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SITTING DAYS—2014

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
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<td>11, 12, 13, 24, 25, 26, 27</td>
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<td>March</td>
<td>3, 4, 5, 6, 17, 18, 19, 20, 24, 25, 26, 27</td>
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<td>13, 14, 15, 26, 27, 28, 29</td>
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<td>2, 3, 4, 5, 16, 17, 18, 19, 23, 24, 25, 26</td>
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<td>14, 15, 16, 17</td>
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<td>August</td>
<td>26, 27, 28</td>
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<td>September</td>
<td>1, 2, 3, 4, 22, 23, 24, 25, 30</td>
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<td>December</td>
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<th>Frequency</th>
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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
<table>
<thead>
<tr>
<th>Members</th>
<th>Division</th>
<th>Party</th>
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<tbody>
<tr>
<td>Abbott, The Hon. Anthony John</td>
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</table>
## Members of the House of Representatives

<table>
<thead>
<tr>
<th>Members</th>
<th>Division</th>
<th>Party</th>
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<tr>
<td>Giles, Mr Andrew James</td>
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<td>NATS</td>
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<td>Mitchell, NSW</td>
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<td>Fowler, NSW</td>
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<td>Corangamite, VIC</td>
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<td>Ballarat, VIC</td>
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<td>Bowman, QLD</td>
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<td>Fairfax QLD</td>
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<td>Pearce, WA</td>
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<td>van Manen, Mr Albertus Johannes</td>
<td>Forde, QLD</td>
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<td>Varvaris, Mr Nickolas</td>
<td>Barton, NSW</td>
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<td>Vasta, Mr Ross Xavier</td>
<td>Bonner, QLD</td>
<td>LP</td>
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<td>Watts, Mr Timothy Graham</td>
<td>Gellibrand, VIC</td>
<td>ALP</td>
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<tr>
<td>Whiteley, Mr Brett David</td>
<td>Braddon, TAS</td>
<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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</tbody>
</table>
## Members of the House of Representatives

<table>
<thead>
<tr>
<th>Members</th>
<th>Division</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wilkie, Mr Andrew Damien</td>
<td>Denison, TAS</td>
<td>IND.</td>
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<tr>
<td>Williams, Mr Matthew</td>
<td>Hindmarsh, SA</td>
<td>LP</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>
<td>LP</td>
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<tr>
<td>Wyatt, Mr Kenneth George AM</td>
<td>Hasluck, WA</td>
<td>LP</td>
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<tr>
<td>Zappia, Mr Antonio</td>
<td>Makin, SA</td>
<td>ALP</td>
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</tbody>
</table>

**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

**Heads of Parliamentary Departments**

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

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

Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. However, there is a Department of Human Services in the Social Services portfolio and a Department of Veterans’ Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases.
<table>
<thead>
<tr>
<th><strong>Title</strong></th>
<th><strong>Shadow Minister</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leader of the Opposition</strong></td>
<td>Hon Bill Shorten MP</td>
</tr>
<tr>
<td><strong>Shadow Minister Assisting the Leader for Science</strong></td>
<td>Senator the Hon Kim Carr</td>
</tr>
<tr>
<td>Shadow Minister Assisting the Leader for Small Business</td>
<td>Hon Bernie Ripoll MP</td>
</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary for Small Business</strong></td>
<td>Julie Owens MP</td>
</tr>
<tr>
<td><strong>Shadow Cabinet Secretary</strong></td>
<td>Senator the Hon Jacinta Collins</td>
</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary to the Leader of the Opposition</strong></td>
<td>Hon Michael Danby MP</td>
</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary to the Leader of the Opposition</strong></td>
<td>Dr Jim Chalmers MP</td>
</tr>
<tr>
<td><strong>Deputy Leader of the Opposition</strong></td>
<td>Hon Tanya Plibersek MP</td>
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<tr>
<td><strong>Shadow Minister for Foreign Affairs and International Development</strong></td>
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<tr>
<td>Shadow Minister for Women</td>
<td>Senator Claire Moore</td>
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<tr>
<td><strong>Manager of Opposition Business (Senate)</strong></td>
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<tr>
<td><strong>Shadow Minister for the Centenary of ANZAC</strong></td>
<td>Senator the Hon Don Farrell</td>
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<tr>
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<td>Hon Matt Thistlethwaite MP</td>
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<tr>
<td><strong>Leader of the Opposition in the Senate</strong></td>
<td>Senator the Hon Penny Wong</td>
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<tr>
<td><strong>Shadow Minister for Trade and Investment</strong></td>
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</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary for Trade and Investment</strong></td>
<td>Dr Jim Chalmers MP</td>
</tr>
<tr>
<td><strong>Deputy Leader of the Opposition in the Senate</strong></td>
<td>Senator the Hon Stephen Conroy</td>
</tr>
<tr>
<td><strong>Shadow Minister for Defence</strong></td>
<td></td>
</tr>
<tr>
<td>Shadow Assistant Minister for Defence</td>
<td>Hon David Feeney MP</td>
</tr>
<tr>
<td><strong>Shadow Minister for Veterans’ Affairs</strong></td>
<td>Senator the Hon Don Farrell</td>
</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary for Defence</strong></td>
<td>Gai Brodtmann MP</td>
</tr>
<tr>
<td><strong>Shadow Minister for Infrastructure and Transport</strong></td>
<td>Hon Anthony Albanese MP</td>
</tr>
<tr>
<td><strong>Shadow Minister for Tourism</strong></td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Regional Development and Local Government</td>
<td>Hon Julie Collins MP</td>
</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary for Regional Development and Infrastructure</strong></td>
<td>Allannah MacTiernan MP</td>
</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary for Western Australia</strong></td>
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<tr>
<td><strong>Shadow Parliamentary Secretary for External Territories</strong></td>
<td>Hon Warren Snowdon MP</td>
</tr>
<tr>
<td><strong>Shadow Treasurer</strong></td>
<td>Hon Chris Bowen MP</td>
</tr>
<tr>
<td>Shadow Assistant Treasurer</td>
<td>Hon Dr Andrew Leigh MP</td>
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<tr>
<td>Shadow Minister for Competition</td>
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</tr>
<tr>
<td><strong>Shadow Minister for Financial Services and Superannuation</strong></td>
<td>Hon Bernie Ripoll MP</td>
</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary to the Shadow Treasurer</strong></td>
<td>Hon Ed Husic MP</td>
</tr>
<tr>
<td><strong>Shadow Minister for Finance</strong></td>
<td>Hon Tony Burke MP</td>
</tr>
<tr>
<td>Manager of Opposition Business (House)</td>
<td></td>
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<tr>
<td><strong>Shadow Minister for Environment, Climate Change and Water</strong></td>
<td>Hon Mark Butler MP</td>
</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary for the Environment, Climate Change and Water</strong></td>
<td>Senator Louise Pratt</td>
</tr>
<tr>
<td><strong>Shadow Minister for Higher Education, Research, Innovation and Industry</strong></td>
<td>Senator the Hon Kim Carr</td>
</tr>
<tr>
<td>Shadow Minister for Vocational Education</td>
<td>Hon Sharon Bird MP</td>
</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary for Manufacturing</strong></td>
<td>Tony Zappia MP</td>
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<td>Shadow Minister for Communications</td>
<td>Hon Jason Clare MP</td>
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<td>Shadow Assistant Minister for Communications</td>
<td>Michelle Rowland MP</td>
</tr>
<tr>
<td>Shadow Attorney General</td>
<td>Hon Mark Dreyfus QC MP</td>
</tr>
<tr>
<td>Shadow Minister for the Arts</td>
<td></td>
</tr>
<tr>
<td>Deputy Manager of Opposition Business (House)</td>
<td>Hon David Feeney MP</td>
</tr>
<tr>
<td>Shadow Minister for Justice</td>
<td>Senator the Hon Lisa Singh</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Shadow Attorney General</td>
<td>Hon Michael Danby MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for the Arts</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Education</td>
<td>Hon Kate Ellis MP</td>
</tr>
<tr>
<td>Shadow Minister for Early Childhood</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Education</td>
<td>Julie Owens MP</td>
</tr>
<tr>
<td>Shadow Minister for Agriculture</td>
<td>Hon Joel Fitzgibbon MP</td>
</tr>
<tr>
<td>Shadow Minister for Resources</td>
<td>Hon Gary Gray AO MP</td>
</tr>
<tr>
<td>Shadow Minister for Northern Australia</td>
<td></td>
</tr>
<tr>
<td>Shadow Special Minister of State</td>
<td>Hon Warren Snowdon MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Northern Australia</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Health</td>
<td>Hon Catherine King MP</td>
</tr>
<tr>
<td>Shadow Assistant Minister for Health</td>
<td>Stephen Jones MP</td>
</tr>
<tr>
<td>Shadow Minister for Mental Health</td>
<td>Senator Hon Jan McLucas</td>
</tr>
<tr>
<td>Shadow Minister for Sport</td>
<td>Hon Bernie Ripoll MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Health</td>
<td>Hon Amanda Rishworth MP</td>
</tr>
<tr>
<td>Shadow Minister for Families and Payments</td>
<td>Hon Jenny Macklin MP</td>
</tr>
<tr>
<td>Shadow Minister for Disability Reform</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Human Services</td>
<td>Senator the Hon Doug Cameron</td>
</tr>
<tr>
<td>Shadow Minister for Housing and Homelessness</td>
<td>Senator the Hon Jan McLucas</td>
</tr>
<tr>
<td>Shadow Minister for Carers</td>
<td>Senator Claire Moore</td>
</tr>
<tr>
<td>Shadow Minister for Communities</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Families and Payments</td>
<td>Senator Carol Brown</td>
</tr>
<tr>
<td>Shadow Minister for Immigration and Border Protection</td>
<td>Hon Richard Marles MP</td>
</tr>
<tr>
<td>Shadow Minister for Citizenship and Multiculturalism</td>
<td>Michelle Rowland MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Immigration</td>
<td>Hon Matt Thistlethwaite MP</td>
</tr>
<tr>
<td>Shadow Minister for Indigenous Affairs</td>
<td>Hon Shayne Neumann MP</td>
</tr>
<tr>
<td>Shadow Minister for Ageing</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Indigenous Affairs</td>
<td>Hon Warren Snowdon MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Aged Care</td>
<td>Senator Helen Polley</td>
</tr>
<tr>
<td>Shadow Minister for Employment and Workplace Relations</td>
<td>Hon Brendan O’Connor MP</td>
</tr>
<tr>
<td>Shadow Minister for Employment Services</td>
<td>Hon Julie Collins MP</td>
</tr>
</tbody>
</table>
CONTENTS

THURSDAY, 5 JUNE 2014

Chamber
BILLS—
Business Services Wage Assessment Tool Payment Scheme Bill 2014—
   First Reading.............................................................. 5689
   Second Reading.......................................................... 5689
Business Services Wage Assessment Tool Payment Scheme (Consequential Amendments) Bill 2014—
   First Reading.............................................................. 5691
   Second Reading.......................................................... 5691
Family Assistance Legislation Amendment (Child Care Measures) Bill 2014—
   First Reading.............................................................. 5691
   Second Reading.......................................................... 5691
COMMITTEES—
   Public Works Committee—
      Reference .................................................................... 5693
BILLS—
   Public Governance, Performance and Accountability Amendment Bill 2014—
      Second Reading.......................................................... 5694
      Consideration in Detail .................................................. 5699
      Third Reading............................................................. 5701
COMMITTEES—
   Publications Committee—
      Report........................................................................ 5701
BILLS—
   Textile, Clothing and Footwear Investment and Innovation Programs Amendment Bill 2014—
      Second Reading.......................................................... 5702
      Third Reading............................................................. 5725
   Student Identifiers Bill 2014—
      Second Reading.......................................................... 5725
      Third Reading............................................................. 5749
   Fair Work Amendment Bill 2014—
      Second Reading.......................................................... 5749
STATEMENTS BY MEMBERS—
   Migration........................................................................ 5751
   Cowan Electorate: Bosnian Community ............................ 5751
   Blaxland Electorate: Budget.............................................. 5751
   Forrest Electorate: Margaret River ................................... 5752
   Fowler Electorate: Migration ............................................. 5753
   Robertson Electorate: Kincumber Men's Shed.................... 5753
   Rankin Electorate: Migration ............................................ 5753
   Barton Electorate: Transport ............................................. 5754
   Lalor Electorate: Migration .............................................. 5754
CONTENTs—continued

Braddon Electorate: Television Services ............................................................. 5755
Perth Electorate: Migration ........................................................................... 5755
Solomon Electorate: Kayak4Youth ................................................................. 5756
Kingsford Smith Electorate: Migration ........................................................... 5756
Lindsay Electorate: National Black Spot Programme ..................................... 5757
Werriwa Electorate: Migration ...................................................................... 5757
Deakin Electorate: Aveo Cherrytree Grove Retirement Village ..................... 5758
Greenway Electorate: Migration ................................................................. 5758
Budget ........................................................................................................... 5759
Parramatta Electorate: Migration ................................................................. 5759
Regional Aviation Access Program ................................................................ 5760
QUESTIONS WITHOUT NOTICE—
Budget ........................................................................................................... 5760
Budget ........................................................................................................... 5761
Taxation ......................................................................................................... 5762
Budget ........................................................................................................... 5763
Fuel Rebates .................................................................................................. 5764
Employment ................................................................................................... 5765
Fuel Rebates .................................................................................................. 5766
Indonesia ......................................................................................................... 5767
Pentland Irrigation Baseload Power Station Study ......................................... 5768
Northern Australia: Development ................................................................. 5768
Budget ........................................................................................................... 5769
Higher Education .......................................................................................... 5770
Budget ........................................................................................................... 5771
Medicare.......................................................................................................... 5771
Budget ........................................................................................................... 5772
Asylum Seekers ............................................................................................. 5773
Budget ........................................................................................................... 5774
Budget ........................................................................................................... 5774
Minister for Communications ....................................................................... 5775
Drought Assistance ....................................................................................... 5777
MOTIONS—
Budget ........................................................................................................... 5778
AUDITOR-GENERAL’S REPORTS—
Report No. 36 of 2013-14 ............................................................................ 5786
DOCUMENTS—
Presentation .................................................................................................... 5786
MATTERS OF PUBLIC IMPORTANCE—
Budget ........................................................................................................... 5786
BILLS—
Fair Work Amendment Bill 2014—
Second Reading ............................................................................................. 5802
ADJOURNMENT—
Unmanned Aerial Vehicles .......................................................................... 5803
Bass Electorate ............................................................................................... 5805
CONTENTS—continued

Budget ........................................................................................................................................... 5806
Treasurer ....................................................................................................................................... 5808
Mitchell Electorate: Infrastructure ............................................................................................... 5809
Environment: Tasmanian World Heritage Area ........................................................................... 5810
NOTICES ......................................................................................................................................... 5811

Federation Chamber
CONSTITUENCY STATEMENTS—

Ageing ........................................................................................................................................... 5813
Page Electorate: Constituent Concerns ......................................................................................... 5814
Fremantle Electorate: Live Sheep Exports ..................................................................................... 5814
Macarthur Electorate: Eco-Schools Program .................................................................................. 5815
Budget ........................................................................................................................................... 5816
Budget........................................................................................................................................... 5817
Fisher Electorate: Employment ....................................................................................................... 5817
Budget ........................................................................................................................................... 5818
Hughes Electorate ........................................................................................................................... 5819
Budget........................................................................................................................................... 5820
Durack Electorate: Education .......................................................................................................... 5821

BILLs—
Appropriation Bill (No. 1) 2014-2015—
Consideration in Detail .................................................................................................................... 5822

ADJOURNMENT—
Tiananmen Square ........................................................................................................................... 5854
Budget ........................................................................................................................................... 5855
Indi Electorate: Budget ..................................................................................................................... 5857
Bonner Electorate: Wynnum Family Day Care ............................................................................. 5858
Urban Policy ................................................................................................................................... 5859
Bennelong Electorate ........................................................................................................................ 5860
Thursday, 5 June 2014

The SPEAKER (Hon. Bronwyn Bishop) took the chair at 09:00, made an acknowledgement of country and read prayers.

BILLS

Business Services Wage Assessment Tool Payment Scheme Bill 2014

First Reading

Bill and explanatory memorandum presented by Mr Andrews.

Bill read a first time.

Second Reading

Mr ANDREWS (Menzies—Minister for Social Services) (09:01): I move:

That this bill be now read a second time.

This bill will establish a payment scheme for supported employees with intellectual impairment in Australian Disability Enterprises who previously had their wages assessed under the Business Services Wage Assessment Tool.

The payment scheme will help provide ongoing employment for employees with disability following a recent court case.

Australian Disability Enterprises are commercial businesses employing people with disability who need support to stay in paid work. These supported employees are paid wages using revenue from the enterprises' business activities.

There are 193 organisations operating Australian Disability Enterprises in communities across Australia—supporting 20,000 workers with moderate to severe levels of disability.

Supported employees are paid a prorata wage, determined using a wage tool stipulated in the Supported Employment Services Award 2010, which is one of the 'modern awards' in the Commonwealth workplace relations system.

The Business Services Wage Assessment Tool is one of those wage tools. It was developed by the Australian government in consultation with stakeholders and was first used in 2004.

The tool measures a worker's productivity and competence in performing a job. It is used to determine the wages of about half of all workers in Australian Disability Enterprises.

However, two supported employees were found through a recent court decision to have experienced indirect discrimination because their wages were assessed under the Business Services Wage Assessment Tool, and further representative proceedings are in train.

Acknowledging that legal proceedings may take some time to resolve, the government has decided to establish a payment scheme to give reassurance to supported employees, and their families and carers, by removing perceived liability that could impact the ability of Australian Disability Enterprises to deliver ongoing employment support.

The payment scheme provided by this bill will allow registration from 1 July 2014 for payments to former and current eligible employees in relation to work they have performed in the past.
To be eligible for the payment scheme, a person must have an intellectual impairment and have been employed by an Australian Disability Enterprise. Also, the person must have been paid a prorata wage determined under the Business Services Wage Assessment Tool, or a training wage paid while waiting for an assessment under the tool to be undertaken. Lastly, the person must have required daily support in the workplace from the Australian Disability Enterprise to maintain his or her employment.

The payment scheme will deliver payments to eligible workers as quickly as possible. People who consider they are eligible and would like to participate in the scheme must register their interest by 1 May 2015. People who wish to test their eligibility and receive an offer must make an application. Applications can be submitted up until 30 November 2015.

There are strict timeframes for the payment scheme. While these timeframes are generous, they do require that people wishing to access the payment scheme take certain actions before set dates. Timeframes will be made very clear in all scheme materials.

Once an application has been received, an applicant's eligibility for the payment scheme will be determined. If eligibility is established, the payment amount to be offered will be calculated, based on half of the amount the worker would have been paid had the productivity element only of the Business Services Wage Assessment Tool been applied.

If the payment amount works out to be greater than zero, the eligible applicant will receive a letter setting out, amongst other things, an offer to pay that amount and the time in which the applicant may accept the offer.

During the acceptance period, the applicant must seek independent financial counselling and legal advice. Access to a legal adviser and a financial counsellor are funded through the scheme, and certificates from the financial counsellor and the legal adviser must accompany the applicant's acceptance of the offer. Payment will be made once a valid acceptance has been lodged by an eligible applicant.

To ensure people with disability have the opportunity to provide further information or raise any concerns, the scheme will have both internal and external review processes.

It is the applicant's choice whether he or she receives a payment from the payment scheme. If the applicant accepts an offer, he or she will cease to be a group member of the representative proceedings and will be unable to make any further claims in relation to the assessment of wages under the tool.

In the longer term, a new wage assessment process will be developed for use in Australian Disability Enterprises.

However, the government's immediate priority is to ensure minimal disruption to the employment of supported employees. The payment scheme established by this bill demonstrates our ongoing commitment to improving certainty for those involved.

I commend the bill to the House.

Debate adjourned.
Business Services Wage Assessment Tool Payment Scheme (Consequential Amendments) Bill 2014

First Reading

Bill and explanatory memorandum presented by Mr Andrews.
Bill read a first time.

Second Reading

Mr ANDREWS (Menzies—Minister for Social Services) (09:07): I move:
That this bill be now read a second time.

This is a companion bill to the Business Services Wage Assessment Tool Payment Scheme Bill 2014, which will establish a payment scheme for supported employees with intellectual impairment in Australian Disability Enterprises, who previously had their wages assessed under the Business Services Wage Assessment Tool. This bill establishes a payment scheme to provide reassurance to supported employees and their families and carers by removing perceived liability that could impact the ability of Australian Disability Enterprises to deliver ongoing employment support in light of a recent court case.

This companion bill provides the consequential amendments needing to be made to Commonwealth legislation in light of the new scheme. For example, amendments to the taxation law will ensure payments under the scheme are eligible income for the lump sum in arrears tax offset. Amendments to the social security law and Veterans' Entitlements Act 1986 will ensure the payments are not income tested and so will not reduce the income support payments of supported employees who receive payments under the scheme.

Lastly, the confidentiality provisions in the social security law will be adjusted to make sure personal information can be obtained and disclosed for the purpose of administering the new scheme. I commend this bill to the House.

Debate adjourned.

Family Assistance Legislation Amendment (Child Care Measures) Bill 2014

First Reading

Bill and explanatory memorandum presented by Ms Ley.
Bill read a first time.

Second Reading

Ms LEY (Farrer—Assistant Minister for Education) (09:09): Today I am introducing the Family Assistance Legislation Amendment (Child Care Measures) Bill 2014 which will do two things:
• maintain the childcare benefit income thresholds for three years; and
• continue to pause the childcare rebate limit at $7,500 per child, per year for a further three years.

Both of these measures will apply from 1 July 2014 for three years, to 30 June 2017.

These measures do not in any way pre-empt the Productivity Commission inquiry into child care and early childhood learning, which is a holistic review into what is needed for the
next generation—not just the next few years. The Productivity Commission's draft report will give us the first insight into their proposed reforms and is due next month.

The measures contained in this bill are, however, necessary. The government is making decisions that repair the budget, strengthen the economy and prepare Australia for the long-term challenges and opportunities that confront us.

Childcare benefit is a means-tested payment based on a family's income. The childcare benefit provides assistance to families with childcare costs. The amount of childcare benefit a family receives depends on the family's income, the type of care used, the hours of care and the number of children in care, as well as the parent's work, training or study commitments.

The childcare benefit measure in this bill is a 2014-15 budget measure and is one element of the government's broader measure to maintain eligibility thresholds for Australian government payments for three years. Maintaining the childcare benefit income thresholds will provide an estimated saving of $230 million over the forward estimates.

Childcare benefit eligibility requirements will remain unchanged. The government will continue to index—that is, increase—the childcare benefit standard hourly rate, the minimum hourly amount and the multiple child loadings by the consumer price index on 1 July each year.

It is important to note that the out-of-pocket costs incurred by most families because of this childcare benefit measure will be partially offset by the childcare rebate, which is not income tested and which covers up to 50 per cent of out-of-pocket childcare costs up to $7,500 per child per year.

The childcare rebate indexation pause at $7,500 was first implemented by Labor in 2011. Labor announced an extension of the measure as part of their 2013-14 budget and then took the $105 million in savings from the budget bottom line but never legislated for it. When this government sought to legislate the measure, Labor combined with the Greens in the Senate earlier this year to block the legislation that would have given effect to their own measure (as part of the Social Services and Other Legislation Amendment Bill 2013).

Labor tried to justify blocking their own CCR indexation pause by claiming that the savings had been intended to 'directly support' their Early Years Quality Fund. Labor said it opposed the coalition government's attempt to implement Labor's own CCR provision because the coalition government had frozen the Early Years Quality Fund funding.

This government did put a freeze on the EYQF funds—but only while an independent review was undertaken. That independent review found the fund was fundamentally flawed and inequitable and would benefit less than 30 per cent of long day care workers. This government has honoured funds contracted from the EYQF and also redirected the remaining funds—over $200 million—towards professional development activities to benefit the whole long day care sector not just a minority.

So if Labor chooses to block its own measure again, it will need to come up with a different excuse.

These measures will not impact families with incomes below $41,902, which is the lower income threshold for childcare benefit. These families will continue to receive the maximum rate of childcare benefit. The amount of childcare benefit a family receives tapers to zero as their income increases to the relevant maximum income limit. For example, a family with
three children in child care for 50 hours per week, with an income of up to $170,404, is currently eligible to receive some childcare benefit as well as up to $7,500 childcare rebate per child per year.

The upper income threshold of $97,632 referred to in the legislation is a mechanism for the very complex way in which childcare benefit is calculated and tapered, depending on a family's income, the number of children in care, the type of care, and the hours used. This is a level of complexity that has been raised by families and service providers alike in the course of the government's Productivity Commission inquiry.

Overall, this government is increasing childcare assistance to $28.5 billion over the next four years to assist around a million families each year through the childcare benefit and childcare rebate.

But we cannot forget the context in which we are all operating today: Labor delivered six budget deficits; they left $123 billion in cumulative deficits ahead; and their debt is costing Australians $1 billion a month in interest, effectively dead money.

The days of borrow and spend must come to an end. The coalition has delivered a budget of both saving and building; it is a budget that ensures we will get back to living within our means, just as households must. Even though we inherited a mess, we are taking responsibility and fixing it up through strong and fair action. This bill is an important part of that action. I move:

That this bill be now read a second time.

Debate adjourned.

COMMITTEES

Public Works Committee

Reference

Mr McCormack (Riverina—Parliamentary Secretary to the Minister for Finance) (09:16): I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Development and construction of housing for Defence at RAAF Base Darwin, NT.

Defence Housing Australia, on behalf of the Department of Defence, proposes to undertake the development and construction of 80 new on-base houses at Royal Australian Air Force Base Darwin, Northern Territory. The proposal involves the creation of a new on-base housing precinct through the redevelopment of previously developed urban land.

The 80 new on-base dwellings will in part address a shortage of housing for the Australian Defence Force members in Darwin and improve the quality and condition of housing on the base. The dwellings are designed to be sustainable and appropriate for tropical conditions and to enhance the amenity and sustainability of the housing precinct and address current substandard infrastructure. The estimated overall project cost is approximately $53.36 million, including GST, contingency and escalation costs, but excludes the cost of the land, which is already owned by the Commonwealth. Subject to parliamentary approval, integrated civil construction is expected to commence in October 2014 and be completed by November 2016. I commend the motion to the House.
Mr TAYLOR (Hume) (09:18): I rise to talk today about the Public Governance, Performance and Accountability Amendment Bill 2014, but I want to start by talking about a revolution, a revolution that has been sweeping across the world for over 20 years; a revolution that has delivered us better products, better services and better lives; a revolution that has been changing the way people work, how they spend their time and the way they interact with each other; a revolution which until recently has largely passed over the public sector, particularly the last federal government. It has many names. Some call it a performance culture. Some call it performance focused management. One expert gave it the absolutely terrible name 'deliverology'. The name is not important, but the idea is simple: we can use simple management techniques to ask people to focus on what really matters and to deliver what really matters to customers and other stakeholders.

