (Melbourne Ports) (12:54): Today I rise to speak to this important and worthy resolution raised by the member for Cowan. As far back as October last year, I raised security concerns that Australian citizens were fighting overseas in radical groups and could pose a threat to national security on their return. My public analysis was prompted by a report in the French newspaper *Le Monde* which said there were hundreds of Australians fighting in Syria with what was then considered the most extreme Sunni al-Qaeda-linked group, al-Nusra, or with the Shiite Hezbollah. *Le Monde* reported that Australians were being increasingly involved in fighting with terrorist groups abroad, so their return is of great concern to us.

The French know exactly how dangerous these radicalised, trained fighters from Syria can be. A French-Syrian dual national, Mehdi Nemmouche, murdered three people in the Jewish Museum of Belgium in Brussels just a few weeks ago when he opened fire with a Kalashnikov. He was only arrested by chance and good police work hours later in Marseille, when a random check found he was carrying the murder weapon. Ominously, Nemmouche had also been training in our region of the world. A map published in *Time* magazine shows that immediately after fighting with ISIS he travelled to Turkey and then to Malaysia, Bangkok and Singapore.

In an ABC report in March, following the death of a former Australian soldier who was fighting—as identified by the member for Cowan—with the extremist Sunni group, ISIS, in Saraqeb just south of Aleppo, there was a report of a rising number of Australians being killed in the Syrian conflict—many of them giving support to these organisations that we designate by a nonpartisan decision here in this parliament as terrorist organisations, as do many of our allies. We do not want a Brussels to occur here, which is why the government should face this rising threat by carefully keeping track of these activities, including, in my view, introducing legislation framed along the lines of the excellent nonpartisan report of the member for Holt, my colleague here, who was asked to conduct a public inquiry of the Parliamentary Joint
Committee on Intelligence and Security. He did a very fine report and there are many nonpartisan recommendations in it which could easily be put into legislation that would make Australians safer. I think the government is contemplating it—and they should.

Unfortunately, this government has been influenced by the unilateral libertarians at the Institute of Public Affairs who have ridiculed the idea that the main game is that the security services need some adjustments under law, under protection of warrant and under protection of the normal kinds of liberties ensured to all Australian citizens, that have come about with changes in technology. In my view, this is the main game. We have kept Australia safe from these terrorist activities for the period since 9/11, since the remarkable upsurge in jihadist activity around the world. And we want it to stay that way. I think the excellent report from the member for Holt is the way to go.

Claims by the Institute of Public Affairs, particularly their luminary, Mr Berg, on *The Drum* that we—ha, ha, ha—should not be concerned about things like pressure-cooker bombs, a problem he implied was invented by these crazy security agencies to scare Australians and scare people in the Western world, looked very foolish a few months later when at the Boston Marathon that was the very thing that the jihadists used. And they picked this up—and this is public record information, so I am not revealing anything—from the Al Qaeda magazine, *Inspire*, which you can get online.

And so I think the suggestion by the member for Cowan is something that should be considered. Of course, dual nationals raise different issues to those people who are Australian citizens. The real problem for Australia is that we have Australian citizens who have no other nationality and who are going over and participating in these causes. A program of deradicalisation and monitoring of these people, particularly in places where they are active in Australia, needs to be considered. I am not against taking strong measures against dual nationals but it is the original citizens who are the real problem. (Time expired)

**Ms O’Dwyer** (Higgins) (12:59): Like all Australians, I am deeply concerned at the reports of Australian citizens who are working on behalf of extremist groups in the Middle East and, in particular, in Syria and Iraq, including such terrorist groups as the Islamic State of Iraq and the Levant, ISIL, and the Al-nusrah Front. According to these reports, as many as 150 Australian citizens are involved, both here and abroad. Some are involved in the financing of terror, others are involved in the radicalisation of others, and some of these people are involved directly in training, fighting and committing acts of terror overseas. Recently, we saw chilling footage of convicted Australian terrorist Khaled Sharrouf posing in northern Iraq, gun in hand, over the bodies of several executed men. There is no question that Australian citizens who engage in extremist activity pose a threat to our national security—in particular, those citizens who have acquired new-found skills in terror and who seek to bring those skills back home.

Australia currently has in place a suite of measures to deal with people who are engaged in extremist activity. For instance, it is illegal for Australian citizens to go overseas to fight with, or support, terrorist groups. Significant criminal penalties apply, both under the Criminal Code and under the Crimes (Foreign Incursions and Recruitment) Act, with a maximum penalty of up to 25 years of imprisonment. In addition, under the Australian Passports Act, the Minister for Foreign Affairs can cancel or refuse to issue a passport where an individual is suspected to be a threat to the security of Australia. The foreign affairs minister has spoken in
the parliament to confirm she has indeed cancelled a substantial number of Australian passports on security grounds and that she will continue to do so.

Moreover, Australia intelligence agencies are working closely with partners in the Middle East, South-East Asia, Europe and the US to monitor extremist activity and to track those, including Australians, who are travelling to places like Syria and Iraq. We saw a recent example of this over the weekend with the arrest in the Philippines of a jihad-preaching radical Australian Islamic cleric, Musa Cerantonio, who may be extradited to Australia to face charges over his links to the terrorist groups Abu Sayyaf and ISIL. As is proper, the government constantly reviews our antiterrorism laws and arrangements and has announced that it will shortly introduce new legislation that will give our security agencies greater powers to counter the terrorism threat.

Finally, at an international level, Australia is also playing its part, taking a leadership role as Chair of the Al-Qaeda Sanctions Committee within the UN Security Council. This month, we assume the presidency of the global financial action task force which promotes legal, regulatory and operational measures to counter terrorism financing across the globe.

In Australia, citizenship is a great privilege. Those who are citizens of our great nation are called on to uphold and protect those values that have shaped who we are as a nation and will continue to secure our future. Under the Australian Citizenship Act 2007 there are five ways in which you can cease to be an Australian citizen. Under section 35 of the citizenship act, an Australian who serves in the armed forces of a country at war with Australia is able to have their citizenship revoked. It is my view that jihadists who go to fight in Iraq and Syria should be stripped of their Australian citizenship in a similar way. These people make a choice. They choose terror over peace and they are responsible for their own decisions.

Australians should be able to live in peace and security without the threat of terror. Threats to our security should be taken very seriously and we have a responsibility as a government to explore all the avenues to protect that very security. I commend the motion to the House and commend the member for Cowan for bringing this matter to the attention of the House.

Mr BYRNE (Holt) (13:03): I wish to thank the member for Cowan for moving this motion in this place at this time, particularly given the gravity of the subject matter that he is raising. Whilst I might have some concerns about the precise wording of the motion that the honourable member has put forward, the fact that the honourable member is starting a very important conversation and keeping threats to national security at the forefront of the public's mind should be commended.

One of the grave concerns I have had as a member of the security committee since 2005 and occupying the national security space since 2005 is that eventually and inevitably in this country an event will occur on this soil of the magnitude of the Bali event—or just a terrorism event. That event will basically be there to cause immense damage to the psyche of the Australian community. That will be its purpose; that will be its intent. Why I like what the member for Cowan is doing is that in some occasions, through some sections of the media and some sections of the commentariat, there is a belief that discussions about the liberties of those who might be impacted on by proposed laws in this place and proposed laws to come, but there is not a discussion about the threat that is posed to Australian citizens now and in the future.
As we know, the threat is increasing. You cannot just blithely say the threat to our nation's security is increasing; we know and I know, having occupied the intelligence community space for nine years, that the threat is accelerating and the government of the day needs to take the actions needed to protect its citizenry. To protect its citizens is the primary job of a government. Everything else flows from that point. You cannot have an economy if you do not have security. You cannot have individual liberties if you do not have security. Security underpins a functioning democracy. So again I welcome the conversation that has been commenced by the member for Cowan, because it should crystallise the public's attention about an increasing threat that we face.

I say respectfully to the Australian government that the report that I chaired—and the Attorney-General and member for Melbourne Ports were members of that committee, one of the best committees I have ever served on—in a bipartisan way reached 43 recommendations about proposed national security legislation reform. I have heard that the Attorney-General is bringing in a section of chapter 4, but there are many more important pieces of legislation, including that bete noire of the IPA: data retention. If a government is concerned and is making the right noises about being concerned about this nation's security, it must give its agencies all of the suite of powers that they need to deal with the terrorist threat. It has not done so. I urge the Attorney-General, using this forum to have this conversation with him, to bring all of the suite of powers that the intelligence agencies have been asking for for some period of time, including with the previous government, to the parliament at its earliest opportunity. This is not because we want to make political mileage; it is because powers of the magnitude proposed in this report need appropriate consideration so the citizenry's view can be taken into account.

It is vital that these powers be brought before the parliament sooner rather than later. I do not want to see data retention debated in this chamber and the chamber below after an event has occurred on Australia's soil. I am deeply apprehensive—as I started my speech by saying—that inevitably and in the not-too-distant future we will have an event on this soil. I do not want to be part of parliament that reacts to an event; I want to be part of a parliament that puts the laws in place to prevent that event from taking place. In commending the member for Cowan for this motion, I continue this important conversation with the member for Cowan and urge the government to bring all of the powers it can to this parliament to be debated in this place.

Mr IRONS (Swan) (13:09): I too rise to support the motion of the member for Cowan. I was listening to the member for Holt, and this is a conversation that we do need to have. As he said, we need to make sure we are not a reactionary government or country. We are a proactive country in the face of terrorism that not only faces the rest of the world but will face Australia eventually on our home turf.

Australians have been faced with the threat of terrorism throughout our history, most recently through our alliance with the United States following the 9/11 terrorist attacks in 2001 and, closer to home, when 202 people, including 88 Australians, were killed in the 2002 Bali bombings. Today we face a different type of terrorism threat, and for many Australians it strikes at the heart of our morals and our ability and willingness to defend our country and the laws we have in place to prosecute those who take up arms or support known terrorists.
It has been highly publicised that the jihadist movement is not just in countries such as Iraq and Syria; it is also here on Australia's doorstep. Approximately 150 Australians are known to be actively involved with this terrorist movement. This includes those who are directly involved in fighting in the war in Syria and in northern Iraq and who have returned to Australia after participating in warfare or are aiding those who seek to travel to these countries for the purpose of taking up arms.

As those in this place would know, the Howard government legislated to make it an offence to participate in overseas terrorist activity when it was revealed that a number of Australian citizens had been involved with the Taliban in Afghanistan. The Abbott government has responded swiftly to this latest terrorism threat by cancelling the passports of individuals who are assessed to pose a threat to our national security. The intent of the motion before this place today seeks to update these laws and send a message to those who seek to threaten Australia's way of life that the Australian government and its people will not tolerate their hatred or their violence. In order to combat this global threat, we cannot afford to close our eyes and hope that it goes away. We need to take significant steps to prosecute or prevent these terrorists, who have no respect for our laws, from returning to Australia. I join with my colleagues the members for Cowan and Higgins and the opposition bench to urge the government to amend the Australian Citizenship Act 2007 to allow the revocation of the status of citizens for those who take up arms, provide material support for military or extremist causes or provide financial support for such causes except where such action is at the direction of the government of Australia.

I am aware the Attorney-General has held briefings with Australian Islamic community leaders and has indicated that new laws will be introduced with regard to security agency powers and aspects of the Telecommunications Interception Act 1979. After discussions with the Australian Islamic College Executive Principal, Abdullah Khan—one of its campuses is based in my electorate of Swan—I am aware that concerns have been raised amongst the Islamic community regarding these so-called 'home-grown terrorists'. I am pleased to inform this place that, like many other Islamic community leaders, Mr Khan has stated that he would support any initiative by the government to prevent these people from coming back to Australia. Although he cannot pre-empt the community's reaction, he does not think there will be any opposition to the government's legislative changes. The school plans to hold community meetings once detail of any government amendments are introduced to the parliament. I too look forward to seeing the detail of any proposed changes to strengthen Australia's overall capacity to fight terrorism on a global scale and to protect Australian communities domestically.

I also note that Australia's defence forces are already working with our allies to combat this terrorist threat. As stated in an article by The Australian on 8 July, a new ground station will soon be built at the Australian spy base near Geraldton in my home state of Western Australia to boost the war-fighting capabilities of Australian and US troops. The planned station will provide direct access via Australia to the five most capable US military satellites in space, improving Washington's ability to direct unmanned drone attacks on terrorists and allowing Australian and US forces to respond more quickly to a military crisis or terrorist attack.

We cannot afford to let these terrorists take advantage of our society and laugh in the face of our laws. By changing the Australian Citizenship Act 2007 to allow the revocation of the
status of citizen and making other necessary amendments to our laws, we will face this challenge head-on and bolster our ability to safeguard our people from those who seek to harm us. I commend the member for Cowan for introducing this motion and give my full support to its intent to strengthen the protection of all Australians.

Mr THISTLETHWAITE (Kingsford Smith) (13:14): Recently we have been reminded that, while we exist far from the violence that is playing out in the Middle East, there is no escaping the threat of global terrorism and there should be no letting up on the pursuit of it. No country should bury its head in the sand in response to violent radicalism. As we have seen, it can strike a blow not just in a war zone but in a crowded Nigerian marketplace, in broad daylight on a London street or in a holiday destination in a bar in Bali.

The fight against terrorism is not and should not be solely focused on the final moment of violence; it is also our responsibility to do what we can within our legal powers to disrupt terrorism wherever it spawns and to discourage our citizens from being involved with terrorist organisations. ASIO estimates that there are about 150 Australians directly involved in Syria and Iraq. About 60 are believed to be actually fighting. It is also believed that a fair proportion of the rest are here in Australia, where they are suspected of being involved in recruiting, fundraising and planning to join the fight in Syria and Iraq. These would-be jihadists are being lowered online by recruitment videos and propaganda material designed to cross borders and convince citizens to travel and take part in foreign wars.

Melbourne-born Musa Cerentonio was arrested on Friday in the central Philippines. He had been described as an inspiration to jihadists worldwide and has emerged as one of the most popular and influential online preachers supporting the jihad in Iraq and Syria. We must not underestimate the involvement of our own citizens in matters of global terrorism. As a responsible member of the global community, Australia must do its part to end terrorism and we must begin here in our own backyard. We have been doing that. The foreign incursions act makes it a serious offence for Australians to fight with terrorist organisations in foreign wars, with a penalty of up to 20 years imprisonment. Since the fighting in Syria and Iraq began, ASIO has cancelled the passports of more than 50 alleged extremists it believed were planning to travel to Syria and be involved in terrorism. ASIO's powers over recent decades has been strengthened, strict particularly if surveillance powers, and it has resulted in intelligence being gathered to ensure that governments can take action such as cancelling passports.

When Labor was in government we introduced the Independent National Security Legislation Monitor, which was an important role to oversee Australia's security and terrorism laws to ensure that they were adequate, appropriate and also balanced. It was necessary scrutiny of combating terrorism in our community and our nation. Unfortunately, the Abbott government is seeking to abolish this very important role. They are doing so under the guise of cutting red tape. Recently the Independent National Security Legislation Monitor, Bret Walker, handed his final report to the government, in which he stated:

The proposed repeal of the INSLM Act has been explained as 'designed to reduce bureaucracy and streamline government' by 'removing duplication of responsibilities between different levels of Government'. The INSLM is not aware of any other officer, agency or 'level' of government doing what Parliament required to be done by the INSLM Act enacted in 2010. The Explanatory Memorandum refers to 'existing independent oversight bodies' instancing the IGIS, Parliamentary committees and Parliament itself. As to IGIS, there would be a very large question of deployable resources were the task
undertaken by the INSLM required to be undertaken by IGIS. As to Parliamentary committees, engagement has been sparse. As to Parliament, the record is blank.

That is the view of the Independent National Security Legislation Monitor. He is saying to this government that the abolition of that position is wrong and it will result in inadequate oversight of Australia's security legislation. In that respect it is a great shame that the government is taking an action. *(Time expired)*

**Mr CHAMPION** (Wakefield) (13:19): It is great to be speaking on this motion that the member for Cowan has put forward. Our approach to terror and extremism should be, as far as we can, bipartisan; it should be free of grandstanding and fearmongering; it should not be the basis for knee-jerk decision making, which somehow curtail the rights and freedoms that we have in our very solid and stable democracy; and it should be based around building moderation and not fuelling extremism.

We know that there are a range of issues in the world at the moment, particularly in the Middle East with the battles in Iraq, the Levant and Syria. Sectarianism and religious extremism are now increasingly driving the violence and the warfare that is going on over there. Australian citizens who take up those causes are criminals under Australian law. We have a wide variety of laws, like the foreign incursions act 1978, that have been updated to deal with people who commit criminal acts in the name of extremist causes whilst overseas.