In 20 years as a management consultant, I saw the impact time and time and time again, so let me illustrate with a simple example. I was working for a small building products business which had struggled for many years to make money. The business sold plasterboard to tradesmen and builders. The chief executive of the holding company said to me and my team, 'You can't make it any worse than it is, so do what you like.' So we did. We set realistic but aggressive goals based on what really matters to customers and shareholders. We decentralised each part of the business and gave employees autonomy, the freedom to get on with the job. We signalled to the employees that there would be clear benefits to them personally if they delivered on their goals and clear consequences if they failed to deliver, but we also signalled that measured risk-taking and innovation were acceptable and encouraged. We reported on the performance across the organisation in a way that was simple and comprehensible to all. We made those performance outcomes transparent, and we clearly ranked them.

The results were stunning. The business delivered. In fact, it delivered outcomes that no-one could ever have anticipated. Customers, shareholders and, importantly, employees were all far happier. A few employees, a small number of employees, were not able to make the transition, but the success rate was far beyond expectations. Most of the employees actually loved it, because most human beings want to do good work. Most human beings want to deliver. Most want to contribute.

I hear you say: what has this got to do with public services? Everything, I say, because we have a long, long way to go on this journey in the federal government. At a time when we have to make every dollar count, when we need to deliver more with less, I cannot think of a more important issue to discuss. But the story over recent years has been sobering. Let me give you a few examples of the epic failure in the performance of the previous federal government—mess after mess after mess, as documented in the Labor's Mess 2007-2013 compendium, which is available on the internet. Let me start with education.
simple techniques that I described earlier to look at the targets we should be seeking to achieve and what we actually achieved, the story is appalling.

If we start with the quality of primary education, between 2007 and 2013 we moved from 12th to 22nd in the world. If we look at the quality of the education system, we moved from eighth in the world to 23rd in that same six-year time period. If we look at the quality of maths and science education, we moved from 24th to 37th. And, if we look at the availability of research and training services in our education system, we moved from 16th to 23rd. By any measure, this was an appalling outcome.

If we move to the NBN—and this House has heard much about the failure in delivery of the NBN—the results were similarly appalling. In the 2010 business plan, the target for 2013 for houses passed by fibre was 1.27 million. The result was 208,000, less than 20 per cent. If we look at houses with fibre service, the target was 511,000. The result was 34,000. This was an epic, epic failure in delivery.

If we look at the immigration program, the target was to avoid illegal arrivals, but the results were similarly stunning. In 2008, based on the benefit from the very good policy of the previous Howard government, there were 161 arrivals, although they were climbing fast. In 2009 there were 2,700. In 2010 there were 6,500. By 2012 there were 17,000. And then of course in 2013 there were 20,587. What an epic, epic failure of delivery.

I could go on. There is a long list. That is just the tip of the iceberg. We had six years where the federal government was not able to deliver. Given that we have many governments in Australia—state governments and local governments—and many governments around the world to compare ourselves with, surely someone else in government has already applied the approach that I described earlier. The answer is yes, they have, and some have done it well. Indeed, the Labor Party's hero in the UK, Tony Blair, focused a huge effort on government accountability and, despite the critics, the results were worthwhile.

I take the example of Her Majesty's Revenue and Customs, the equivalent of our ATO. I can go onto a website in the UK and see, in very simple form, all the indicators that the equivalent of our tax office in the UK is pursuing, laid out quarter by quarter in a very clear fashion. I can see where they are improving and where they are not. It lays out customer service indicators, looking at how satisfied people are in their dealings with their tax office. It looks at cost indicators, what the cost of collecting tax is by different types of tax—corporate tax, income tax and so on. I can also see the tax revenue indicators. I can see exactly how they are going on collecting tax. I can see what the tax gap is. I can see exactly how much money is not being collected that could be collected. We do not have a similar set of measures.

Closer to home, we are seeing the same approach that I have just described in the UK emerging in a number of state governments. In New South Wales and South Australia we have clearly established regimes for planning and performance management. This should be bipartisan, but the last Labor federal government did next to nothing. If we had had this sort of performance focus over recent years, many of the disasters of the last government might have been avoided.

In this context, let me turn now to the Public Governance, Performance and Accountability Act. This act was enacted under the former government and will take effect from 1 July this year to replace the Financial Management and Accountability Act and the Commonwealth
Authorities and Companies Act as the primary financial legislation of the Commonwealth. The PGPA Act governs the management of public resources by government bodies and deals with internal governance. But, in keeping with the former government's usual performance, it enacted this act in haste and without undertaking adequate consultation. Subsequent work has identified several areas of incomplete or ineffective drafting, where revisions are required before the new act comes into effect on 1 July.

This bill would, if enacted, amend the original act to make several technical amendments to improve the understanding and operation of the act in line with the government's commitment to streamlining and simplifying requirements of government entities. The amendment bill that we have in front of us makes amendments to the original act, but above all it seeks to clarify the financial framework and embed the policy positions that have been agreed upon further to the consultations—which needed to be conducted—that the Department of Finance has undertaken with relevant ministers and agencies.

It is worth emphasising that, rather than prescribing detailed requirements, the act establishes a core set of obligations that apply to all officials within government entities. Under this simplified financial framework, officials within Commonwealth entities will have the flexibility and incentives to achieve diverse policy and statutory objectives effectively and efficiently. They will be held to high standards of accountability through a more explicit framework for monitoring and evaluating performance.

The overall act reflects four very important guiding principles: (1) that government should operate as a coherent whole, (2) that a uniform set of duties should apply to all resources handled by government entities, (3) that performance of the public sector is broader than financial and (4) that engaging with risk is a necessary step in improving performance. All of this of course is an important first step down the path of genuine performance management and accountability for government departments and agencies.

I want to stop for a moment just to talk about one particular aspect of this which has come up in this House a number of times and that is the impact of this government's policies on Canberra and on the Public Service. You will hear, from time to time, Canberra based politicians arguing that we are seeing a huge problem for the future of Canberra. In reality, when we left government in 2007, 60 per cent of Canberra's economic activity was in the private sector. Under the previous government, that dropped to 50 per cent. Canberra moved in exactly the opposite direction to where it needed to go. This is important to my constituents because so many of them work here in Canberra and so many of them come to Canberra for contract work or employment, as well as for other activities. But across Australia 85 per cent of employment is in the private sector. This is what we should be aspiring to for the Canberra region. After years and years of Labor ACT governments we have seen a complete failure to activate the private sector in a city and a region that holds enormous potential. This is what we should be focusing on. It is the potential that I see for this region, which will have a huge, positive impact on my constituents. But it will require a change in mindset from the ACT government, it will require a change in mindset from Canberra politicians and it may actually require a change in who the Canberra politicians are.

Let me finish by coming back to the bill in front of the House. Now, more than ever, we need governments that can deliver on their programs. Now, more than ever, we are driving a cultural change in managing Commonwealth resources. After six years of failed programs, a
number of which I have already documented, Australians have had enough. If there is one thing I have heard on the streets of my electorate in the last two years, more than anything else, it is that they want competent governments.

The performance standards that have been adopted by the private sector must be institutionalised across the federal Public Service. It must be gradual and staged reform, sensitive to our starting point. But if we are to move our country forward, to compete effectively on the global stage, the ultimate reform must be transformative. I commend this bill to the House.

Dr SOUTHCOTT (Boothby) (09:32): In speaking on the Public Governance, Performance and Accountability Amendment Bill 2014, I just want to draw to the attention of the House that the Joint Committee of Public Accounts and Audit has recently completed an inquiry into the rules of the PGPA Act. In the previous parliament the committee held an inquiry into the draft bill.

The act will come into force on 1 July 2014. It replaces the CAC and FMA Acts. It has enormous breadth. It covers all government departments; research organisations, such as the GRDC, CSIRO, the Australian War Memorial; and all Commonwealth-corporate entities—all agencies that have previously been under the CAC or FMA regime.

I would, firstly, like to commend the Department of Finance on their initial consultation for the first set of rules. The feedback that the committee heard was that the consultation had been good and that was the conclusion the committee came to. We encourage the Department of Finance to continue in the same way for the next set of rules and I would also like to commend them for driving this significant reform.

In looking at the rules, the committee made 10 recommendations. The report was tabled in budget week. I am pleased to say that, in the interim, I have had contact with the office of the Minister for Finance. I would like to thank the Minister for Finance, Senator Mathias Cormann, his office, and particularly Daniel Clode, for the prompt way in which they have worked to address and accommodate the committee's recommendations. I would also like to thank the member for Riverina, Parliamentary Secretary to the Minister for Finance, for his assistance on the bill and the government amendments. There is a tight time frame for this new regime, which commences at the beginning of next month. However, the committee did receive evidence from the Auditor-General that there was little risk that agencies would be unable to comply with the requirements by 1 July. Most of them are already set up for this.

I would like to focus on several of the recommendations. The committee recommended that an additional guiding principle should be added to the public management reform agenda. It recommended the guiding principle be:

… the financial framework, including the rules and supporting policy and guidance, should support the legitimate requirements of the government and the parliament in discharging their respective responsibilities.

The committee also sought an amendment to the Auditor-General Act to confirm that the ANAO has the power to audit under the new act. There was a recommendation which sought to clarify that chairs, chief executives and chief financial officers of Commonwealth bodies can attend audit committees as observers.
Of the 10 recommendations, there was one very substantial recommendation on which we took extensive evidence and I want to focus on that. It is the issue of proper use. In the public hearing into the rules we took extensive evidence from both the Department of Finance and the ANAO on the draft rule regarding approving commitments of relevant money. Those eminent bodies had differing views on this. At present, under the FMA Act an official must satisfy themselves that a proposed commitment of relevant money represents 'proper use' of money. This is not in the current proposed rule.

The issues raised by the Auditor-General regarding the controls around commitments of relevant money were regarded by the committee as concerning. The Auditor-General commented that the proposed approach is a 'substantive departure from existing obligations' for non-corporate Commonwealth entities. He continued that the requirement to explicitly consider proper use is 'not an onerous requirement but it is a requirement that has protected the interests of government and the parliament for a long period of time'.

In the committee's report they said:

On balance, and due to the significance of this issue, the committee is therefore of the opinion that the draft rule should be amended to explicitly place an obligation on all individual officials to consider proper use before approving a commitment of relevant money while allowing an accountable authority the freedom to establish internal controls appropriate to its operating environment.

Of the 10 recommendations that is one that we gave a lot of consideration to and the committee in a unanimous report did feel that 'proper use' did need to be in the draft rule.

They are my comments. The committee will have an ongoing interest in this act. There is more to come on key performance indicators and a performance framework for the Public Service and there will also be reviews that will be initiated under this legislation, and so the committee will have an ongoing interest in this. I commend the bill. The committee was very supportive of the bill and the principles of reform. I commend the consultation from the Department of Finance and also commend the minister, his office and the Parliamentary Secretary for Finance for their very prompt attention to the committee's recommendations.

Mr McCORMACK (Riverina—Parliamentary Secretary to the Minister for Finance) (09:38): I thank all members who have contributed to the debate on these amendments to the Public Governance, Performance and Accountability Amendment Bill 2014. In particular I thank the member for Boothby as well as the member for Hume for their contributions this morning. The member for Hume represents a number of public servants and he brings to this parliament a great interest in private industry and what it can do to help the public service and what it can do to help our deliberations in this place.

The bill before us if enacted would make a number of technical changes to clarify, simplify, enhance and improve the understanding and operation of the Public Governance, Performance and Accountability Act 2013, the PGPA Act, and ensure the effective implementation of the supporting PGPA rules. This bill, the PGPA Act and the broader public management reform agenda of which they are a part are based on four guiding principles. These are: government should operate as a coherent whole; a uniform set of duties should apply to all resources handled by Commonwealth entities; performance of the public sector is more than financial; and engaging with risk is a necessary step in improving performance.

The Joint Committee of Public Accounts and Audit, headed by the member for Boothby, has requested that a fifth guiding principle be added to these four, specifically that the
financial framework should support the legitimate requirements of the government and parliament in discharging their respective responsibilities. We heard the member for Boothby talking about cooperation we have received from the Minister for Finance, Senator Mathias Cormann. This will be adopted by the government and will inform the implementation of the agenda going forward.

The provisions contained in the PGPA Act, and bolstered by this amending bill, seek to modernise the Commonwealth's current financial accountability, performance and reporting framework by shifting from a prescriptive compliance-based approach to a broad principles-based approach. These reforms give all Commonwealth entities an appropriate level of operational independence within a broad control framework and the tolerances set by specific enabling or general purpose legislation enacted by the parliament. These reforms encourage all Commonwealth entities to engage appropriately with risk.

The amendments contained in this bill make it clear that the accountable authority of a Commonwealth entity has the formal power to issue instructions about the operation of the PGPA Act in the context of the system of risk management and oversight that relates to the entity. This supports the considered management of risks which relate to each entity by those responsible for running the entity. It also supports effective, efficient and economical public administration and the delivery of innovative public programs and services. Traditionally, the high level of scrutiny placed on the work of the Commonwealth public sector and a low level of tolerance for failure have created a culture that limits the ability to engage positively with risk. This issue has been a frequent point of criticism from the commercial and other sectors of the economy when they find themselves joined up in some way with Commonwealth entities. These reforms acknowledge that acceptance of some risk is necessary to improve performance, allow for more effective joining-up with others beyond the Commonwealth and reduce unnecessary administrative burden. An increased focus on risk management, and better dialogue about risk within government and with the parliament, will lead to more informed strategic and operational decision-making in the public sector. In this context, the public management reform agenda should support the government's deregulation agenda. Officials who are better able to engage with risk are less likely to develop regulatory frameworks which are unnecessarily prescriptive and out of step with commercial practice. The amendments contained within this bill go to supporting a better way for the Commonwealth to do its business. I commend the bill to the House.
These amendments amend the Public Governance, Performance and Accountability Act 2013, the PGPA Act, to better align the duties of officials under the PGPA Act with the corresponding duties contained in the Public Service Act 1999. The Joint Committee of Public Accounts and Audit in its report No. 441 issued last month recommended that the Department of Finance and the Australian Public Service Commission should work together to better align the duties of officials contained in sections 25 to 29 of the PGPA Act and the APS Code of Conduct contained in section 13 of the Public Service Act. The JCPAA, headed by the member for Boothby, identified that the duties of officials described in these respective acts are not sufficiently aligned although they cover some very similar ground. The JCPAA was concerned that the use of slightly different wording is not only confusing but may potentially give rise to material differences that complicate matters for officials who are subject to both acts.

Finance and the Public Service Commissioner have developed amendments to the corresponding duties' frameworks that go a considerable way to addressing the Joint Committee of Public Accounts and Audit's recommendation. These amendments reduce the potential for confusion for APS employees who are subject to both frameworks.

Because these amendments relating to the duties of officials required consultation with the Australian Public Service Commission and that consultation has only recently concluded, they were not ready in time for incorporation in the bill when it was drafted. For that reason, we have had to move these from the floor during this debate. The amendments the government is proposing today make the necessary changes to the PGPA Act, while changes to the Public Service Act will be introduced later.
It is also proposed to move amendments at the appropriate time to make reciprocal changes to the Parliamentary Service Act 1999 to maintain the alignment between the APS Code of Conduct and the Parliamentary Service Code of Conduct. These two codes have long been aligned for very good reasons and there are insufficient reasons of principle why they should materially differ. Bringing the Parliamentary Service Code of Conduct into alignment would also be done through amendments in the consequential and transitional provisions bill. Amendments to the Parliamentary Service Code of Conduct will need the agreement of the presiding officers.

The amendments proposed today would amend the PGPA Act by including the word 'honestly' in section 26 to align with wording in section 13(1) of the Public Service Act and to clarify the duties on officials to act honestly, in good faith, and for a proper purpose; including the phrase 'or seek to gain a benefit' in subsections 27(a) and 28(a) for the duties relating to use of position and the use of information to align it with wording in subsection 13(10) of the Public Service Act, and to clarify that officials are not to gain or seek to gain a benefit or advantage for themselves or any other person; and including the phrase 'or seek to cause' in subsections 27(b) and 28(b) for the duties relating to use of position and the use of information to align it with wording in subsection 13(10) of the Public Service Act, and to clarify that officials are not to cause or seek to cause detriment to the entity, the Commonwealth or any other person.

The Department of Finance and the Australian Public Service Commission will continue to work collaboratively over the coming months to ensure that all public servants have the greatest possible clarity in relation to their duties. This will include ongoing work to educate officials and refine guidance material. Other changes have been made to address remaining JCPAA recommendations, including through refinements to draft guidance documents for Commonwealth officials; adjustments to draft regulations, known under the PGPA Act as rules, that are to be issued under the PGPA Act; and amendments to principal legislation.

The government appreciates the valuable contribution of the JCPAA in identifying areas for improvement. I commend these amendments to the House.

Question agreed to.
Bill, as amended, agreed to.

Third Reading

Mr McCormack (Riverina—Parliamentary Secretary to the Minister for Finance) (09:48): by leave—I move:
That this bill be now read a third time.

Question agreed to.
Bill read a third time.

COMMITTEES

Publications Committee

Report

Mr Watts (Gellibrand) (09:49): I present a report from the Publications Committee. Copies of the report are being placed on the table.

CHAMBER
Mr ZAPPIA (Makin) (09:49): This bill amends the Textile, Clothing and Footwear Investment and Innovation Programs Act 1999. The purpose of the bill is to close the Clothing and Household Textile (Building Innovative Capability) Scheme, otherwise known as the BIC scheme, and the Textile, Clothing and Footwear Small Business Program on 30 June 2014. That is one year ahead of the original time intended for closure of those two programs. The closing of the programs one year early would provide some $25 million of savings to this government but at a detrimental cost to our TCF industries—our textile, clothing and footwear industries. It is just another example of this government turning its back on the manufacturing sector in Australia. I note from the second reading speech of the parliamentary secretary that he provided no justification or explanation whatsoever as to why the two programs were being terminated a year earlier than intended.

The BIC scheme is a $22.5 million program that supports innovation and development of sustainable and internationally competitive manufacturing and design industries for clothing and household textiles in Australia. Payments for BIC grants are retrospective. They are based on investment decisions firms have already made to improve their operations. The final program eligibility year is 2014–15, with final payments to be made in 2015–16—that was the intent. Grants are available for research and development, including innovative product design activities, innovative process improvements, market research and some industrial property rights.

The TCF Small Business Program provides grants of up to $50,000 for projects to improve the business enterprise culture of TCF businesses. Funding of $2.5 million is available per year over a 10-year program period which commenced in 2006–07. In 2012–13, total funding of $2.58 million went to 74 innovative TCF businesses under the TCF Small Business Program. Grants are available to TCF small businesses that have fewer than 20 employees but with a minimum turnover of $100,000 per annum and that have not received grants or qualified for assistance from other TCF programs. TCF small businesses must provide a minimum cash contribution to the project of 25 per cent of eligible expenditure.

The most recent employment statistics on the TCF sector released by the ABS would suggest that some 44,200 people are employed in this sector. In addition there are many more who work from home as outworkers or subcontractors, with some estimates putting the figure of those who work at home or as subcontractors at up to several hundred thousand across Australia.

The programs enshrined in this legislation were implemented to foster the development of sustainable and internationally competitive manufacturing and design industries for clothing and household textiles in Australia. While the savings in this bill would provide some $25
million, the cuts will have a significant detrimental effect on the TCF industry and on the manufacturing sector more broadly, much of which supports the industry in indirect ways. This decision is hardly surprising from a government that is cutting more than $2.5 billion from industry and innovation programs, leaving industry minister Macfarlane presiding over a department with not much to do and too few resources to do it with.

The regulation impact statement for this bill states that the early closure of these programs does not have any regulatory impact. This is a deceptively benign assessment of an amendment that we know will have far-reaching and detrimental impacts on Australian industries. Firms have already written to members of the opposition, seeking our urgent assistance to reason with this government and stop these deleterious cuts. These firms have made significant investments in Australia on the basis of these programs. To cut the programs one year earlier than the commitment that was enshrined in the original legislation will have a disastrous effect on the industry. These firms have made investment decisions and invested heavily in their businesses on the basis of grant funding being available in current and future years.

BIC scheme grants are retrospective, and the costs in innovating must first be borne by the manufacturer for one to two years before any subsidy is received. Because the scheme works that way, the usual taunt by those opposed to industry assistance, that this is 'corporate welfare', could not be less true. The BIC system is a model of effective innovation—that is, it brings together industry experience, entrepreneurial flair, design talent and appropriate technology at the enterprise level. The firms that receive these grants are agents of revival not only in TCF but in the wider manufacturing industry.

Australia's future beyond the resources boom will depend on the development of advanced manufacturing—on high-tech knowledge-based industries producing goods for niche markets, not in high-volume industries producing goods for mass markets. The firms receiving these grants fit exactly that description. So the belief that TCF is 'old' manufacturing is simply ignorant.

Terminating the program one year earlier completely undermines the significant investment that firms have already undertaken and the research, development and innovation expenditures that they have planned for future years. Early termination sends yet another message that Australia is an unreliable place in which to do business. If the schemes are prematurely curtailed, as announced in the budget, these firms' investment plans—and Australian jobs in the TCF industries—will undoubtedly be in jeopardy.

We know that companies may have to wind back investment or, worse, may not be able to maintain their current operations, should these cuts get passed by this parliament. We know that these cuts could lead to yet more jobs lost in Australian manufacturing. Cuts to this program are yet another example of the Abbott government's flagrant disregard for Australia's manufacturing industries. It is another direct attack on Australian small businesses. It is an attack on Australian jobs.

The TCF industry has been under pressure from overseas competition, and globalisation generally, for some time. That comes from a combination of factors, including cheaper labour in other countries, and the reduction of tariffs, which, I understand, went from 25 per cent to 17.5 per cent in 2005, then to 10 per cent in 2010, and now to five per cent in 2015. More recently, the high Australian dollar has added to the difficulties, as have the free trade
agreements with several countries in which tariff rates were further reduced or, in some cases, totally eliminated.

As a result of all those changes, the Howard government embarked on a program of support for the TCF industries, and committed substantial funds to that support, and I commend the Howard government for doing so. That support enabled these industries to continue to operate and to develop the niche markets that I referred to earlier.

But the industry's problems continued and, in March 2008, the Rudd government announced a review of the TCF industry. The review was carried out by Professor Roy Green in consultation with an expert advisory panel. Professor Green's report, entitled *Building innovative capability*, was released in September 2008. The review found that Australia's TCF industry had remained competitive in a high-exchange-rate environment through the restructuring and innovation that had taken place over the last decade or so. The review also noted that, at the time—and I am referring to 2008-09—the industry contributed over $5 billion in industry value-added value to the Australian economy. Despite increased competition from overseas suppliers and commercial pressures from large retailers, the review considered that Australia's TCF industries have a promising future, but this can only be achieved through a concerted effort to differentiate their products

… through an emphasis on factors such as uniqueness, product quality and design, branding, quick response and new approaches to supply chain management …

It is clear from that review that there is a future for this industry in Australia, but that future depends entirely on the support provided by government.

That support was committed to again by the Rudd government in 2008 and was meant to continue. With that support, the industry would be able to compete with the overseas competitors and would be able to adjust so that it could develop the niche markets and expertise that we do have in Australia. And there is no question that we do have expertise with respect to that sector in Australia.

I note that the Council of Textile and Fashion Industries of Australia also believes that there is a future for that industry in Australia, but that there need to be some changes made. I want to refer to two matters to which they refer—areas where they would like to see the government intervene. First, is a level playing field in tariffs and other trade barriers that are imposed on Australian industry. With regard to both of those matters, I note that they are calling for a much more level playing field so that they can in turn not only be competitive here in Australia but be able to export their products overseas.

They also call for something that has been raised in recent times by several sectors in the community with regard to two matters. One is better labelling—and that is an issue that I understand has been raised across a whole range of products that we import into Australia. Right now there is an inquiry taking place in respect of food imports. The Council of Textile and Fashion Industries of Australia also wants the better labelling provisions to apply to textiles, clothing and footwear that is brought into this country.

I can well understand why. I think there is widespread sentiment in the broader community that people would like to purchase Australian-made products. They will only do so if they know that what they are buying is an Australian product, and that comes down to clear labelling. The sentiment for supporting Australian industry is sufficient in the wider
community, I think, to make a difference to the operations of many of the Australian businesses. But consumers need to know that the product they are buying is indeed an Australian product and not something that is claiming to be Australian when it is not.

There is an additional component to clear labelling that is of real concern. It relates to a matter that was raised publicly only in recent months. I understand that there have been products brought into Australia which, as a result of the chemicals used perhaps in bleaching or washing them in overseas markets, have a carcinogenic effect. Some of those products have now been withdrawn from the Australian market. Australian consumers have every right to know where products are made so that they can also make judgements about whether they have confidence that those products are made in a safe way for them to be able to wear.

Again, these are matters that I believe should be carefully assessed by the government and responded to. They have a dual effect: firstly, there is a health affect and, secondly, there is the effect of supporting Australian industries simply by having much clearer labelling systems.

The other matter that concerns me with regard to these issues is that if we put more pressure on our TCF industries then they will in turn have to put more pressure on the workforce within those industries. This is a workforce that is already one of the lowest paid in Australia and a workforce that is often made up of home-based workers who are working at very low rates. By putting more pressure on them, not only are we driving down their ability to make an income but if they refuse to work for the very low rates that in turn it leads to more of these products being made overseas in factories which are quite often using what we could describe as 'exploited' labour.

Only a year ago, in April 2013, we saw 1,129 people lose their lives at the Rana Plaza factory in Bangladesh. Factories like that would appear to operate in many other places in the world, where they not only have people working under terrible conditions but in many cases where they use child labour. We are simply pushing more of that work into those areas by not supporting the industries that are currently operating here in Australia. The current programs that are being terminated by this government—the industry assistance programs—were put in place for very good reasons and are, indeed, making a difference and enabling those industries to remain viable. By cutting those programs we are simply going to make the job of those industries to remain viable much more difficult.

This is a negative move by the Abbott government. It is another example of this government turning its back on industry. It is another example of cost-cutting for no better reason than simply to balance the budget, without considering the overall impacts. And it is another example of short-sightedness where, for what I believe is the relatively small amount of money that the government is going to save from these measures—$25 million—the loss to the economy in this year and in future years will exceed that figure many, many times over.

For those reasons the opposition will oppose this legislation.

Mr IRONS (Swan) (10:06): I rise to speak on the Textile, Clothing and Footwear Investment and Innovation Programs Amendment Bill 2014. In the context of our significant national debt and a large deficit that needs to be repaired, and with evidence that the Australian TCF industry has adjusted to Australia's low-tariff regime over recent years, this bill provides for the end of two government programs one year earlier than presently
scheduled and resulting in savings of $25 million. These two programs are the Textile, Clothing and Footwear Small Business Program and the Clothing and Household Textiles Building Innovative Capability Scheme—BIC. The programs were designed to assist the industry's transformation to an innovative sector that can compete and thrive in a low-tariff environment.

These savings were announced in the budget, and I note that when I last checked with the minister's office he had received no negative feedback or concern from any stakeholder group since the announcement, so I would have thought this would have been a fairly uncontroversial measure that would save the budget bottom line some money and contribute towards balancing the budget. In my electorate there is a lady who has created a series of textile, clothing and footwear organisations, and she has not contacted me or, it seems, the government, to express any opinion on the changes. Many of her activities now have an overseas focus so I would suggest that the businesses are becoming more adjusted to the tariff reductions and more focused on the opportunities of international trade. Current projects on her website seem to focus on Chennai, India and Hong Kong. I also note that, when I last checked, there had been no comment or public statement on the website of the Council of Textile and Fashion Industries of Australia.

There seems to be broad community acceptance of these changes. I was surprised to hear the shadow minister say that the Labor Party would be opposing the legislation, but I think if we were introducing a tariff they would oppose it. The Labor Party is about being opposition for opposition's sake at the moment. I did not hear the shadow minister name one group which supports his position. He spoke about people writing to him and contacting him but he did not mention the name of one group or company. We heard a lot of pious arguments from the shadow minister, but I do not remember hearing these arguments in 2009, when Pacific Brands cut 1,850 jobs. They were silent. Where were they then? I think the Labor Party is really out there on its own on this one, but I see that the member for Melbourne is going to be speaking on this bill, so he will oppose it. He would oppose the introduction or the deletion of a tariff; he will just be going along with the Labor Party.

The rationale behind the two programs that are being closed a year early was some encouragement for business to adapt during the long process of tariff reductions for clothing textile and footwear items. Tariffs for this sector were at one point very high. The most drastic decrease in tariffs happened between the early 1990s and 2000, when tariffs for clothing dropped from around 55 per cent to 25 per cent. Remember, the Labor Party were in government in the early 1990s when the tariffs started being reduced. Between 2000 and 2004 tariffs on textiles, clothing and footwear—or TCF—varied from five per cent for textile yarns to 25 per cent for clothing, finished textiles and household textiles. During that time footwear attracted 15 per cent whilst footwear parts attracted a 10 per cent tariff. In 2003, the Howard government initiated a Productivity Commission report into the industry and the tariffs. In response to the Productivity Commission's recommendations, provisions were made to reduce tariffs further to 17.5 per cent for clothing, 10 per cent for footwear and 7.5 per cent for footwear parts. The clothing tariff was maintained until 2010, when that tariff fell to 10 per cent. Now the clothing tariff will fall to five per cent in January 2015, to match footwear. The tariffs are expected to rest at this point, as there are no further decreases planned.
As the CEO of the Australian Chamber of Commerce and Industry said in an article in *The Age* in 2009, Australia needs access to markets and it can never win a tariff war. The reductions have opened the door to other agreements while still maintaining a small TCF industry in Australia that has found its niche. After the lowering of tariffs in 2012-13 the TCF industry accounted for 10 per cent of total manufacturing output in Australia. The industry currently employs approximately 40,000 people.

The Textile Clothing and Footwear Small Business Program is in its ninth funding round, so it has been around for a while now. This program focused on the smaller businesses and aimed to provide grants of up to $50,000 to assist in an enterprise culture. The Building Innovative Capability Scheme was aimed at larger businesses and focused on grants for research and development. As funding for this program is based on activity conducted during the prior financial year, registrants can be assumed to have already spent substantial funds in 2013-14 in the expectation that much of this will be reimbursed in 2014-15. Such reimbursements will be made in the coming financial year to fulfil these obligations. But we did hear from the shadow minister, who just left, that these obligations would not be met. I am here to tell him that these obligations will be met, so he can take that argument of his speech as well. After this the scheme would discontinue.

The early cessation of these grants is made possible in part due to changes in consumer attitudes within Australia. Increasingly Australian consumers are moving towards supporting sustainable clothing options over cheaper imported labels which are mass produced using sweatshop labour. This change suggests that the ongoing success of Australian textiles, clothing and footwear manufacturers will not be decided by grants or tariffs on imports but rather by the choices consumers make. It is an important point I am making. The government cannot and should not be relied upon to make industries, TCF or others, successful through the introduction of protectionist policies or by the continuation of expensive grants programs. A company with a high-quality product that is responsive to its customers will succeed regardless. I will provide examples of many Australian textile, clothing and footwear companies that are already proving this later in my contribution.

The Department of Industry suggests that successful Australian manufacturers have generally moved from producing commodity goods to manufacturing specialised, value-added goods that are differentiated by design or innovation. This sentiment was echoed by the former CEO of the Council of Textile and Fashion Industries in Australia, TFIA, Jo Kellock, in an interview in 2011. She noted that the survival of Australian manufacturers was dependent upon their ability to present consumers with higher-quality and longer-lasting products than those sourced cheaply overseas. A fantastic example of this is Cue, the family-owned fashion label that manufactures 75 per cent of its products in Australia. I must admit that I have seen some of those items hanging in my house; my wife is a big fan of the Cue product. Undoubtedly a factor in Cue's success has been its ability to provide consumers with an Australian made, ethical option that is of higher quality and is longer lasting than the products offered by its competition.

There are a number of other fashion brands and manufacturers who have capitalised on the shift in consumer attitudes and are successfully producing Australian-made products that consumers want—from school uniform producers such as A Plus schoolwear and BuxWear to fashion stalwarts Collette Dinnigan, Carla Zampatti and Manning Cartell to iconic Australian
brands such as Akubra and RM Williams. These successful Australian manufacturers and labels are working to provide consumers with a range of high-quality, Australian-produced goods. It is promising to that see the TCF industry body and so many Australian companies are successfully adjusting their business models to remain profitable without government intervention.

As I mentioned earlier, there has been no objection from the TFIA regarding the cessation of these grants. I suspect this is because the council continues to accept the need for the industry to evolve rather than be reliant on government handouts. In a press release on 25 September 2013, the TFIA outlined that the policy priority for the textile and fashion industry should include saying no to government welfare and yes to education and an end to 'over-regulation in the textile and fashion industry'. That might be news to the Labor Party, the Greens and their speakers, but that is what the industry policy requirements are aimed at.

If the peak industry body is focusing on innovation and adjusting to global trade, why is the Labor Party supporting archaic policy options and opposing this bill? Once again it appears to be opposition for the sake of opposition. In fact, if the Labor Party really wanted to support the TCF industry, they would consider the words of then CEO Richard Evans from 2013 when he called for an 'abolition of taxes that increase the cost of doing business, reducing global competitiveness'. The abolition of the carbon tax would do that, granting relief to the entire industry, but those on the other side of the chamber refuse to budge on that.

Earlier this year the Abbott government, through its free trade agreement with Japan, attempted to curtail one of the biggest problems encountered by the Australian TCF industry when attempting to export products overseas—high tariffs. In addition to the phased elimination of tariffs of up to 10.9 per cent on 20 of Australia's priority textile exports, Japan has agreed to a single transformation origin rule. This is the first time Japan has agreed to such a liberal approach on textiles in an FTA. Australia exported around $1.1 million worth of these products to Japan in 2013.

In some respects the initiative shown by past governments, both Liberal and Labor, to implement policies of tariff reduction has paved the way for the two free trade agreements achieved this year. A high-tariff nation could never have signed these deals, which will benefit the whole Australian economy. The Korea-Australia Free Trade Agreement will create at least 15,000 jobs between 2015 and 2030 and add $650 million annually to the Australian economy once in force. On entry into force, 84 per cent of Australia's exports by value to Korea will enter duty free, rising to 99.8 per cent on full implementation of the agreement.

One in five jobs in Australia are linked to trade. To complete two agreements with major trading partners in Asia is only going to provide more opportunity for our local exporters and service providers and create more local jobs. The Japanese agreement was a world first. It is the first time Japan has signed any trade agreement with a major agricultural country; Australia is the first agricultural country to sign an agreement of this kind with Japan. That has never been done before and it puts our beef, dairy, wine, fruit and horticulture producers at a major competitive advantage.

There are also benefits for the car trade. This is great news for my electorate of Swan, which is a motor vehicle trading centre in Western Australia with many Japanese cars. Together, these two agreements will also mean that business services firms across Australia and in my electorate will be able to have access to Korea and Japan that they have not had
before. Accountants, architects, lawyers, engineers, financial planners and environmental planning professionals, as well as international education providers and telecommunications professions, will all be able to undertake work in Korea and Japan.

Services are 70 per cent of our Australian economy and our services industry developing further working relationships with these two huge Asian economic leaders will create further jobs. Building stronger trading relationships in Asia is critical to Australia's economic future and the Abbott government is committed to further developing our trading relationships around the region and globally. The coalition promised the Australian people at last year's federal election that we would get the budget back under control and put a stop to Labor's growing debt and deficit disaster. The disaster they left the Australian economy and the Australian people with.

**Mr Bowen:** What about cuts to the family tax benefit? Where was that?

**The DEPUTY SPEAKER (Mr Vasta):** Order! The member for Swan has the call.

**Mr IRONS:** The cessation of these grants, no longer necessary due to the gradual phase down of tariffs and changes in consumer and company behaviour, is one small part in the coalition's program that aims to bring under control the debt and deficit left to us by a disastrous, shambolic Labor government.

**Ms McGOWAN** (Indi) (10:19): I thank the member for Swan for his comments. The Textile, Clothing and Footwear Investment and Innovation Programs Amendment Bill 2014 will amend the Textile, Clothing and Footwear Investment and Innovation Programs Act 1999 to provide for the closure of the Clothing and Household Textiles Building Innovation Capability Scheme, the BIC scheme, and the Textile, Clothing and Footwear Small Business Program, which is known as the TCF Small Business Program, on 30 June 2014. I will not be supporting this bill. Let me explain why.

By proceeding with early termination the government has identified savings of $25 million from the 2015-16 funding allocation of the BIC scheme and the TCF Small Business Program, but at what cost? Government support has been provided to the textile, clothing and footwear manufacturing industry for many years. The TCF Small Business Program, which is aimed at small business, and the BIC scheme, which is aimed at medium to large businesses, were created to help the TCF manufacturing industry transition to a lower input tariff regime.

Today I want to specifically speak about the impact of the early closure of the BIC scheme on Wangaratta and the electorate of Indi and in particular about the business's loss of trust in government.

As members of this House would know, TCF tariffs have been lowered in stages over many years. The tariff on clothing is now at 10 per cent and will fall to five per cent from 1 January 2015. The tariff on textiles and footwear is already five per cent and there are no plans for further reduction. Changes to tariffs have had a major impact on the TCF industry in Australia, much of which takes place in rural and regional communities. I would like to take this opportunity to congratulate the industry on the tremendous job it has done in managing this change. I know it has not been without pain. Staff, owners and communities have all put their shoulders to the wheel.

The BIC scheme is aimed at fostering the development of a sustainable and internationally competitive clothing and household textile manufacturing and design industry in Australia. It
does this by providing grants available on an entitlement basis for research and development, including innovative product design activities, innovative process improvements, market research and some industrial property rights expenditure. Grant payments are made in arrears for eligible activities conducted in the previous financial year. This is a significant point: grants are made in arrears. So businesses have already spent the money they claim for.

This proposal before the House today would close the TCF small business program and BIC scheme on 30 June 2014. The BIC scheme provides grant payment in arrears for eligible activities conducted in the previous financial year. Registrants can be assumed to have already spent substantial funds in 2013-14 in the expectation that much of this will be reimbursed in 2014 and 2015. It is very concerning that this will not be the case. Early termination is poor policy. It is retrospective. It sets a very bad precedent. Business acted in good faith. It sets a precedent that government policy cannot be relied on.

In Wangaratta, Bruck Textiles Technology, BTT, is a major employer and currently employs 200-plus employees. The R&D BIC scheme grant of an expected $500,000 to $700,000 supports between 15 and 17 jobs in the research and development program. I am told that this program underpins the core business of Australian Weaving Mills and its relocation to Wangaratta. The CEO of Bruck said to me:

We have already expended several millions of dollars in consolidating three businesses and co-locating all manufacturing activities in one plant in Wangaratta to take advantage of the scale economies and overhead recovery that this allowed. Obviously this makes good business sense, but it is a costly exercise and the only reason we went ahead was because the payback period became achievable by factoring in our expected returns from the BIC scheme. Of course, we have to undertake the necessary investment in innovative product development and process refinement to benefit from the scheme. But we were fully committed to doing so, confident in the knowledge that the BIC scheme would help us to position our overall business to be economically sustainable beyond the originally scheduled termination date for the scheme. But without its support it completely undermines the significant investment expenditure we had planned for our company.

He continued:

As it is, we have not received the full expected benefits from the scheme. In earlier years grant entitlements were modulated. Given that there was no modulation this year, which would suggest that the government did not pay out as much in grants as had been allocated for that year, on one hand it could be argued that companies have been short changed in earlier years and, on the other, that government has already made savings. Either way, the proposed early termination undermines the original intention even further.

Early closure will have an extremely deleterious impact on the industry overall and certainly in the case of Wangaratta it puts into serious doubt the ability of Bruck to maintain their intended level of manufacturing activity in Wangaratta. This is because, firstly it extends the payback period on the investment Bruck have already incurred—and this is something they can ill afford. Secondly, it will make future investment in innovation a more risky proposition for them. The CEO of Bruck went on to say:

This one year window of support, which factors heavily in the business plan we are implementing, will make all the difference in our ability to maintain a sound manufacturing base in Australia!

The proposal before the House would close the TCF small business program and BIC scheme on 30 June 2014. It seems to me that the amendment before the House goes against everything that the coalition stands for, which is a serious claim to make.
Where is the support that we have been told the coalition offers for successful and innovative business? Bruck textiles is a world leader in textile and fabric research and innovation. Bruck produces quality product for some of Australia's best known brands and, importantly, the defence forces. Where are the moves from the coalition to improve business confidence? Bruck textiles reformed their business in response to this program, and they tell me that it will make a significant difference to their confidence levels in the future. Where is the coalition commitment to remove red tape? This policy will increase the compliance and administrative burden for Bruck and other textile businesses. Where is the support for sustainable regional communities? Bruck employs 200 people in Wangaratta, a community of 17,300 people. It will have a significant impact.

Cutting this program saves $25 million. I understand the issue of the budget debt and deficit, but in the scheme of a multibillion dollar budget, which is before the House currently, $25 million is chicken feed or, should I say, just an off-cut. However, it is not an off-cut for Bruck Textiles. It is at least $500,000 and 15 jobs. On the issue of cost, the government talks about savings and that every dollar counts in these difficult financial times. How much has it cost the taxpayer to put forward this amendment bill? How much has it cost the taxpayer to hold this debate in parliament today? How much will it cost the taxpayer when this bill is fought out in the Senate? How much will it cost in loss of businesses confidence in the textiles manufacturing industry? How much will it cost the government to provide welfare payments for the people who lose their jobs as a result of the abolition of this funding? How much will it cost the government changes programs on a whim? And who can calculate the cost of the loss of trust in government by a community?

To me, the cost of this amendment is high, too high.

The Australian economy is changing. Manufacturing is no longer the strong industry that it once was. Brucks is not an old, struggling manufacturing business; it is a viable business. It now relies on this small amount of funding because it made the decision to restructure in the knowledge that it would be eligible for it. It is one year away from completing this process.

I call on the government to reconsider this amendment bill. I call on the government to provide clear signals to the textiles manufacturing industry: do not change your mind mid-sentence. Tell the textile industry, 'We will honour our commitments under this policy. We will see it through to the end and there will be no more funding cuts.' I understand why the government no longer wants to provide funding to manufacturing industry, but I urge the government to work closely with manufacturing industries right across Australia and transition them out with trust, with confidence and with the best will of the country in mind. I call on the coalition: do not pull the rug out from under this scheme, as this bill will do. I believe this legislation is flawed and I will not be supporting it.

Mr CRAIG KELLY (Hughes) (10:30): I rise to speak on the Textile, Clothing and Footwear Investment and Innovation Programs Amendment Bill 2014. This bill amends the Textile, Clothing and Footwear Investment and Innovation Programs Act 1999 and closes the Clothing and Household Textile Building Innovation Capability Scheme and the Textile, Clothing and Footwear Business Program on 30 June 2014. I am sure many businesses will be disappointed that the government is making this cut. We must always remember that a subsidy for one industry is a tax on another industry. We need to look at the budgetary
situation. The interest repayments on the debt now cost this nation $1 billion every single month. So every single month this government has to raise taxes or borrow money and send it overseas to pay the interest on the debt. This is the difficult budgetary situation that this government finds itself in. Sometimes we must make hard decisions, even if they are unpopular, when we know they are right for this country.

Before I came to this place I was involved in the Australian textile industry and I have seen how that industry has shrunk over the years. When I started work in the 1980s, the import duty on fabrics at that time was around 35 per cent. I have seen that come down over the years. I have seen businesses close down and people who had to relocate to other jobs. That has caused some harm but overall I understand that that has been in the best interests of our country. Yes, there has been some harm but the government is here to make tough decisions in the best long-term interests of our country.

The good news for consumers is that the tariff on clothing is now down to 10 per cent and on 1 January 2015, a little over six months away, that tariff will fall down to five per cent. Over the past 20 years we have seen the price of clothing come down and that has benefitted the least well off in our society. To make clothing less expensive gives consumers more dollars in their pockets to spend on other things.

Our footwear and clothing industry will face some difficulties in future. Much of this industry has moved away from production and into design and management. There are a couple of risks: firstly, the GST threshold we put on imports. A consumer is able to buy online a product from an overseas retailer, import that into Australia and avoid the GST, but if they bought the same product from an Australian retailer on line they would pay the GST. So this becomes a negative tariff against a local Australian company. This is something we cannot allow to continue as online sales continue to increase. We cannot give overseas companies a tariff advantage by placing virtually a negative tariff on Australian companies. Australian companies are forced to pay the GST but overseas companies are able to avoid it.

The second issue facing our fashion industry is the very high retail rents in this country. I am very pleased to know that the Productivity Commission is having an inquiry into this matter right at this very stage. If we are saying that it is bad to protect industries, that we are not going to protect our fashion industry, that they need to stand on their own two feet, by the same token we cannot protect our retail shopping centres from competition through zoning laws. That is what we have been doing and that is why retail rents in this country are substantially higher than anywhere else in the world. That cost simply flows on to the price of goods and makes consumers pay more. I have seen a few examples of this in my electorate of Hughes. I have seen the Orange Grove shopping centre, a shopping centre mainly of clothing retailers, actually closed down by the previous Labor state government because they were in competition with other retailers in Liverpool—closed down and driven out of business while prices stayed high for consumers and retail rents stayed up. It is great for the retail property owners but a bad deal for small business and a bad deal for consumers.

I have also seen this happen in my electorate in what is known as the Warwick Farm Homemakers Centre. This is where Woolworths took one of their smaller competitors to court, and we had in the courtrooms of this country a platoon of barristers and QCs and legal beagles arguing about whether a retail shop was allowed to sell baby clothes. It is this kind of protectionism that is driving prices up and stifling innovation and investment in this country.
The third issue that we need to look at to make sure that we have a very viable fashion industry going forward is our competition law. I am very glad to see the Minister for Small Business at the table. We have our inquiry into competition laws in this country underway and I am sure that many of us are looking forward to the outcome of that inquiry and how we can update our competition laws to make sure they provide competition in the best interests of consumers in the decades going forward.

But there are issues for our fashion retailers. One of the real concerns I have for our fashion industry and fashion retailers is the overconcentration in our retail sector. There have been rumours and talk about a merger between our last two major department stores, David Jones and Myer. I hope that the ACCC will send a very strong message to both of those companies that they would consider that merger anticompetitive. If I am a young fashion designer, I need as many retail outlets as possible to take my product to in order to get them to stock my product on their floors so that I get a foothold in the market. But if we only have one major department store, that opportunity will simply close down for many of those young fashion designers. If they have only one company to deal with, one major department store, they will be at the mercy of an anticompetitive system—as we see today with many food manufacturers supplying our two major grocery chains. I hope that the ACCC will send a very, very strong message that they would consider any such merger between our two remaining department stores as anticompetitive.

Also with our fashion industry, we are not going to help them in the long term through tariff protections and government handouts. It would not matter what rates the tariffs were. Since we have started to reduce our tariffs, it has coincided with a period unique in world history, where China has become the workshop of the world. For many designers and footwear, even if the tariff rates were 100 per cent here in this country, we would still not be able to compete against the low wages and the economies of scale of some of the clothing manufacturers in China and other places throughout South-East Asia.

Therefore our fashion industry needs to look at developing niche markets. Rather than trying to have tariff barriers to protect us from overseas competition, companies here in Australia need to look into what niche markets they can get. With a growing Asian middle class, what products can we actually make in Australia, products of very, very high quality, and sell at the upper end of the market into Asia and to Europe and to North America? That is where the future must be for our footwear and clothing industries.

We must remember that 98 per cent of the world's economy lies beyond our shores. Rather than looking at supplying Australia, we want to encourage them to look beyond our shores. That is why, although this program is being cut, the coalition has extended the Export Development Grants Program for companies—to the clothing and footwear industries, for example—to take advantage of that grants program and look to expand their products and to go offshore and market their products to the world.

There will be some companies disappointed in the termination of this program, but this is one of the things we need to do because of the unfortunate budget situation this government finds itself in. Our fashion designers and our fashion industry have a strong future. The coalition is looking at the issues that they have to address in the years to come and taking action on areas of competition and retail rentals with the Productivity Commission inquiry. I commend this bill to the House.
Mr BANDT (Melbourne) (10:42): The people who run businesses and who work in the textile, clothing and footwear sectors of Australia are already under significant pressure. There is the most obvious source of pressure that comes from countries in our region, from China and Vietnam, for instance, where people will work on incredibly low wages without the kinds of protections that people here in Australia would take for granted, without the kinds of supports for them in their retirement, and without the kinds of health and safety laws that ensure they can go home safe at the end of the day. People in Australia are competing with those who will work without those protections and who are getting paid a lot less, and then having those clothes or footwear shipped into Australia. That is one set of pressures.

Secondly, tariffs in these sectors have been coming down for some time and are scheduled to fall further. Thirdly, you have the workforce in Australia who work in these sectors. They are predominantly women, many of whom do not have English as a first language, and they work making the clothes that sell on Bourke Street in Melbourne for $200 or $300 in backyards in Richmond or Springvale for $3 or $4 an hour. These people may find it very, very difficult to go and find work elsewhere if not supported in times of need by the government. So all of these are pressures on the textile, clothing and footwear industries in this country.

There is nonetheless a market in Australia for domestically made textiles, clothing and footwear. Many people who make patterns or designs for particular kinds of clothes that sell in shops that you see in our capital cities and shopping centres have those patterns or designs made here. Sometimes even the clothes are made here, because a lot of especially the higher end makers know that they can exercise greater quality control and can have, perhaps, a much shorter turnaround time when they get those clothes made here in Australia.

There is also a growing market for clothes that are ethically produced. People want to know that the reason they are buying cheap clothes is not that someone working in a factory in Bangladesh where the roof may fall in at any moment is making them at near poverty level wages. There are people who increasingly will say, 'Provided that I can be assured that the clothes that I am buying are being made by people who are being properly looked after, who will end their working lives with superannuation and who will be looked after if they have an accident at work—provided all of that—I am happy to pay a premium for that, if I can be assured that they are being ethically made.'

Of course, there is also a strong market—especially if government gets behind it—for specialist clothes made here in Australia, like some uniforms or some equipment that people in some of our essential services might use. Governments around the country have enormous capacity to support those industries and those jobs here through their procurement policies.

So, yes, there are the global pressures that many have spoken about, but, yes, there is hope. But this government seems to be determined to do everything it possibly can to snuff out that hope and not to ensure that what could be a good, albeit small, important section of manufacturing in Australia survives. This government seems to be determined, in this instance for the sake of $25 million, to send a number of small businesses to the wall and to say to the people who work for them: 'We don't mind if you're someone in your 50s who has English as a second language; you're now on your own. Good luck going and finding a job.'

When one looks at this bill in the context of the other things the government is doing, one can see that this is a government that is actually out to attack small businesses in this sector.
and to attack the prospect of high-end advanced manufacturing in the textile, clothing and footwear areas in Australia. We have seen, first of all, the abolition of the Fair Work Principles that required the businesses tendering for government contracts to comply with the Fair Work Act. So, whereas previously the government in Australia said, 'When we're spending taxpayers' money, we'll make sure that we're spending it ethically,' now that does not have to happen. That does not have to happen anymore at all. So the government itself has delivered a body blow to ethical manufacturing in Australia.

It has compounded that by removing all the funding to Ethical Clothing Australia. Ethical Clothing Australia was a body that allowed consumers to make an informed choice. Otherwise, you turn up and you buy your clothes off the rack in a shopping centre or in a small designer store, and you do not know the process by which they have been made before they come to you. Ethical Clothing Australia was a way of saying, 'We'll put some integrity into the supply chain so that you can be assured that your clothes are being made ethically, and then it's up to you.' But even that step of allowing consumers to be informed was far too much for this Liberal government. It would much rather that we pull a veil over the conditions under which clothes are made or purchased in this country so that you just do not know whether it has been done by someone who will now get workers compensation or done by someone in a factory in Vietnam, China or Bangladesh.

We have seen the review of the Fair Work Amendment (Textile, Clothing and Footwear Industry) Act. These protections have been built up for many years to protect these people, predominantly women, who are working—often because they cannot find work elsewhere—as so-called independent contractors, getting a few dollars an hour without workers compensation, superannuation, holiday pay or sick pay. All of these protections that are there to ensure that we do not have Third World working conditions here in Australia are also on the chopping block from this government. Then we have seen the early termination of the Textile, Clothing and Footwear Structural Adjustment Program and the access and advocacy project in 2013 to 2015.

As I have alluded to before, we are dealing here with a workforce of people who are skilled but who may find it incredibly difficult to move into other jobs. When you have an industry in transition, there are two things that are important to do. One is to help businesses continue, perhaps by reorienting or perhaps by innovating better, so that they can be an ongoing source of employment—and the government is attacking that. The second thing that you can do is say to the workers in those industries, 'You will have a much better chance of finding another job if you're retrained while you're in an existing job.' But this government is much more interested in throwing these people onto the scrap heap, onto Newstart, below the poverty level, rather than helping them to find, from their existing job, a new job to transition into.

This is going to be incredibly difficult for the women who are over 50 from Vietnamese or Chinese backgrounds, who may struggle with English, who have been potentially doing this all their lives and who are now going to be forced to go and find work elsewhere. I tell you what, Deputy Speaker: these are people who are not going to have massive superannuation payments. They probably have none at all because they have been forced to work as independent contractors for most of their lives. These are people who now this government is turning a blind eye to.
And then on top of that we have this bill, which, for the sake of a paltry $25 million, brings a program to an end a year early—a massive saving of $25 million to bring a program to an end a year early!—which is going to have a huge impact on businesses because the businesses who were on the receiving end of this money are businesses for whom this actually counts as quite a lot. We are not talking here about huge multinationals getting big grants. We are talking about small businesses trying to find a new niche for themselves in a sector that is under incredible pressure, now, for the sake of $25 million, being forced to reconsider whether they can continue at all.