The best way to deter people from taking up those causes and taking up arms in other nations, whether for religious reasons or other extremist ideological reasons, is the application of those criminal laws. That is the best way of deterring people and the best way of dealing with people who go and fight. It is important to use the language of criminality and not call them extremists or Islamists and ascribe a religion to them, because mostly what they are doing is not in accordance with those religions but outside those religions. They are criminal and murderous acts often, and we should label them as such.

At first blush I can understand why the member for Cowan would say that the easiest thing to do is revoke their citizenship. I can understand that in front bars across this nation and in other places that might find some support initially, but we have to think through how we deal with criminals. If we were to say, 'We are going to revoke the citizenship of person X on the basis that he is a criminal because he is fighting in extremist causes,' then the Australian public could quite rightly ask: 'Why don't you do this for murderers, rapists, thieves or fraudsters? Why don't you revoke their citizenship too, because we do not want any of them back in the Australian community?'

It passes the front bar test pretty well. The problem with it is that if every nation started doing that we would end up with an army of stateless criminals that no nation could properly account for or deal with. When we hear about international obligations it is important for us and the public to realise that those obligations are not just the obligations we have to other nations but the obligations that our community receives as well. Regularly the Australian government has deported criminals who have foreign citizenship. We have seen criminals deported to the former Yugoslavia countries—Serbia I think it was. There were a number of *Lateline* programs about an individual who had been deported. Those are the sorts of initiatives that we do now under those international obligations. If we were to turn our back on them then that would give other nations the exact excuse to do the same to us.
So, while I accept the member for Cowan is well motivated in providing this for us to debate in the parliament, I think we should take a step back and deal with these people who take up arms for foreign causes as criminals. We should deal with them that way because that is by far the most effective way of dealing with them.

The DEPUTY SPEAKER (Mr Ewen Jones): The question is that the motion be agreed to. I give the call to the chronologically challenged member for Forde.

Mr VAN MANEN (Forde) (13:24): I thank the member for Cowan for this motion. Given the recent discussions and the recent revelations of Australians being actively involved in overseas conflicts with declared terrorist organisations, I think it is a very relevant matter that we bring to the fore for public debate.

The member's motion covers off on a number of issues and particularly, as I said, notes the increasing instances of Australian citizens taking up arms for foreign military and extremist causes. In particular of late, we have seen instances of Australian citizens fighting for the Islamic State of Iraq and the Levant. I think it is quite right that the member for Cowan points out that these people potentially provide a significant threat to Australian safety on their return. We should hold these people to account for failing to obey the pledge of allegiance that they have taken in order to become Australian citizens in the first place, and we should question their ability to retain that citizenship.

The Attorney-General put it well several weeks ago when he spoke with some Islamic community leaders about national security. The Attorney-General said:

The Abbott Government is absolutely determined that the troubles in the Middle East will not have an impact on Australia's domestic population. We acknowledge that this is an important national security issue. We know that there are approximately 60 Australians currently engaged in war fighting in the Syrian, north-western Iraqi theatre. We know that there are approximately 150, including that 60 or so, who are actively involved as either participants or facilitators.

This motion addresses both of those issues—people not only fighting but also facilitating.

With recent changes recognising the Islamic State as a terrorist organisation, Australians should bear in mind that if they fight alongside or financially support a listed terrorist group they can face up to 25 years jail. The new listing of the Islamic State in the Criminal Code replaces the listing of the Islamic State of Iraq and the Levant, in keeping with the group's recent expansion. The government has also moved to specifically list the Islamic State under this name, reflecting an expansion of the organisation's operating areas and its announcement as an Islamic caliphate. It does not represent a change in the Islamic State's leadership, membership or methods of operation. I think it is quite clear from their communications over the past few months that they have a determination not only to control the territory that they presently occupy but also to expand further into other Islamic areas of the Middle East and to have influence on a global scale as well.

ASIO have advised that the Islamic State movement is attracting a large number of foreign fighters, including Westerners, and is now one of the world's most deadly and active terrorist organisations. That is why I think this motion is very timely. It is due recognition, and a timely reminder, that there are people in the Australian community who wish to support these organisations. The question always is: what do they bring back with them to Australia once they have finished their active involvement in these communities?
We should also be aware that the government is looking at some legislation to deal with this in a broader manner, which I believe is being introduced to the Senate later this week by the Attorney-General. So the government is very aware of this issue. Again, for the general safety of our country, I think we should be very mindful of these people in our community. In the United States, we saw what happens when terrorists successfully infiltrate a country’s security perimeter. September 11 is a very salient reminder of what can happen if we are not vigilant and diligent, and if we do not look to actively prosecute these people for breaking Australian laws. I commend the member for Cowan for his motion.

Debate adjourned.

**Cyprus**

Ms VAMVAKINOU (Calwell) (13:29): I move:

That this House:

(1) acknowledges that 20 July 2014 marks 40 years since Cyprus was divided;

(2) recognises the continuing support of this parliament and successive Australian governments towards achieving a just and fair resolution for the Cyprus problem;

(3) urges the Australian Government to aid the current peace process based on relevant United Nations resolutions, including United Nations Security Council resolutions 2135 (2014) of 30 January 2014 and 1251 (1999) of 29 June 1999 and subsequent resolutions, on respecting the sovereignty, independence and territorial integrity of Cyprus;

(4) notes that any solution to the Cyprus conflict should result in the demilitarisation and reunification of the island for the benefit and welfare of its entire people and peace in the region; and

(5) recognises 50 years of continuing service by the Australian Federal Police in the United Nations peacekeeping mission in Cyprus that this House reaffirms.

On 20 July 1974, in violation of international law, Cyprus was invaded by neighbouring Turkey, occupying 37 per cent of its territory and leading to its effective partition ever since. In its wake, the 1974 invasion and division of Cyprus has led to hundreds of thousands of Cypriots being driven from their ancestral homelands. Forcibly displaced Cypriot refugees, many of whom have made Australia their new home, are now still waiting for justice to be restored and for their right to return.

Today's motion acknowledges that 40 years have now passed and that Cyprus and its people still remain separated. This is despite the continuous peacemaking efforts by the international community to resolve one of the world's longest conflicts. The Green Line, which divides Cyprus's capital, Nicosia, is a stark reminder of that city's unenviable status as Europe's last remaining divided city.

Yet, despite the continuing division of Cyprus, the Turkish military presence and the prevention of Cypriot refugees from returning to their homelands, and despite failed UN peace efforts, there are signs for optimism. As per the joint communiqué of 11 February by the two community leaders, we are currently witnessing a new round of UN led peace talks. I am certain that I express the sentiment of this parliament when I sincerely wish both leaders, the President of the Republic of Cyprus, Mr Nicos Anastasiades, and his Turkish Cypriot counterpart, Mr Dervis Eroglu, strength, courage, fortitude and wisdom to reach a just, lasting and peaceful settlement for the sake of all Cypriots. Australia, its people and this
parliament—though far away—remain steadfast by the side Cypriots to assist them, in whatever capacity, in making peace a reality.

During his visit to Cyprus on 21 May of this year, US Vice President Joe Biden avowed that a 'deal is possible' and that 'peace should be the Cypriots' legacy to their children'. In echoing these sentiments, I hope that the United States, as well as the international community, stay focused on the Cyprus peace process. Promising also is the joint interfaith communique by Cyprus's religious leaders—the Archbishop of Cyprus, Chrysostomos II, and the Mufti of Cyprus, Dr Talip Atalay, as well as the Maronite archbishop Youssef Soueif, the Armenian archbishop Varoujan Herkelian and the patriarchal Latin vicar George Kraj—who on 26 February welcomed the recommencement of the peace talks. Cyprus's peace talks are predicated on the premise that reunification of the island is the only solution that will integrate its people, economy and governance, for the prosperity and wellbeing of all Cypriots, allowing them to realise the full potential of their EU membership.

The road to peace is a long one. During this time there have been encouraging moments that inspire hope that, despite 40 years of anguish, a solution is both viable and desirable. In 2003, the partial lifting of movement along the partitioning line allowed Greek and Turkish Cypriots crossover passage to the north and south for the first time since 1974. Indeed, as I reported to this parliament on 23 September 2002, I had visited northern Cyprus in July 2002, with my husband, and we were taken by a Turkish Cypriot politician, Mr Ilker Nevzat, to visit my husband's home village of Ayios Epiktitos—the home that he and his family had to flee as the invading Turkish forces advanced. The subsequent friendships we have built with many Turkish Cypriots makes me believe, without doubt, that goodwill and determination for reunification exists amongst the people of Cyprus. It is they who are driving the peace agenda, and, whilst a political solution is being negotiated, people-to-people diplomacy is progressing unabated, yielding results and preparing the groundwork for integration and reunification.

I am proud to say that Australian governments have over the years supported Cyprus, through the UN resolutions and our peacekeeping and peace-building efforts. The AFP recently celebrated its 50 years of continuous presence on the island. I was there last year at the Commonwealth War Graves Commission cemetery of Waynes Keep, located in the buffer zone, for an Anzac Day dawn service representing this parliament.

In commemorating the 50th anniversary of Australian civilian police involvement with the UN peacekeeping forces in Cyprus, we take the opportunity to pay tribute to the thousands of Australian police officers who served in Cyprus, as well as to the three policemen, Sergeant Llewelyn John Thomas, Inspector Patrick Hackett and Sergeant Ian Donald Ward, who, with 181 other peacekeepers, lost their lives in the cause of peace.

However, this House today reaffirms Australia's continued support for the sovereignty and territorial integrity of the Republic of Cyprus, and in accordance with the relevant UN resolutions calls for the reunification of the island with a single sovereignty, international personality and citizenship; a solution which rectifies past injustices, reconciles human rights with group security, upholds the fundamental precepts of liberal democracy and fortifies the foundations for integration and unification.

The DEPUTY SPEAKER (Mr Ewen Jones): Is the motion seconded?
Mr WILLIAMS (Hindmarsh) (13:35): I second the motion. I support my parliamentary colleague, the member for Calwell, on this motion today. I acknowledge the profound impact that the tumultuous events of 1974 had on the lives of Cypriots, including those who today call Australia home. More than 22,000 Australians of Cypriot ancestry constitute a dynamic community here in Australia. They have made a significant contribution to the prosperity of our country and our multicultural society.

As we know, the resurgence of intercommunal violence in Cyprus in 1974 led to the division of the island and, sadly, it endures to this day. As a good friend of Cyprus, Australia has sought to assist the efforts by the Cypriots themselves and by the international community to reunify Cyprus. This year marks the 50th anniversary of Australia's continuous contribution to the civilian police component of the United Nations Peacekeeping Force in Cyprus, which was originally deployed to Cyprus in 1964. Australia was amongst the first countries to contribute to the UN peacekeeping force and is currently the largest contributor to the civilian police component of the force. As we heard from the member for Calwell, 15 Australian officers of the Australian Federal Police are currently deployed and, unfortunately, over the years three Australian police officers have died on duty. The Australian government is proud that our police have served with distinction in Cyprus.

We also support the Cyprus Academic Dialogue, a major bicommunal confidence-building measure and peace-building initiative. As a nonpermanent member of the United Nations Security Council, Australia will continue to support constructive efforts to overcome the divisions on the island, including when Cyprus comes before the council later this month. We welcome the resumption of fully-fledged negotiations made possible earlier this year by the joint declaration by the Greek and Turkish Cypriot leaders with the assistance of the then United Nations Special Adviser to the Secretary-General on Cyprus, Alexander Downer—Australia's former Minister for Foreign Affairs. I thank Mr Downer, who is currently the Australian High Commissioner to the United Kingdom, for his tireless efforts over the past six years to assist negotiations with Cyprus. I have met Alexander and discussed Cyprus with him over the last year or so. The Australian government encourages all parties to display the political will and leadership necessary to engage in current political negotiations to find a comprehensive settlement to the question of Cyprus.

Yesterday, I was pleased to attend a very special service, here in Canberra with the Cypriot community, which remembered all those who have fought and died for freedom and justice in Cyprus. Also attending were Ms Georgia Alexandrou, the President of the Cyprus Community of Canberra and the ACT, and the High Commissioner of Cyprus, Mrs. Malliotis, who is here in the chamber today. I thank her for attending. As the High Commissioner said yesterday at the prayer service, 'It will help in the strengthening of our own morale and determination to continue our efforts for finding a solution to the Cyprus problem.'

In closing I want to say a few words about the Cypriot community in Australia, which is home to the second-largest Cypriot community outside of Cyprus. Since being elected last year, I have been warmly welcomed by the Cypriot community all around Australia, but in particular in my electorate of Hindmarsh. Thanks to Mr Christos Ioannou, President of the Cyprus Community of South Australia. I had the pleasure of attending their Cypriot cultural community centre in Adelaide that was opened earlier this year. The centre is a wonderful
facility which merges the cultural traditions and the language of the Cypriot community, where people, young and old can share activities and share their experiences and their history.

It is my hope, as well as the hope of Cypriots in Australia and around the world, that we find a peaceful solution to the Cyprus problem. Such a solution will not only be in the interests of Cyprus, the region and the European Community but also in the interests of the international community. Finally, as the President of the Republic of Cyprus, Nicos Anastasiades, put it:

We seek a solution that will unify the country and safeguard the human rights of all Cypriots: Greek Cypriots, our Turkish Cypriot compatriots and all lawful Cypriots, irrespective of where they belong, what language they speak or what religion they believe in.

Mr ALBANESE (Grayndler) (13:40): This Sunday, 20 July 2014, marks 40 years since the invasion of Cyprus. Forty years later we still have no peaceful resolution. Cyprus is still divided, 37 per cent of the landmass is still occupied, over 200,000 people have been displaced and families’ lives have been torn apart. But the hope of peace and justice lives on: here in this place; in the hearts and homes of 80,000 Cypriot Australians; written in the resolutions of the United Nations. In 1998 I said in this chamber:

What is clear is that the Cypriot people, regardless of their origin, do want a peaceful resolution to this crisis.

Nothing has changed. Peace is possible—I know that because I see it every day in my electorate of Grayndler.

My electorate is a microcosm of our great nation, an example of making multiculturalism work. In Grayndler I see peace is possible: Greek Cypriots and Turkish Cypriots live in harmony, side by side. I see it in the actions of people like Michael Christodoulou, a tireless champion of peace and harmony, in the spirit in which the Cyprus Community Club in my electorate brings together our community to celebrate life in our multicultural community; in the sister-city relationship between Marrickville and Larnaca which we have had since 2005. So today let this be a reminder to us and to the world that we have not forgotten Cyprus. Let this bipartisan motion, moved by the member for Calwell and seconded by the member for Hindmarsh here in our national parliament, be a call for each of us to renew our hope in the future, to direct our energies to promote peace and justice and to call on the Australian government to support the implementation of United Nations resolutions.

I am proud to have been a longstanding advocate of justice for Cyprus. In 2012 I returned to Cyprus for the second time as a parliamentarian but my first as a minister in the government. During my visit I had the honour of meeting some of our Australian Federal Police officers serving as part of the United Nations peacekeeping force in Cyprus. I was given a tour of the buffer zone by the commander of our force, Superintendent Peter Bond. Australian police officers have served continuously as part of the UN peacekeeping force in Cyprus since 1964. There are currently 15 serving in the force. I am proud that Australia is playing its part in the peace process in Cyprus. I acknowledge and thank them for their work.

I also met the Minister of Communications and Works, Efthemos Flourentzou; the Secretary-General of AKEL, Andros Kyprianou; the Mayor of Limassol, Mr Andreas Christou; the Mayor of Larnaca, Mr Andreas Louroutziatis; and His Beatitude Chrysostomos II, Archbishop of Nova Justiniana and All Cyprus.
It was a great visit. However, amongst the warmth of the people, I was struck by the tragedy of that divided island. Let me be clear about where Australia stands on the substance of the motion that is before us today. Australia supports the sovereignty and territorial integrity of the Republic of Cyprus. We recognise the republic as the only legitimate authority on the island. Any solution must ensure that there is a single sovereignty in Cyprus; a single international personality; and a single citizenship, with independence and territorial integrity safeguarded. Greek Cypriots and Turkish Cypriots need to once again live side by side under the government of the Republic of Cyprus.

I am proud to support this motion today. In two weeks time I will again gather at the Cyprus Community Club in my electorate to commemorate the invasion. Importantly, events at the Cyprus Community Club have brought together people of Greek Cypriot and Turkish Cypriot backgrounds to recognise the cultural benefit that comes from mutual respect and understanding. I witnessed when I was in Cyprus the fact—as the member for Calwell has said—that the people of Cyprus as a whole are suffering from the fact that the island remains divided. I look forward to going back there to a unified island under the circumstances in which that can occur. I think this parliament as the Australian parliament has an important role to play through measures such as this motion today, but also in support of justice for Cyprus through the multilateral forums, including through the United Nations. I commend the motion to the House.