It is a crime, because in large part the way that these payments were paid under this program required these businesses to invest up-front. So you have got a lot of businesses who said: 'We can see the writing on the wall. We can see we need to innovate. We can see we need to find niche markets. We will now invest in that innovation. We will invest in that research. We will think of ways of doing business doing differently so that we can stand on our own two feet when tariffs are removed and there are no more subsidies.' They are in the process of doing that, they have spent the money for it and this government comes along and says: 'Bad luck. We know that you thought you might get some return from the government and a bit of help to continue in a difficult environment, but we're going to take it away from you, all for the sake of $25 million and all so that we can end this program a year early.'

This government is quite happy to help out industries in other sectors. When it comes to mining, it is quite happy to say, 'We'll continue to give you $13 billion of subsidies.' It is quite happy to say, 'We'll take away a mining tax that's actually starting to raise some revenue.' It is quite happy to do that. When it comes to the banks, although the IMF has said that the big banks get somewhere between $2 billion and $3 billion worth of subsidies every year, the government is quite happy to say, 'We'll keep giving you those.' If you happen to be running a chocolate-manufacturing plant in Tasmania, the government is quite happy to give you a bit of money there as well. But it is not happy to do so if you are a small business that is trying to do the right thing and innovate and ensure that you have a future when there are no more tariffs, or if you are a worker in that sector who is thinking, 'How am I going to find a job, given that this is something I have done all my life and I can see the industry dwindling in front of me? I would much rather my employer was able to have a future.' For the sake of $25 million—not much more than it gave to Cadburys—this government is quite prepared to turn its back on those small businesses in textile, clothing and footwear in this country.

The government has made a mistake on this one. The Greens will not be supporting this bill. This will be one of the budget measures that is blocked in the Senate. I hope that the government takes that as a sign that perhaps there are better ways to look for budget savings than hitting small businesses who have done the right thing and who are potentially going to be out of pocket because they have already invested in innovation, in the hope of being able to continue in the future. This bill will be blocked in the Senate. The government has then got two choices. It can say: 'We'll admit that we did the wrong thing on that front. Actually we will support small businesses who are trying to do the right thing in the textile, clothing and footwear sector, and we will support workers. We'll just let this one go through to the keeper and chalk it up as experience.' This is what happens when ideological zealotry oversteps the mark and turns into an attack on small business, because that is what this bill is. Alternatively,
the government can try and do deals after 1 July with whoever else might be there in the Senate, in an attempt to get this through.

You start to wonder what is going to happen after 1 July. What deals is the government going to do? Are we going to see four-wheel drives in national parks in return for cutting funding to small business? What other far-right so-called freedoms are the government going to give in return for cutting funding to some of the most poorly paid workers in this country, who need support? My fervent hope is that the government cops it on the chin when this bill is blocked in the Senate and just says: 'It's $25 million. In the context of the budget, that is not a lot of money and it is far better spent by those small businesses who are trying to do the right thing by their workers and by the country by carving out a niche in a very competitive industry, in a very competitive global environment.'

**Dr JENSEN (Tangney) (10:57):** I rise to speak on the Textile, Clothing and Footwear Investment and Innovation Programs Amendment Bill 2014, as it is emblematic of what this government is all about and emblematic of what Liberals are all about. It is about an end to corporate welfare. Corporate welfare has to end today. The age of entitlement is over. There is no going back. No matter how the whingers-chief opposite would like to fantasise, there is no other road, no other option. This bill is indicative of the only game in town.

I would like to take this opportunity to educate members opposite, or anyone with the malady of a Labor mindset: free trade is the only game in town. The history of the world has given us one very clear lesson. That lesson is that the best way to help our fellow Australians is to grow the pie, not fret over who gets the biggest slice. We want to guarantee that everyone gets a slice and that the slices get bigger every single year. Like the old adage goes: a rising tide lifts all boats.

On the specifics of the bill—before I move into a broader, more discursive schooling of Labor Luddites—the Textile, Clothing and Footwear Investment and Innovation Programs Amendment Bill 2014 will amend the Textile, Clothing, and Footwear Investment and Innovation Programs Act 1999 to provide for the closure of the Clothing and Household Textile Building Innovative Capability Scheme, or BIC scheme, and the Textiles, Clothing and Footwear Small Business Program, TCF SBP, on 30 June 2014.

The industry and innovation creativity of this government has identified page after page of savings—millions and millions of dollars of savings. By trusting people, by trusting the magic of the market, this Liberal government will save $25 million, as a start from 2015-2016, by moving to greater free trade in the textile area.

Government funding support has been provided to the textile, clothing, and footwear manufacturing industry for many years. Well, that game is over. There is a new team in charge. It is time for the ending of corporate welfaris, just as effectively and brilliantly as we are ending welfare careerism in the social sphere. The social welfare system should never be a career choice for anyone, be they in business or in the social community. There is a contract, a social contract. Our government will restore integrity and trust in the contract between government and business.

Textile, Clothing and Footwear—herein TCF, TCFS—tariffs have been lowered, in stages, over many years. The tariff on clothing is now 10 per cent and this will fall to five per cent on 1 January 2015. The tariff on textiles and footwear is already five per cent. In many cases
these tariffs are already effectively further reduced by the range of trade agreements Australia is party to and by concessions provided to some trading partners which qualify under developing country status.

Let me be clear: I welcome and congratulate the government, and especially the Minister for Trade, for his industry, perseverance and vision. For the minister knows that rear-view-mirror investing and rear-view-mirror policymaking, much like the whole Labor movement, should be put on the scrap heap of history.

One cannot plan the next 50 years on what happened in the last 50 years. Liberals know this and have a plan. How ironic, then, is it that the only plan that is sustainable, given how much Labor and their masters the Greens crow about sustainability, is the Liberal plan? Sustainable economic policy means becoming economic in the sphere in which you operate, gaining comparative advantage and exploiting that advantage through trade. That is the only way. It should not come as a revelation to Labor members. This basic common sense was put into that wonderful book by Adam Smith *The Wealth of Nations*, in 1776. 1776! The Labor Party have had 238 years to get the message. And they still do not get it. Why else are they still insisting their members swear their loyalty to enacting socialisation of industry? The only game in town is free trade. However, I am not foolhardy. I know that some countries have trade barriers and often so have many of our regional trading partners. They have conditions and tariffs on our products. But the solution this government has on the table is one that looks to the future, not to the past. We work to get all our regional partners inside the free-trade boat. Remember those rising tides! That is what is happening today with the talks in relation to Trans-Pacific Partnership. This is a sustainable and forward-looking plan. What is the alternative?

Let us examine it for the sake of fun. We continue to honour Gresham's law that you cannot throw good money after bad. Uneconomic enterprises today will only become more uneconomic tomorrow. This will hold true if there is a fundamental systemic issue and, if no restructuring has occurred, why should anything be different? That is the definition of madness: repeating the same experiment time and again, hoping for a different result.

So we could continue the Labor madness and continue to prove right a dead economist. That would prop up jobs in the union-heavy electorates in which these Labor members squat. It cannot be stated loudly or clearly enough. It is one thing to burn money when it is your own money; it is another thing to burn money when it is borrowed money. And this is the public's money.

Even if this government wanted to just give money to rickety old workshops in Victoria, because that is what governments have always done, where is that money going to come from? Thanks to the former Labor government, our nation is drowning in a sea of red, with debt and deficits as far as the eye can see—wave after wave. Each month we go cap in hand to the world, just to keep the lights on. That is the Labor legacy. Every single month Australia is borrowing $1 billion, just to pay the interest on Labor's debt—that is, a family of four paying $2,000 annually just to pay the interest on the debt that Labor foisted on the Australian people. So how does it make sense to borrow even more money to give it out in corporate welfare? It does not, it never has and it never will. I could not be happier that, in the Prime Minister and Treasurer, we have a team that have the moral courage and testicular fortitude to call time on this nonsense.
Thursday, 5 June 2014

There is no way that the Australian government, either this one or any other coalition government, could happily look any voter in the eye and say that $1 billion in interest every month is money well spent. Dreaming! Labor need to get their head out of the first-class clouds and their hands out of the unions’ pocket. They need to wake up to the economic realities of the 21st century. Socialism is dead and there is only one game in town.

Ms CHESTERS (Bendigo) (11:07): The previous speaker is a very interesting person to follow and I think he speaks to the very big difference between this side of politics and the other side. The fact is that we cannot trust the market; there is a role for government to play in the market to ensure that we have a fair market. The previous speaker said that we need to trust in the magic of the market. There is no magic of the market. There is no such thing as magic. Magic is quite often a con, an illusion, people pulling a trick or playing a game; it is entertainment. To suggest that our market should be based on this notion of magic shows that for those opposite it is not serious about the important role that government has to play to ensure we are building strong, ethical businesses and we are building strong, ethical industry, and to ensure that we have with that good jobs that underpin it.

This bill seeks to amend the Textile, Clothing and Footwear Investment and Innovation Program. If passed, it will result in the closure of the Clothing and Household Textiles Building Innovative Capacity Scheme as well as the Textile, Clothing and Footwear Small Business Program. These programs are designed to help rebuild a strong textiles industry in Australia and there is a role for government to play. I was surprised to learn that there are still 44,000 Australians employed in the textile industries, yet the common belief in the community is that our textile industries are gone. They may have been gone from sight but they are still there, though not in the big factories that we used to have. Today they are in people’s garages; today they are in people’s homes. What we have seen in the textiles industry, in this 'magic of the market' environment and this push to compete with countries that we cannot possibly compete with, is that people no longer work for a solid company and a solid employer but work on their own as a subcontractor and are paid by the piece and not by the hour. Closing these programs early means a small saving for the government of $25 million but it will have a huge impact on an industry trying to rebuild and re-create its place in Australia. I thought one of the roles of government was to help create jobs. We hear from the other side all the time, 'Don't worry, you'll get a better job. Don't worry, you'll find another job.' But what jobs? Every single program that was introduced by the former government to build jobs, to create secure jobs, is being torn apart and taken down piece by piece by this government.

The Clothing and Household Textiles Building Innovative Capacity Scheme was about innovation. It was about developing a sustainable and internationally competitive manufacturing and design industry for clothing and household textiles in Australia. In my own electorate we have had one of our manufacturers benefit from this particular scheme. ADA, which employs about 105 people in its Bendigo factory, manufactures clothing that our police wear, the clothing that our emergency services wear, protective clothing that our armed forces wear when on deployment and at home. They have also recently developed, produced and manufactured the uniforms and clothing which our Commonwealth Games team will wear this year. ADA is an example of an opportunity that we have within this industry, but it
will only happen and continue to grow if we have innovative schemes and programs like the ones this bill seeks to delete.

Payments of the grants are retrospective. They are based on investment decisions that firms have already made. So it is not about giving money and then seeing the investment, it is about saying, 'You did the good work, it has worked, and here is the grant.' The grants are available for research and development and include innovation, production and design. It is not a corporate handout and corporate welfare, as the other side suggests. It encourages funding for research, development and innovation, and that is exactly the space that our government should be in, supporting industry to innovate, supporting the research and development. It is not a corporate handout at all.

Cutting out the small business program is another whack that I just cannot understand coming from a government that claims to be the champion of small businesses. Small business grants provide grants of up to $50,000 for projects to improve business enterprise and the culture of textiles, clothing and footwear businesses. This fund in 2012–13 provided almost $3 million for 74 innovative textiles, clothing and footwear businesses. That is 74 businesses that did not receive a corporate handout but got support from the former government from this grants program to ensure that they are innovating and that they are growing. If we want small business to continue to create jobs then we have a role to play with responsible and sensible investment to support those jobs. These grants were available to small businesses with fewer than 20 employees but with a minimum turnover of $100,000, so we are not talking about our large companies like ADA; we are talking about our smaller companies. This program helped create job security, it helped create jobs that you could count on. On this side we acknowledge that we need to have strong industry if we are to have strong businesses, and if we have strong businesses then we have secure jobs that people can count on. There is a strong role for the government to play in helping to create industry and ensuring that we have good, secure jobs as part of that industry plan.

Who will be affected by these changes? I have mentioned that it will hurt small businesses. I have mentioned that it will hurt larger businesses. It will also hurt the people who work in this industry and those hidden workers who work for piece rates. These workers are quite often from non-English speaking backgrounds, have quite good skills and work from home. Because they are not paid well and do not have good working conditions, they have to make do on very, very low wages. I will give some examples about who we are talking about. The other side like to beat this up and say that this is a protection racket for unionists and that it is about big handouts to unions. It is not; it is a grants assistance program that helps businesses that see a future in ethical textiles. It is about supporting the businesses that want to directly employ people so that their workers and their supply chain are not exploited.

I will talk about Mia. Mia works as an outworker for a company accredited to Ethical Clothing Australia. She has been working in the industry over 10 years and for the first time in her life Mia has received annual leave and leave loading from her employer. This is why it is so important that we see the re-establishment of an ethically strong textiles industry to ensure that the workers in the industry get back the rights that so many of us have and that they have lost. Because Mia is now acknowledged as an employee, as well as annual leave there are a number of other entitlements that Mia has received. She has received back pay.
She is no longer underpaid. She actually gets pay slips for the first time as well as superannuation and workcover.

It seems to be a goal of this government to stop people from being employed directly by an employer and to see as many people become their own small business or enterprise and to be outsourced. It is important that workers are acknowledged as workers and that they receive proper entitlements. That is what we need an industry plan for in this area. We need to ensure that these 44,000 people are recognised as employees not as subcontractors, not as outworkers and not as people who are paid by the piece, and that they are treated as employees with the associated conditions that come with being an employee. That is why it is also important that government supports the employers that wish to rebuild the industry. That is why it is also important that government supports the industry.

Another example of the sham contracting and underpayment that occurs in the industry comes from Lyn, who is a highly skilled outworker. She has also worked in clothing manufacturing for over 10 years past. Despite her skills, she was paid significantly below the minimum award rate. She was paid as little as $10 per hour. Because of her family situation, Lyn needed to work from home. She has a son with a disability. Lyn's employer sought ethical clothing accreditation and in conjunction with the compliance audit, Lyn raised a number of issues, which were able to be resolved through Ethical Clothing Australia. Lyn is now paid properly and in accordance with the minimum conditions. These are real people in our communities, real people who will be affected by the changes that are before the House. It may sound like a small change and it may sound like it is just a fund that is being deleted, but this fund was helping to rebuild an industry in Australia. It is not a corporate handout.

At a time when we are facing the loss of our car manufacturing sector and the loss of other manufacturing sectors, we need to look for opportunities and the future of manufacturing jobs. Given that there are 44,000 people still employed in the Australian textiles industry, it is the role of government, I believe, to help that industry grow. It is the role of government to support through innovation, just like this program, not through handouts but by providing innovation grants that support the businesses that do want to do the right thing and make sure that their employees receive the wages and conditions that they are entitled to and that they are able to grow their businesses.

I will finish on ADA, a business that provides employment in my electorate. ADA employ just over 100 people. The material that they manufacture is used by other ADA businesses as well as other manufacturers around the country. It is about the supply chain. It is about ensuring that wherever possible we start to buy local. Buying local and ensuring that we have the supply chain secured not only helps create jobs but also helps to secure and create industries. Yes, we are competing in the global market but we must always put ethics and ethical trading at the top of that.

The government are delusional if they believe that we can compete with the low wages and the unorganised workplaces of Asia. What we can compete on is quality and ensuring that our supply chain is secure and ethical. ADA is one of the companies that have signed up to this program and they have gone further. Previously, they had imported their ceramic material. However, with the CSIRO they are now trying to develop that product locally. CSIRO is another organisation hit hard by this government in its budget. It is clear not just from the abolition of this grant scheme and the measures in this bill but from the government's whole
approach to industry that they do not have a plan and wish to just tear it up. They believe that
the role of government is to leave it to the magic of the market. It is wrong. It is wrong to
suggest that government does not have a role to play in ensuring that we have strong,
competitive and ethical industries.

Mr FRYDENBERG (Kooyong—Parliamentary Secretary to the Prime Minister) (11:22):
It is my pleasure to stand up on behalf of the Minister for Industry and to provide the
summing up on this bill, and to speak in favour of the Textile, Clothing and Footwear
Investment and Innovation Programs Amendment Bill 2014. The bill amends the Textile,
Clothing and Footwear Investment and Innovation Programs Act 1999, to close both the TCF
Small Business Program, known as TCFSBP, and the Clothing and Household Textile
(Building Innovative Capability) scheme, known as the BIC scheme, on 30 June 2014, which
will deliver savings to the budget of $25 million in 2015-16.

I must congratulate my colleagues, the member for Tangney, the member for Swan and the
member for Hughes, for their enlightened contributions to this debate. But I also must point
out that some of those members opposite made some mistakes in their speeches to this House
on this bill. For example, the member for Indi said that businesses that undertake activities
under the BIC scheme will not be reimbursed for their activities in 2013-14; that is not
correct. They will get some reimbursement for those activities. The member for Melbourne
said that the BIC scheme was for small business; he is wrong. The BIC scheme is for big
business, and there is the SBP scheme which is actually for small business.

But I think the point that we need to reinforce in this place is that these original programs
were put in place to ensure a transition to a lower-tariff regime, and since 2001-02 the
Commonwealth has provided, in grants, over $1.2 billion in taxpayers' money for the TCF
industry—a very considerable sum of money over an extended period of time. But now is the
time to take the hard decisions to repay Labor's debt and to bring the budget back into
balance.

Those opposite can put their heads in the sand and pretend that we do not have to take any
tough decisions. But you know what? Every independent authority is telling this government:
'You have to take tough decisions,' to repay Labor's debt and to wind back some of the
spending commitments that our political predecessors gave us. The International Monetary
Fund has told us that, of 17 advanced economies in the world, Australia has the fastest rate of
spending. The independent Parliamentary Budget Office has said that we have massive
spending commitments that also need to be pulled back. Then you had the Commission of
Audit, which said that business as usual is not an option. This is a result of the $667 billion
debt legacy that you bequeathed the Abbott coalition government.

Mr Zappia: On your imaginary figures.

Mr FRYDENBERG: That is an imaginary figure, is it—$667 billion?

Ms Bird: Mr Deputy Speaker, I rise on a point of order. I would ask that the member
speak through the chair, and not accuse you of things I am sure you have not done!

The DEPUTY SPEAKER (Mr Mitchell): I thank the member.

Mr FRYDENBERG: I notice that the Acting Deputy Speaker is a member of our political
opponents' team, and our political opponents, Mr Acting Deputy Speaker, are responsible for
leaving a massive debt legacy which we have to repay, and in the most recent budget, of
which the measures in this bill form part, we are making an effort to pay back some of that debt. Nearly $300 billion will be paid back over the next 10 years, reducing the interest bill for the Australian people by around $16 billion a year. That is an extremely significant inroad into the mountain of debt that we were left. If you want to make spending commitments around Gonski or the National Disability Insurance Scheme or to put in place new major road projects, you need to remove some of this debt burden. You need to pay back some of the interest bill on that debt which currently stands at $1 billion every month. So we have had to take tough decisions, and we are prepared to wear some criticisms for those because we know it is in the long-term interests of the Australian people.

We do want to increase the competitiveness of our manufacturing industry in this country, because it is an important sector. The member for Bendigo spoke in opposition to this bill—well, she knows about the Bushmaster vehicles which have been a great product coming out of her own electorate, and that is because they are innovative, and that is because they are seeking export markets, particularly in Asia, and that is because we, as a government, are trying to create an environment which is conducive to that form of business.

So we are going to reduce the overall tax burden by removing the carbon tax and the mining tax and by cutting company tax. We are cutting a billion dollars a year in red and green tape right across the economy, to help make our manufacturing industry more profitable and more competitive, and we are looking for opportunities to reach free trade agreements with our major trading partners so as to open new export markets for our businesses—that is how we go about creating the millions of new jobs that we want.

We have a perfect role model for our approach to improving the economy, and that was the legacy of the Howard-Costello years, which gave us more than two million new jobs, which gave our country an increase of more than 20 per cent in real wages, and which brought unemployment and inflation down to the lowest level in decades. That was the record of the last coalition government. And now the Abbott coalition government, with the hard work of our Treasurer, the member for North Sydney, will go about this job of paying back Labor's debt. So we have taken the tough decisions, and one of the tough decisions is in the bill before us, but it will give us that $25 million saving which is so important to paying back Labor's debt.

I also want to point out to the House that we are closing some of these TCF programs but we are also putting in place a $484 million new Entrepreneurs' Infrastructure Program, which will be conducted through a single business service. So we are reinvesting in entrepreneurship in this country, we are cutting red tape, we are reducing the overall tax burden and we are trying to create a more and more efficient and effective industrial relations climate. By doing that we will create hundreds of thousands and, in time, millions of new jobs.

I want to remind the House that the Australian taxpayer, since 2001-02, has provided over $1.2 billion of its precious capital in supporting the TCF industry. This bill removes some programs which were put in place to transition to a lower-tariff environment. That job has been done and now we are trying to find savings to deal with the massive debt and deficit legacy that was bequeathed to us to by our political opponents. I commend this bill to the House.

The DEPUTY SPEAKER (Mr Broadbent): The question is that the bill be read a second time.
The House divided. [11:35]

(The Deputy Speaker—Mr Broadbent)

Ayes ................. 79
Noes .................. 55
Majority ............. 24

AYES

Alexander, JG
Andrews, KL
Briggs, JE
Brough, MT
Chester, D
Ciobo, SM
Coleman, DB
Fletcher, PW
Gambaro, T
Goodenough, IR
Hartsuyker, L
Henderson, SM
Hogan, KJ
Hutchinson, ER
Jensen, DG
Joyce, BT
Kelly, C
Landry, ML
Ley, SP
Marino, NB
Matheson, RG
McNamara, KJ
Nikolic, AA
O'Dwyer, KM
Pitt, KJ
Prentice, J
Pyne, CM
Robert, SR
Ruddock, PM
Scott, FM
Smith, ADH
Stone, SN
Sukkar, MS
Tehan, DT
Tudge, AE
Van Manen, AJ
Vasta, RX
Wicks, LE
Wilson, RJ
Wyatt, KG

Andrews, KJ
Billson, BF
Broad, AJ
Buchholz, S (teller)
Christensen, GR (teller)
Cobb, JK
Dutton, PC
Frydenberg, JA
Gillespie, DA
Griggs, NL
Hawke, AG
Hendy, PW
Howarth, LR
Irons, SJ
Jones, ET
Keenan, M
Laming, A
Laundy, C
Macfarlane, IE
Markus, LE
McCormack, MF
Morrison, SJ
O'Dowd, KD
Pasin, A
Porter, CC
Price, ML
Ramsey, RE
Roy, WB
Scott, BC
Simpkins, LXL
Southcote, AJ
Sudmalis, AE
Taylor, AJ
Truss, WE
Turnbull, MB
Varvaris, N
Whiteley, BD
Williams, MP
Wood, JP

NOES

Albanese, AN
Bird, SL
Brodie, G
Burke, AS

Bandt, AP
Bowen, CE
Burke, AE
Butler, MC
Thursday, 5 June 2014  HOUSE OF REPRESENTATIVES  5725

Question agreed to.
Bill read a second time.

Third Reading

Mr FRYDENBERG (Kooyong—Parliamentary Secretary to the Prime Minister) (11:42):
I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Student Identifiers Bill 2014

Second Reading

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

Ms BIRD (Cunningham) (11:43): It is a pleasure to speak on the Student Identifiers Bill 2014 and to indicate that the Labor opposition will be supporting the bill. Indeed, it is almost identical to the bill that we introduced into the parliament in March 2013 so it is probably no surprise to the House. That bill lapsed with the dissolution of the parliament. There are some slight changes in this bill, which I will address, but it is our intention to support the bill.

The bill did stand as part of a significant body of policy and programs that had been put in place by the previous Labor government in the VET sector. I just want to set it within the context of what was going on when the proposal in the Student Identifiers Bill was developed.
Labor had made a record investment in skills and jobs because it was a critical area of priority for us. On coming to government there had been numerous reports by various agencies and peak bodies about two areas where bottlenecks were developing in the economy. One was the rollout of infrastructure and the other was the development of skills. These were two specific priorities for Labor in government. In total we invested over $19 billion in skills funding between 2008 and 2013, which was a 77 per cent increase on what was invested by the Howard government. Sadly, we have seen the Abbott government revert to under-resourcing the skills sector. It is clearly not a priority for the current government.

I have mentioned in this place before the interesting conversations I had after the election with a number of organisations and individuals with an interest in vocational education and training. They were asking, ‘So who is the minister for skills?’ because they could not quite work it out. It does not sit obviously with the Minister for Education, who has all the other variations of education. It has been left in the industry portfolio and it is not included in the minister's title so it creates quite some confusion. Indeed, in an earlier matter of public importance debate on vocational education and training and youth unemployment I challenged about 20 members of the coalition government who were sitting opposite to name the minister for skills and there was a deafening silence. I suspect it has been well hidden, and that is probably a reflection of why it has not got the priority it should have and why it has suffered significantly in the budget.

There are $2 billion of broken promises in the skills sector in the most recent budget. In this bill we are talking about providing the opportunity to record and track the participation of the Australian population in vocational education and training. I want to identify the significant cuts that have occurred to that very sector and the programs that have been abolished that provide opportunities for people to participate. The most recent budget has slashed the National Workforce Development Fund, a very well-regarded co-investment fund which organisations like the Australian Industry Group before the budget were calling for the government not to cut, and the Workplace English Language and Literacy Program, which again is a very important program that often worked in conjunction with the National Workforce Development Fund to upskill existing workers.

I had the opportunity in the previous parliament to visit a number of these programs in the manufacturing sector and in the aged-care sector. Companies were using these programs to bring together upskilling opportunities for their staff. A lot of the staff I met had done no training since they left school and most of them left school early and had not gone through to our equivalent of year 12 today. They had been very intimidated and frightened by the prospect of having to undergo training again and were absolutely thrilled to participate and graduate with certificates from these programs. But these are cut in the current budget.

In the apprenticeship sector there is the Australian Apprenticeships Access Program, a program that targets the most disadvantaged young people to get them prepared to be able to access an apprenticeship, and the Australian Apprenticeships Mentoring Program, the very program that works with young apprentices to provide them, and indeed their workplace as well, with support. Their employer is often a good person to work between the two to make sure they are able to complete their apprenticeships. Then there is the Accelerated Australian Apprenticeships program, which is a targeted program to look at ways and means by which
we can accelerate people through the apprenticeship program. They were all cut in the current budget.

The national partnership agreement on training places for single parents has been cut. Then there is the alternative pathways program. The Apprentice to Business Owner Program is a very important initiative. As many in this House would understand, when apprentices complete their apprenticeship a lot of them are not kept on by the company they did their apprenticeship with. They use the opportunity to train up a new apprentice and give them an opportunity. Many set up their own small business. The Apprentice to Business Owner Program is specifically designed to give them the skills and knowledge they need to do that. That has been cut in the budget.

The Productive Ageing through Community Education and the Step into Skills programs are very critical and important programs. When Labor were in government they recognised that not only do we need to invest in the training opportunities to get into jobs but we also need to work with workplaces and employers to train and upskill existing workers and to provide opportunities for those who are most disadvantaged to get into training. So this is, I would argue, a very short-sighted decision in the budget. It is great to have the bill before us but, sadly, I think as a result of the budget there will be less work for this bill to do as fewer people will have opportunities to gain qualifications.

The bill, as I have generally indicated, will establish a unique student identifier for VET students and will make rules about obtaining access to the individual's authenticated VET transcript. When in government I often used to refer to this as the shoebox solution. Many members would be familiar with this experience. If you have any children who have completed school, you would have experienced the multitude of statements of attainment, certificates and qualifications that they get. When they go to apply for a job or want to get some recognition of prior learning for a further course, it is a matter of finding out the exact name of the course and finding the certificate to see whether it has a list of the modules and subjects that they did. In my house we kept all of those in a box so we could easily find them. I think many households would be the same. As the workplace has got more complex, people have many more of these documents. Given that a lot of training occurs through private RTOs or work based training, often they do not know who it was that provided the training, so if they do not have the records or the information it will be very hard for them to track it down. This bill will mean that there will be a single reference point for all of that registered training where they can get transcripts of what they have done. I think this is a great initiative that is much needed.

The reason that I would suggest it is particularly important in the VET sector goes to exactly those issues—the size, the scope and the complexity of the VET sector and the increasingly common participation by Australians in training and skill development. This will continue into the future. Lifelong learning, which we talked about when I first went into training, is in fact now a reality and it is something that is valued and important. But you do not want to lose the story of what your qualifications and skills are. So it is important to have an initiative like this in order to enable us to achieve that.

The main difference between this bill and the previous bill, which I actually introduced into the House in March 2013, is that the current government has decided to not proceed with the
establishment of a stand-alone agency for the unique student identifier but is instead creating a registrar, with staff for that registrar to be provided by the department.

A government member: Hear, hear!

Ms BIRD: That seems to have stimulated some excitement over there. But I would say that it is important that the task is done and that it is done efficiently, and that is where the priority should be.

I want to put on the record a bit of a story. If I have any frustration with the national discussion about vocational education and training it is that I think too often in commentary at a public level—particularly in the media—and in some of the debates that happen in the community, people do not quite understand the size and scope of the sector. It is very important to understand what exactly it is that we are talking about when we talk about the vocational education and training sector. It is interesting that very often when you talk to people they simply perceive it as young people who have left school and are going to TAFE; yet it is so much broader than that.

If people are interested in having a look at the current state of the modern vocational education and training sector in Australia I would refer them to the report of the Productivity Commission entitled Report on government services 2014, which was released on 28 January 2014. Chapter 5 covers vocational education and training. It makes the point that VET programs can be a single module or unit of competency, which might be a very short course—and there are many of those—of around 10 contact hours in general. People would know those programs. People might do training in a particular workplace occupational health and safety issue, for example, or they might do a very short course on using a particular type of ICT application in the workforce. If those are recognised and registered, they can be fairly short courses with very narrow purpose. Of course, the programs range all the way up to associate degrees, and many of our public TAFEs now run associate degrees. The variation in course offerings is huge in this sector.

All of this training needs to be assessed, because, on many occasions, the students will complete modules or units of competency without intending to complete a course or qualification. So it needs to be consistently assessed along the way. The types of training delivery are diverse. It can be a formal classroom learning experience or a completely workplace-based learning experience. It could include flexible, self-paced learning and, increasingly, it could include online training. Often it is a combination of all of those. It includes apprenticeships and traineeships and it includes a significant amount of formalised and on-the-job as well as off-the-job training.

One of the more interesting developments over recent times—probably as a result of our improving technologies—is the amount of training that is provided through distance education. A lot of correspondence, internet study and interactive teleconferencing based learning occurs in this sector. It tends to be the sector that is at the cutting edge of a lot of innovative teaching and learning. Therefore, obviously, the institutions that are delivering it are just as diverse and significant in numbers.

We have as the backbone of the system—and one would hope it continues to be a strong and effective backbone of our system—our public TAFE institutes across the country. We also have agricultural colleges and private training businesses—people who specialise in
things in the music industry or the film industry. There are also adult community education providers. These have been around for a long time. In fact, in my electorate, we have the Workers' Educational Association and just last year I went to their 100th anniversary. So they are in the sector as well. We have schools, colleges and universities crossing over into the sector in what they offer as courses. We have registered training organisations, private-for-profit operators and large employers themselves registered as RTOs delivering training. So it is a huge, diverse and very, very dynamic section of our economy.

For the House's information, the Productivity Commission reported that recurrent expenditure on VET by Australian, state and territory governments—not private expenditure; just government expenditure—in 2012 was $6 billion. That was equal to $397.77 per person aged 15-64 across Australia in that year. In 2012, 32.2 per cent of Australians aged 15-64 held a certificate or diploma as their highest level qualification and approximately 1.9 million Australians were reported as participating in VET programs at 22,486 locations across Australia. Of that 1.9 million, 1.5 million students—nearly 80 per cent—were government funded.

It is really important to understand the size, complexity and significance of the sector, not only as an industry sector in and of itself and the massive employment opportunity, growth and productivity it provides but also in its significant connection to community. Many of us in this place who work in rural and regional Australia well know the importance of vocational education and training not only to our communities and local economies but also to the whole task of participation and productivity in the nation.

There are so many areas where there is a particular industry or a particular geographic region undergoing transformation into a modern Australian participant in the economy and they will need upskilling of their existing people. This is the sector that does the heavy lifting. Our university sector is fantastic. It is important for many of those tasks. But the driving force for that is a quality, accessible and affordable vocational education and training sector. That is why it is so significant and why in particular in opposition I am really pleased that we have a shadow minister specifically for vocational education and training. It is such an important part of not only participation and equity but also economic growth and productivity. That has been shown time and time again across many, many studies.

In recent times we have seen another report on the importance of meeting the challenge faced by many of our workplaces that English language literacy and numeracy skills are not at a level required for a modern workplace. Some of that is obviously a challenge that we sought to deal with in our schooling system. Our Gonski reforms were significantly targeted at providing opportunities to lift those who were missing out most significantly on foundation skills such as language literacy and numeracy. But we also had a focus on supporting people who had arrived in this country without those skills and people who had been out of the workforce for a long time and were seeking to re-enter it, which is something that I think all governments would encourage, by providing language literacy and numeracy either through what is now known as the SEE program or, if they were already employed, through the WELL program. I think that is a particularly important task for this sector.

I want to finish up by saying that I am pleased that this particular bill has been reintroduced. I commend the government for doing so. As we all take on the challenge of ensuring people are able to gain the skills they need, one of the really interesting things for
policymakers—whether those in government departments, those who sit in the parliament or those who operate within the business sectors of our community—will be to have a good idea of what actually happens with people's skills development. The NCVER has done some great work on that, but we have not really had a way to effectively track and analyse the movement of people throughout their post-secondary education and skills experience.

I am sure many of my colleagues here have had similar experiences to me. For example, I recently went to my local TAFE. I visited a class in the engineering section. Probably 20 per cent of the students sitting in that class actually had a university degree and were coming back—by and large sent by their employer but some off their own bat—to get on-the-tools experience at TAFE and to match their university qualifications with some very vocationally based skills. It is hard to quantify and understand what is happening in that space because the systems do not talk to each other. There is no tracking of that sort of data. So what is the size of this sort of activity? How should policymakers respond to that? Some universities and TAFEs are already proactive in the space, joining together and offering qualifications that encompass part training at TAFE and part training at university.

I think the other great advantage of this unique student identifier will be its capacity to, within the provisions of protection and privacy in the bill, provide good data and information about the movements of people in their post-secondary education to policy makers so that we can be more effective at the sorts of decisions we make. I commend the bill to the House and I hope that it might be the start of a new focus by the government and a reinvestment in the skills of the nation rather than the cuts that we saw in the most recent budget.

Mr LAMING (Bowman) (12:04): I support the introduction of a unique student identifier. Obviously that is in the context of Australia having debated for decades the merits or otherwise of unique identifiers, right back to the Australia Card of the 1980s and 1990s. The lesson we learned in that debate is that there has to be significant net benefit to citizens if we are going to contemplate the privacy issues around unique identification. But there is pretty much no doubt in this chamber or across the nation that a unique student identifier delivers for us a range of important benefits. Not the least of those is being able to track the up to three million Australians who, together with overseas students, often move in and out of the VET sector, picking up courses, changing courses and even changing providers.

I want to acknowledge that there have been a large number of participants in developing this student identifier. They have done a good job. I might be slightly critical and say that it should not have taken the years that it has. This really was something that should have been achieved five years ago. It should have been in place a long time ago. The fact that it has fallen to us to finally legislate on it indicates that there was a lack of progress under the previous Labor government in this area.

The benefits of a unique identifier are, firstly, for students; secondly, for RTOs doing training; thirdly, for employers; and, finally, for government—fourth out of four, and that is appropriate. I want to make the observation that the one significant change made by the coalition government was to say, 'We don't need another agency to do this.' Isn't this a recurring theme that we have heard in the last few weeks? What was it with Labor and their predilection for setting up new agencies and giving each one of them a fancy acronym? What was it about Labor that they fixated on this? The only form of job creation they were truly behind was making government agencies larger and larger. The message is fairly simple:
enough of the water bubblers, tea rooms and pot plants. What we need to do is run them as efficiently as possible, and with the registrar supporting the work of a department you will see that the unique student identifier with modern technology can be done without floors and floors of publicly funded office workers in high-rise buildings in major capital cities. Let's release those very good, capable, impassioned and talented people into the private sector where they can drive our economy and build GDP.

The introduction of mandatory collection of this sort of activity data has already started. In January of this year multiple data for the purposes of planning and tracking has already been collected, but with this legislation comes the unique identifier itself. What we now have is, of course, a risk framework; and that simply means that instead of a carte blanche surveillance the government can monitor, profile and target their audits at the more high-risk providers of education or reduce oversight of those who are lower-risk providers. That will support more efficient allocation of training subsidies, because we do not want to be crowding out private subsidy where there is willingness to pay for degrees and where people are keen to acquire that qualification or know there is significant private benefit in gaining it. Then, of course, the need for public subsidy reduces.

That responsive deregulation is clearly a coalition vision that was never going to be adopted by Labor. I note that the Greens have released a website with details of what students will be paying for each of their degrees. That is very impressive, given our inability to predict the weather or even the fuel price next week. The Greens' website also says, 'If this makes you mad and we're mad too, why don't we recruit you to our party?' It is a cheap trick and it is a stunt and most students will see it for what it is.

Deregulation allows the market to meet the demand in a way that high-quality universities have never been quite able to do. I went through a sandstone university medical degree. Medical degrees were pretty much MacDonaldised right around the country—they were very similar—but, despite the passion, the qualification and the high esteem I held for my lecturers, there was very little movement or intellectual exchange between our campuses. The notion of bringing someone from overseas as a high-impact professor to alter the program in Australian medical courses simply was not contemplated in the 1980s and 1990s. I see a day when the greatest lecturers and professors in the world come to Australia, because they are attracted to be here by a deregulated system that rewards them for their ability and rewards them for what they can do for a course. But that can never happen if we are simply doling out fixed, rationed arrangements to every university, because, naturally, they will play the game of delivering services as efficiently and as leanly as possible, but they will never contemplate the idea of investing more in quality until fees are deregulated.

Let's be honest: in a few years from now when courses are deregulated, high-merit students will be offered multiple places at multiple universities for varying prices. They will make an assessment of whether that price is appropriate for the degree. Students are perfectly capable of doing that—of comparing courses, comparing campuses and deciding what to pay for and what not to pay for. As long as we simply have the same size, the same shape and the same flavoured degree in every location, we will be left behind by international providers who are taking their degrees to new levels, as reflected in university rankings.

Let me pull back to a little history of how we came to the identifiers. In April 2012 the Council of Australian Governments came together to realise the benefit in having some form
of student identification, which obviously provides students with the ability to have a complete vocational educational report of everything they have done. It enables them to provide it to future training providers where necessary and they can give permission to those training providers online to access their academic records. This is far simpler than the old days of having to certify academic transcripts. That initiative was developed jointly by all state and territory governments, and so it is a further nationalisation and harmonisation of what was a very fractured and state based vocational education sector. It all comes together with advances in ICT.

Subject to what we are passing today, the identifier will be implemented and it then becomes a building block for a whole lot of other vocational education reforms, which I will just touch on briefly. The ability to follow students who often move between publicly funded and private providers is just one example. If the government is going to be funding education, we need to know absolutely that the dollar goes to where it is delivered and to where it most makes a difference and to where it has most impact. There is no point crowding out private investment and there is no point government trying to pick winners on where money should go or how many people are taken into courses—all of that can be done by the sector itself. Universities know that well; they understand their market and decisions should be left to them to make. As part of the broader VET reform agenda we are seeing for the first time people who are contemplating study do not face significant upfront costs. Almost buried in the hysteria around the budget is the fact that millions of young Australians, who will not necessarily go to university to obtain those highly-sought-after and restricted degrees, will not face upfront costs when they pursue vocational and other forms of TAFE based education.

Many of those students will be in and out of educational training. That is the reality. They are not all going to go and do three-year degrees in three years. Many of them will have children; many will come from very complex backgrounds; many will be barely literate or numerate because they have failed the school system—or the school system has failed them. For Australia to increase its proportion of its population with some form of tertiary qualification, we realise that we are moving to those who are not the orthodox university attenders of a generation ago. We are behind in those proportions; other nations are well ahead. We know that keeping people in formal education for a year longer has direct GDP benefits.

We know that increasing the number within our population who have a tertiary qualification has a direct GDP outcome. We are a low-population, leading economy. We are short on labour. We cannot afford those people to be unqualified, lacking in confidence or self-esteem. We need those people engaged, training, gaining capability because only with capability can you have opportunity. The two are integrally linked, and capability is the antecedent.

Training providers will have a few extra obligations. It will be a requirement under this legislation we are debating and the conditions of registration that providers have a valid USI for student before they can graduate the student, provide them with a qualification or a statement of attainment. That will apply to new students, pre-enrolled students and those who are continuing. The process for all students to obtain that USI will be pretty much the same but, importantly, thanks to ICT, it will be closely interwoven with training provider access to that information.
Once USIs are available nationally, courses will only be able to be entered if you have a USI and you will not be able to receive your qualification without it. Training providers will not necessarily be required to apply for a USI, but in many cases that might be the most convenient way of doing it with the student support. That can all be accessed through a website or through a web server interface.

The training providers have, as I said, requirements. They need to verify a USI if it is provided by a student and they need to collect one from the student directly if that is not the case. They need to ensure a student has a valid USI before completing a program and they have got to ensure the security of a USI. All of that related documentation should be destroyed along with any personal information once it has been collected solely for the purposes of generating the USI.

Accessing transcripts, I have pointed out, becomes far simpler and that is thanks to, currently, the very good work that is being done at the NCVER. I think it is important also to mention very briefly the range of authorities and participating groups that are on the reference group—that is, TAFE Directors Australia; ACPET; the Enterprise Registered Training Organisation Association; the Industry Skills Council Collective; Adult Learning Australia; ASQA; and a number of other state based bodies.

The USI important advance should have occurred years ago. It allows training to follow the student. It is further evidence that benefits well outweigh any inconvenience or risk, and that having a unique identifier is increasingly being adopted as a comfortable thing for the Australian. There is an important lesson for us in health care where we are moving towards similar efforts with the personally controlled electronic health record—memo for health planners: make sure that the benefits for the patient, increasingly together with the provider, outweigh any concerns or detriments. Unlike Labor, who again came up with this fabulous idea of yet another agency and even more bureaucracy, it is a coalition government that is delivering this reform without needing to place an unnecessary burden on the taxpayer.

Ms BRODTMANN (Canberra) (12:17): Members will be aware of my passion for education. In my first speech in parliament I spoke about how I was living proof of the transformative powers of education, and this is a sentiment I have repeated again and again. Through education my sisters and I escaped the cycle of disadvantage, and there are thousands more like me.

And it is not just school or university education that has this transformative ability; vocational education also has this great ability. Vocational education, training in job related and technical skills, enables students to gain qualifications for all types of employment and specific skills to help them in the workplace. Vocational students are provided with real-life work skills, and they graduate not just work-ready but experienced so that they can begin contributing to our economy by participating in our workforce straightaway.

Labor is committed to vocational education, skills and training. While in government, we worked with the states and territories to implement the national training reform agreement to improve our vocational education sector. These reforms were designed to ensure that Australia has the right skills to meet the demands of our economy, which is an economy undergoing significant and rapid change.
As a graduate and former union president of the great RMIT, the oldest working persons college in the world, I am also a strong advocate of vocational education skills and training. The skills I gained while I was there set me up for work immediately and underscored and provided me with the great platform to set up my own business. Again, I am a bit biased about vocational education being a graduate of RMIT and also having been union president of that wonderful institution.

The skills in demand by Australian industries are changing and increasingly need qualifications. Our training system needs to keep pace with the changes occurring in the economy. This was a priority of Labor while we were in government. Labor wants to ensure all Australians have access to high-quality training systems that are flexible and responsive to industry needs. Some of Labor's reforms included the establishment of the MySkills website to connect individuals or employers looking to undertake training with training organisations that best suit their needs. MySkills is an easy way of navigating training possibilities within a system with around 4,800 providers and over 3,000 courses on offer.

We also established the national entitlement for all working aged Australians to a government subsidised training place to at least a certificate III qualification. We expanded access to student loans to reduce upfront financial barriers for those people studying for a diploma or advanced diploma through an extension of VET FEE-HELP. We made a record investment in skills and training for smarter jobs and a stronger nation. We delivered record investment and created a dynamic environment that positions Australia so we can compete in the Asian century.

In total, Labor invested over $19 billion in skills funding between 2008-09 and 2012-13, a 77 per cent increase compared to the Howard government's investment. In 2011 alone, a total of $6.5 billion was invested in Australia's national training system, with the Labor government's share being $2.4 billion or 37 per cent. Since 2009, Labor also provided funding of $6.06 billion to support state and territory skills and workforce development under the national agreement. The initiative in this area that I am perhaps most proud of is the Trade Training Centres Program. This was an investment of $2.5 billion over 10 years to provide all secondary schools with new or enhanced trade training facilities.

The bill we are debating today, the Student Identifiers Bill 2014, was first introduced in an almost identical form by Labor last year. This bill was a key element of Labor's skills reform agenda and was agreed to by COAG in April 2012. The introduction of the scheme is part of the current National Partnership Agreement on Skills Reform, to which all jurisdictions are signatories.

The main purpose of this bill provides for the introduction of a student identifier for students undertaking nationally recognised vocational education. Labor's original bill also established a Student Identifiers Agency as a stand-alone, dedicated agency to administer the identifier scheme. The current bill instead proposes the creation of a registrar only, who is appointed under the same provisions as were previously proposed for the chief executive officer of the agency. Staff to support the registrar will be provided by the department.

Perhaps most importantly, the bill also provides for the creation of an authenticated transcript of an individual's record of nationally recognised training. Currently, there is no single repository of records of VET student enrolments and achievements. This means that individuals cannot access a consolidated electronic record of VET attainments over their
lifetime and, in turn, registered training organisations may be unable to readily confirm
students' prerequisite coursework or properly assess their prior learning. Prior learning is
particularly important in VET. This also affects the capacity of state, territory and
Commonwealth policymakers to assess how the VET system is performing and to administer
government student subsidy programs.

The student identifier scheme is designed to improve the transparency and responsiveness
of the VET sector. All jurisdictions have endorsed the introduction of the scheme through
COAG and have signed the National Partnership Agreement on Skills Reform that provides
for its implementation.

Labor also undertook extensive public consultation leading up to the process of drafting the
bill. Both the preparatory and final business cases included stakeholder consultations during
2011, and further stakeholder consultations were undertaken as part of the regulation impact
statement process, which ran from December 2011 to January 2012. Consultations with RTOs
were undertaken in March and April 2012 and all state and territory jurisdictions provided
input into the drafting of the legislation. So that is a lot of consultation.

The draft bill and other elements of the draft legislative package were released for public
consultation—again, that is the next step in the process: stakeholder consultation and then
public consultation—from 21 January to 15 February 2013. During this period information
sessions were held in the capital cities of each of the states and territories. Feedback from
these sessions has confirmed support for the student identifiers scheme. Thirty-one written
submissions were received during this consultation process.

We know that at the moment it can be difficult for students to keep track of training
records, particularly when trying to gather evidence of prior learning when entering a higher
level course later on or when trying to compile a comprehensive record of study prior to a job
interview. There is always that frantic run-around to try and pull all those pieces of paper
together or find out where they are.

The student identifier will help students keep track of their VET training and keep a record
of all qualifications and certificates achieved throughout their lives. The scheme will make it
easier for students to find and collate their VET achievements into a single, nationally
recognised, authenticated transcript that can be provided to employers as proof of
qualifications or to a training provider when seeking recognition of study previously
undertaken. As I said, in this area the recognition of previous study, but particularly
recognition of prior learning, is very important. This will enable providers to assess if course
prerequisites have been met, determine credit transfer or grant recognition of prior learning.

The student identifier will also provide governments with access to more accurate data on
the pathways that students take through the VET system and a greater understanding of the
progress of disadvantaged students. This will enable governments to better develop evidence
based programs that effectively target skill shortages and the skill needs of industry and better
support the management of government funded subsidy programs.

The bill safeguards the privacy of individuals, which is particularly important. It provides
that identifiers cannot be collected, used or disclosed without the individual's authorisation
unless provided for in legislation. The Australian Information Commissioner will be the key
regulator of the privacy and confidentiality aspects of the bill and will have the capacity to conduct audits, undertake investigations and impose a range of sanctions.

Labor is proud of the student identifiers initiative and we are pleased that the Abbott government is continuing with this important reform. This legislation will enhance the responsiveness and transparency of the VET sector by providing a clear picture of Australia's skill base. It will make students' lives easier and it will enable future training to be better targeted to meet the needs of industry and the economy, strengthening the potential for productivity growth in the future.

However, when it comes to ensuring Australia has the right skills to meet the needs of future industry and the economy, it would seem that supporting student identifiers is the only sensible decision the Abbott government has taken. Earlier I mentioned the trade training centres. The Trade Training Centres in Schools Program was an important element of Labor's reforms to ensure Australia has a skilled and qualified workforce to meet the needs of our future. The trade training centres program was to provide $2.5 billion over 10 years to provide all secondary schools with the opportunity to access funding to build new or enhance existing training facilities.

Just two weeks ago, I attended the opening of the Tuggeranong Sustainable Living Trade Training Centre in my electorate of Canberra. Labor announced $8.1 million in funding to establish this centre in 2011. One of the most innovative elements of the trade training centres program is that they are not just built on a school-by-school basis but instead bring together a number of schools in a region to ensure within a particular region the necessary training facilities for numerous trades are available. The Tuggeranong trade training centre will benefit a number of schools in my electorate, including Erindale College, Calwell High School, Caroline Chisholm School, Lake Tuggeranong College, Lanyon High School and the Wanniassa School Senior Campus.

This trade training centre includes the refurbishment of seven existing facilities, including construction workshops, automotive workshops, commercial kitchens and horticulture workshops across seven sites within this school cluster. The centre will deliver certificate I and II qualifications and units of competency at certificate III in automotive, construction, horticulture and hospitality to address skills shortages in horticulture and the trades of carpenters and joiners, cooks, landscape gardeners and motor mechanics.

It was with mixed emotions that I attended the opening of this trade training centre. On the one hand I was thrilled that the young Canberrans of the valley would benefit from this exceptional facility. I was also acutely aware that this may be the last trade training centre opening in my electorate, because the Abbott government has scrapped this program and cancelled all future centres. The Abbott government does know that we need to improve the low participation rate in vocational education in schools. The responsible minister said in a speech to TAFE Directors Australia earlier this year:

Schools must provide a high quality vocational pathway that engages students and prepares them to take on the high-skill and high earning roles our economy demands.

At the opening of the Tuggeranong Sustainable Living Trade Training Centre, the Liberal senator for the ACT, Senator Seselja, had the nerve to say that trades training in schools is a 'critical part of Australia's future'. However, this can be nothing more than hollow lip service on the importance of trade training, because the Abbott government is insisting on
nonsensically scrapping the Trades Training Centre in Schools program, which enables students to participate in vocational education in schools.

I have visited the trade training centres in my electorate and I know they work. I have spoken to students who have said that without the trade training centre, they probably would have left school at year 10 and gone straight into an apprenticeship. But, because of the centre, these students were able to complete their year 12—continuing to study the other subjects they enjoyed like languages, science, maths and English—and begin their trade qualification at the same time. In the long term, having not left school but instead completed year 12 will provide the students with more options and better opportunities.

The Abbott government says that they are cutting trade training centres because they were an unfunded election commitment of Labor’s. But this statement is completely wrong. Trade Training Centres in Schools was not an election commitment; it was a long-held policy and program of Labor’s and was fully budgeted until 2019.

Trade training centres keep kids in schools and provide them with the skills training they need to ensure they are job ready. The Abbott government’s decision to scrap this excellent program is a mistake and it is a mistake that will cost the young people of Australia dearly.

Of course, as we all know, the Abbott government’s budget of broken promises also cut support to skills and vocational education. My colleague the member for Cunningham has outlined these cuts in detail, but I just want to mention one: the axing of the Tools for Your Trade allowance. This is a much-needed allowance that allows apprentices, who we all know are paid only a small amount, to buy the tools they need to complete their training. I have had a lot of mail on this from my constituents. The government has scrapped this allowance and instead replaced it with a loan of up to $20,000. This is a terrible policy that will deter young people from entering or completing their apprenticeship. Completing an apprenticeship can be financially challenging, and the removal of the tools allowance and introduction of a loans scheme will only make matters worse.

In closing, I commend the Student Identifiers Bill, but I call on the Abbott government to genuinely commit to ensuring this country has the skills we need for our future by continuing with trades training centres and supporting our apprentices with the Tools for Your Trade allowance.

Ms GAMBARO (Brisbane) (12:33): I rise to speak to this important bill that will finally enable students within the vocational education and training sector to have an easily identifiable student number. The Student Identifiers Bill 2014 will benefit those students commencing nationally recognised training from 1 January 2015. It will enable the establishment of a much more coherent and streamlined system of information from the currently inaccurate and fragmented one that leads to waste and confusing duplication of student identities and records. The coalition took a commitment to the election that we would provide more assistance to those in the vocational sector, and I am proud to be here today to talk about these important changes.

This is a very technical bill and I will go through it in specific detail to demonstrate how this bill will be of enormous benefit to all those involved in the vocational education and training centres and the impact it will have on those in my electorate of Brisbane and throughout Australia. The bill will establish a national life-long unique student identifier—
USI—for students in the vocational education and training, VET, sector who undertake nationally recognised training from 1 January 2015.

Currently, information about vocational education enrolments, participation and completions is fragmented, incomplete and inaccurate. There is waste and confusing duplication in the creation of student identifiers and records, and unnecessary cost to training providers because often the same information is collected many times over and over again. Pathways and patterns of enrolment and completion are often difficult to understand. It is currently difficult to develop evidence-based and cost-efficient programs that effectively target skill shortages and the skills that industry needs. The USI is an integral part of the government's strategy to address these many problems.