Debate adjourned.

Sitting suspended from 13:46 to 16:00

STATEMENTS BY MEMBERS

Mr WATTS (Gellibrand) (15:59): I recently had the pleasure of attending the Vietnamese community in Australia Dual Identity Leadership Program Graduation Dinner in West Footscray.

The Dual Identity Leadership Program is designed to support Vietnamese-Australians in further developing and enhancing their leadership skills. This year saw 35 participants selected to take part in the inaugural leadership program. Participants were able to gain a deeper understanding into the Vietnamese diaspora in Australia and Vietnamese contemporary history.

Speakers in the program ranged from Malcolm Fraser, Nicola Roxon, Jon Faine, Major General David McLachlan AO, Major Bruce Davies MBE, Cam Nguyen, Professor Kieu Tien Dung and the Reverend Tim Costello. The program highlighted the importance of leadership in community service and the fact that it is everyone's responsibility to participate in making our community a better place.

We, in Melbourne's West, are proud to recognise our future leaders, and celebrate the diverse backgrounds that contribute to building our community. We are particularly proud when these community leaders come from refugee backgrounds.

I would particularly like to acknowledge those who put their time and effort into organising this program. Congratulations to Bon Nguyen, President of the Vietnamese Chapter of Australia, and, in particular, to Vice-President Viv Nguyen for their time and dedication.
The following members of the steering committee also deserve thanks and congratulations: Lawrence Ho, Albert Le, Cathy Nguyen, Cuong Nguyen, Dan Thanh Nguyen, Huong Nguyen, Kim Nguyen, Thomas Nguyen, Veronica Nguyen, Alexandra Wong and Tin Nguyen.

The Vietnamese Chapter Australia Dual Identity Leadership Program is a symbol of the public leadership and community spirit found within Melbourne's West, and I look forward to seeing it grow in the years to come.

**Eastwood Ryde Netball Association**

**Ryde Regional Radio**

*Mr ALEXANDER (Bennelong) (16:01):* The Eastwood Ryde Netball Association is the governing body of 31 netball clubs across our region and offers a wonderful competition for all ages and abilities.

This year ERNA celebrates 60 years of keeping locals of all ages involved in sport and delivering great success to our local community. In honour of their contribution I was delighted to promise ERNA $10,000 in federal funding under the Community Development Grants to upgrade some clubroom facilities. Congratulations to Anne Doring and the ERNA team on this impressive milestone.

Secondly, I send my best wishes to our local community radio station, Ryde Regional Radio, on celebrating its 30th anniversary this year. For the past three years I have appeared weekly on the 2RRR Wednesday Big Breakfast Show and I also chat regularly with DocRon on-air.

In 1984 Reverend Richard Mau became the first voice of 2RRR. Thirty years later a unique service is offered to our vibrant local community, with ethnic programming, sports shows and teen shows, as well as a variety of music and entertainment that appeals to just about everyone.

ERNA and 2RRR are just two organisations that help make Bennelong great and I wish them both the best for the future.

**Marks, Dr Betty**

*Mrs ELLIOT (Richmond) (16:02):* I rise to speak about a remarkable woman in my electorate, Dr Betty Marks, who recently retired as a GP in the local area.

Dr Betty is 90 and she has retired after a 66-year career in medicine. For the last 25 years of her career she has been working at the Queen Street Medical Centre in Murwillumbah and also caring for residents in local nursing homes. As Dr Betty said recently, it was a love of her patients that is what has kept her working to the age of 90. She has looked after some local families for four generations. Long-time patients say it is not out of the ordinary for 'Dr Betty' to call them from the surgery at 9 pm to deliver test results.

Dr Betty was born in 1924, and studied medicine at the Women's College at the University of Sydney. She graduated in 1948, securing a position at Sydney's Prince Alfred Hospital. She then married Jim, who was also a doctor, and they moved to the Tweed, where they both worked at the Murwillumbah District Hospital and then joined the general practice. During her career she saw so many advancements in the field of medicine. She also saw the introduction of Medicare and improvements to vaccines, cancer treatment and new drugs.
We wish her the very best in her retirement. She is the patron of a lot of local groups and I am sure she will devote a lot of time to them. I would like to finish with Dr Betty's words from one of the weekend papers:

There are many wonderful people who get cancers, who get terrible pains and indignities. But if you can help in any way possible, as a friend and as a doctor, and that's mostly what GPs are, I think, it is a great privilege.

So, Dr Betty, on behalf of the people of Richmond I thank you for your wonderful service to our community and wish you all the best in retirement.

**McPherson Electorate: Rotary Club of Kirra Currumbin**

Mrs ANDREWS (McPherson) (16:04): I take this opportunity to inform the House about a fantastic community organisation in my electorate of McPherson—the Rotary Club of Kirra Currumbin. I recently had the pleasure of attending the club's 47th changeover dinner and was once again reminded of their generosity and invaluable contribution. Charted in 1967 the club has been investing in our local community, particularly our youth, for almost 50 years. This investment has returned immeasurable dividends. The positive impact that this small club has had on our community and its individuals is evidence of the big heart inside each of its members.

Whether it is sponsoring accommodation for the homeless, sponsoring exchange students, supporting a teacher in Tanzania or helping locals in need, the Rotary Club of Kirra Currumbin is a grassroots organisation determined to do good for the southern Gold Coast. Its members, who selflessly devote their time and energy to the club's humanitarian and goodwill endeavours, are to be congratulated for their hard work and commitment. I thank each of them for their contribution to our community.

Finally, I would like to congratulate Diane Anderson, the President, John Best, the Treasurer, Gloria Tranby, the Secretary, and Marian Crichton, committee member, on their recent appointments to leadership roles. I thank each of them for continuing the valuable work and legacy of the Rotary Club of Kirra Currumbin.

**Indi Electorate: Cafe Connect**

Ms McGOWAN (Indi) (16:05): You can get a real sense of how well a community is going by paying attention to the young people. I was delighted last week in Mansfield to stop at Cafe Connect on High Street where I was welcomed by team leaders Shannon and Gemma, who gave me a fantastic tour of the facility. The young people who use the cafe have a real sense of ownership and respect for the venue. I could tell when I spoke to them during my visit that they are very comfortable and safe in their environment. They tell me it is a great place to hang.

It is an example of what can be done when a community commits to young people and provides financial backing and ongoing support. But Cafe Connect goes beyond young people. Service groups, including Rotary, regularly cook barbecues for the young people and get to know the kids. It is really a place where connections are made. I want to congratulate the Cafe Connect leadership team: Taylah, David, Ariena, Luke, Chantelle, Darren, Bradley, Joel, Locky, Jai, Billy and Aaron. I also want to congratulate Mansfield shire for their continued support. If other councils and those of us who represent them here are looking to
engage with young people, we would have to go a long way before we found a better model than Cafe Connect in Mansfield.

**Taxation**

Mr BROAD (Mallee) (16:07): I rise to talk about payroll tax and how we need to find a better way of funding our state governments than continuing with payroll tax. The other day I met with a lot of business leaders right across my electorate. You get some really innovative ideas when you have a discussion with business leaders over glass of red wine, which was grown in the Mallee, and lunch. Those business leaders between them employed over 1,000 people in a small country town. Discussion was around payroll tax. Certainly it is an inhibitor to employing people.

A bakery owner, who employed 50 people, said that if he had an extra $100,000 he would put another business in a town and employ 10 people. That would be 10 people who would be participating, building houses and contributing to the economy. Once he pays out over $550,000 in wages in Victoria he hits the payroll tax threshold. I think we can do better. Part of the long-term discussion between states and the federal government should be how we can encourage businesses to employ people and encourage businesses in regional areas to employ people rather than have a tax regime that works as a disincentive. It is something we on both sides of the House should address.

**Hazara Community**

Mr GRIFFIN (Bruce) (16:08): I rise today to speak briefly about a recent photographic exhibition at the Walker Street Gallery and Arts Centre in my electorate of Bruce in Dandenong. It was a photographic exhibition focusing on the Melbourne Hazara community by Barat Ali Batoor. Some 12,000-plus ethnic Hazara people have settled since the late 1990s in the Greater Dandenong area. As Shi'ah Muslims they suffered a good deal of persecution in Afghanistan and surrounding areas and have come to Australia in order to make a life for themselves and their families. The word 'Hazara' means thousand in Persian. Some experts believe they are descendants of Mongol soldiers left by Genghis Khan in the 13th century, a theory supported by the Hazaras' distinctive Asiatic facial features.

The persecution suffered by the Hazara people and their attempts to achieve a life together in Australia and provide an opportunity for their families was encapsulated in this exhibition. The exhibition shows not only the opportunities that many of them have involved themselves in with working jobs in the local area but also sometimes the loneliness and isolation that many of them feel still separated from their families.

Barat Ali Batoor, the young artist, escaped from Afghanistan when many of his family were massacred years ago. He then dedicated his life in photography to actually telling the story of his people through that process. He said: 'The exhibition is more than just the photographs that you see. It is about resilience and the human spirit. It is about men, women and children who never imagined they would suffer persecution.' (Time expired)

**Renshaw, Mr Mark**

Mr JOHN COBB (Calare) (16:10): I would like to congratulate former Bathurst resident Mark Renshaw on his amazing achievements in cycling. Mark is currently competing in the Tour de France and has been achieving some fantastic results. He finished third on the third stage of the tour, seventh in the fourth and went on to brave the rain and cobbles on the
tour’s fifth stage to come home in 15th place. He finished fourth in the sixth. On an individual points basis this has Mark sitting in fifth position overall, and his team is also fifth after covering over 1,600 kilometres—a remarkable achievement.

Mark has also been selected to compete in the Commonwealth Games cycling team in Glasgow next month. He has inspired a whole generation of young Bathurst cyclists and received a lot of support from residents and the local cycling club. Mark said on social media that he ‘grew up in the best country town in Australia’. I would not disagree with that. It is the oldest inland town in Australia and the third-oldest city after Sydney and Hobart. Along with all of Bathurst I wish him the very best for the rest of the tour.

**Scullin Electorate: Aurora Community Association**

Mr GILES (Scullin) (16:11): I rise today to acknowledge two extraordinary women from the Scullin Electorate: Cara Horner, the secretary, and Toni-Marie Wuelfert, the president, have been wonderful leaders at the Aurora Community Association. Both will be stepping down from their roles at the ACA next week having played a fundamental role in building a wonderful activist organisation supporting many thousands of residents.

Their contribution to the communities I represent has been immense. They have provided selfless, effective campaigning, working together tirelessly to support the needs of a growing community across a wide range of issues, in particular questions of transport, seeking to improve roads in an outer suburban area of Melbourne as well as being passionate advocates for improved public transport—a cause I share. Their activism has gone beyond this to many other elements, from the issues of community inclusion to the creation of a tennis pavilion, a matter the member for Bennelong will no doubt be interested in. So I am very pleased to take the opportunity in this place to say to Cara and Toni-Marie: it has been my privilege to work with you, and it does not end here. I know there is more to be done; but, with the sound foundations you have laid, the communities of Epping North and Wollert will thrive and be all that they should be.

**Brisbane Electorate: Vocational Education and Training in Schools**

Ms GAMBARO (Brisbane) (16:13): It is with great pride that I rise today in showcasing the wonderful students who were awarded prizes as top performers in 2013 for vocational education and training in schools—VETiS. These young students were among 500 students to receive the Australian Vocational Student Prize. The AVSP recognises the skill, commitment and achievement of school students who take on vocational education in their final year. The AVSP was launched in 2005 and recognises year-12 students from 2013 who excelled while taking a vocational program or school based apprenticeship.

The following students are ambassadors for their school and should be really proud of their achievements. From All Hallows' School we have Courtney Altenkirk. From Clayfield College we have Zoe Douvlos, Kirsten Hamilton and Hannah Tully. From Kelvin Grove State College we have Ynez-Aiyana Flanagan, Rowan Noyes and Dean Wilson. From St Rita's College we have Gabriella McSweeney, Grace Pond and Brittany Gough.

The Abbott government is committed to delivering a vocational system with strong links to industry and training providers and ensuring our young graduates get high-quality on-the-job training that equips them with the skills that employers need. Young people like Courtney, Zoe, Kirsten, Hannah, Ynez, Rowan, Dean, Gabriella, Grace and Brittany can be confident in
the knowledge that their success will contribute to the future prosperity of this country. *Time expired*

**Innes, Mr Graeme**

**Disability Discrimination Commissioner**

Ms Parke (Fremantle) (16:14): I would like to take this opportunity to recognise the very important and substantial contribution that Graeme Innes made through his work as the Disability Discrimination Commissioner. As a full-time commissioner with lived experience of disability, Graeme has been a powerful advocate for change and a successful advocate, not least because he helped formulate the policies and programs necessary for reform and because he never hesitated to join the fight in battles that needed to be won. In Graeme's own words from a piece he wrote for *The Guardian*:

I have never accepted the concept of "lifters" and "leaners", a Ming dynasty phrase which has lately gained currency. It's such a facile concept, and we all move from one role to another dozens of times a day.

... ... ...

I prefer a more positive, and less judgemental society, where everyone's contribution is accepted and valued. I want entrances where everyone, not just people who use steps, can come in. I communicate with Auslan, so everyone, not just hearing people, can understand. This makes for a more inclusive, and more sustainable society.

But many in society force people with disabilities to live within that leaner-lifter rubric. And we would be lifters, if there were not barriers in society which cause us to be leaners. I have challenged it all my life, and will do so in this, my last address.

Graeme Innes has made an enormous positive difference to social inclusion in Australia. I thank him for his leadership, his indefatigable effort, his dignity, his courage and his optimism. I know he will continue to play a role in leading reform to improve the lives of people with disability.

I also wish Susan Ryan well in the big task ahead of carrying out the disability discrimination role in addition to her existing role as Age Discrimination Commissioner. *Time expired*

**Lyne Electorate: Bridge and Road Funding**

Dr Gillespie (Lyne) (16:16): I rise to congratulate the Dyers Crossing community for their support and help in the success of getting funding of $10 million for the Dyers Crossing Bridge, for which they have been agitating for about 20 years. It is an old wooden bridge built in the mid-thirties and is really in need of replacement. The whole area of Dyers Crossing could be isolated in a flood. Milk trucks, buses and caravans could no longer travel over it as it was so decrepit.

The $10 million of funding was announced by the Deputy Prime Minister when he accompanied me there last week. It was with great relief that the Greater Taree City Council can now receive those funds. It is over to them now to get their contract signed with the department by November. The funding had been the subject of numerous press releases as early as 2010, but the previous government had not delivered the funding or secured the agreement with the council.
This money will also be available to be used at Manning Point Road and the Dickersons Bridge at Moto and for work on the Gloucester Road. As you can appreciate, there is a backlog of old roads in need of repair in country areas. This will go a long way to addressing that in the Lyne electorate and the Greater Taree City Council area.

Road Safety Remuneration Tribunal

Ms BIRD (Cunningham) (16:18): I take the opportunity in this brief amount of time available to me to talk to the chamber of about an issue that I know many of us in regional and rural areas grapple with, and that is road safety. In particular, members may notice I am wearing the 'Save the Road Safety Remuneration Tribunal' badge. This is an organisation specifically targeted at the task of road safety and is under threat from the government.

It was the result of a campaign for over 20 years that the Transport Workers Union have been running to create not only a safe workplace for the drivers who manage these big rigs on our roads to move the goods around the country that we need but also on behalf of the communities that they travel through—those that are using our roads as drivers and pedestrians who rely on our professional truck drivers to be able to do their job in a safe way.

The Road Safety Remuneration Tribunal was established to ensure that it could make orders about the minimum remuneration and entitlements for drivers; the conditions about minimum rates of remuneration and conditions of engagement for owner drivers; about industry practices for loading and unloading vehicles, waiting times, working hours, load limits, payment methods and payment periods; and, in particular, removing incentives pressures and practices that not created unsafe work practices for our truck drivers but just as importantly endangered all users of our roads. I commend them on the campaign. It was a good Labor outcome to establish a tribunal and I urge the government not to dismantle it.

Grey Electorate: Port Pirie Men's Shed

Mr RAMSEY (Grey) (16:19): Over the last few months I have visited a number of men's sheds. In May, I had the honour of opening the Uniting Care Wesley's new facility at Port Pirie—and a wonderful set-up it is, with a new kitchen, conference room, computer and internet room and two workshops, including one which is running a youth engagement program. It is a great set-up, currently running five days a week, with the support of about 20 dedicated volunteers. They have about 140 attending each week.