An immediate benefit will be to lessen the burden on training providers, and this will be done by collecting that important data just once and it can be used many times. It will operate in conjunction with the Total VET Activity program. The USI will enable a much more rationalised way to collect data. It will empower students to access further training and to promote their skills in the labour market, because records of their learning outcomes will be so much easier to access.

An exciting component of this bill is the way in which students will be able to access their records online. They will be able to access their national training records online anytime, anywhere. They will be able to give access to their training provider, which will simplify enrolment processes, and send a transcript to prospective employers.

A person does not have to wait. You can create your USI online faster than you can complete and be issued a white card online, and often using the same ID. An online white card training provider can also create a USI for the student using the same enrolment information and ID—for example, a driver's licence—that they use to issue a white card. Providers must have a USI to issue a certificate of attainment. The white card effectively includes a certificate of attainment. With the USI, governments will be able to better assure the integrity of training activity and investments by enabling accountability for public funds and the delivery of certified training. Comprehensive and relevant labour market and training data will also very much help the engagement with training for students and businesses.

This legislation is very similar to a bill that was introduced by the previous government and lapsed in the last parliament. The major change, which is a key amendment, is to adopt a more streamlined and less costly governance arrangement for the administration of the USI scheme. Instead of having a separate statutory agency, which would have increased red tape and imposed more burden, the scheme will be administered within the Department of Industry under guidance of a statutory office holder. This will be much more efficient and simpler. Subject to passage of the legislation, the scheme is set to formally commence on 1 January 2015. Although initial implementation of the USI will be in the VET sector only, there will be capability in the future for the USI to be introduced into other sectors over time.

This bill will enable training providers in the Brisbane electorate to provide much better service to their students. I want to highlight some of those very excellent providers and the incredible work they do to assist in training our students. Charlton Brown, founded in 1985 and located in Fortitude Valley, places graduates in local, national and international employment. Their training includes a range of community services, including early childhood education and care, aged care, home and community care, disability care, outside
school hours care and community services work. It is also a national and international employment and nanny placement agency, which is where it had its humble beginnings. I want to commend the principal and CEO, Kay Ganley, and her wonderful team for the nationally and internationally acclaimed work that they do.

Another education provider is the Carrick Institute of Education, also in the Valley. It was founded in 1987 by Catherine Carrick as a small tourism and hospitality training centre with a focus on personalised education. Its courses range across business, marketing, management, accounting, hospitality, tourism, events, community services and children's services and it is also recognised internationally.

Sarina Russo, based in Brisbane's CBD, is part of the Sarina Russo Group. The group was established in 1979 and is an industry leader in education, training, recruitment and job creation. They boast a domestic and an international training cohort of over 10,000 students. I would like to congratulate Sarino Russo on her work in the higher education area as well, particularly her collaboration with James Cook University.

These excellent vocational education and training providers are just three of Australia's many providers who will benefit and who, in turn, will provide benefit to their students, families and the wider community from the unique and innovative changes that form part of this Student Identifiers Bill. The bill will also build on the Abbott government's commitment to provide more financial assistance to apprentices through the Trade Support Loans program. This was a commitment we took to the last election and one that I was very proud to see implemented for those in my electorate of Brisbane who choose to build richer lives for themselves and their families through taking on an apprenticeship.

Apprentices in the Brisbane electorate will have access to $20,000 over the entire period of their training. Importantly, more support will be provided during the initial years when it is needed the most. The $20,000 is repayable once apprentices are earning a substantial income, of around $50,000. Apprentices will receive a 20 per cent reduction in the amount of the loan once they complete their training. The trade support loans will provide support of up to $8,000 in the first year of the apprenticeship, $6,000 in the second, $4,000 in the third and $2,000 in the fourth.

The USI is an initiative of the Council of Australian Governments, COAG. As such, the development of the bill, underlying policy and operational arrangements has been undertaken in very close consultation with state and territory jurisdictions and agreed by all training ministers. Extensive consultations were undertaken with the sector in the development of the bill. This included a consultation regulation impact statement process, two rounds of national consultations and a round of national workshops and webinars. In addition, an external reference group was established to bring together Commonwealth, state and territory governments and VET peak industry bodies to collaborate on the USI initiative. In addition, national workshops with around 650 training providers were undertaken in 2013 to ascertain the level of training provider 'readiness' to implement the scheme. The workshops found a high level of engagement and acceptance of the scheme amongst the many training providers who participated.

This Student Identifiers Bill is unique and will provide life-long affiliation between students and learning providers. I am proud to be able to represent the Brisbane electorate in this important shift to enable our vocational education and training providers to have the
Ms MacTIERNAN (Perth) (12:44): I rise to support the Student Identifiers Bill 2014, which, as the previous member has said, was based very much on a piece of legislation introduced under Labor. Both sides sensibly agree that it is a good thing to provide a unique identifier number for students in the education sector. It will help students over time to keep track of their record and have ready access to their training history, making it much easier when applying for jobs and seeking further qualifications by having a comprehensive and verifiable record of their past endeavours and achievement. Likewise and very importantly, it will add to our research endeavour to get a profile of people's lives—when they are embarking on a particular course, the success of those courses, the sequences of the courses they do—and to make some inferences about the success of the training. This is an area where we are going to have to focus much more intensely on just how well our vocational education sector is delivering for the people who are looking to it to provide them with an opportunity to gain skills that will enable them to obtain meaningful, enjoyable and productive employment. There is a good deal of concern out there that perhaps we are not going in a very good direction. There is some suggestion that, rather than embracing the extent of this problem and taking steps to deal with the quality issues, we might in the name of deregulation and cutting red tape be taking vocational education backwards.

I want to acknowledge the great suggestion made by the member for Cunningham to the Standing Committee on Education and Employment as part of our inquiry into the TAFE and vocational education sector that we engage in a survey. We have had very substantial responses on the website, but it is alarming how many people have talked rather despairingly about their experience in vocational education. Some of the responses were:

I am still seeking employment and my three certificates from TAFE haven't helped.

Another:
A lack of resources including teacher availability has severely impacted on my learning experience.

Another:
The trainers were a little out of touch.

Another:
... unfortunately, the course I had done stood for very little.

Another said the course had:
... no benefit; it has created more stress. TAFE added no value. The teachers were hopeless.

Another:
I found the quality of the education poor, I received no learning materials and had difficulties with it. It was a waste of time!

It did not improve my employment prospects in the field that I studied which was disappointing.

I know that much good work is being done in the vocational education sector, but I do not think we can turn a blind eye to the fact that there are a lot of questions as to whether or not courses being offered in the public sector or in the private sector are fit for purpose.

I am sure many people will recall what happened in 2009 when Labor had to change some of the international study programs that were luring overseas students who were coming here
and finding that the programs being delivered simply did not provide the training promised. People were being lured here on the pretext that, if they completed these courses, they could apply for permanent residency and in that process there was a great deal of sham training. This is not just confined to overseas students. There certainly is the potential for and there is evidence that there are private providers who are not scrupulous, who just want to move people through. We find people ending up with qualifications, which have been paid for, which really add nothing and provide very little increment to the skill level of the participant and certainly nothing to their ability to get further job training.

I make it very clear that I recognise the problems are not just confined to private providers, although we find more often that they have the profit motive of churning people through. There have been various serious questions about the quality and the variability of programs available through public sector vocational education providers and we need to be as vigilant about that as we are about the private providers. That is why the Australian Skills Quality Authority is such an important entity. We are very concerned by the review that is going on, particularly as the minister has said, ‘We're looking at a more streamlined approach with a self-regulation perspective. There's far too much regulation in the system.’ I doubt that there is too much regulation in the system. I would agree that perhaps some of the regulation is targeted at the wrong place in the training cycle, that far too much of it is focused on the process levels. So you have the development of a bureaucracy within training organisations that is very much focused on having a trail of paper and not enough on assessment of the skills at the end of the training. So if I think that there is a problem, it is with the over-focusing on the inputs and under-focusing on the outputs of the training. But there is absolutely no doubt that we need to be very, very rigorous about the training standards and about the accreditation of these training programs, particularly as we are now moving into this brave new age where people engaging in vocational education are going to have to be seeking loans—loans that are steadily increasing—and where state governments have relentlessly increased fees in many states.

Certainly in Western Australia we have seen very extensive increases in the cost of TAFE. In August 2013, for example, the Western Australian government announced that the cap on TAFE fees would be scrapped at the start of this year and we saw tuition fees, for instance, for an 18-month nursing diploma, go from $2,000 to $8,000. In that process we have seen that the number of people in Western Australia engaging in training and apprenticeships has dropped by 1,700, the biggest fall that we have seen since the GFC. This is in a state where we have youth unemployment, nevertheless, we have had a very, very significant drop in the number of people entering training. Overall, we have seen a four per cent drop in the number of people training in WA. There were 41,000 people in training in December last year, a drop of four per cent on the numbers the year before, and the total number of people starting a new course or apprenticeship was down 12.7 per cent in the same period.

We now know that the economic burden that is now part of undergoing vocational training is having a downward effect on people in training. We know from the reports that we are getting from our constituency that the cutting of a number of schemes is having an adverse effect. This is particularly the case for the Tools for Trade scheme, which was a great financial incentive for many young people to go into trade training and which to some extent offset the very negative impact of these increased fees incurred at a state government level.
That scheme has now gone and I think that we could anticipate a further decline in vocational training.

But even for those people that do decide they want to stick with it, they are now going to have to borrow very considerable sums of money to ensure that they complete their training. So I think that we have double the obligation, both a moral and economic obligation, to make sure that the training they undertake, that we underwrite in a quality sense, is worth taking. This is so important for so many people's lives, and to retain confidence and belief in the system it is going to be critically important for us to ensure that what is on offer both in the private and the public sectors offers quality skills that are really going to enhance people's opportunities to gain a job and have a place in the sun.

Mrs PRENTICE (Ryan) (12:56): I rise to speak on the Student Identifiers Bill 2014, noting that it is part of the coalition government's wider agenda to invest in the skilled workers of the future. For too long higher education support has focused on universities and neglected trades and apprenticeships. While this bill is quite technical and uncontroversial, it is an important step in the right direction to ensure that young people starting trades and apprenticeships are not left behind and are given as much support as possible to start study and complete their course. This bill establishes a national lifelong unique student identifier, USI, for students in the vocational education training, VET, sector who undertake nationally recognised training from 1 January 2015. The current situation is that information about vocational education enrolments, participation and completions of courses is disorganised, incomplete and inaccurate. The measures outlined in this bill will fix this issue.

Information is usually collected many times at considerable and unnecessary cost to training providers. This is obviously a waste of time and resources that could be better spent on training the apprentices. The USI is an integral part of the government's strategy to address these problems and improve efficiency. An immediate benefit will be that the USI will operate in conjunction with the Total VET Activity program to help rationalise the way VET data is collected and used—to collect data once and use many times—lessening the burden on training providers. This bill will allow students to more easily explore and access further training as well as making it easier to promote their skills in the labour market. Students and apprentices will be able to access their national training records online anytime and almost anywhere. They will also be able to share their data with prospective employers. The USI will allow governments to better assure the integrity of training programs and investments by facilitating accountability for public funds and the delivery of certified training.

As I highlighted earlier, this bill is just part of the coalition's agenda for investing in the skilled workers of the future and broadening the focus of education assistance, not just on universities but on the VET sector as well. The coalition government is investing in national productivity gains and the skilled workers of the future, delivering on our commitment for the $1.9 billion Trade Support Loans to equip young apprentices with the skills for real world jobs.

As part of the coalition government's comprehensive plan to create a more responsible skills and training system that cuts red tape and trains apprentices who are job ready, trade support loans are to start from 1 July 2014. Australia's productivity and competitiveness depend on a highly trained workforce. Trade support loans will help more apprentices complete their training and get the skills they need to fill the jobs that businesses actually
want. Many young apprentices do it tough in the early years, and the government's proposed loans, paid monthly, will ease the financial burden and help increase training completion rates. Trade support loans are interest free. They are indexed annually with CPI but are not subject to a commercial rate of interest, as a bank loan would be. This is a policy that the coalition took to the election, and it is a policy that we are now implementing in government. The coalition's trade support loans are a responsible investment in the nation's future tradespeople.

The Australian government has an Economic Action Strategy that will build a stronger economy, create new jobs and bring Labor's debt and deficit disaster under control. The Trade Support Loans program offers loans of up to $20,000 which are repayable once apprentices are earning a sustainable income of more than $50,000. Apprentices will receive a 20 per cent reduction in the amount of the loan once they complete their training. The program targets occupations on the National Skills Needs List such as plumbers, diesel mechanics, electricians and fitters, as well as priority areas in horticulture and agriculture, with more than 1,000 qualifications eligible.

The coalition government is building a diverse, five-pillar economy that focuses on our strengths in manufacturing and innovation, agricultural exports, advanced services, world-class education and research, and mining. The government will continue to work with industry to ensure that the skills and training sector is responsive to its needs and is an effective catalyst for the industries and jobs of the future. I am proud to stand on this side of the House today discussing just one of the many measures that the coalition government is taking to invest in the skilled workers of the future.

Mr WATTS (Gellibrand) (13:01): I am pleased to have the opportunity to speak on the Student Identifiers Bill 2014, as the bill highlights the growing importance of vocational education and training to Australians. Today more Australians than ever before are going to university, getting a skill or undertaking vocational education and training. The reality of the modern education and employment market is that, today, these Australians are undertaking this study and training across multiple disciplines, across multiple institutions and often over extended periods of time. The days of a job for life, of a lifetime career, are well and truly gone. We live in a world where people will have multiple careers throughout their lives and as a result will need to update their skills and undertake formal retraining at a number of stages in their lives.

In this context, it can be difficult for students to keep track of their training records and educational attainment. This is a particularly significant issue when students are seeking to enter a higher level educational course, perhaps years after completing an initial course of study. Obtaining admission to these higher level educational courses generally requires the production of formal evidence of prior learning. Similarly, when students are looking to start work or to change their job and start a new career, evidence of a comprehensive record of prior study is important to give people the best possible chance to secure employment.

This bill provides for the creation of a unique student identifier for vocational education and training students. The purpose of a unique student identifier of this kind is to enable students who undertake vocational education and training through an Australian registered training organisation to see the totality of their VET enrolment and achievement in a single
transcript record. It puts an end to the need for a shoebox full of educational transcripts and qualifications stored in the top shelf of the bedroom closet.

Not only will this be an advantage to VET students in planning their studies and using their VET achievement to secure employment but it will also allow for data to be collected on the way that students participate in the VET system—where they study, how they perform and the pathways that students take through the system. This information will inform research into the sector, enabling administrators and policymakers to adapt the system to maximise student outcomes. This would also enable evidence to be gathered to develop programs that more effectively target skills shortages and the skills needs of industry and employers more closely.

The bill before the House shows a striking resemblance to the Student Identifiers Bill 2013, introduced by the previous Labor government. It is unsurprising that the coalition would seek to mimic aspects of the previous Labor government's VET policy because the record of the previous Labor government on vocational education and training was excellent. In government, Labor made a record investment in skills and training, making the investments necessary so that Australians could benefit from smarter jobs and a stronger economy. We coupled this record investment with a dynamic VET environment that gave Australians the platform they needed to develop the skills necessary to compete in the Asian century.

The previous Labor government expanded access to student loans to reduce up-front financial barriers for those wanting to study a diploma or advanced diploma. Between 2008-09 and 2012-13, the previous Labor government invested over $19 billion in skills funding, a 77 per cent increase over the Howard government's investment. After commencing in 2009, the Labor government provided funding of $6.06 billion to support state and territory skills and workforce development under the national agreement. Across the nation in 2011, a total of $6.5 billion was invested in Australia's national training system, with the then federal government's share being $2.4 billion.

Unfortunately, the state Liberal government in Victoria, my home state, has not been doing its share on VET funding. The impact of the state Liberal government's swinging cuts to TAFE and the VET sector in Melbourne's west have been particularly severe, and my constituents are keenly looking forward to the opportunity to hold the Liberal government to account for these cuts—perhaps sooner than it had anticipated.

In Melbourne's west, less than 50 per cent of the population have completed high school and less than 10 per cent have completed a bachelor degree. We also have a very large migrant and culturally and linguistically diverse community, with over half of the resident population in Melbourne's west speaking a language other than English at home. In this context, TAFEIs are particularly important to Melbourne's west as providers of tailored employment training, often addressing skills gaps or deficits in basic education.

The Victorian Liberal government's cut of $170 million in funding allocated to TAFEIs to meet their community obligations, promote social inclusion and provide support to students from disadvantaged backgrounds has particularly hurt Melbourne's west. One result of this cut has been the retrenchment of more than 13 full-time youth and education support workers at Victoria University, in my electorate. These student support roles are particularly important for institutions like Victoria University that support large numbers of students who either are the first members of their immediate family to enter the tertiary education sector or come from disadvantaged backgrounds.
It is worth noting for the House that Victoria University has substantially higher numbers of first-generation students than other universities. In fact, over 60 per cent of the students undertaking a bachelor degree at Victoria University do not have parents with a university degree. The technical definition is ‘higher education students enrolled at a bachelor or sub-bachelor course level for whom neither parent holds a university-level qualification’. The overall rate for universities across the country is around 30 per cent, so Victoria University has almost twice that level of students who do not have family members with a university degree. These are exactly the kinds of people that our education system should be providing opportunities for.

These students often require a little more holistic support early on in their studies to ensure that they are able to make the challenging transition to tertiary study. These students often do not have the experienced support networks enjoyed by more privileged students and, as such, they are at risk of dropping out of tertiary education early in their degrees.

More broadly, Victoria University, the primary provider of higher education in Melbourne's west, has been substantially impacted by the cuts in VET program subsidies by the Victorian Liberal government. Cuts to VU's program subsidy funding constitute over 25 per cent of the total revenue of VU's TAFE. As a result, VU has been forced to undertake major retrenchments of its TAFE teachers and support staff. As VU is a major employer in Melbourne's west, this has also had obvious flow-on effects for the broader economy of the region. Cuts in VET funding in Melbourne's west have also had an impact on the fees faced by prospective students. When coupled with the Liberal government's decision to remove caps on VET students' fees, the cuts in VET funding have had the inevitable consequence of pushing student fees higher. TAFE providers are forced to increase fees to compensate for lost government funding in order to remain viable—with consequences for the accessibility of education for students from disadvantaged backgrounds.

A further consequence of the Victorian Liberal government's cuts to VET funding is the knock-on effect that these cuts have on the accessibility of university study in Melbourne's west. As students from Melbourne's west are statistically more likely to come from lower socioeconomic status backgrounds, they rely heavily on alternative pathways to university study, including VET programs at Victoria University. Of particular concern in this respect is the state Liberal government's decision to dramatically reduce funding for VET certificate I and II courses. These courses are generally not vocational in nature but instead are used by disadvantaged students as bridging courses to further study. Limiting access to VET programs in Melbourne's west therefore has a pipeline effect of limiting access to university study for students in the region. The cumulative effect of these changes is to further entrench educational disadvantage in Melbourne's west.

Vocational education and training is essential for our nation's future. It is a fundamental driver of our nation's productivity. It is an important tool in fighting inequality and giving people from disadvantaged backgrounds a chance to climb the skills ladder to higher paying and higher quality jobs. Labor fully supports our VET sector. We did so in government and we continue to do so from opposition. This is a reasonable bill that will help Australians get the most out of their VET studies, and Labor supports its passage in the House.

Ms LEY (Farrer—Assistant Minister for Education) (13:10): In summing up for the Minister for Industry on the Student Identifiers Bill 2014, I would like to thank all members...
for their contributions to the debate. The bill provides for the introduction of the student identifier scheme. I want to address, to begin with, some of the misinformation in the statements that were made by the member for Cunningham in her speech in the second reading debate. I emphasise that the one thing the sector has broadly and unanimously appreciated since we came into government is that the training and skills portfolio be linked to industry, that it be linked to jobs and that it matter to employers what happens in the training and skills space. Perhaps the member for Cunningham's narrow view of vocational education and training—that it is only about education—is the reason why, for six years under the former government, it was allowed to run off the rails so badly and become so confusing. This government has set the skills portfolio on a far more efficient and streamlined path, by putting industry and employers back in the driving seat. It is typical that the Labor Party sees only the process and not the outcome. For the Labor Party, the process is about the training activity. Important though that is, the training activity is not what matters. What always matters is the job, and that is the focus that the coalition in government now has in this very important area of policy.

The member for Cunningham also raised the issue of the National Workforce Development Fund. Let me inform the member that this program was probably the most overly tied up in red tape that I have ever seen. In fact, it was found to have the most onerous reporting in a recent review of vocational education and training reporting. I remember, as the opposition spokesperson in this area, seeing glossy brochure after glossy brochure come out from the then government explaining what this fund had funded, but when you actually did a calculation related to certificate II, for example, in a particular sector, the numbers who had passed that qualification and the dollars that were involved in getting that outcome were phenomenal. It was right over the top. The government now has made a decision to deliver an industry skills fund that delivers a direct line for industry to access some co-investment from government in training.

The member for Cunningham also raised the issue of apprenticeship access being ceased. Let me remind her that a recent review of the program found that, under her watch, this program delivered just 26 per cent job outcomes for participants—hardly the success she would have us believe. We have set about reforming and improving the apprenticeship system. Many of our speakers on this side of the House have talked about our trade support loans and the important role that they will play in delivering completion rates that are a lot better than the current ones. We look forward to the minister making further announcements about that in the future.

The opposition also raised the national partnership on teen parents and the cessation of that program. What we inherited was a program in which those opposite agreed that the only outcome the states would have to comply with in order to get money from the Commonwealth was to sign people up. Easy: sign people up and get the funding. How irresponsible is that? There was no need for evidence of completing training, no link to a job, nothing—yet another clanger in a Labor Party policy that thought the outcome in vocational education was just throwing more money at it.

The member for Canberra made some interesting remarks. She talked about how much money the previous government pumped into skills and came up with a figure of about $19 billion. I must say in response: let's look at the outcomes. We had the failure of the
multibillion-dollar Productivity Places Program under review. We had no idea who studied, what they studied or who was delivering the training. Again, it was all about the process: pumping in the people; putting out the glossy brochures; talking up the skills conversation, which is always a good one, always an interesting one and always well supported by those you talk to. But the hard yards were never undertaken.

If this record of spending was so great, why did Labor leave us with a regulator with no budget and, instead, force us into a full cost recovery approach to the regulation of the system, an approach that has not delivered any improvement in the quality of training? In listening to the speakers from Labor on this bill, the word ‘quality’ did not come up much. It is interesting that it did not, because quality is what you should talk about when you talk about training as being the most important thing after the link with a job.

When I talk to apprentices and they discuss their training experience, yes, the money matters—the job is usually there on the table if they are already in an apprenticeship—but then it is the quality of the training that matters. Under Labor, there was no money to regulate the system; it was all about the process, the scrutiny of providers, never about the quality.

Let us not forget the trades training debacle. In 2007 Labor committed to $2.5 billion for trades training centres in all of Australia’s 2,650 secondary schools. I know the member for Canberra explained how they are now interesting clusters that work really well. The interesting clusters came about because of course the promise could never be delivered. We could never have a trades training centre in every single one of Australia’s 2,650 secondary schools. If we did, we would have had even more substandard trades training centres than what we eventually ended up with. I know, from having visited a lot of these centres, that some of them do good work. I do not want to underplay the good work that they do and it is certainly true that for students to have training in areas that lead to a job and apprenticeships, particularly school based apprenticeships, is very important. We know that, but just building the space does not actually make it happen. The actual activity inside that space is what delivers the high-quality training that leads to a job. At that point, the Labor Party walked away. Labor only ever managed to deliver 304 of its promised trades training centres and that is a shameful record.

As we announced, the coalition government will deliver the final round of trades training centres, which will now be known as trades skills centres. They will have a renewed focus on delivering excellent vocational training in secondary schools through stronger partnerships between schools, local businesses and industry. Future funding under the program will then cease. Labor’s program would never have achieved the goal to have a trades training centre in every secondary school in Australia, and we simply cannot overstate that enough.

Members opposite also raised the issue of the tools for trade allowance. The member for Canberra has not said once how on earth she would fund its reinstatement. We are borrowing $1 billion a month, just to pay Labor’s interest bill. And guess what? The tool allowance cost just under $1 billion. So every month of Labor’s interest bill could notionally have funded the tool scheme over and over. It would be great to do some of these things. Yes, there were benefits, but Labor created this situation and now we must all deal with the results. We have replaced the Tools for Your Trade Scheme with something far better: our apprenticeship trade support loans, which give four times as much support as the old scheme. Yes, they do have to be paid back but, importantly, part of the incentive to complete is the 20 per cent discount. It
gives apprentices an immediate reduction, of up to $4,000, depending on how much they borrow. It would be $4,000, if they borrow the full amount under the program.

As a country our continued prosperity depends, in large part, on the skills and knowledge of our people. This will be especially the case as we move to reposition Australian industry to take advantage of the many opportunities and the competitive challenges that we all face in the 21st century. Our government is committed to ensuring that the vocational education and training sector is ready to meet the skills and training needs of the nation, and it is in this context that the Student Identifiers Bill is being presented to the House.

The bill will establish a national lifelong unique student identifier, USI, for students in the vocational education and training sector—always known as VET—who undertake nationally recognised training from 1 January 2015. The introduction of the scheme is expected to generate time and cost savings for individuals and businesses over time and is intended to support a high-quality, contestable and responsive national training market by enabling the streamlining of data collection and other processes in the vocational education and training sector. In particular, the student identifiers scheme will address the wasteful and confusing duplication within the labour market that flows from the fragmented and inaccurate information about vocational education enrolments, participation and completions. It will allow for a greater understanding of education pathways and patterns of enrolment and completion, enabling the development of evidence based and cost-efficient programs that effectively target skills shortages and skills needs of industry.

The student identifier will also assist industry in making better informed decisions about the skills levels and training needs of their workforces and in gaining a greater understanding of the scope and effectiveness of the training being undertaken within their industry. Moreover, employers will be better placed than ever before to evaluate the training records of job applicants and staff from an authoritative source, streamline recruitment, staff training and task allocation and also help to ensure that training already undertaken is not repeated unnecessarily. In addition, individuals will have easy, reliable, lifelong online access to a record of their training history from a single authoritative source. Individuals will be able to produce comprehensive transcripts or an extract for the purpose of applying for a job when seeking credit transfer or when demonstrating prerequisites when undertaking further training. These advantages are complemented by students being able to give public and private training providers access to an online information source to manage transfers between training providers and their assessment of credit transfer and prerequisites.

As an initiative of the Council of Australian Governments, this bill is the culmination of hard work and close collaboration between the Commonwealth and state and territory governments. I am pleased to say that there is support from all state and territory governments for a USI and I would like to thank them for their significant contribution to the development of this legislation. The bill has undergone an extensive consultation process. I would also like to thank everyone from training providers to state and territory agencies, and privacy commissions across Australia for their contribution and advice. I commend the bill to the House.