In Booleroo last week I visited their very successful shed, marshalled by the highly enthusiastic president Robby Robertson. Servicing the townships of Melrose, Murray Town, Wilmington and Booleroo, they operate one day a week. Some come to play cards or pool, others to test their skills in the workshop and yet others for a cuppa and a chat. We often think that rural communities are very stable but I was taken by the diversity of origin, with many of the participants not being lifelong residents of the community. For them, the men's shed is a key to opening up new friendship and support bases. The financial and in-kind support for the establishment of this shed from the community has been astonishing.

Later the same day I opened the newly established men's shed in Jamestown with a great crowd attending, including representatives of sheds from neighbouring communities. Ably chaired by Trevor Young with supportive secretary Max Prior, this new shed is going from strength to strength. Housed in the recently vacated community kindergarten, now leased to the men's shed for a peppercorn rental from the Northern Areas Council, it is a fantastic
facility and this group will undoubtedly further adapt it. Like all men's sheds, they are all different but doing great jobs for their communities. (Time expired)

Musgrave Park Family Fun Day

Ms BUTLER (Griffith) (16:21): On Friday I had the honour of attending the Musgrave Park Family Fun Day, part of NAIDOC Week celebrations. I was one of around 25,000 people who attended. It was a massive event with almost 200 stalls. I had the pleasure and privilege of listening to Uncle Des' welcome to country. I was really grateful to Scott Anderson, Albert Bowie and the other organisers for inviting me along, and it was a particular privilege to meet Auntie Joan shortly after the opening festivities.

The Nunukul Yuggera dancers were a fantastic traditional dance troupe. They informed me that they are soon to travel overseas to take their brand of dance international, which is a really great opportunity for some of the very young dancers in that troupe. I also saw more contemporary forms of art. A Wudjal Wudjal group had travelled all the way down to Brisbane to perform: the Cold Water Band are a wonderful reggae inspired group who have recently released an EP. I was also fortunate to meet other local and interstate Aboriginal and Islander performers.

It was also really nice to catch up with the 2 Spirits program, a program from the Queensland AIDS Council that reaches out to Indigenous communities to raise awareness of and respect for HIV/AIDS—a very important piece of work from that organisation. It was great to catch up with them at their stall. It was wonderful to be part of NAIDOC Week and I look forward to next year's NAIDOC Week.

Clovelly Park Contamination

Dr SOUTHCOTT (Boothby) (16:22): I want to speak about the contamination which has occurred in Clovelly Park, a suburb in my electorate of Boothby. Residents here have been affected by a harmful airborne contaminants known as trichloroethylene. The state government and EPA were aware of this problem and yet they have been slow to inform residents. Residents were told only two weeks ago that they would have to move out after high levels of this potentially dangerous chemical were discovered in the air and soil. Another 14 houses further south, as well as homes in the neighbouring suburb of Mitchell Park, also face testing to see if chemicals from surrounding industrial sites seeping into groundwater are entering their homes as cancer-causing vapours.

The state Labor government has stated it has been tracking the risk in Clovelly Park for years and was aware of elevated concentrations for several weeks before telling residents. This begs the question: why did they wait? The EPA was also aware and they are reviewing tests from last December, more than six months ago, and may decide that more testing is necessary.

A lot of issues have been raised here. I recently doorknocked these residents. I met with constituents who are concerned about their health, why they were not informed sooner and the prospect of being moved out of the community they have been part of for many years. Many of them have lived here for 25 or 26 years and are in their mid-80s. (Time expired)
Lake Macquarie Business Excellence Awards

Ms HALL (Shortland—Opposition Whip) (16:24): On Saturday night I attended the 2014 Lake Macquarie Business Excellence Awards. They were organised by the Lake Macquarie Business Growth Centre and I congratulate them on an excellent night, and I congratulate all the winners. It was a fantastic night with fantastic businesses represented.

The award for excellence in branding and marketing was won by Ability Options, Charlestown. The award for excellence in sustainable business practices was won by Woohoo Salon at Charlestown. The award for excellence in business systems was won by ATUNE Health Centres, Warners Bay. The award for excellence in innovation was won by Inzant, Nords Wharf. The award for excellence in retail practices was won by GS Mechanical, Whitebridge. The award for excellence in workforce training and development went to Evolution Business & Personal Advisers. The award for excellence in entrepreneurship went to Josh Jeffress of Design Anthology. The award for excellence in customer service by the whole business went to Charlestown Square, Charlestown. The award for excellence in customer service by an individual was won by Natarlia Bridges at GS Mechanical, Whitebridge.

The award for excellence in the not-for-profit sector went to Anglican Care, Booragul. I was pleased to sponsor that award. The award for excellence in new business commencement went to MySky, Cardiff. The award for excellence in young entrepreneurship was won by Alex Mitchell. The award for excellence in workplace health and safety went to LFP Mining, Cardiff. The young businessperson of the year was Grace McLean from the Royal Institute for Deaf and Blind Children. The businessperson of the year was the wonderful Narelle Redman and the business of the year was GS Mechanical, Whitebridge. Congratulations to all the winners. *(Time expired)*

Cowaramup Deja Moo Country Fair

Ms MARINO (Forrest—Government Whip) (16:26): I would like to congratulate the organisers and participants of last weekend's Guinness World Record attempt in Cowaramup in my electorate of Forrest in the south-west of Western Australia to see how many people they could get dressed up as cows at any one location. The previous record was held by the town of Fairfax in Virginia, USA, where 470 people dressed up as cows last year. However, on Saturday, 12 July this was completely smashed at Cowaramup's Deja Moo Country Fair where a total of 1,352 people dressed up in cow 'onesies' in a Cowaramup paddock to break the record. The fair was held on the second anniversary of the installation of 32 fibreglass cow in the town's main street to celebrate the history of the town, each one painted in the markings of actual local dairy cattle.

I am told that Cowaramup sold 600 competition-approved cow 'onesies' but people were allowed to bring their own costumes, so more than half must have already had them ready to go. The costumes had to adhere to the rules, though, in that they had to be a white outfit with black spots and a hood, including ears and black or white shoes.

I congratulate the event organiser, Jill Turton, and all those who participated. It builds on the 2010 cow parade from Busselton to Augusta—the cows, decorated by artists, were then sold for charity for the amazing amount of over $360,000.
Rural and Regional Health Services

Ms CHESTERS (Bendigo) (16:27): Last Friday I was able to join the Heathcote district residents at the launch of their $2.9 million primary healthcare redevelopment. Construction of the Heathcote primary healthcare facility is well underway. This was made possible from the former Labor government's investment in health.

The redevelopment will involve the construction of a new primary health facility on site with the hospital, as well as refurbishing the current consultation rooms. The CEO of Heathcote Health, Dr Douglass, said that the development will allow Heathcote residents to come to a virtual one-stop shop in their own town. The redevelopment will give people at Heathcote and the surrounding areas greater access to most of the important and primary healthcare facilities that they need. It means fewer will have to travel the hour's distance to Bendigo.

Heathcote Health is committed to providing accessible health services to the people of Heathcote, which is why this redevelopment was so important. It was funded by the former Labor government through the Primary Care Infrastructure Grants Program and the Health and Hospitals Fund. Without this grant, without this fund, this vital redevelopment would not occur. The difference between Labor and Liberal when it comes to health is that Labor invests and builds and all the Liberals do is cut.

Upwey Preschool

Mr WOOD (La Trobe) (16:29): On Thursday, 12 June, I met with Tyson Clugg and Kellie Macknam, parents of children from the Upwey Preschool in my electorate of La Trobe. They stated that they were very concerned with the uncertainty that faces both parents and educators of early childhood beyond the conclusion of the National Partnership Agreement on Universal Access to Early Childhood Education, which concludes in December this year.

The national partnership is currently under review, leaving parents and educators without any ability to plan their finances, employment commitments or budgets for 2015, as no decision has been made to commit to further funding under the partnership or other similar arrangements. They have requested the government urgently commit to continue federal funding that ensures access to 15 hours of kindergarten per week for all Australian preschool children in the year before school beyond 31 December 2014. The final report of the review is expected to be presented to the government by the end of October 2014.

I received a petition concerning possible funding reductions to the national partnership from the Upwey Preschool and have lodged this with the Petitions Committee chair, who will present it to parliament shortly. The petition submitted received 1,377 names collected in four days, which is a remarkable effort. To Tyson, Kellie and the other parents from the Upwey Preschool, rest assured I will be lobbying hard to keep the 15 hours of kindergarten per week for the Upwey Preschool and all Australian preschool children beyond 31 December 2014.

Malaysia

Dr LEIGH (Fraser) (16:30): As a child I lived in Malaysia and I am a keen follower of Malaysian politics. Malaysia is a country with which Australia has a strong economic and diplomatic relationship, and many Malaysian students are studying in Australia. In April this year, one of those students was a panellist at the Race, Religion and Royalty in Malaysia forum held at the Australian National University. For taking part in the panel, the student was...
issued with a 'show cause' notice by the Malaysian public service department office. This was an apparent breach of his scholarship agreement, and there were suggestions he was 'being seditious in a way that may harm Malaysia'.

Article 10 of the Malaysian Constitution grants freedom of speech, the right to assemble peaceably and the right to form associations to every Malaysian citizen. In Malaysia, as in Australia, such freedoms are not absolute and might be subject to government restrictions, but I do believe that both our nations must be ever vigilant in safeguarding fundamental freedoms such as the rule of law, freedom of speech, human rights and civic participation.

In my first speech to the parliament, I argued that the Labor Party stands at the confluence of two powerful rivers in Australian politics—egalitarianism and liberalism—and that Labor is Australia's true small-l liberal party. We on this side of the House believe that governments have a role in protecting the rights of minorities and that freedom of speech should apply for unpopular ideas as for popular ones. Liberalism derives from a deep belief in individual freedom. I take pride in the freedoms that our liberal democratic tradition provides. (Time expired)

**Casey Electorate: Healesville Indigenous Community Services Association**

**Mr TONY SMITH** (Casey) (16:32): I rise today to make mention of NAIDOC Week. On Wednesday of last week, I had the privilege of attending the Healesville Indigenous Community Services Association family fun day at the Sanctuary House Motel in Badger Creek, just near Healesville. It was, as I said, a privilege to attend and to spend some time with some of the leaders of the community there. I pay tribute to Brooke Collins, who does so much for the Healesville Indigenous Community Services Association, otherwise known as HICSA, and to everyone else who works with her, for the great work that they do throughout the community in Healesville and beyond.

I had the opportunity to once again speak with Alan Wandin and some members of the Wandin family, who have a rich Indigenous history in Healesville. In fact, we had the time to reflect on the contribution of so many, years ago in the First World War—something that I will enlarge upon when I have another opportunity.

**Makin Electorate: Ridgehaven Scout Group**

**Mr ZAPPIA** (Makin) (16:34): I congratulate the Ridgehaven Scout Group, who this year celebrate their 40th anniversary. To mark the occasion, a celebration event was held at the scout clubrooms on Saturday, 5 July, with scores of current and past members and their families attending, along with me and state MPs Frances Bedford, the member for Florey, and Tom Kenyon, the member for Newland, and Tea Tree Gully councillor Graeme Denholm.

Not only is the club still going strongly but it was most encouraging to see children whose parents, and even grandparents, were scouts or club leaders in past years at the club. I particularly noted that half the current members are girls. It was also clear from the extraordinary number of mementos, banners and memorabilia which literally covered the walls, and even part of the ceiling, of the clubroom that Ridgehaven has been a very active scout group.

I particularly acknowledge current leader Val Mott, who with the support Alan Chillman and all the other leaders have kept the club going for the past 40 years, and in doing so passed on valuable life skills and organised many memorable experiences for the children associated
with the club. They should all be very proud of their contribution to scouting and to the broader society. I congratulate all involved in organising what was indeed another memorable day in the 40 years that the club has been in existence.

**Marland, Mrs Hope**

Dr HENDY (Eden-Monaro) (16:35): I am rising to pay my respects to a formidable lady who passed away. Hope Marland, a stalwart of the Queanbeyan community in my electorate, recently passed away at the age of 91. Hope was one of those tireless doers who are energisers in their communities. She was a local Queanbeyan councillor for 30 years and capped off that career as deputy mayor. She was the first female president of the NSW Local Government Association.

If you had a problem she was one of those people that you automatically thought of to go to and seek advice. She was a member of countless community groups, including Legacy, the hospital auxiliary, Rotary, the Queanbeyan Children's Special Needs Association and the Karabar Cooperative Housing Association. For her many activities over the years, she was awarded the MBE and an AM. She was honoured with a pavement stone on the Crawford Street Honour Walk in Queanbeyan.

Hope was also a stalwart of the local Liberal Party and that is how I best knew her. Indeed, she was the Liberal candidate in the seat of Monaro in the 1976 NSW state election. She was unsuccessful in that bid—one of her few hiccups in a stellar career of success. Indeed, it is tiring just listing her achievements.

Finally, she was a cherished wife, mother and grandmother. My particular condolences go to her husband Ken. Vale Hope Marland.

**Cunningham Electorate: Muslim Community**

Ms BIRD (Cunningham) (16:37): I take this opportunity to extend a sincere thank you to a local couple, Nihal and Cetin Uckan, who invited me into their home last Thursday evening to enjoy an Iftar dinner with them, for our local Muslim community and their holy month of Ramadan. The family had fasted and broken their fast at sunset, and had extended hospitality to the community on that important occasion for them. They invited me to join them for a meal. It was a wonderful location. Their two sons joined us as well. That was particularly pertinent to me as Nihal had gone to the same primary school as me, and we are much the same age and our two boys are much the same age. We were able to talk about the challenges facing young people today. It was organised by the Affinity Intercultural Foundation and our local representatives, Nurhayat and Bilal Aydemir. They were also present at the dinner and have been very active in our community organising all sorts of dinners to reach across religious differences—things that should actually bind us together not divide us. It was a great occasion and I thank them.

**Longman Electorate: Road Funding**

WYATT ROY (Longman) (16:38): Along with my colleagues on this side of the House, I am proud to be part of a federal government that is making the single largest investment in infrastructure that our nation has ever seen. In the federal budget just handed down, we have seen a $50 billion investment in infrastructure across the country. What that means for locals in my electorate is more than $3.3 billion being spent on the Bruce Highway between Pine River and Gympie. That will make an enormous difference for the economic growth of our
area and make life for our local community so much easier. What I am particularly proud of is
the federal government's commitment to invest $16 million into D'Aguilar Highway, a deadly
road in my local community that has cost far too many lives. In 2010 when I campaigned on
this, members of the Labor Party said spending money on D'Aguilar Highway was too
difficult and said it would cost too much. In the intervening years, we saw tragedy after
tragedy. I am proud to stand in this place today as part of a federal coalition that is putting $16
million into the D'Aguilar Highway, funding that will make it safer and save lives and that
will make life for so many people in my community easier. I want to particularly thank the
state government for coming on board and value-adding. Hopefully, we might even see a
passing lane on the D'Aguilar Highway soon. (Time expired)

**Tuggeranong Netball Association**

Ms BRODTMANN (Canberra) (16:40): I recently had the honour of being appointed the
patron of the Tuggeranong Netball Association. TNA is an important part of the Tuggeranong
and Canberra community. TNA holds a number of community events each year such as
marathon netball games for charities and reconciliation day and National Netball Day events,
and it provides wonderful support and opportunities to Canberra's netballers, both young and
old.

This year TNA qualified for all three state league grand finals, finishing premiers in
division two and runners-up in divisions one and three. It was an amazing achievement. I was
there to cheer them on. I congratulate all the netballers involved.

I would like to acknowledge the TNA executive: David Tronerud, Jonathan Toze, Debbie
Dunster, Vivienne Pollock, Kim Crimmins, Jamie Johnston, Jo White and Donna Jameson. Between them, this team has committed more than 110 years of volunteer service for TNA.

I would also like to mention some of TNA's extraordinary volunteers: Nicole Bowles,
Natalee Withers, Kirsten Duffy, Ashlee Tronerud, Narelle Sheehan, Stephanie Jameson and
Katrina Herbert. As we all know, our sporting clubs and associations, like this, could not exist
without the hard work and dedication of volunteers. Anyone who knows Canberra knows that
the TNA's home, the Calwell netball courts, is probably the coldest place on earth in winter.

Last, but certainly not least, I would like to acknowledge the incredible TNA President
Louise Bilston. She has done an amazing job and I would like to thank her for asking me to be
patron of the TNA. (Time expired)

**Carbon Pricing**

Dr JENSEN (Tangney) (16:41): Today I am glad to report to my constituents in Tangney
that this Liberal government is keeping the promise it made at the last election to scrap the
carbon tax. Today is the day that this toxic tax, based on a lie, comes to an end in the House.
From here things can only get better for every pub, club, shop, cold storage business, cement
maker, fridge fixer, baker and homemaker. The average family bill in Tangney will go down
$500 per annum.