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

**Third Reading**

Ms LEY (Farrer—Assistant Minister for Education) (13:22): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

**Fair Work Amendment Bill 2014**

**Second Reading**

Debate resumed on the motion:

That this bill be now read a second time.

to which the following amendment was moved:

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

"the House declines to give the bill a second reading because of:

1. the need to provide sufficient protections in Individual Flexibility Arrangements and the impact that losing protections will have on employees; and
2. the Greenfield agreement-making process being heavily skewed in favour of employers; and
3. the provisions of the Bill undermine the right for Australian employees to be represented at work including a requirement that an employee tell their employer if they want to speak with a union; and
4. the need for a full examination of all amendments within this Bill that may unfairly impact on employees."

Ms MARINO (Forrest—Government Whip) (13:23): The Fair Work Amendment Bill 2014 makes amendments to the Fair Work Act 2009 to implement parts of the coalition's policy to improve fair work laws. In particular, the bill responds to a number of outstanding recommendations from the *Towards more productive and equitable workplaces: an evaluation of the Fair Work legislation* review of June 2012 into the operation of the Fair Work Act by the Fair Work Review Panel. It seeks to curb the most outrageous abuses that can be perpetrated by union bosses.

One of the most beneficial changes for Western Australia in particular will be to support new greenfields industrial agreements. The existing Labor Fair Work Act gives the unions the ability to undermine new projects worth billions of dollars by dragging out agreements. This has effectively legislated doubt into complex industrial agreements and delayed investment decisions. Removing this doubt will be good for the resources and construction industries of Western Australia in particular. These industries, as we all know in this place, are critical to the growth and development of the south-west of Western Australia and the entire nation. They are also the industries that have seen the worst of union behaviour across the nation. The often illegal behaviour has been an embarrassment to the nation and to the good and honest workers who often were betrayed by the power hungry, greedy union leaders.

It was this type of behaviour in the building industry that in 2001 resulted in the establishment of the Royal Commission into the Building and Construction Industry. The report of the royal commission identified 392 separate instances of unlawful conduct, 25 different types of unlawfulness and 90 different types of inappropriate behaviour. These
included unlawful strikes, unlawful payments, abuse of union rights of entry, fabrication of safety issues, compulsory unionism, coercion to pay wages and meet conditions demanded by unions, disregard of contracts and agreements and disregard of court and tribunal orders, workplace rorts, threats, intimidation, inadequate attention to health and safety and interference in commercial tendering for industrial purposes. The report referred 31 individuals who had possibly breached criminal laws. Twelve of those 31 individuals came from Western Australia. It identified 230 separate incidents of unlawful conduct.

Given this sort of performance, it is not surprising that the bill before the House today will also amend the right of entry framework of the Fair Work Act by repealing amendments made by the Fair Work Amendment Act 2013 that required an employer or occupier to facilitate transport and accommodation arrangements for permit holders exercising entry rights at workplaces in remote locations and providing for new eligibility criteria that determine when a permit holder may enter premises for the purposes of holding discussions or conducting interviews with one or more employees or textile, clothing and footwear award workers and repealing amendments made by the Fair Work Amendment Act 2013 relating to the default location of interviews and discussions and reinstating pre-existing rules and expanding the Fair Work Commission's capacity to deal with disputes about the frequency of visits to premises for discussion purposes.

There is no doubt that this so-called right of entry is today used as a weapon by militant unions to intimidate both businesses and the people they employ. What started off as a quite legitimate attempt to ensure the right to representation has unfortunately been usurped by the unscrupulous into a badgering technique designed to disrupt legitimate businesses and activities and pressure them to cave in. It happens regularly, often when the workers at a site do not want the union there. For evidence of this we only have to look at the submission of BHP to the Fair Work Act review instigated by the previous Labor government when it was reported that during the construction phase of BHP Billiton's Worsley alumina plant in my electorate of Forrest visits by union officials increased from zero in 2007 to 676 visits in 2010 alone during its expansion phase. Having 676 site visits in one year equates to 1.85 site visits every day seven days a week for the year. What a blatant abuse of the right of entry provisions and obviously a campaign of intimidation. A Fair Work Commission that did its job properly would have addressed such a misuse of industrial power but that was not possible under Labor. The situation is so grim that even former Labor minister Martin Ferguson came out with the truth that Labor's old industrial relations model has broken down. He told ABC Radio in Western Australia that unions like the Maritime Union in Western Australia were off the rails, undermining the development of the state and putting jobs at risk. This misuse of a piece of poorly worded Labor legislation must be changed and it must be stopped.

An additional aspect of this bill is the repair of the strike first, negotiate later rip-off. Under the existing Fair Work Act employees are allowed to take industrial action before any bargaining has commenced. This is despite previous Labor Party promises to change it and is in contrast to the recommendations of the Fair Work Review Panel. It makes no sense to strike before there have even been discussions. The coalition will ensure that proper debate precedes strike action.
The Fair Work Amendment Bill also addresses the need for flexibility in the workplace. Individual flexibility arrangements have been a part of the Fair Work Act since its inception but have failed to provide the flexibility needed in the modern Australian workplace. In their 2007 election campaign Labor promised flexibility on matters such as rostering and flexible hours. When it came down to actually delivering, as we knew with Labor, it maintained its very poor performance. Once again it needed the election of a coalition government to make changes to get this country moving and make sure that everybody knows Australia is open for business.

The DEPUTY SPEAKER (Hon. BC Scott): Order! The debate is interrupted in accordance with standing order 43.

STATMENTS BY MEMBERS

Migration

Mr MARLES (Corio) (13:30): Bob Hawke said that the great influx of migrants after the Second World War is the most defining feature of Australia today. He is right. There is no doubt migrants have shaped our country for the better—building, expanding, educating and creating a diverse society of which we should all be proud. How then does this Abbott government seek to repay that hard work and contribution? It is by punishing families through a mean-spirited cutting of a program that allows families to be reunited with overseas relatives, often elderly parents. Taking the axe to the non-contributory parent visa is a cruel and heartless attack on our ethnic communities. It means for tens of thousands of ethnic families spread across the country, including in my electorate of Corio, their hope of being reunited with family has now been slammed shut, unless of course they can afford the reported $125,000. It goes to the very heart of the cruel and twisted priorities of Tony Abbott and Joe Hockey's government. Why is this government turning its back on migrants who have given so much to this country? This is a government that thrives on slogans. Is their new three-word slogan 'Stop the parents'? Labor will not stand by and let the Abbott government punish those who have worked so hard to make Australia the wonderful place it is today by cruelly denying them being able to share this country with their families.

Cowan Electorate: Bosnian Community

Mr SIMPKINS (Cowan) (13:31): On Saturday night, I again visited the Bosnian club in Beechboro and I would like to thank the president Mr Muhamed Merdjanic for the kind invitation. There are many Bosnians in and around Cowan and I thank them for their efforts and positive contribution to our community. It was the occasion of a celebration of the 20th anniversary of the establishment of the club. It is a great venue for the Bosnian community of Perth to gather and enjoy each other's company. It allows them to keep and promote cultures and traditions of their homeland. During the evening, they showed a video of Mr Merdjanic and community members actually building the club and the facilities 20 years ago. They also showed the very recent renovations, finished since my last visit—again, undertaken by the community members. It was good that they were able to harness a grant via the Barnett state government, which when coupled with the dedication, hard work, skills and volunteering spirit of the Bosnian community yielded such great results. Another example is the great fundraising that the club has done for those affected so badly by the recent devastating floods in Bosnia. Many thousands of dollars have been raised by the community. Having visited
Sarajevo last year, I know that, although the country has developed greatly since the war, the floods have been devastating and the money generated will be well utilised. I would like to again congratulate Muhamed, the Beechboro Bosnian club committee and the Bosnian community for being a highly positive, motivated, hardworking and effective community in Perth.

**Blaxland Electorate: Budget**

*Mr CLARE* (Blaxland) *(13:33)*: My electorate in south-west Sydney is one of the hardest hit by this budget. We are going to be hit hard by the government's decision to $7 GP tax, because 98 per cent of the people who live in my electorate are bulk-billed—just after the member for Chifley's electorate—and they will all now have to pay. The 16,000 pensioners in my electorate will be affected by the cut in the increase to the pension. My community will also be affected by the increase in the cost of university degrees. It will hit my community hard. It will discourage people from even going to university. And now we have learned that the government has decided to abolish the non-contributory parent visa. This, too, will hit my community very hard. My electorate is one of the poorest in the country and one of the most multicultural. People from all around the world, from all four corners of the earth, come to Blaxland to live. It is what makes my community and my electorate so great. It is also what makes these visas so important. The non-contributory parent visa brings families together, that reconnects parents and children. I know from personal experience, from my extended family, how important these visas are. We have a lot of important debates in this place, but there is nothing that is more important than family, and this will hurt my community. I urge the government to please reconsider.

**Forrest Electorate: Margaret River**

*Ms MARINO* *(Forrest—Government Whip) *(13:34)*: Margaret River is the iconic, internationally recognised wine and tourist region of Western Australia. It has the highest recognition of any region in our state, based on a remarkable branding campaign that has seen the Margaret River name lauded throughout Europe and Asia. This recognition has been enhanced yet again by the world championship tour 2014 Drug Aware Margaret River Pro Surfing Championship. Thousands of spectators headed to Surfers Point in Prevelly to see the world's top ranked surfers take on the famous Margaret River main break, which offers some of the best surfing conditions in the world. In the final, Michel Bourez just tipped out Australian Josh Kerr. Hawaiian surfer Carissa Moore won the women's event from Australia's Tyler Wright. The event attracted an unprecedented level of media attention. Much of the week and half of the festivities that accompanied the surfing happened at the iconic Settlers Tavern in the heart of Margaret River. The event is very rightly promoted as 'world-class waves and wine'. I would like to congratulate Surfing WA and local supporters, including the veritable army of volunteers, for once again showcasing the fabulous Margaret River region and for making sure that visitors and locals had the most marvellous experience that I am sure they will remember for the rest of their lives. This has been held at the redeveloped Surfers Point, following the devastating bushfires of 2011, with state and federal government funding, seeing surfers and crowds treated to world-class facilities. *(Time expired)*
Fowler Electorate: Migration

Mr HAYES (Fowler—Chief Opposition Whip) (13:36): The government's decision to permanently axe the non-contributory parent visa category from June this year will severely impact on my local community. I represent a vibrant, multicultural community with over 150 nationalities. Like the rest of us, these communities place great emphasis on family. Many people in my electorate are refugees coming from war-torn countries, having to wait patiently to be reunited with parents, relatives, partners and children to rebuild their lives. Abolishing the non-contributory visas, including parent visas, aged dependent relatives visas, remaining relatives visas, and carers visas, will put enormous stress and pressure on these families, many of whom come from low-socioeconomic and disadvantaged backgrounds.

I understand the importance of family reunion in providing people with invaluable support, particularly for those living with disability or with aged parents. Families in my electorate are not rich. They will be denied this respite as they cannot afford to pay for a contributory visa costing anything up to $125,000. This government is determined to only look after the wealthy. If we are getting to the stage in Australia where you can only migrate here if you can afford to pay the price, then this is not the cohesive, inclusive, multicultural Australia that we need.

Robertson Electorate: Kincumber Men's Shed

Mrs WICKS (Robertson) (13:37): I was honoured to be a guest at the seventh birthday celebrations of the Kincumber Men's Shed recently. Men's sheds are important places where men in our community can come together to share and to learn new skills. We enjoyed a hearty barbecue lunch and a birthday cake at the celebrations, and it was fantastic to hear so many stories from so many local residents who have made the Kincumber Men's Shed a second home. Some are crafting incredible creations from wood, while others enjoy having a chat over a cup of tea or coffee, which can be just as important.

Kincumber Men's Shed and other sheds across the Central Coast, such as at Gosford, Terrigal, Ettalong and Umina Beach are great places for men to be. You will meet extraordinary people at a men's shed. Many are retired and are passionate about passing on their knowledge.

I was honoured to receive a superb clock, made by committee member Alan Hagan, that now sits on the mantelpiece of my electorate office in Gosford, and I also thank Bob Jones for the magnificent wooden fire truck he made that is also on display. May I commend Kincumber Men's Shed President Peter Jessup, Vice President Clarrie Stevens, Secretary Alan Eaton, Treasurer Graham Bowie and members Graham Hatton, Barry Channon and Jim Newhouse.

Men's sheds help men to talk and connect with others while enjoying a shared skill together. The men's shed has grown in leaps and bounds in the past seven years at Kincumber, and I commend their work, and that of other men's sheds in my electorate, to the House today.

Rankin Electorate: Migration

Dr CHALMERS (Rankin) (13:39): Not even those on low and middle incomes who want to be reunited with mums and dads overseas have been spared the cruelty of this budget. Without any consultation or warning, the government abolished the non-contributory visas which make these reunions possible. True to form, they are still saying that if you have got
something like $125,000 then you will be okay, but if you are on a normal-sized income you will not.

This ambush on immigrants will do particular damage to my own community. There are 55,000 people in my electorate who were born overseas, from something like 180 homelands. This is another instance of the people in my area being disproportionately targeted. Any MP in here worth their salt knows how important these visas are. Whether it is a refugee from Sudan or a Tongan Australian, generally the case is: mum or dad were left behind and are now alone and unable to care for themselves.

Recently I had a family who are refugees from Afghanistan come into the office. A dad and his three kids begged us to assist his parents to come to Australia. His parents were at risk from the Taliban because he had supported the United Nations' efforts to rebuild his country. His kids were crying because they feared for their grandparents. Those fears were founded when the grandparents were subsequently beaten badly—an awful fact, verified with photos. The government's changes to visas did not do this. But by abolishing them the government is robbing the family of hope. It is not robbing all applicants of hope—just the poorer ones. It is not seeking to sever the loving bonds of every immigrant family—just the loving bonds of families on low and middle incomes. People are right to be furious about it, and I am proud to stand up for them.

Barton Electorate: Transport

Mr VARVARIS (Barton) (13:40): I rise to commend the recent announcement by the New South Wales transport minister, Gladys Berejiklian, that the state government will install lifts at the Arncliffe railway station within my electorate of Barton. For years, community groups and individual constituents with mobility issues have been raising their concerns about the lack of a lift at the station. For residents who are elderly, mothers with prams and children, and those with impairments that prevent them from walking upstairs, the lack of a lift had presented a significant problem. For the average able-bodied person, no lift at a train station means the opportunity for exercise, or a slight inconvenience if you are carrying bags or are tired after a long day at work. For those with small children, disabilities or the elderly, however, it is the difference between accessing train services and being unable to travel.

Representatives such as John Flowers, the member for Rockdale, and Councillor Michael Nagi of Rockdale City Council, have been joining their voices to those of the community regarding this issue, and now their calls have been heeded by the New South Wales Liberal government. This is an encouraging move, which ratifies the clear intentions of Sydney Trains and the minister for transport to make Sydney's stations accessible for all. I commend the transport minister for considering the most vulnerable within my electorate and call on all responsible bodies to make haste in installing the much-needed lifts at Arncliffe railway station.

Lalor Electorate: Migration

Ms RYAN (Lalor—Opposition Whip) (13:42): Many individuals in my electorate of Lalor have already raised their grave concerns regarding the abolition of various sub-classes of the non-contributory parent visa. After stating in Senate budget estimates last week that they were 'not sure' when the changes would take effect, here we are this week with the repeal lodged in the House of Representatives. This again shows the Abbott government creating a society of
haves and have-nots—again, another policy that means that if you have money, you will be right; if you don't—too bad!

Under the contributory parent stream, it has been reported that some of these visa applications are costing up to $125,000. So low- and middle-income families that have, until now, had the hope of being reunited permanently with family members have lost that hope—unless they can afford to pay thousands of dollars. There was no community consultation, and no warning of when this would happen. The government have just ignored how very important these visas are for the families that are granted them. It is mean-spirited to only allow family reunion to those who can dig deep into their pockets and just ruin the hopes of the less fortunate. Many in my community will be negatively affected, and I implore the government to keep these sub-classes of visas.

**Braddon Electorate: Television Services**

**Mr WHITELEY** (Braddon) (13:43): In December of last year, analog television was permanently switched off across our nation. It marked the end of an era for some, but for the residents on the west coast of Tasmania in my electorate of Braddon, it marked the end of reliable television services. Some might say the switch was a good thing—more channels to choose from—but it is not just about missing your favourite television show or missing the cricket or having no idea what a 'Block head' is. It is about treating people everywhere, no matter where they choose to live, fairly.

Yes, the west coast of Tasmania is isolated, but why does this mean that people there should be forgotten? Would it be left so long if this were Sydney or Melbourne? There this just would not be acceptable, and it should not be acceptable for the west coast of Tasmania either.

The problem is: due to the topography of my island home, the signal often clashes with the Victorian signal. So, on a clear day—can you believe it?—it is even worse.

Surely, this needs to be fixed! Enough is enough: who is going to put up their hand to sort this mess out? Cathy Legge of Queenstown in my electorate has had enough: she has sent me this petition signed by 706 frustrated residents of the West Coast who want action. I would like the residents of the West Coast to know that I am listening and that I am taking action to ensure that reliable television reception is returned to their area.

Whilst this is not directly a federal government matter, I have written to all television stations seeking an explanation as to why residents are not having their concerns listened to and I have sought a meeting with Free TV Australia.

I seek leave to present an out of order petition from 760 petitioners.

Leave granted.

**Perth Electorate: Migration**

**Ms MacTIERNAN** (Perth) (13:45): In all the noise of the election campaign I must have missed the Liberal Party 'stop the families' slogan. The government has quietly and stealthily stopped people in Australia from reuniting with their families.

From this week, no new applications are being received for parent, aged parent, aged dependent relative or remaining relative in care visas. This fundamentally changes the family reunion visa programs that have helped to make Australia's migration system so successful. It
has been a change that has been made without any community engagement. The migrant
groups in my electorate are absolutely in disbelief that this has happened.

People who have so successfully gained citizenship or permanent residency in Australia
had been able to apply to bring their parents as well as other members of their extended
families to join them in this great country, or to care for them here in their old age. With 37
per cent of Western Australians having been born outside Australia, our community has a lot
to lose from this harsh measure.

Many recent immigrants will understandably feel that the Abbott government is against
them, and this will add to the anger that has been caused by the proposed watering down of
the Racial Discrimination Act. This policy decision must lead to questions concerning who
has captured the immigration policy in Australia. (Time expired)

Solomon Electorate: Kayak4Youth

Mrs GRIGGS (Solomon) (13:46): Yesterday morning at Lake Alexander, one of the few
croc-free bodies of water in the Territory, a wonderful program called Kayak4Youth was
launched.

Kayak4Youth was founded by Andy Warton to raise funds and awareness for the
prevention of suicide, with a particular focus on youth. This September, the Kayak4Youth
adventure will take place as a two-day overnight kayak trip on the Katherine river, a river
known for its beauty but also for its crocs.

Together with Lifeline, Kayak4Youth held a paddle boarding event which challenged local
community leaders and business people to race across Lake Alexander to raise awareness for
this very important cause as part of the official launch of the program. Unfortunately, I was
unable to attend due to my duties here in this place. However, my husband, Paul, agreed to
represent me, and by all accounts he did a fantastic job—as he always does. I was delighted
when I heard that Paul did me proud by winning the paddle board race.

I would like to finish by saying congratulations to Andy Warton, founder of Kayak4Youth,
and to Michelle Hanton, CEO of Lifeline Top End, for taking the initiative and bringing this
very important issue into the public arena. I look forward to working with both of them in
raising the awareness of this fantastic initiative and getting the community involved in
Kayak4Youth. (Time expired)

Kingsford Smith Electorate: Migration

Mr THISTLETHWAITE (Kingsford Smith) (13:48): On behalf of the migrant
communities of Kingsford Smith, I implore the government to reverse this lousy decision to
repeal a number of parent visas. In particular, the non-contributory parent visa, the aged
dependent relative visa and the carers visa.

This decision shows the Liberal and National parties' complete disdain and contempt for
Australian multiculturalism and migrant communities. The effect of this reform is to put
family reunion out of the reach of many Australian migrants by forcing them to pay the up-
front fee, which is currently around $125,000, to bring your parents or family members to
Australia.

Most migrants in Australia simply cannot afford that fee, particularly many in my
community. There was no mention of this policy prior to the election. Again, it is another
broken election commitment from a lousy government. It was not even debated in this parliament.

Mr Ruddock: What was the queue under you?

Mr THISTLETHWAITE: Those opposite say that they are for Australian multiculturalism. Those opposite say that they are defending the rights of migrants—

Honourable members interjecting—

The DEPUTY SPEAKER: Order! The Chief Government Whip!

Mr THISTLETHWAITE: We now know that they are nothing but Orwellian slogans!

Mr Ruddock: You have no idea what you are talking about!

The DEPUTY SPEAKER: The Chief Government Whip!

Mr THISTLETHWAITE: This comes on top of changes to the Racial Discrimination Act.

Ms Rowland: What about the budget!

The DEPUTY SPEAKER: The member for Greenway will desist from interjecting! The member the Kingsford Smith has the call.

Mr THISTLETHWAITE: It is time for Liberal and National Party MPs to stand up for migrant communities and vote against this reform going through the parliament. *(Time expired)*

**Lindsay Electorate: National Black Spot Programme**

Ms SCOTT (Lindsay) (13:49): The Australian government, again, under the watchful eye of the Assistant Minister for Infrastructure and Regional Development and the Minister for Infrastructure and Regional Development, are delivering on our plan to build safer roads and a stronger economy through a record $500 million investment in the National Black Spot Programme.

As you would be aware, black spot projects target dangerous roads and save lives to ensure our local roads are safer for motorists, cyclists and pedestrians. The program allows anyone to nominate an intersection or stretch of road they believe should be considered for a safety upgrade to benefit the local community. A recent evaluation of the program found fatal and casualty crashes are reduced on treated sites by 30 per cent, which effectively translates to saving one life per year for every 84 projects.

I would like to draw the attention of the House to three projects that are within the electorate of Lindsay. In St Marys: $450,000 for upgrades to Glossop Street, King Street and Brisbane Street. At Llandilo: $90,000 of upgrades to Second, Third and Ninth avenues. And at North St Marys: $25,000 to upgrades to Griffith and Viney streets. In total that is an investment of $565,000 to make the streets safer within Lindsay.

I note that Penrith city councillor, Ross Fowler, the Mayor of Penrith, has thanked the federal government for its contribution to making the local roads safer. This investment in black spot projects will deliver safer roads right across our community. *(Time expired)*

**Werriwa Electorate: Migration**

Mr LAURIE FERGUSON (Werriwa) (13:51): For decades, parliamentarians on both sides of this House prided themselves on Australian multiculturalism, contrasting ourselves
with systems such as the German guest worker process, where people had no rights for 30, 40 or 50 years.

The first nail in the coffin for this policy was under the Howard government, when we had a massive reduction in the number of people allowed to enter this country as parents. There was then a deal reached with the Democrats—

Mr Ruddock: You know better than this!

The DEPUTY SPEAKER: The Chief Government Whip!

Mr LAURIE FERGUSON: to preserve the non-contributory parent visas. The initial intention of the Liberal Party was that the only people to come to this country were those who would pay.

The Democrats accomplished a deal to preserve the non-contributory visas. Today we see it destroyed. We see a situation where the family reunion category—which allows people to go to college, to be educated, to do things in the wider society with family support has been destroyed. It has been indicated that the fees could go as high as $125,000, but a minimum of over $40,000 is now required to bring parents into this country. I will hazard a guess that there are people on the opposite side of this House whose background in Europe, particularly, has been such that they have brought in members of their extended families under the previous system.

It is a disgrace that this has been abandoned a week after the immigration department could not even predict that it was going to be destroyed. What we have seen here today is the final nail in Australian multiculturalism.

Deakin Electorate: Aveo Cherrytree Grove Retirement Village

Mr SUKKAR (Deakin) (13:52): I am fortunate to have a number of well-run retirement villages in my electorate of Deakin. One of these is the Aveo Cherrytree Grove Retirement Village in Croydon. Cherrytree's residents recently invited me to hold a forum in the village. More than 100 people came along to hear about the government's policies and to ask questions about a range of issues, including the pressing need to repair the budget, the government's ongoing support for pensioners, and our successful border protection policies. It was fantastic to see the residents taking an active and productive interest in the country's future. It was, in fact, the second time that I have held a forum at the village. The residents were delighted to host the current Speaker, prior to last year's election when she was the shadow minister for seniors.

Cherrytree is a vibrant place and both the staff and members of the residents committee deserve recognition and congratulations for their efforts in fostering a cohesive and strong community spirit. I again thank the residents for their hospitality and I look forward to our continuing close relationship, which enables me to better represent their interests in this place.

Greenway Electorate: Migration

Ms ROWLAND (Greenway) (13:54): The mean and tricky decision by this government to axe the non-contributory parent visa and other family visa categories—including the aged dependent relative, remaining relative and carer visa categories—is an absolute disgrace. It is another example of the extraordinarily unfair nature of this budget, and it again highlights that the burden of this budget falls on the shoulders of low- and middle-income Australians.
In 2012-13, some 2,150 people were reunited with their families under the non-contributory parent visa. But this government, with the flick of a pen, has slammed the door on such families. Not only is this an unfair act; the Minister for Immigration and Border Protection—someone who seems to forget that his title includes 'immigration'—snuck this move through by legislative instrument only a few days ago without any consultation with the community. Indeed, it was only last week at Senate budget estimates that the department said they were 'not sure' when the changes would take effect, and now we see the repeal lodged in the House of Representatives one week later, to come into effect last Monday. This is a cruel blow to many people from migrant backgrounds, especially those on low and middle incomes. This government will be held to account for their callous disregard for ethnic communities. Members of my community are outraged by this. Those opposite cannot sell their rotten budget and our communities are onto them like a shot.

Budget

Mrs PRENTICE (Ryan) (13:55): I rise today to clarify some aspects of the 2014 budget. The coalition's budget will continue to support Australian families and encourage them to participate both socially and economically in order to build a strong, sustainable economy and to secure the future of Australia for our generation, our children and our children's children.

The coalition government has a difficult task to ensure that our welfare system remains a safety net for those most in need. Moving the threshold of the family tax benefit part B from $150,000 per annum to $100,000 per annum for the primary income ensures that our welfare system is sustainable and can target those families who are the most vulnerable. I have actually had a constituent call my office who will lose the FTB part B and they told me that although extra money is always appreciated and helpful, they sometimes feel that they do not really need it in the same way as other families do to simply put basic food on the table and pay for essential services. And, in light of the budget crisis left by Labor, it is important that their tax dollars are spent wisely and go to those families who are the most needy.

I wish to make it clear that no government ever wants to have to introduce a difficult budget, but a responsible government realises when it is necessary and acts accordingly. You cannot fix the economy if you do not fix the budget.

Parramatta Electorate: Migration

Ms OWENS (Parramatta) (13:57): The government has hit an all-time low with the changes to its immigration policy. Sneaking through the abolition of incredibly important visa categories to people in my community—the contributory parent visa, the aged parent visa, the aged dependent relative, the remaining relative and the carer visa—will not cause just outrage in my community; it will cause considerable pain. It will cause pain for families who have been separated and for families who have looked forward to their parents being able to join them in Australia. This is an aspect of culture in many of my communities that is unbelievably important.