I welcome any move to cut taxes and every move to lower the cost-of-living pressures in
my electorate. I hope that companies will now follow suit and pass on the savings to my
constituents. I hope that Qantas and Virgin will also pass on the savings. I also hold hope for
Woolies and Coles, and every business in my electorate. The people of Tangney deserve it,
and they will vote with their wallets should they not be shown this basic sign of respect. *(Time expired)*

**Animal Welfare**

*Mr STEPHEN JONES* (Throsby) (16:42): During the last election Labor made a commitment to lead a national consultation and discussion on phasing out the importation, manufacture, sale and advertising of cosmetics and cosmetic products that have been tested on animals. I am very pleased to say that last week the Deputy Leader of the Opposition, the member for Hotham and I announced that we would be commencing a public consultation process to review our policy and, hopefully, to review the law of this country on this particular issue. Anyone can be a part of Labor's consultation process. In fact, I invite members of the government to participate in the discussion as well, because we want to hear the views of all Australians including consumers, animal rights groups and, importantly, the industry stakeholders.

Developing a new party policy on the testing of cosmetics on animals is a complex matter, but it is also an important matter and we want to make sure that we get it right. In addition to public submissions, we are holding public forums in major cities around the country. Australia should not be behind the rest of the world on this issue. The European Union is ahead of us, Israel and India are ahead of us—and Australia needs to get with it. Changing the policy is not the objective; changing the law is, and that is what Labor wants to do. *(Time expired)*

**Human Trafficking**

*Mr SUKKAR* (Deakin) (16:44): Today I want to acknowledge the hard work and dedication of a passionate group of people in my electorate of Deakin called Unshackled. Based at the NewHope Baptist Church in Blackburn, Unshackled exists to bring an end to human trafficking and slavery, encouraging personal commitments to justice. I first had the privilege of meeting with the Unshackled team, led by the exceptionally committed coordinator Jess Groszek, prior to the election. At that time I had a productive visit with the now Minister for Foreign Affairs, the Hon. Julie Bishop, and the Minister Assisting the Prime Minister for Women, Senator the Hon. Michaelia Cash.

Last week I met with the group again to receive letters that Unshackled had collected from Deakin constituents concerned about women trafficked in Melbourne's legal and illegal brothels. As always, we had a constructive dialogue about the very significant issue of how to bring an end to the abhorrent practice of human trafficking and slavery in Australia and overseas. In particular, we discussed ways that the government can improve the support for victims of people trafficking and the people trafficking visa framework.

I wish to put on record my thanks to, and appreciation of, all members of Unshackled for their dedication to helping the most vulnerable people in society, who, in most cases, cannot help themselves. I look forward to continuing my work with Unshackled. *(Time expired)*

**The DEPUTY SPEAKER (Mr Goodenough):** Order! In accordance with standing order 43, the time for members' statements has concluded.
Debate resumed.

The DEPUTY SPEAKER (Mr Goodenough) (16:46): The question is:

That grievances be noted.

Budget

Ms RISHWORTH (Kingston) (16:46): I rise out of great concern for constituents in my electorate and indeed Australians right around this country. In recent months Australians have been reeling from one of the most savage, cruel and brutal budgets ever delivered by a federal government. For the first time in a generation, families will face dire financial hardship caused by this government's unfair budget cuts and new taxes. Everyone will pay a heavy price. Families, young people, the unemployed, carers, pensioners and veterans will all have to choose whether to put food on the table or go and see their GP. These are incredibly important issues that will affect the health and wellbeing of our nation.

This government has committed to creating a class system where the rich can access health care while the poor are excluded. The government has committed to implementing a $7 GP tax every time you see a doctor. Many of my constituents thought this was bad enough until they found out that this $7 tax is every time you get a blood test or have an X-ray. Indeed, many families have done the calculation and realise that when they see a doctor and need a number of tests it will add up to a lot more than $7.

You would think that before putting this huge proposal in front of the Australian people the government would have done some research and would have had something convincing to tell the Australian people about why this was so important. They have provided no evidence whatsoever to suggest that this will improve the health of Australians and that this will end up ensuring that people get health care when they need it. Nothing whatsoever has been provided to show how this GP tax will improve the health of Australians. Of course that should be what a government does—looking at improving the health of Australians.

Many people—not just the Labor Party—are speaking out against this. The Australian Medical Association and the Australian Healthcare & Hospitals Association have both recently asked the minister the very simple question: where is the evidence that the implementation of the GP tax will lead to better outcomes? Many people, including many experts in the area, are concerned that this will not only hurt the health of Australians but drive people into an expensive emergency department. This ill-thought-through policy will lead to people who cannot afford to see their GP, a low-cost primary health option, waiting for their condition to get worse or just immediately presenting to emergency, putting extra pressure on our hospitals.

We know where this idea came from. We know that this idea was based on the Commission of Audit, where they recommended a $15 GP tax. The Minister for Health quickly snapped that up, but there has been deafening silence from the Minister for Health about where the evidence is. Where is the evidence? There is no evidence; no modelling—nothing to support this recommendation. Indeed, the AMA president, Associate Professor Brian Owler, has quite rightly attacked this government over the tax. He says

The Government must scrap the current co-payment model and seek expert health advice on a better policy direction.
Why is it that this government is implementing an ill-thought through measure that will create a health divide in this country?

The government has had its rhetoric about the fact that cuts and the GP tax are necessary because the health system is unsustainable. But there is compelling evidence that shows that this is just rhetoric, indeed, it is not factual and it is completely incorrect. Compared with other health systems around the world, Australia has one of the most sustainable. You do not have to look much further than the Commonwealth Fund’s recent report *Mirror, mirror on the wall: how the performance of the U.S. health care system compares internationally* for clear evidence.

The report found that Australia has a sustainable health system, with a lower level of expenditure on health as a percentage of GDP compared to many other countries around the world. But it was worrying that Australia does have concerns when it comes to cost-related problems for accessing health care. And so it is incredibly important that we all work towards ensuring that the health system is sustainable. That is why, when in government, the Labor Party increased bulk-billing rates significantly. It was a significant increase in bulk-billing rates, encouraging our doctors out there to bulk-bill patients. Of course, we know that means that people who may not have the money will access primary health care.

I think it is incredibly important to recognise that we have a very sustainable health system. Of course, we always need to look at it and make sure that it is working efficiently and effectively. But to date we have not heard from the minister how a $7 co-payment will actually ensure that the system works more effectively and efficiently. I call on the government to start providing some evidence about that.

Of course, we also have the concern that the PBS co-payments have also increased significantly in this budget. Rather than increasing by CPI, this has increased 80c per prescription for concession card holders and $5 for other patients. This is well above CPI and is very concerning for some people. The last major study, conducted in 2005—which was the last time there was a major increase in the PBS co-payments—did conclude that a significant increase in patient contributions particularly impacted on concessional patients’ ability to afford medicines. I made it very clear in my first speech in this parliament, some years ago now, that it should not matter how much money you have in your pocket as to whether or not you can afford health care. And it certainly should not be the case that we have people in this country who cannot afford the medicines they are prescribed. I think it is very sobering to think that, along with the GP tax hike and that hike for medicines, we will see this impact on the ability for so many people to access the health care they need.

I do want to turn to the $50 billion ripped out of health funding for the states and territories. In South Australia that means an amount of $655 million over the next four years. The South Australian treasurer, the Hon. Tom Koutsantonis, has warned that beds will have to be cut as a result of this budget. It equates to close to 600 hospital beds. That equates to the entire size of the Flinders Medical Centre, which services my constituents.

Unfortunately, as a result of these federal budget cuts we have seen already the $100 million upgrade to the Flinders Medical Centre put on hold—this was to be a major infrastructure investment—as well as the $31.3 million upgrade to the Noarlunga Hospital put on hold. These two hospitals are critically important to my electorate, so it is very, very disappointing. We need to be working with the states and territories. It is no good for the
federal government to say, 'The states run hospitals, there is no work for us to do here, we do not have a role in running hospitals.' If you want an integrated high-performing health system, both state and federal governments have to work hand in hand. Indeed, while we were in government that is exactly what we were doing. So I ask the Prime Minister and the government to reconsider these cuts, because health care is a fundamental right that our country should be able to provide.

I also want to touch on the $390 million that has been put on hold in this budget for public dental services. For too long we have had the separation of dental services from our healthcare system. I particularly know that if you do not have good dental health and good dental hygiene it does affect your health. So pulling this money for those that can least afford dental presentations is very short-sighted because it will lead to more and more chronic health conditions. So I really do ask the Prime Minister and the government to stop these cruel cuts to health. These cuts to not improve the wellbeing of our country. They do not improve the wellbeing of our citizens. If we want a country that is prospering and well looked after, we need to invest in health and we need to invest in dental. This government is doing the exact opposite.

Employee Share Ownership

Mr VAN MANEN (Forde) (16:56): I wish to speak tonight about the notion of shared ownership via employee share ownership schemes. The notion of share ownership within an employee's place of work is designed to facilitate increased investment and interest in innovation and productivity. Whilst employee share ownership is not a new concept, it is something that I believe can be expanded and utilised in order to improve the personal wealth of employees and business owners alike, in addition to providing a welcome boost to innovation and productivity.

David Erdal, in his recent book Beyond The Corporation: Humanity Working, says:

For the last 200 years and more we have been working with the particular standard theory about the rights of owners of corporations and their relationship with their employees. Being told by experts that there is no alternative, people have tended to act as though there really is none. Economists have then seen confirmation for their claims in a world they have in part created.

But what happens when the model changes, when the employees—all the employees—of a company come to own the business where they work? He says: Instead of toiling as the servants of people who make all the decisions and take all the profits, the employee-owners become active partners in their business, sharing information, influence and profits together. They share the effort and they share the wealth. Productivity and happiness are the result.

He goes on to say:

It is time to acknowledge this evidence, and to hear the voices of the employee-owners. What the available information shows is that in fact employee-owned companies do well—as long as the employees are treated as partners. With the right leadership they do very well, both economically and for the people in them.

The Employee Ownership Australia and New Zealand Association has released a report today and I would like to quote from the executive summary of that report:

Employee companies consistently outperform their peers in a downturn. Some useful company case studies in this area are John Lewis Partnership (UK)—
Mr VAN MANEN: Before the suspension for the division I had begun to quote from the executive summary of the Employee Ownership Australia and New Zealand Association report released today on the value of employee share ownership. I will start that quotation again so it is here in full:

Employee companies consistently outperform their peers in a downturn. Some useful company case studies in this area are John Lewis Partnership (UK) a retail department store, Publix Supermarkets in the US, Arup UK and Australia, all of which are considered to have best workplace practices and to have outperformed peers through the GAFF. John Lewis Partnership has delivered employees after tax bonuses of 15 per cent for the last seven years for every employee whilst other similar sized listed entities in the UK have delivered between zero and three per cent in average bonuses over a similar period. Publix is the fastest growing supermarket chain in the US with almost 200,000 employees that has been voted in the top 100 companies to work for, for 15 years.

The report goes on to examine the impact that reform in this area could have on the Australian economy, specifically if there was a reversal of the 2009 legislation that the former Labor government introduced with the removal of tax at cessation as a taxation point. From report's findings go on to show that employee share ownership reform is likely to have a potential $1.4 billion positive impact on the Australian economy over a 10-year period. In addition, both salary sacrifice plans and options plans in the reversal of the 2009 changes will have a significant impact which would result in an increase in the amount of employee share scheme revenue subject to income tax that would be the equivalent of some $215.6 million year on year once the changes have been implemented. Both of these figures suggest that this reform would be a great initiative to help boost our economy.

Not only that but, as I touched on earlier, employee share ownership provides an opportunity to strengthen operations, organisations, relationships and business models within Australian business enterprises through allowing employees to make a vested interest in their workplace. Under an employee share ownership plan, employees are given the opportunity to utilise their knowledge and expertise as both an employee and a business owner to grow their own personal wealth and the future wealth of Australian SMEs. I believe it is a tremendous complement to our world-leading superannuation system and also to people's ability to accumulate personal assets outside of superannuation. The great thing about an employee share ownership plan is that it will strengthen our SMEs while most other proposals focus heavily on the big end of town or solely on innovation.

It is worthwhile having a bit of a look at the history of employee share ownership. It has been discussed in this place numerous times. In 1999, the House of Representatives Standing Committee on Employment, Education and Workplace Relations ran an inquiry into employee share ownership in Australian enterprises. In 2009, the Senate Economics References Committee revisited employee share schemes and produced a report of the same name, following an inquiry on 23 June 2009.

Since the onset of the global financial crisis, businesses have been struggling to obtain the capital required to expand. One way, I believe, to facilitate this, through an injection of capital for these businesses, would be to create a framework where employees of our small to medium enterprises are given the option to become economic owners in their workplace.
These businesses will then be able to achieve some of the following four key policy objectives that were outlined in the *Shared endeavours* report, a report commissioned from the 1999 inquiry: to align more closely the interests of employers and employees so that shareholding employees appreciate more directly the impact of management and work practice on efficiency, productivity and profitability; to provide a net contribution to national savings; to facilitate the development of sunrise industries, where equity in the company is as critical to key personnel as salary; and to facilitate succession planning and, in some cases, employee buyouts.

A lack of succession planning can adversely affect an organisation in a variety of ways that include: no strategic direction, decreased productivity and poorer financial performance. In a tight financial market, there may be no ability to sell that business when the current owners wish to retire. That is where an employee share ownership model or buyout is a tremendous option for those business owners. If those options are not taken, the risk is that there will be a lower business value for the owners on exit of the business at retirement.

But, in order to achieve a better outcome for business owners, we need to expand the current scope and flexibility of employee share ownership plans by revisiting the previous recommendations outlined in the *Shared endeavours* report, whilst keeping in mind the current state of the economy. One of the recommendations was to identify the breadth and scope of employee share ownership plans, and Ingrid Landau, Ann O'Connell and Ian Ramsay's 2013 report, *Incentivising employees: the theory, policy and practice of employee share ownership plans in Australia*, seeks to achieve just this. Of the companies that responded to the survey, nearly 57 per cent had a broad based employee share ownership plan, 43 per cent of companies that did not have an employee share plan open to non-managerial employees and 32 per cent had never had one. There are many benefits for employees, employers and business owners which I would like to point out briefly in the remaining time. A long-term economic interest in the business of employment allows employees to generate wealth outside superannuation, property and investments. It allows employees to develop a wider set of skills and a broader and deeper knowledge of business principles and processes. Not only will employees continue to receive a salary— *(Time expired)*

**Budget**

**Ms KATE ELLIS** (Adelaide) (17:25): There are now countless examples of the Abbott government saying one thing to the voters of Australia before the election and proceeding to do the exact opposite afterwards. Before the election it was crystal clear: we were promised no cuts to health, no cuts to education, no changes to pensions and no cuts to the ABC. Each and every one of these pledges has been shown to be an utter sham, inflicted upon the Australian public for trusting this Prime Minister would keep his word and lead the government he promised to.

There are devastating consequences quof this, but arguably there is no area where the consequences are more devastating than in the area of education. Before the election the government was crystal clear: no cuts to education. But already, in these early days of the Abbott government, we have seen devastating cuts to the education sector ranging from early childhood, where over $1 billion in cuts has been announced; to our schools, with this budget containing the biggest cuts to school funding in this nation's history; and, of course, the over
$5 billion in cuts to and attacks on our higher education sector, which will impact on university students past, present and future.

The Australian public has been betrayed and instead has been delivered huge cuts in just a matter of months. These cuts, like so many others made by the Prime Minister in this unfair budget, hit hardest those who can least afford it. When we look at early childhood education, for example, we know that all we have ever seen from this government is distraction, cuts, thought bubbles, backflips and more serious cuts to existing assistance. That is not helping a single family in Australia and it is having a devastating impact out there.

The Productivity Commission inquiry into child care and early childhood learning is due to hand down a report in the coming weeks, yet the government has not been able to resist making deep and devastating cuts to the sector even before the draft report has been released. Already we have seen over $1 billion of cuts to child care announced, ranging from out-of-school-hours care and family day care to the childcare rebate and the childcare benefit; and we have seen indication after indication that this government is not done when it comes to cutting childcare assistance.

I want to particularly focus on one of the areas which will be hardest hit as a result of this government's actions, and that is the family day care sector. Family day care provides services in rural and remote areas, in areas of disadvantage and in areas of childcare shortage. It provides a great option of care for parents who do not work the standard nine to five work day. For a government which told the Australian public it was looking at increasing flexibility in the system, it makes no sense to deliver such devastating blows to the family daycare sector—yet that is what they have done. This government has already announced $150 million of cuts to the family daycare sector and we are already beginning to see the serious impact that is having, with services already announcing closures around the country.

Here is a comment from a parent on the Family Day Care Australia Facebook page that sums up what families think of this government's blind cutting campaign. A parent wrote:

Ridiculous that changes would be made that jeopardise childcare places that are already inadequate to cover demand.

Services are making decisions to close right now based on advice from this government that they will no longer be eligible for funding. The Bayside Bulletin and The Redland Times have reported that the Brisbane and Bayside Family Day Care will lose more than $300,000 in funding. The Central Coast Express Advocate reports that Child and Family Services Wyong Shire face a potential drop of more than $100,000 in operational funding. The Weipa Family Day Care Scheme has confirmed that it will close its doors in December this year, based on the devastating impact of the Abbott government's cuts to these sectors, following false statements before the last election that there would be no cuts.

This is another area where I think people would be shocked to hear of the National Party's silence on this issue. It is families in regional Australia and families in remote Australia—families who work outside the normal nine-to-five hours—who absolutely rely on family day care services when there are not any others available, yet we hear nothing from those opposite, who just sit back and let their Minister for Education and Assistant Minister for Education cut, cut and cut some more when it comes to child care.
It is absurd that those opposite would go through the process of getting the Productivity Commission to look at ways that we can have more flexible childcare services when we know that the existing scheme allows family day carers, if they pass their regulations, to care for children in those children's own homes in order to meet the shifts that parents are working. The government are shutting down flexibility. Of course, we should not be surprised that they are shutting down flexibility, because they are also attacking accessibility by cutting the $3 million program which was solely designed to create more childcare places in area of need. This government just quietly cut it; they just added it to the chopping block amongst the billion dollars in cuts to the early childhood sector. They are, instead, pitting parents against each other as a means to soften the ground for more cuts.

We saw the Assistant Minister for Education talking on the weekend about cutting childcare assistance to families who have a stay-at-home parent and trying to pretend that this was being done to ensure that working parents had access to a childcare place. Well, perhaps the assistant minister is incompetent and does not know the system which she is now in charge of, because there are already guidelines for priority access which ensure that childcare services must offer places to working parents ahead of those that stay at home. We also know that whilst the assistant minister could just enforce these guidelines, this is nothing more than yet another excuse for yet another cut.

We know that before the election the Prime Minister wrote to all childcare centres across the country warning of the impact of freezing the childcare rebate cap, yet after the election he did just that. The latest cut to child care, though, and the bill which will be debated in the House of Representatives this week, is extraordinary. The bill before the House of Representatives does absolutely nothing but cut childcare assistance to low- and middle-income Australian families. It cuts childcare assistance to the families who need it the most, to families on a family income as little as $42,000 per year. This is a program that is means tested, it is a program that is modest and it is a program that is targeted. The government can try to use all of the semantics that they like to call it one thing and say it is not a cut, but their own department admitted in the Senate inquiry that 500,000 Australian families will be worse off as a result of the legislation if it is to pass the parliament.

I hope that some of those opposite might take a moment to consider whether it is a good idea to blindly follow their education ministers and cut the existing assistance that families rely upon at the same time that their government is pursuing their over-$20-billion Paid Parental Leave scheme, which will hand out cheques of $50,000 to the wealthiest families, who do not need it at all. I hope that some of those opposite might take a moment to ask a few questions in the party room, to stand up for the families that they are meant to be representing, to stand up for the families on low and middle incomes who qualify for this means tested payment, which will be cut by $230 million if the government has its way.

Let me be quite clear: this is an unprecedented attack. No previous government has ever moved to cut or freeze the childcare benefit. Of course, we know that this is just another example of the twisted priorities—the devaluing of education and seeing it as a cost and not an investment—that we see repeatedly from this government. But this is a hit to the children who need this assistance the most. This is a hit to vulnerable children who we know have the most to gain from quality early childhood education. These are children who did not even
have the opportunity to be fooled by Tony Abbott's promises that there would be no cuts to education but who will be the ones who pay the price.

_An opposition member interjecting—_

**Ms KATE ELLIS:** Yes, a very good point; thank you. They will be the ones who pay the price for this. And I note that there are thousands of particularly vulnerable children in the Northern Territory. I had the opportunity to go up there last week and talk to them about the fact that they deserve to have members in this place who stand up and fight for them, not sit silently and allow— *(Time expired)*

**Telecommunications**

**Mr BUCHHOLZ** (*Wright—Government Whip*) *(17:35):* Tonight I rise to speak on behalf of my constituents who struggle on a daily basis to send a text message or receive a call or receive or send a simple email due to significant shortcomings in the telecommunications infrastructure around my electorate or Wright. For those who have not had the good fortune of visiting my electorate, it covers just on 8,000 square kilometres across the south-east region. There are predominantly agricultural sectors, thriving tourism industries and major suburban expansion and growth. The suburban growth has drawn families and couples seeking a tree change into areas in Wright, particularly the areas of Greenbank, Flagstone, Logan Village, New Beith, Hatton Vale, Regency Downs, Kensington Grove. And if you want to imagine what a paradise would look like, I have just listed for you some of the beautiful regions that would fit that description.

But to put a tangible figure on it, based on ABS data there have been close to 10,000 people added to the census in these areas since 2006. I am not anti-growth; I promote the wonderful community spirit and laid-back semi-rural lifestyle that these suburbs offer at every opportunity I get. However, my team and I have been dealing with ongoing constituent inquiries about the state of telecommunications in these areas since I took office in 2010. And it is only getting worse. Since taking office, we have recorded just on 1,000 complaints from residents relating to either telecommunication services or other issues related to it. We have received over 200 just this year, and that has predominately been on the back of a survey that we have asked for. These complaints relate to a broad range of issues, including poor mobile coverage, insufficient ADSL broadband, unreliable wireless internet and failing satellite connections. The community was promised a lot under the previous Labor government, but they delivered very little and now my constituents are understandably frustrated. It is up to us, as a new government, to fix their frustrations.

In response, I have launched a community campaign, calling it 'Connecting the Wright' campaign.

_A division having been called in the House of Representatives—_

**ADJOURNMENT**

**Ms PRICE** (*Durack*) *(17:37):* I move:

That the Federation Chamber do now adjourn.

Question agreed to.

Federation Chamber adjourned at 17:38.
QUESTIONS IN WRITING

Insurance Premiums
(Question No. 59)

Mr Katter asked the Assistant Treasurer, in writing, on 24 February 2014:

In respect of reports of insurance premiums continuing to rise in Far North Queensland by up to 70 per cent since 2011, how will the Government (a) regulate the cost of insurance premiums, and (b) ensure residents are not disadvantaged by disproportionately high premiums, when compared to the rest of Australia.

Mr Hockey: The Acting Assistant Treasurer has provided the following answer to the honourable member's question:

The Government released a discussion paper titled 'Addressing the high cost of home and strata title insurance in North Queensland' on 9 May 2014. The paper called for business and community input on options to:

- develop an insurance information and comparison website (or an insurance aggregator);
- facilitate engineering assessments of strata title properties in North Queensland; and
- encourage participation by unauthorised foreign insurers (UFIs) in the North Queensland insurance market.

The Government is assessing feedback from the submissions received to determine the actions it will take to address insurance costs in North Queensland.

In the 2014-15 Budget, funding of $12.5 million was provided over three years to fund the engineering assessments of strata title properties and provision was made for an insurance information and comparison website.

The discussion paper complements studies by the Australian Government Actuary (AGA) into strata building and home insurance pricing. On 6 June 2014, the AGA released a report into strata title insurance prices in North Queensland, building on an initial report into growth in strata insurance premiums in North Queensland in 2012. The report identifies that premiums in North Queensland were much higher than in other parts of Australia. The differences in premium rates were found to be largely explained by differences in recent claims experience. The AGA has now commenced an additional report into residential building and contents insurance which will be completed by 31 October 2014. The findings from these reports will inform the Government's next steps.

National Broadband Network
(Question No. 100)

Ms Collins asked the Minister for Communications, in writing, on 13 May 2014:

When will the following areas in the electoral division of Franklin be served by fibre-to-the-premises technology for the delivery of high-speed broadband: (a) Blackmans Bay, (b) Clarendon Vale, (c) Cygnet, (d) Geilston Bay, (e) Howrah, (f) Huonville, (g) Lauderdale, (h) Lindisfarne, (i) Margate, (j) Old Beach, (k) Risdon Vale, (l) Rokeby, (m) Rose Bay, (n) Snug, and (o) Tranmere.

Mr Turnbull: The answer to the honourable member's question is as follows:

The rollout of the NBN is currently underway in Blackmans Bay, Howrah, Lindisfarne and Rose Bay. NBN Co is working on a new rollout schedule which will indicate when different parts of Australia will be connected to the NBN. It is expected that this will provide greater certainty about the rollout timing and technology for many areas, such as Clarendon Vale, Cygnet, Geilston Bay, Huonville, Lauderdale, Margate, Old Beach, Risdon Vale, Rokeby, Snug and Tranmere.
Migration
(Question No. 105)

Mr Kelvin Thomson asked the Minister representing the Minister for Employment, in writing, on 13 May 2014:

(1) Is it a fact that in the past, migrant worker programmes had to conform to tough Australian standards in conditions of employment and wages.

(2) Have these standards been downgraded, and worker immigration massively increased, through 457 visas and other migrant worker programmes; if so, what is the Government doing about the problems that this lack of protection is creating for Australian citizens, young and elderly, particularly in light of raising the pension age.

Mr Pyne: The Minister for Employment has provided the following answer to the honourable member's question:

(1) There is a long standing requirement that all temporary visa holders with a work right must be engaged in accordance with applicable Australian workplace and taxation laws.

(2) No. There has been no change to the requirement that all temporary visa holders—including primary Subclass 457 visa holders—must be engaged in accordance with applicable Australian workplace and taxation laws.

Future Energy Market
(Question No. 108)

Mr Kelvin Thomson asked the Minister for Industry, in writing, on 13 May 2014

(1) Is future reliance on alternative sources of fuel, notably coal and uranium, for running electric cars, Government policy.

(2) Has the Government modelled the inevitable rise in demand for these alternative fuel sources from all industrial and social sectors, in addition to the transport sectors in projects like the East-West Link; if so, how will this rise in demand impact on the cost and availability of fuel for cars, domestic heating and running the industries to employ a growing population.

Mr Ian Macfarlane: The answer to the honourable member's question is as follows:

(1) Energy market policy in Australia is developed cooperatively by the Australian and State and Territory Governments. The Australian Government does not determine the generation mix for the electricity sector as this is determined by market operators given the available generation in the market, however uranium based nuclear generation is precluded by legislation.

(2) A range of modelling activities are undertaken for the energy market consistent with energy market policy that do not specify a particular generation mix or feedstock. Examples of modelling undertaken include:

The Australian Energy Market Operator develops an Electricity Statement of Opportunities report which forecasts and evaluates the adequacy of total supply across different regions in Australia under a range of scenarios. The 2013 report found that with the exception of Queensland all regions have adequate generation capacity over the ten year outlook period.

In 2012, the Australian Energy Market Commission (AEMC) assessed the ability to accommodate electric vehicles as a new load source on the electricity network. The AEMC determined that there are, in general, appropriate energy market arrangements in place to enable the economically efficient uptake of electric vehicles. Further work has been undertaken to consider the needs and impact of electric vehicles on electricity network through Smart Grid Smart City project overseen by my Department which is to be completed this year.
**Fuel Prices**  
*(Question No. 112)*

**Mr Kelvin Thomson** asked the Assistant Minister for Infrastructure and Regional Development, in writing, on 13 May 2014.

What assessment has been made of the likely changes to the price of petrol over the next five years.

**Mr Briggs:** The answer to the honourable member's question is as follows:

BITRE and the Bureau of Resources and Energy Economics provide estimates on petrol prices that inform government policy.

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**Employment**  
*(Question No. 120)*

**Mr Kelvin Thomson** asked the Minister representing the Minister for Employment, in writing, on 13 May 2014:

Is it a fact that

(a) the Australian Trucking Association has asked the Government to allow truck drivers from overseas to drive in Australia under our migrant worker programmes,

(b) recent employment figures show that more than 20,000 jobs have been lost in transport and logistics and that there more than 43,000 people in the industry who are underemployed,

(c) the ANZ job vacancies survey of January 2014 showed a continuing decline in job vacancies Australia wide, after a 10 per cent decline over 2013 as a whole,

(d) over 740,000 Australians are unemployed, ie 6 per cent unemployment, with the highest proportion being young and Indigenous people, and

(e) there are currently 1.4 million people in Australia on some form of temporary visa, and that subclass 457 temporary entry work visas have risen by 7.6 per cent from 31 December 2012 to 169,070 as of 31 December 2013.

**Mr Pyne:** The Minister for Employment has provided the following answer to the honourable member's question:

(a) No. The Department of Immigration and Border Protection has advised that no submission has been received from the Australian Trucking Association requesting access to a Labour Agreement for overseas truck drivers.

(b) No. Australian Bureau of Statistics (trend) data estimates that employment in the Transport, Postal and Warehousing industry decreased by 5,300 persons (0.9 per cent) over the 12 months to February 2014. Australian Bureau of Statistics (original) data estimates that the number of underemployed people in Australia in the Transport, Postal and Warehousing industry was 41,100 persons at February 2014.

(c) No. The summary report published on 5 May 2014 noted that job advertising has recovered this year, having risen for four consecutive months at an annualised rate of nearly 30 per cent over this period.

(d) No. Australian Bureau of Statistics (trend) data for May 2014 estimates that the number of unemployed persons in Australia is 719,700 persons and the unemployment rate is at 5.9 per cent. The teenage (15 to 19 years) unemployment rate was 18.5 per cent (144,100 persons) and the youth (15 to 24 years) unemployment rate was 13.0 per cent (268,500 persons). Australian Bureau of Statistics data for 2012-13 estimates that the number of unemployed Indigenous people in Australia was 48,600 persons, with the unemployment rate at 20.9 per cent for that period.
At 31 December 2013, there were 1.2 million people on temporary visas (with and without a work right) in Australia, excluding New Zealanders on special category visas. The number of people in Australia on a subclass 457 temporary work visa has risen by 7.6 per cent between 31 December 2012 and 31 December 2013 to 169,070.

**Brush-tailed Bettong and Woylie**

(Question No. 122)

Mr Kelvin Thomson asked the Minister for the Environment, in writing, on 13 May 2014:

(1) Is it a fact that the population of the Brush-tailed Bettong, or Woylie, has declined by 90 per cent in the past seven years;

(a) if so, what action is he taking to identify the cause of this decline and prevent this species from becoming extinct in the wild.

Mr Hunt: The answer to the honourable member's question is as follows:

(1) The Australian Government is aware that data published in 2013 indicates that the brush-tailed bettong, or woylie, population declined by around 90 per cent between 1999 and 2006. The species' distribution is concentrated in the south west of Western Australia, however, there are also translocated populations reaching as far north as Shark Bay and to the New South Wales and South Australian border in the east.

(a) The brush-tailed bettong is listed as Endangered under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) and is therefore protected under national environmental law. A National Recovery Plan for the Brush-tailed Bettong was adopted under the EPBC Act in 2012. This plan outlines the actions necessary for the recovery of this species in the wild.

A number of conservation strategies identified in this plan are being implemented by the Western Australian Government, coordinated through a Woylie Recovery Team. While key threats to the brush-tailed bettong include predation by cats and foxes, habitat loss and disease, the Woylie Recovery Team continues to coordinate research to better understand the full range of causes of the species' decline as well as the development of a population management strategy.

**Korea: Saemangeum Seawall**

(Question No. 123)

Mr Kelvin Thomson asked the Minister for the Environment, in writing, on 13 May 2014:

(1) Can he confirm that the construction of the 33 kilometre Saemangeum Seawall in Korea and associated land reclamation has destroyed significant habitat for migratory shorebirds; if so, can he indicate whether this loss of habitat led to the death of 90,000 Great Knots, that is, 20 per cent of the world's population of this species.

(2) Has the population of other Australian shorebirds also declined dramatically as a result of habitat loss, i.e. Curlew Sandpipers down 85 per cent, decreasing by on average 8 per cent a year for the last 30 years; Eastern Curlews down 50 per cent; and Red-necked Stints down 30 per cent.

(3) What action is he taking to protect remaining shorebird habitat, for example, reducing or refusing land reclamation and coastal development projects.

Mr Hunt: The answer to the honourable member's question is as follows:

(1) The 33 kilometre Saemangeum seawall in the Republic of Korea is amongst the largest single reclamation works in the world, and resulted in the loss of about 40,100 hectares of tidal flat that was important habitat for migratory shorebirds. It is also thought that this development resulted in the deaths...
of many shorebirds including Great Knots, but the number is uncertain. Recent results from a University of Queensland collaborative grant program that was co-funded by the Australian Government indicate that up to two-thirds of the tidal flats surrounding the Yellow Sea (more than 700,000 hectares) have been lost to development since the 1950s. The study indicates that the Great Knot population surveyed across Australia is continuing to decline by approximately four per cent per year.

(2) Results from the University of Queensland study, which analysed all migratory shorebird population count data collected in Australia and New Zealand, show declines in seven species that had sufficient data for analysis. These results indicate an 81 per cent decline for Curlew Sandpiper over 20 years, a 69 per cent decline over 20 years for Eastern Curlew, and a 27 per cent decline for Red-necked Stint over 20 years.

(3) The Australian Government is working to address these declines internationally through our bilateral migratory bird agreements with Japan, China and the Republic of Korea (JAMBA, CAMBA & ROKAMBA), and through the East Asian-Australasian Flyway Partnership (the Partnership). Parties to the migratory bird agreements meet every two years, and Australia seeks better protection for important migratory shorebird habitat through these meetings. The Australian Government was instrumental in establishing the Partnership in 2006. This international forum works to develop a coordinated approach to protecting migratory waterbirds and their important habitats throughout the flyway.

All migratory species within Australia, including shorebirds, are matters of national environmental significance under the EPBC Act. Proposed actions in Australia are assessed to ensure that any approved action will not have an unacceptable environmental impact.

Foreign Ownership

(Question No. 124)

Mr Kelvin Thomson asked the Treasurer, in writing, on 13 May 2014:

(1) Can he confirm that Hong Kong and Singapore impose a tax on property purchases by foreign buyers, and that the Hong Kong tax is 15 per cent of the purchase price.

(2) Is he aware that approximately 11,000 Australian properties were purchased by foreign buyers in 2012-13, and that if Australia had have imposed a 15 per cent tax on these purchases, and each property was valued at $500,000, over $800 million additional revenue would have been generated.

(3) Is he aware of the proposal by Ms Jessica Irvine in her article ‘Why we should tax foreign purchases of Aussie homes’ (News Limited Network, 12 March 2014) for Australia to impose a tax on purchases of Australian real estate by foreign buyers; if so, will he consider and respond to Ms Irvine's proposal.

Mr Hockey: The answer to the honourable member's question is as follows:

Regarding the first part of the question, the honourable member is correct in saying that Hong Kong and Singapore have, since October 2012 and December 2011 respectively, levied a tax in the form of additional stamp duty on non-residents who purchase property. Since January 2013, both of these taxes have been levied at the rate of 15 per cent.

Regarding the second part of the question, the budget impact of any tax introduced by Australia and levied on non-resident purchasers of Australian property would depend on a number of factors. The Foreign Investment Review Board's annual report details 11,668 properties having been purchased by non-residents in the 2012-13 financial year, with a total value of $17.16 billion.

Regarding the third part of the question, the Honourable Member is correct in saying that an article entitled "Why we should tax foreign purchases of Aussie homes" appeared in News Limited Network newspapers on 12 March 2014, which discussed a proposal for a 15 per cent tax to be imposed on non-resident purchases of Australian property. The article also notes that such a tax "would likely deter some purchases".
Regarding any proposal to introduce a tax on the purchase of properties by non-residents, the Commonwealth Government has no plans to introduce such a tax.

**Essendon Airport Master Plan**  
(Question No. 125)

Mr Kelvin Thomson asked the Minister for Infrastructure and Regional Development, in writing, on 13 May 2014:

(a) what consultation, input and advice were sought by the Victorian Government from him in respect of this announcement, prior to it being made;

(b) is he aware that the Essendon Airport Community Aviation Consultative Group (CACG) was not consulted prior to this announcement being made;

(c) what consultation, input and advice were sought by the Victorian Government from him in respect does he support the Essendon Airport CACG being an important part of the Essendon Airport planning, development and Master Plan process, and that it should be consulted appropriately;

(d) how is the announcement consistent with the Essendon Airport Master Plan process;

(e) how will he consider the Essendon Airport Master Plan in the context of this announcement given the Master Plan public consultation process has closed, and the Victorian Government’s submission to the process was received past the due date; and

(f) how will he ensure that:

   (i) any proposed key note developments contained within the Victorian Government's announcement are classified as Major Development Plans should they commence outside of the formal Master Plan process;

   (ii) local residents living in the vicinity of the Essendon Airport are given proper opportunity to consider and provide feedback to proposed developments; and

   (iii) residents are not faced with a repeat of what occurred with the development of the Victoria Police and Ambulance Air Wing hangar, where residents found that Essendon Airport's largest hangar was being constructed within close proximity and would operate around the clock.

Mr Truss: The answer to the honourable member's question is as follows:

(a) No consultation, input or advice was sought from me.

(b) No.

(c) Yes.

(d) The Commonwealth has planning and development control at Essendon Airport and the announcement has no impact on this.

(e) The Essendon Airport Master Plan was approved on 23 April 2014.

(f) (i) Essendon Airport is a federally leased airport and subject to the planning framework in the *Airports Act 1996* (the Act). A Major Development Plan is required for development proposals as set out in the Act. The Major Development Plan process includes a statutory consultation period for key stakeholders and the community to consider and comment on the proposal before it is considered by the Minister.

   (ii) See response to (f) (i).

   (iii) See response to (f) (i).
Employment
(Question No. 129)

Mr Kelvin Thomson asked the Minister representing the Minister for Employment, in writing, on 13 May 2014:

(1) Is it a fact that recent figures show that more than 20,000 jobs have been lost in the transport and logistics industry and more than 43,000 people are under-employed in this industry.

(2) Has the Australian Trucking Association lobbied the Government to expand the Temporary Work (Skilled) visa (subclass 457) programme to include overseas truck drivers.

(3) What action is the Government taking to provide education and training to unemployed Australians who wish to work in the transport or logistics industry.

Mr Pyne: The Minister for Employment has provided the following answer to the honourable member's question:

(1) No. Australian Bureau of Statistics (trend) data estimates that employment in the Transport, Postal and Warehousing industry decreased by 5,300 persons (0.9 per cent) over the 12 months to February 2014. Australian Bureau of Statistics (original) data estimates that the number of underemployed people in Australia in the Transport, Postal and Warehousing industry was 41,100 persons at February 2014.

(2) The Department of Immigration and Border Protection has advised that no submission has been received from the Australian Trucking Association requesting access to a Labour Agreement for overseas truck drivers.

(3) The Coalition Government is committed to building a stronger and more prosperous economy by getting rid of the Carbon Tax and the Mining Tax and implementing the Economic Action Strategy through the Budget. If the Honourable Member is genuinely committed to more jobs across the economy, he would support the Government's moves.

The websites of the Department of Industry (www.industry.gov.au) and the Transport and Logistics Industry Skills Council (http://tlisc.org.au/) provide information on education and training options for the transport and logistics sector. Australian job seekers may also be eligible for employment assistance and training through Job Services Australia providers.

Employment
(Question No. 130)

Mr Kelvin Thomson asked the Minister representing the Minister for Employment, in writing, on 13 May 2014:

(1) What is the level of unemployment in the aviation sector.

(2) Are pilots, engineers and flight attendants on the list of occupations where Temporary Work (Skilled) visas (subclass 457) can be obtained.

(3) Is the Minister aware of reports that the Qantas Group has employed Thai-based flight attendants on domestic routes for as little as $257 per month, in breach of Australian law; if so, have these reports been investigated, if so, what was the outcome.

Mr Pyne: The Minister for Employment has provided the following answer to the honourable member's question:

(1) The Australian Bureau of Statistics estimates that for 2013 (latest available data, four quarter average of data in original terms) there were on average 2,000 people who were unemployed and who reported their most recent job in the past two years was in Air and Space Transport.

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(2) 'Aeroplane Pilot' and 'Flight Attendant' are on the current Consolidated Sponsored Occupation List for the Subclass 457 programme. 'Aircraft Maintenance Engineer' and 'Air Transport Professionals' Not Elsewhere Classified, which includes Flight Engineer Inspector, are also on the List.

(3) The Fair Work Ombudsman is not specifically aware of such reports.

Building and Construction Industry
(Question No. 131)

Mr Kelvin Thomson asked the Minister representing the Minister for Employment, in writing, on 13 May 2014:

(1) Is the Minister aware of a report by Mr Cameron Houston and Mr Chris Vedelago entitled 'Chinese plasterers exploited by rogue companies at two big sites' (The Age, Victoria, 16 March 2014) that Chinese workers have allegedly been exploited in the construction of the (a) new Royal Children's Hospital, and (b) Docklands headquarters of Medibank Private, which have received more than $1.4 billion in Government and union superannuation funding.

(2) Is it a fact that these construction contracts engaged a sub-contractor who has failed to pay millions of dollars in tax after collapsing four times in the past five years.

(3) Are (a) Brookfield Multiplex, and (b) Bovis Lend Lease, the construction companies involved in building these projects, and did these companies use low-paid Chinese workers provided by plastering sub-contractors Expoconti and BVM.

(4) Has Fair Work Building and Construction investigated claims (a) of 'job sharing', or 'two-for-one deals', where Chinese plasterers swap documentation to enter sites and receive half the hourly award rate of $35, and (b) that some Chinese workers are required to work more than 60 hours a week, but five received payment for a standard 36 hour week; if so, what was the outcome of each investigation.

Mr Pyne: The Minister for Employment has provided the following answer to the honourable member's question:

(1) Yes.

(2) Non-compliance with taxation law falls in the Treasury portfolio.

(3) Fair Work Ombudsman has no current investigations into these claims.

(4) Please refer to House of Representatives Question on Notice 133.

BVM Branded Company
(Question No. 132)

Mr Kelvin Thomson asked the Treasurer, in writing, on 13 May 2014:

Is it a fact that (a) since 2009 a number of companies owned and operated by BVM have collapsed with debts of more than $4.8 million, most of which is owed to the Australian Taxation Office, (b) following the collapses a new BVM-branded company has stepped in to buy its assets, rehire employees and take over any outstanding contracts, leaving the bad debts behind, and (c) Brookfield Multiplex and Bovis Lend Lease have continued to employ the related companies.

Mr Hockey: The answer to the honourable member's question is as follows:

Taxpayer confidentiality provisions do not permit the ATO to disclose information in these circumstances.
Mr Danby asked the Minister representing the Minister for Finance, in writing, on 13 May 2014:

Since 7 September 2013, on (a) how many occasions, and (b) what date(s), has the Minister met with Australian Water Holdings Pty Ltd chief executive Mr Nick Di Girolamo, and can the Minister provide the nature of each meeting.

Mr Hockey: The Minister for Finance has supplied the following answer to the honourable member's question:

The Minister for Finance, like all Ministers and Members of Parliament, attends a range of functions and community events and meets with many people on these occasions. The Minister for Finance has not met with Mr Nick Di Girolamo.

Mr Danby asked the Minister for Social Services, in writing, on 13 May 2014:

On (a) how many occasions, and (b) what date(s), has the Minister met with Australian Water Holding Pty Ltd Chief Executive Mr Nick Girolamo, and can the Minister provide the nature of each meeting.

Mr Andrews: The answer to the honourable member's question is as follows:

(a) Zero
(b) Not applicable

Mr Kelvin Thomson asked the Prime Minister in writing, on 14 May 2014:

To ask the Prime Minister? Will the Prime Minister expand the Terms of Reference for the Royal Commission into Trade Union Governance and Corruption to include fundraising and influence peddling by and within all political parties.

Mr Abbott: The answer to the honourable member's question is as follows:

The Government does not propose to amend or extend the current terms of reference for the Royal Commission's inquiry. The Royal Commission has an existing significant and far reaching inquiry to undertake.

Mr Kelvin Thomson asked the Treasurer, in writing, on 14 May 2014 –

Is it a fact that the Government promised prior to the last election, to introduce (a) a register of foreign ownership of rural land, and (b) lower thresholds for Foreign Investment Review Board scrutiny of foreign acquisitions of farm land and agribusinesses; if so, what action has the Government taken, or does it intend to take, to implement these commitments.

Mr Hockey: The answer to the honourable member's question is as follows:

The Government has stated that the threshold for the purchase of agricultural land will be reduced below current levels and that it will introduce a register of foreign ownership of agricultural land.
The Government remains committed to these proposals and will provide further information once implementation details have been settled.

Trade
(Question No. 159)

Mr Zappia asked the Minister for Industry, in writing, on 26 May 2014:

(1) What is the annual value to Australia of (a) motor vehicle and automotive parts, and (b) textiles, footwear and clothing, exports to Korea?

(2) Did the Government consult with the Federal Chamber of Automotive Industries prior to signing the Korea-Australia Free Trade Agreement (KAFTA)?

(3) How will KAFTA assist Australian auto and auto component makers, and what proportion of the projected $5 billion in export income and 15,000 jobs will come from auto and automotive component makers?

Mr Ian Macfarlane: The answer to the honourable member's questions is as follows:

(1) Data from the Australian Bureau of Statistics indicates that, based on the Department of Industry's sectoral definitions, exports from Australia to Korea of motor vehicles and automotive parts averaged AUD$116 million a year, and textiles, clothing and footwear (including raw materials) averaged AUD$9 million a year, over the 2010-13 financial years.

(2) Yes.

(3) KAFTA will assist automotive component makers by opening up the Korean automotive component market to Australian businesses, providing an opportunity to feed into lucrative supply chains. Modelling commissioned by Department of Foreign Affairs and Trade and undertaken by the Centre for International Economics (CIE) confirms that there will be positives effects for the automotive component sector. The CIE report on KAFTA was tabled in the Senate on 3 March 2014.

Superannuation Funds
(Question No. 160)

Mr Zappia asked the Treasurer, in writing, on 26 May 2014:

(1) What proportion of Australia's approximate $1.6 trillion in superannuation funds are invested offshore.

(2) Are there any limitations on the proportion (as a percentage) of superannuation funds that each fund can invest offshore.

(3) Has the Government calculated the additional annual tax revenue that would be raised if all superannuation funds were invested in Australia; if so, what sum.

Mr Hockey: The answer to the honourable member's question is as follows:

(1) Of the $1,789.1 billion total superannuation assets as at 31 March 2014, approximately 20 per cent was invested in internationally domiciled assets. Total superannuation assets include APRA-regulated superannuation entities, exempt public sector superannuation schemes and self-managed superannuation funds (SMSFs).

(2) There are no limitations on the proportion (as a percentage) of superannuation funds that each fund can invest offshore. Trustees are required to formulate an investment strategy that has regard to the risk and return of the fund's investments, expected cash-flow requirements, diversification and liquidity of investments, and the ability of the fund to discharge its liabilities.
(3) The Government has not calculated the additional annual tax revenue that would be raised if all superannuation funds were invested in Australia.

\[\text{Refer to APRA's March 2014 Quarterly Superannuation Performance publication} \]

**Automotive Industry**  
(Question No. 169)

Ms Rishworth asked the Minister for Industry, in writing, on 27 May 2014:

In respect of the announcements of the closures of Holden, Ford and Toyota and the anticipated loss of 3000 jobs in the automotive components manufacturing industry in the southern suburbs of Adelaide,

(a) what proportion of the

   (i) $30 million allocated to the Skills and Training Program to help automotive workers recognise their skills and train them for new jobs, while they are still employed,

   (ii) $15 million allocated to the Automotive Industry Structural Adjustment Program to provide careers advice and help automotive workers find new jobs once they are retrenched and unemployed,

   (iii) $20 million allocated to the Automotive Diversification Program to help automotive supply chain firms capable of diversifying to find new markets,

   (iv) $60 million allocated to the Next Generation Manufacturing Investment Program to accelerate private sector investment in high value non-automotive manufacturing sectors, and

   (v) $30 million allocated to the Regional Infrastructure Program to support investment in non-manufacturing opportunities in regions affected by the closure of the car manufacturing industry, will be allocated to South Australia,

(b) how will each of the above allocations be distributed, and

(c) what is the timeframe for each of the above allocations.

Mr Ian Macfarlane: The answer to the honourable member's question is as follows:

(a) The Skills and Training, Automotive Industry Structural Adjustment and the Automotive Diversification programmes are open to all states where eligible automotive supply chain firms and workers are located. Therefore the proportion of funding for these programmes to be allocated to South Australia will depend on the demand for these programmes. The Next Generation Manufacturing Investment and Regional Infrastructure programmes are exclusively for South Australia and Victoria. The Department of Industry is working through the administrative arrangements of the various elements of the Growth Fund with the relevant parties including the South Australian and Victorian State Governments.

(b) Refer Answer (a).

(c) The various elements of the Growth Fund will be phased in from July 2014 and cease on 30 June 2018.

**Budget**  
(Question No. 172)

Ms Hall asked the Minister for Social Services, in writing, on 27 May 2014:

How many age pensioners in the electoral division of Shortland will have their pensioner concessions cut as a result of the 2014 budget.
Mr Andrews: The answer to the honourable member's question is as follows:
There are no changes to the Age Pensioner Concession Card in the 2014 Budget.

**Unemployed: Education and Training**

(Question No. 175)

Mr Kelvin Thomson asked the Minister for Industry, in writing, on 03 June 2014:

What action is the Government taking to provide education and training to unemployed Australians who wish to work in the transport or logistics industry?

Mr Ian Macfarlane: The answer to the honourable member's question is as follows:

The Government is committed to improving access and participation to vocational education and training for all Australians.

Under the National Partnership Agreement on Skills Reform, the Commonwealth has committed $1.75 billion over five years from 2012 to support state and territory governments in creating a more accessible training system.

The agreement provides greater access to vocational education and training for all Australians by offering a national training entitlement to study for a first qualification up to the Certificate III level.

The agreement also provides income-contingent loans to people wanting to study vocational education and training at higher level qualifications, including diploma and advanced diploma certificates.

The Commonwealth Government administers the My Skills website, which connects individuals and employers choosing to undertake training with training organisations in their area. Unemployed Australians can use the My Skills website to search for relevant training in the transport and logistics industry and identify training organisations in their area that run the required courses.

Parliament House: Medal of the Order of Australia Luncheons

(Question No. 183)

Ms Rowland asked the Prime Minister in writing, on 16 June 2014:

What sum is currently charged per guest to attend Medal of the Order of Australia luncheons at Parliament House, and what is the breakdown for what this sum covers.

Mr Abbott: I am advised that the answer to the honourable member's question is as follows:

The Department of the Prime Minister and Cabinet has no knowledge of any Medal of the Order of Australia luncheons at Parliament House.

**Employment**

(Question No. 190)

Mr Kelvin Thomson asked the Minister representing the Minister for Employment, in writing, on 18 June 2014:

What is the unemployment level of Australian (a) pilots, (b) engineers, (c) flight attendants, and (d) truck drivers.

Mr Pyne: The Minister for Employment has provided the following answer to the honourable member's question:

According to the Australian Bureau of Statistics, in 2013 (latest available data), of those who were unemployed, there were approximately:
(a) 200 people who reported that their most recent occupation in the past two years was an Air Transport Professional (mainly Pilots);

(b) 400 people who reported that their most recent occupation was an Aircraft Maintenance Engineer (however, there are several other non-transport related categories of engineers); 200 people who reported that their most recent occupation was a Travel Attendant (mainly Flight Attendants); 8400 people who reported that their most recent occupation was a Truck Driver.

**Grape Imports**

*(Question No. 194)*

**Mr Katter** asked the Minister for Agriculture, in writing, on 19 June 2014:

Why have imports of grapes from California not been halted until every guarantee can be made that Australia's grape industry is not at risk from 'Red Blotch' disease.

**Mr Joyce:** The Minister for Agriculture has provided the following answer to the honourable member's question:

The department conducted a non-regulated analysis of existing policy for Californian table grapes to Western Australia. A draft report was issued for stakeholder consultation and a final report was released on 18 July 2013. Grapevine red blotch associated virus (red blotch disease—GRBaV) was fully considered in the final report (see Appendix D—Additional information on GRBaV).

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**Appendix D Additional information on Grapevine red blotch associated virus (GRBaV)**

Grapevine red blotch-associated virus (GRBaV) is a virus recently identified in grapevines in the USA (Al Rwahnih et al. 2012; Krenz et al. 2012). It is associated with disease symptoms known as red blotch or grapevine red leaf disease (Al Rwahnih et al. 2012; Poojari et al. 2013). There have been no reports of the virus or the disease in Australia and tests on ten grapevine varieties from an Australian collection did not detect the virus (University of Adelaide 2013). GRBaV is a quarantine pest for Australia.

The first accounts of the red blotch disease in red wine grape vineyards were in 2007 (Stamp & Wei 2013). However, earlier reports of symptoms similar to those caused by grapevine leafroll-associated viruses may have been linked to GRBaV (Al Rwahnih et al. 2013; Poojari et al. 2013). Virtually identical isolates of GRBaV have been reported from New York, named Grapevine cabernet franc-associated virus (GCFaV); California, named Grapevine red blotch-associated virus (GRBaV), Washington, named Grapevine redleaf-associated virus (GRLaV), and British Columbia (Canada) (Al Rwahnih et al. 2012; Al Rwahnih et al. 2013; Krenz et al. 2012; Poojari et al. 2013). All these detections are considered to be variants of the same species (Poojari et al. 2013).

GRBaV is very likely to be the causal agent of the observed red blotch disease symptoms as it is consistently detected in symptomatic plants (Stamp & Wei 2013; Poojari et al. 2013). GRBaV has been detected in bark scrapings of dormant canes, leaf petioles, leaves, root tips, rootstock and scion material (Al Rwahnih et al. 2012; Al Rwahnih et al. 2013; Poojari et al. 2013; Stamp & Wei 2013). Symptoms of GRBaV appear to be only linked to vines with maturing bunches towards the end of the season but prior to harvest.

GRBaV infects grapevine systemically and can be transmitted through grafting (Al Rwahnih et al. 2013; Poojari et al. 2013). Although there are no reports of the virus being isolated from grape berries, rachis material, peduncles or seeds, there is a chance that this systemic virus could be present in all parts of the plant. GRBaV infection has also been reported to reduce the brix levels in the berries, yields and other berry quality attributes (Poojari et al. 2013; Sudarshana & Wolpert 2012). Calvi (2011) and Poojari et al. (2013) have suggested that a vascular blockage at the leaf-petiole boundary may affect the translocation of sucrose from the phloem from leaves to fruit in vines with red leaf symptoms.
GRBaV is present in some areas in California and vines have been found to be infected in some Californian wine grape vineyards (Stamp & Wei 2013; Staff 2013). Although the majority of accounts to date associate the virus and the disease with wine grape varieties (Al Rwahnih et al. 2012; Al Rwahnih et al. 2013; Krenz et al. 2012; Poojari et al. 2013; Stamp & Wei 2013; Sudarshana & Wolpert 2012), there has been one report of the virus from a cross of Thompson Seedless x Concord (Staff 2013).

GRBaV has been assigned to the family Geminiviridae based on its genetic sequence (Al Rwahnih et al. 2012; Krenz et al. 2012; Poojari et al. 2013). Geminiviridae is a large and economically important family of plant viruses referred to as geminiviruses, which have single stranded DNA genomes and geminate particles (Carrillo-Tripp et al. 2006; Timmermans et al. 1994).

If GRBaV can infect imported table grape bunches it can only establish and spread in Australia if it can transfer from that infected bunch to a host plant. Mechanisms for the potential transfer of GRBaV are considered below.

GRBaV is graft transmissible using standard grafting techniques (Al Rwahnih et al. 2013; Poojari et al. 2013) and the grapevine rachis is not used for propagation and grafting. Mechanical transmission has been speculated for GRBaV (Stamp & Wei 2013) although there is no evidence to support this mode of transmission for GRBaV. Some geminiviruses are transmitted by mechanical abrasion in laboratory experiments but they are not naturally transmitted in this way (Brown et al. 2012; Briddon & Stanley 2009; Rojas et al. 2005).

Virus seed transmission is well studied and over 200 plant virus species are known to be seed transmissible (Sastry 2013). However, while there are over 100 species of geminiviruses, none are seed transmitted (Sastry 2013; McGarry & Ayre 2012; Briddon & Stanley 2009; Carrillo-Tripp et al. 2006; Rojas et al. 2005; Abdel-Salam, et al. 1998; Sudarshana et al. 1998; Polston et al. 1993; Wong et al. 1993; Brown & Nelson 1988).

For vector transmission of GRBaV to occur, a suitable vector would need to acquire the virus from an infected bunch and transfer the virus to a susceptible host. Transmission by an insect vector is considered in more detail below.

It had been speculated that GRBaV could be spread by sap feeding vectors, with whiteflies and leafhoppers identified as potential candidates because of their known association with geminiviruses (Argi-analysis 2012; Staff 2013; Stamp & Wei 2013). One report from Stamp & Wei (2013) also suggested that aphids could potentially vector the virus but aphids do not vector other geminiviruses. DAFF have contacted the authors and they confirmed that they had no evidence of transmission by aphids.

Experimental work has now shown that the Virginia creeper leafhopper, *Erythroneura ziczac* (Walsh) (Cicadellidae), is a vector of GRBaV after a three day acquisition period on infected host foliage (Poojari et al. 2013). Studies are currently underway to investigate the virus-vector relationship for the western grape leafhopper, *Erythroneura elegantula* (Osborn), which is also present in western USA vineyards (Poojari et al. 2013).

*Erythroneura* is a genus with many species native to North America (CABI 2011; Dmitriev & Dietrich 2007) and there are no species of the genus *Erythroneura* in Australia (NSW DPI 2013). There are many leafhopper (Cicadellidae) species in Australia (CSIRO 1991), but it is more likely that GRBaV is transmitted by leafhopper species closely related to *E. ziczac*. The leafhopper genera *Anzygina*, *Empoaescnara* and *Pettya* are present in Australia and they are in the same tribe as *Erythroneura*; Erythroneurini, (ANIC; NSW DPI 2013; Fletcher & Larivière 2009). There are some species currently classified in the genus *Zygina* although this genus is recognised as needing reclassification in Australia (NSW DPI 2013).

The relationships between geminiviruses and their insect vectors are typically highly specific with particular virus genera linked to a group of vectors (Briddon & Stanley 2009; Rojas et al. 2005;
Timmermans et al. 2004; Lopez-Moya 2002; Lett et al. 2002). This specificity is partly explained by the complex circulative non-propagative mode of transmission (Lopez-Moya 2002; Timmermans et al. 1994). Grape vines are reported to be a host for *Bemisia tabaci* (whitefly) (DAFWA 2008). However, no geminivirus transmitted by a leafhopper is also transmitted by a whitefly (Brown et al. 2012; Briddon & Stanley 2009; Rojas et al. 2005). If there are other vectors of GRBaV, this information suggests that they are more likely to be leafhoppers in the genus *Erythroneura*.

GRBaV transfer could potentially occur via vectors imported with the table grape bunch. *Erythroneura ziczac* feeds on grapevines in the USA and all life stages are associated with leaf material, not table grape bunches (Lowery 2010; Paxton & Thorvilson 1996; PNW 2013). Species from the *Erythroneura* are quarantine pests for Australia (DAFF 2013). In over ten years of trade of Californian table grapes, no leafhopper species have been found during phytosanitary inspection.

Since the table grape bunches are purchased for consumption, most berries will be eaten and it is the rachis that is more likely be discarded as waste in a range of environments. Waste disposed via municipal garbage collection will be sent to tips, where it will be commercially composted or disposed in landfill. However, smaller quantities of fruit waste will be discarded in urban, rural and natural localities including domestic composts, along roadsides, and in other environments and this may include commercial vineyards.

Taking account of the vector specificity of geminiviruses and the absence of *Erythroneura* species in Australia, it is less likely that a suitable vector is present in Australia compared to North America. However, given the recent research into GRBaV, the presence of a leafhopper vector in Australia cannot be dismissed. If a suitable vector is present in Australia, it would first need to feed on discarded fruit waste. Leafhoppers in the *Erythroneura* are associated with leaf material with a preference for oviposition and feeding on the lower side of the leaf (Paxton 1990; Paxton & Thorvilson 1996).

There are reports of more than 15 species of leafhoppers recorded in Australian vineyards (Glenn 2000). Several of the species recorded in vineyards were able to survive on vine leaves for nine days under no choice feeding experiments. However, field surveys between years and across multiple sites in Victoria and South Australia did not record any developmental association of leafhoppers with commercially grown vines (Glenn 2000). The presence of the leafhoppers in the vineyards was positively correlated with host weed species growing within and around the vineyards (Glenn 2000). When leafhoppers where collected around the vine, adults were collected in greater numbers near the trunk rather than in the canopy (Glenn 2000). Glenn (2000) does not report any association of Australian leafhoppers with grape bunches.

There are no reports of leafhoppers as pests on grapevine in Australia from state departments of agriculture (such as the 2011/2012 viticulture spray guide, DAFWA 2011; NSW DPI 2007) or from the peak industry research body (GWRDC 2013a). For example, a survey was conducted by the Grape Wine Research Development Corporation (GWRDC) in 2011 on the pest profile in vineyards that included 354 responses from all grape growing states in Australia (GWRDC 2013b). The respondents note several insects as pests (light brown apple moth, locusts, earwigs, mealy bugs etc) though there are no reports of leafhoppers (GWRDC 2013b). GWRDC website also includes information on pest and diseases of grapevines and there is no information on leafhoppers (GWRDC 2013a).

For a suitable leafhopper vector associated with *Vitis* spp in Australia to transmit GRBaV it would first need to feed on infected table grape bunch material. However, plant material severed from the transpiration stream will lose moisture and sap sucking insects are known to respond negatively to plant tissues under moisture stress (Huberty and Denno 2004). A review of the scientific literature showed chewing insects where not affected by moisture stressed host plant tissue. In contrast, sap-feeding insects, such as leafhoppers, responded negatively to moisture stress (Huberty and Denno 2004). More specifically, egg, nymphal and adult densities of leafhoppers in the *Erythroneura* genus are known to respond negatively when irrigation water deficits are imposed on commercial grapevines (Costello et al. 2014).
In a trial conducted in California, the number of adult leafhoppers recorded on moisture stressed vines (no supplementary irrigation during the growing season) decreased by over 90% compared to vines receiving commercial rates of irrigation (Daane et al. 1995). In this study, the moisture stressed vines yielded 15.7 tonnes per hectare compared to vines that received commercial rates of irrigation and yielded 48 tonnes per hectare (Daane et al. 1995). This level of moisture stress imposed on a living plant, which still yielded fruit, is likely to be significantly less than what would occur in harvested material severed from the transpiration stream of the plant.

Harvested table grape bunches are known to be perishable and begin to desiccate during transport. Well developed cold storage techniques have been developed to minimise this water loss (Litcher et al. 2008; Candir et al. 2011; Meng et al. 2008). The mechanism that influences the rate of moisture loss is the difference in water potential in the commodity and the atmosphere (water vapour deficit) that is largely influenced by humidity and temperature (Lichter et al. 2011). Therefore, commodities lose less moisture at low temperatures and high relative humidity and as temperature increases and humidity decreases, water loss increases. During cold storage conditions (about 1.5 °C and 90% relative humidity), moisture loss from a table grape bunch can be between 0.41 to 6% over 60 days depending on the liner used in the packaging (Ngcobo 2013). Moisture loss is much more severe in the rachis with greater than 40% moisture loss over 60 days (Ngcobo 2013). Grapes purchased at retail outlets and then stored in a refrigerator (at about 5 °C) are considered to have a shelf life of about seven days (USDA 2011).

Once table grape bunches are exposed to ambient temperature at retail sale, moisture loss will increase. Studies have shown that table grape bunches of several varieties, including red globe and Thompson seedless, exposed to 20 °C for 3–4 days result in significant browning of the rachis and pedicles (Guelfat-Reich et al. 1975; Lichter, et al. 2008). Significant browning of the rachis is known to be linked to water loss of about 2 to 3% (Crisosto et al. 2001; Lichter et al. 2011) and results in cell death (Balic et al. 2012). At a higher temperature (28 °C), Thompson seedless bunches recorded a 20% water loss over three days (Lo'ay 2011). Further work details the interaction between temperature and relative humidity and moisture loss in sugarone and Thompson seedless table grape bunches (Lichter et al. 2011). At 10 °C and 95–99% relative humidity, moisture loss from a table grape bunches stored in punnets was recorded to be about 0.5–1% over four days; decreasing relative humidity to about 70%, increased moisture loss to about 2.5–3% (Lichter et al. 2011). At 20 °C and 70% relative humidity, moisture losses of about 3.5% were recorded over 4 days and water loss increased with increasing water vapour deficit. Compared to the whole bunch, at 20 °C and 70% relative humidity, moisture loss in the rachis was greater with around 15–25% moisture loss (Lichter et al. 2011).

After domestic consumption, any waste discarded in the environment will continue to desiccate under dry conditions. Under wet conditions, moisture loss would be delayed. However, specialist saprophytic micro-organisms will hasten the decay of discarded material under wet conditions. Saprophytes will hasten a loss of cell integrity and this rotting material is unlikely to be conducive to leafhoppers that are associated with living tissue for feeding.