We have seen members opposite get up in the 90-second statements debate over the last week doing anything to avoid scrutiny of the budget, talking about anything to prevent people paying attention to the appalling acts of this government, but they will not get away with this one. The communities in my electorate, and those across Western Sydney and Melbourne, will be onto this like you will not believe. In doing this you are denying them the right to
bring their parents to Australia. Only people who can afford $125,000 to bring their parents here will now be able to do it. It has been the case in Australia for some time that if you had money at the level of $125,000 you could jump the queue and go to the front. We have had people waiting 13 years to bring their parents here and they are still trying to do it. Now with these changes it will not be possible. You are breaking families and you are breaking the hearts of my community.

Regional Aviation Access Program

Mr NIKOLIC (Bass) (13:58): I stand here today very happy to support the $884,000 in funding that has been provided to the Flinders Island and Cape Barren Island communities by the government through the Regional Aviation Access Program. The funding for these two projects in my electorate of Bass is very welcome and will allow for much-needed improvements to an airfield that is critical to the wellbeing of the Flinders Island and Cape Barren Island communities. On Flinders Island, $786,000 will be used to upgrade the runway at Whitemark, while on nearby Cape Barren Island $98,000 will be applied to the construction of a wallaby-proof fence around the airstrip, thereby improving safety.

The upgrade to Flinders Island airport, which is owned and operated by the Flinders Island Council, will ensure greater certainty for its regular public transport services to the Launceston and Essendon airports. But it is also welcome news for emergency services like the Royal Flying Doctor Service, charter, freight, mail, private and recreational aircraft.

The residents of these two remote communities have to contend with many disadvantages, but this funding is another example of the coalition's commitment to invest in the infrastructure of regional and remote communities and to improve the lives and opportunities of Australians, no matter where they live.

The SPEAKER: I interrupt the honourable member. In accordance with standing order 43, the time for statements by members has concluded.

QUESTIONS WITHOUT NOTICE

Budget

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:00): My question is to the Acting Prime Minister. I refer to reports of Liberals boasting about playing the Nationals like a banjo over their broken promise to increase the fuel tax. With his budget of broken promises the Prime Minister has deceived veterans, motorists, pensioners and families and now we find out that he has even deceived the National Party and regional Australia. Is there anyone in Australia that this Prime Minister has not lied to?

The SPEAKER: The honourable member will withdraw that unparliamentary term, which he knows is not to be used.

Mr SHO RTEN: Yes, I withdraw that.

Opposition members interjecting—

The SPEAKER: We all missed you.

Mr Pyne: Madam Speaker, the Leader of the Opposition's question could not possibly be in order. It was another political rant across the dispatch box. He made no attempt to ask any kind of genuine question. If the opposition persist on asking questions like that, they have to expect the government to answer them in whatever way they choose.
The SPEAKER: Before the Leader of the House rose I was about to make the point that the question was full of argument, irony and a litany of other things that are prohibited; however, I will let the question stand but the comment made by the Leader of the House that it is wide ranging and the answer will be wide ranging also stands.

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (14:02): The assertions made by the Leader of the Opposition and the report on the ABC are simply wrong.

Opposition members interjecting—

The SPEAKER: There will be silence!

Mr TRUSS: The coalition is strong. It is based on an atmosphere of trust and reliance on one another. It has been strong for 65 years. For 65 years we have worked together to build a better country.

Opposition members interjecting—

The SPEAKER: There will be silence on my left!

Mr TRUSS: We have so often—

The SPEAKER: The Acting Prime Minister will resume his seat. Simply because I allowed a question that was capable of being ruled out of order to stand does not mean to say that I will tolerate that wall of noise from my left. And those on my right will also desist.

Mr TRUSS: So often coalition governments have been called upon to fix up the mess left by Labor. That is what we are doing collectively as a team again now. We have to collect up, to pick up, the pieces that Labor have scattered across the nation and build a strong economy. That is what we are doing as a cooperative, close-working team. We are strong. We are getting on with the job and we will be delivering better outcomes for all Australians.

Mr Husic interjecting—

The SPEAKER: There will be silence from the member for Chifley!

Budget

Mr HOWARTH (Petrie) (14:03): My question is to the Acting Prime Minister and Minister for Infrastructure and Regional Development. Will the minister please explain how fixing the budget, and in particular abolishing the carbon tax, will strengthen the economy and relieve cost-of-living pressures for all Australian families?

Ms Macklin interjecting—

The SPEAKER: The member for Jagajaga will desist!

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (14:04): I thank the honourable member for his question. He would know that every family has to live within its means. Every family has to have a budget that balances. If they spend more on one thing, they have to save money somewhere else. That is true also of governments. If governments spend money on one thing or if they spend more than they have got then somehow or other they have to find a way to make that up. Of course, Labor just spent and spent, wasted and wasted, and did little or nothing to make up for their waste. They left a legacy of debt for this government to pick up. So much of their disastrous
expenditure programs—their roof insulation scheme, the National Broadband Network, overpriced school halls—was waste—

Mr Dreyfus interjecting—

The SPEAKER: The member for Isaacs will desist!

Mr TRUSS: This was waste that Labor inflicted upon the Australian people and have left for future generations to repay. But they have not yet learnt the lesson.

In just 26 days time the carbon tax will be increased again. The carbon tax will go up. This $550 a year burden on every family will go up again on 1 July, from $24.15 to $25.40. The world's biggest carbon tax will become even bigger. Labor are fighting tooth and nail to keep this tax and to keep it growing. They want to continue to place this burden on Australian families and help make business in this country less profitable—there will be less opportunity for Australians to achieve their potential. Labor are determined to make sure that this carbon tax continues to go up. If they were still in office, they would be legislating this week to extend the carbon tax to road transport. That was a part of their commitment. They went to the election promising to extend the carbon tax to road transport—

Dr Chalmers interjecting—

The SPEAKER: The member for Rankin will desist!

Mr TRUSS: a tax of course that particularly affects people in regional Australia. The hypocrisy of Labor to be pretending that they are concerned about regional Australia while they are still committed to imposing a carbon tax on transport and raising the cost of living for everyone who lives outside capital cities! That is the kind of government that Labor were. They have not changed. They have not repented. They still want higher taxes for Australians and greater costs of living.

Dr Chalmers interjecting—

The SPEAKER: The member for Rankin will withdraw that remark.

Dr Chalmers: I withdraw.

Taxation

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:07): My question is to the Acting Prime Minister. Now that the National Party knows that the diesel fuel tax rebate was never on the table, will the Acting Prime Minister finally stand up for regional Australia? Will he oppose Prime Minister Abbott's new petrol tax?

The SPEAKER: Once again, that question is coming very close to being out of order under standing order 100. I would ask the Leader of the Opposition to consider the nature of his questions more carefully. But I will allow it to stand.

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (14:08): There is a threat to the diesel fuel rebate and there is a threat of higher taxes on diesel and the transport industry, and that threat is Labor. Labor remain committed to imposing a carbon tax on transport fuel. They remain committed to legislating to put a carbon tax on transport fuel—a tax of 7c a litre. Labor would like to add 7c a litre to the cost of fuel to take goods and produce in and out of the country. Labor, your plans are for
higher taxes. This government is delivering a budget which not only sets our country on the path to economic prosperity but also implements some substantial expenditure programs which will benefit regional Australia.

Mr Burke: Madam Speaker, I rise on a point of order on relevance. Earlier today another member of the government had to answer whether he supported government policy. Surely the Acting Prime Minister—

The SPEAKER: There is no point of order. The member will resume his seat.

Mr Pyne: Madam Speaker, on the point of order taken by the Manager of Opposition Business, if the questions are going to be technically out of order but, out of the generosity of spirit that you have shown, you allow them to stand but be so broad and simply political rants, the relevance point of order cannot possibly be employed by the opposition.

The SPEAKER: Which is precisely why I said there is no point of order.

Mr TRUSS: The budget that is before the Australian parliament at the present time includes significant measures of particular benefit to regional Australia.

Mr Dreyfus: Like the petrol tax?

The SPEAKER: The member for Isaacs will desist.

Mr TRUSS: They include a $50 billion infrastructure program; Building the Roads of the 21st Century; highways in regional Australia; substantial expenditure on the Roads to Recovery program; new bridges to be built in regional Australia and in other places; and $100 million for rural research. There are substantial benefits being provided for schools and for hospitals in regional communities, as the funding for these areas ensures the continuation of services outside the capital city.

The government was left with a very, very difficult budget, and we have put together a program and an agenda which delivers for all Australians, including those who live in regional areas. The Nationals are proud to stand with a budget that delivers for regional Australians, as it delivers for all Australians—a budget that will deliver good outcomes for our nation in the years ahead.

Budget

Mr LAUNDY (Reid) (14:10): My question is to the Treasurer. Will the Treasurer inform the House what the government is doing to fix the budget and why? What are the alternate approaches to sound budgetary management?

Mr HOCKEY (North Sydney—The Treasurer) (14:11): I thank the honourable member for Reid for his question and note that he is asking a question about the details of the budget—and we welcome that. As someone who has worked in business and has been at the coalface of business activity, particularly in Western Sydney, he knows how important it is for the country to live within its means, as it is important for business and individuals to live within their means. Of course, under the trajectory that we inherited, of deficit and debt under Labor, we were facing $667 billion of debt within a decade. That is $25,000 for every man, woman and child in debt—government debt—in a decade's time, and we would be paying $3 billion a month interest—70 per cent of which would be going overseas. Just as we are paying a billion dollars a month interest now on the debt that Labor accrued, we now send $700
million of that each month to people overseas that we had borrowed money from. So it is money that leaves Australia every month.

There is no sense of regret or even a sense of apology from our political opponents about this. The member for Lilley said that it was a 'ruinous' budget situation. In a moment of clarity in his discussions with Bob Carr he said the state of the budget 'is ruinous'. But, of course, now that they are in opposition they deny any responsibility. And no-one does that more than the member for Watson, who went out again this morning and said: 'We had to keep within our two per cent cap on spending growth that we put in place.'

Government members interjecting—

Mr HOCHET: He said, 'We had to keep within our two per cent cap on spending growth.' The only problem is they did not. He said, 'We had to', but they did not. Of course, the year that he misses out on is the year when Labor increased spending by more than 10 per cent. They just went for the credit card. They smoked the Amex in just one year and then they said, 'We're do-gooders; don't worry. It is all okay.' But the problem was that they locked in 3.7 per cent in increasing expenditure over the next few years.

The member for Watson is like this little dog that I got for the family before Christmas. In training the dog, I keep saying, 'Don't run out on the street into the traffic.' That is what the member for Watson keeps doing—he keeps going out into the traffic and then we have to pull him back and point out that it is, in fact, very dangerous for him to do that, because he gets his numbers wrong. Just as he got his numbers wrong on every single occasion in the past, he keeps doing it. So my best advice is: stay off the road and out of the traffic.

Fuel Rebates

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (14:14): My question is to the Minister for Agriculture. I refer the minister to the importance of the diesel fuel tax rebate to primary producers. Liberal Party members are now telling journalists that they never really considered any changes to the diesel fuel tax rebate because, 'Gina and Twiggy would've come after us.' Why is the National Party making millions of Australians pay a petrol tax hike knowing people who drive long distances in country areas will be the worst affected?

Mr Pyne: Madam Speaker, I rise on a point of order. Previous Speakers have upheld rulings and precedents in House of Representatives Practice that members cannot be asked about internal party matters, whether in the party room, in the cabinet or in this parliament. If standing orders are to mean anything, the opposition must attempt to make the question to be within the responsibilities of the minister concerned. A question about the diesel fuel rebate should go to the Treasurer, not to the Minister for Agriculture. I would ask you to indicate that that is the case.

The SPEAKER: On the point of order, the Manager of Opposition Business.

Mr Burke: On the point of order, Madam Speaker, it has for a long time been the practice in this House—and I remember when I was receiving questions from the now Acting Prime Minister when I was Minister for Agriculture, Fisheries and Forestry—that a minister for agriculture is expected to be able to give answers on a range of issues affecting constituents in farming communities. It has been that case for a long time and the final part of the question went specifically to that point.
The SPEAKER: The preamble to the 'nut' of what you might call the question was, again, very close to offending under standing order 100. So the Minister for Agriculture may answer the question but ignore the first part of it.

Mr JOYCE (New England—Minister for Agriculture and Deputy Leader of The Nationals) (14:16): I am absolutely thrilled to answer the question because do you know what? I have been 260 days in this place and I have never been asked a question—never once! That is their attitude to agriculture. And the first question I am asked about agriculture is from the member for Sydney! And what is the question? You would think they would ask a question about how in May we had record movements of beef—over 108,000 tonnes of beef. You would think they would ask a question about moving 1.3 million head of live sheep and that, since we have signed off the Bahrain agreement, the price of sheep has gone up by $30 a head—an extra $12,000 per semi load or up to about $36,000 per semi load. But of course we did not get a question about that. You would think we may have got a question about the 585,000 head of cattle we have moved in the live cattle trade—something you were responsible for shutting down. But of course, no, we did not get a question about that. You would think we may have got a question about the drought package that we have rolled out with over $700 million of concessions, but of course we did not get a question about that. We got a question about a rumour!

I have heard another rumour. Here's a rumour. I have heard that the member for Sydney wants the Leader of the Opposition's job. There's a rumour. Here's another rumour. I have heard that someone from the New South Wales Right got convicted by the ICAC for corruption. But hang on! That's not a rumour; that's the truth—Eddie Obeid. I heard another rumour that someone from the New South Wales Right also wants your job. Tony Burke wants your job. That is not a rumour either. I heard another rumour that the member for Lilley is still in the chamber. No, it is the truth. He is still here.

We hear lots of rumours around here but we never get any questions about policy—no questions about policy. I welcome it. After 260 days, they have finally decided that there is an agriculture portfolio but they just cannot work out how to ask a question about it.

To go back to the diesel fuel rebate, it is your party that wants to put a tax of 6.85c a litre on diesel. So there is only one party to vote for if you want the tax: you!

The SPEAKER: I understand that the House enjoyed the last question and answer. However, we will now have silence and listen to the member for Robertson.

Employment

Mrs WICKS (Robertson) (14:19): My question is to the Treasurer. Will the Treasurer update the House on how many jobs have been created so far in 2014 and how are the government's policies helping to create jobs?

Mr HOCKEY (North Sydney—The Treasurer) (14:19): I thank the member for Robertson for that question. I know it is a hard to act to follow my good friend the member for New England, but I will give it my best shot because on this side of the parliament we are focussing on good economic policy and on the creation of jobs. That is why I am pleased that the Australian Taxation Office and a number of other government agencies are employing more than 600 people in Gosford. We are able to announce a new centre of excellence in Gosford on the Central Coast of New South Wales because we are absolutely committed to
getting more jobs into more regional areas, as well as importantly helping to stimulate
economic growth. The impressive fact is that in the first months of this year over 106,000 new
jobs were created in Australia.

**Opposition members:** About time!

Mr HOCKEY: 'About time', they say, and now they are fighting over who said it—
106,000.

**An opposition member:** How many part time?

Mr HOCKEY: I will tell you: 79,000 full-time jobs out of 106,000; 79,000 full-time jobs
in the first four months of this year. Under Labor, 200,000 more Australians were
unemployed in just six years. The unemployment rate had a four in front of it when Labor was
elected and it is going up to 6¼ per cent as a result of the legacy of Labor. They do not care
about jobs. They never cared about jobs. We are the party for job creation.

*Dr Chalmers interjecting—*

The SPEAKER: The member for Rankin will desist.

Mr HOCKEY: We are the party for a prosperous economy—106,000 new jobs in just
four months. Is there any apology from the Leader of the Opposition about his behaviour at
the beginning of this year? He said:

How on earth can someone protest to be the worker’s best friend, the best friend of wage-earning, tax-
paying employees in Australia, when 63,000-plus full-time jobs have gone since they came into power?

Well, 108,000 jobs have been created since we came into power, but we have lifted in the first
four months of this year, as I said, in net terms, 106,000. The member for McMahon is
looking down at his papers—and no wonder. He said:

The jobs lost at SPC, Holden, Toyota or Ford are not being replaced with other jobs being created
across the economy because we see

the figures in net terms.

There have been 106,000 net new jobs in just four months! That is our economic plan. That is
our economic action strategy at work. I say to the Labor Party: get out of the way of our
budget and there will be more jobs created.

**Fuel Rebates**

Mr FITZGIBBON (Hunter) (14:22): At the invitation of the Leader of the House, my
question is to the Minister for Agriculture. I refer him to the importance of the diesel fuel
rebate to primary producers and, indeed, to rural communities more generally. Can he confirm
that Gina Rinehart now has more influence over coalition policy that does the National Party,
and isn't it the rural community and primary producers who are suffering from this lack of
influence on the part of the National Party?

The SPEAKER: As I said, I have been giving liberal interpretation and that will stand.

Mr JOYCE (New England—Minister for Agriculture and Deputy Leader of The
Nationals) (14:23): It is just Nirvana, isn't it—no questions, then two in a day! I was about to
put a cutout of myself down there but this is incredible.

*Dr Chalmers interjecting—*

The SPEAKER: There will be silence on my left. The member for Rankin is warned.
Mr JOYCE: The most amazing thing is that we talk about influence. I will tell you where most of the influence is. Most of the influence is in the union movement. I will tell you where there is real influence. We saw some influence today—Eddie Obeid. Now there is a man with real influence. Here is another one of influence—Ian Macdonald—another former colleague of yours with real influence. These people have real influence. Their influence has been proven by the Independent Commission Against Corruption, that said today that they are corrupt. And where do they come from? They come from the austere environment of the Australian Labor Party, New South Wales Division.

The Australian people know that if they really do want an increase in the tax on diesel then they must vote for the Labor Party, because they endorsed a 6.85c a litre increase in the price of diesel. That is correct, isn't it? We know it is correct because they stand by that policy. The reason they stand by that policy is because of their alliance with the Australian Greens. People have got to understand that the Greens and the Labor Party have this pact. Single-handedly, they were going to cool the planet, and one of the ways they were going to do it was by making everybody poorer with a 6.85c a litre tax. It is quite bizarre. On the day when Eddie Obeid has been declared by ICAC to be corrupt, you start talking about who is influencing who.

Indonesia

Mrs GRIGGS (Solomon) (14:25): My question is to the foreign minister. Following the Prime Minister's meeting with Indonesian President Yudhoyono, will the minister inform the House of the government's efforts to deepen and strengthen its ties with Indonesia?

Ms JULIE BISHOP (Curtin—Minister for Foreign Affairs) (14:25): I thank the member for Solomon for her question. I know that she is deeply interested in the bilateral relationship with Indonesia and particularly the trade relationship that is so important to the Northern Territory. I can assure the member and the House that the relationship with Indonesia is a key priority of this government.

Indeed, the Prime Minister's first overseas visit was to Indonesia and yesterday he met with President Yudhoyono, again, at the President's invitation, and I am assured by the foreign minister, Dr Natalegawa, who contacted me this morning, that the meeting went well. The Prime Minister has reported that it was positive and constructive and I think it is quite evident that there is a warmth and a rapport between the two leaders, the President and our Prime Minister.

The Prime Minister and the President stressed the importance of the bilateral relationship and the need to broaden and deepen and diversify this relationship. Already there is a high level of engagement between Australia and Indonesia. Indeed, I have calculated that there are about 60 different areas of cooperation across 22 Australian government departments and agencies and our opposite number in Indonesia.

I have met the foreign minister, Dr Natalegawa, on nine separate occasions since taking this office, one-on-one constructive, positive meetings. Senator Johnston, the Minister for Defence, and I will be shortly holding our two-plus-two meetings with our Indonesian counterparts. Ambassador Najib has returned to Canberra and we are initiating more activities to strengthen the relationship—a $15 million grant for an Australia-Indonesia Centre at Monash University. Indeed, the New Colombo Plan is seeing students studying in Indonesia.
as we speak. In fact, 40 per cent of the applicants for the second phase of the New Colombo Plan were to Indonesia, and I think that augurs well for the relationship.

We are rebuilding confidence in the trade relationship with Indonesia and, as the Minister for Agriculture reminds me, about 230,000 head of live cattle have now been moved into Indonesia. We are reassuring Indonesia that we will not repeat Labor's ban because that went straight to the heart of food security.

We are also cleaning up the mess left by Labor in terms of the people-smuggling trade. The Prime Minister assured President Yudhoyono that we will dismantle the people-smuggling trade, and the President said that Indonesia too was a victim of the people-smuggler trade. I think that it is worth remembering what Labor's Bob Carr said about this in his published travel diary. He said, 'I told Abbott if he won he'd have to take drastic action on people smuggling or the numbers would keep rising and crowd out our regular immigration program.' Bob Carr said, 'I told him, because we'd lost control of our borders.' That is what Bob Carr said. I want to acknowledge the work of the Minister for Immigration, who has stopped the people-smuggling trade and who has stopped the deaths at sea, because that is not in the interests of Australia or Indonesia for a people-smuggling trade to flourish as it did under the former Labor government.

Pentland Irrigation Baseload Power Station Study
Northern Australia: Development

Mr KATTER (Kennedy) (14:29): My question is to the Minister for Infrastructure and Regional Development. Minister, when does the government intend to release the Pentland irrigation baseload power station study promised for release in December last year by the previous government? Since some investors have already lost interest in a report that is now long overdue, could he consider how many reports over the last 10 years have been undertaken on northern development and water, how much they have cost, and what action has resulted from these myriad reports, whether white papers, green papers, scoping papers or, quite frankly, toilet papers?

The SPEAKER: I missed to whom the question was addressed.

Mr KATTER: To the Deputy Prime Minister, the Acting Prime Minister, the minister for regional development.

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (14:29): I thank the honourable member for his question and welcome him to the parliament!

Mr Katter: Having spent today here, I don't think I'll spend tomorrow!

Mr TRUSS: I think that is probably right. More than one day in a week is too much for the member for Kennedy, particularly since tomorrow is not a sitting day!

The answer to the member's first question about when the Pentland irrigation baseload power station study will be released is next Tuesday, in Townsville. I am looking forward to being there for that release with the member for Herbert, the member for Leichhardt and others who have had a particular interest in that study and indeed in Northern Australia.

I might add that, on the same day, the green paper on Northern Australia that we committed to during the last election campaign will also be released. That follows extensive
meetings across Northern Australia with communities in Western Australia, the Northern Territory and Queensland; the meetings of the parliamentary committee under the leadership of the member for Leichhardt; and submissions and contributions from many people across the north.

Like the honourable member, I am disappointed that a lot of the work that has been done on northern development in Australia has not seemed to progress too much over the last six years. I know that in areas where I was the minister a number of reports were done—

Mr Snowdon interjecting—

The SPEAKER: The member for Lingiari will desist!

Mr TRUSS: and unfortunately they made no progress during the term of the previous government. However, we are committed to the north. We are committed to ensuring that Northern Australia is able to achieve its potential. There are significant commitments in that area in the last federal budget. There is substantial expenditure on roads—the Bruce Highway, in the honourable member's electorate; the Barkly Highway; the Leichhardt; Roads to Recovery; the bridges program—all of which will be of significant benefit to the north. There is funding also for the Northern Territory, an extra $77 million for their highways, and of course in north-western Western Australia as well.

We will be looking at the broader opportunities for development in Northern Australia. I believe that Northern Australia can play a bigger role in our national economy, and the coalition government is determined to make that happen.

Budget

Mr ALBANESE (Grayndler) (14:32): My question is to the Assistant Minister for Infrastructure and Regional Development. Will the minister explain why there is not a single extra dollar for a single new Pacific Highway project in the 2014 budget, in spite of the fact that this budget slugs motorists with a new petrol tax? Or will the minister stick to his practice of keeping his comments off the record?

Opposition members interjecting—

The SPEAKER: There will be silence on my left, including the member for Chifley!

Mr BRIGGS (Mayo—Assistant Minister for Infrastructure and Regional Development) (14:33): Proudly, the Deputy Prime Minister and I are implementing the biggest infrastructure program in Australia's history: $50 billion. We are implementing the program, which is $16 billion more than what the member for Grayndler would have implemented had he been re-elected last September. And thank goodness he was not, because what we on this side are trying to fix is not only an infrastructure deficit but a budget that was broken and was unsustainable. And we are fixing it.

Mr Albanese: Madam Speaker, I raise a point of order on relevance. Given that the minister has chosen to go on the record, can he go on the record about how the same—

The SPEAKER: There is no point of order. Resume your seat! That is an abuse of the standing orders, and the member knows it. The minister has the call—he has completed his answer.
Higher Education

Mr HAWKE (Mitchell) (14:34): My question is to the Minister for Education. Will the minister explain how—

Honourable members interjecting—

The SPEAKER: We will have silence!

Mr HAWKE: the government's higher education reforms will free our universities to compete internationally while at the same time supporting equity of opportunity for all Australians? How does this compare with other proposed approaches?

The SPEAKER: I call the honourable Minister for Education. I hope he was able to hear the question.

Mr PYNE (Sturt—Leader of the House and Minister for Education) (14:34): I was on this occasion, fortunately, Madam Speaker, in spite of my colleagues' exuberance behind me and across the chamber. I am very happy to get a question from the member for Mitchell about the government's higher education reforms because we are very proud of our higher education reforms. We are very proud that they will spread more opportunity to 80,000 young Australians to go to university, and we are very proud that they will give our universities in Australia the best chance possible to be their best selves and to compete with their overseas competitors, particularly in Asia.

Good oppositions support governments that take on big reform. It is never easy when you take on big reform. Good governments do it because they know it is right, and good oppositions support governments that take on big reform. In the Hawke and Keating period, the Peacock-Howard oppositions often supported some of the big reforms that those governments did. When Kim Beazley was the Leader of the Opposition, it was not unknown for him to support some of the big reforms of the Howard and Costello government.

Yesterday Michael Gallagher, the chief executive of the Group of Eight Universities, had this to say about our reforms. He said:
The 2014 Higher Education Budget reforms are necessary.

Ms Butler interjecting—

The SPEAKER: The member for Griffith will desist!

Mr PYNE: He said: They are logical, coherent, sustainable, equitable and inevitable.

He also said:

My guess is that the detractors of micro-economic reform in Australia's higher education industry will find themselves on the wrong side of history in resisting efficiency improvement and innovation, as they will in opposing the redistributive measures of the package and, curiously, supporting socially regressive subsidies from general taxpayers to more advantaged segments of the community.

Mr Gallagher is absolutely right. The opposition have found themselves on the wrong side of this reform, have found themselves opposing more young Australians being given the opportunity to go to university, have found themselves on the side of subsidising middle- and upper-middle-class families to go to university rather than doing what this side of the House is doing, which is trying to get young people with low SES, first-generation university goers, into university.
The problem for this Leader of the Opposition is: he does not mind shredding Labor's economic credibility, such as it is—he does not mind shredding the economic credibility they had in the Hawke-Keating period—if it means political day-to-day tactics. We have seen it on display today. How obviously have we seen it today—question after question about rumours in this building, rather than asking questions about the budget. We are still asking questions about the budget on this side of the House, because we are pleased with what we are doing in this budget to try and change Australia for the better.

*Mr Brendan O'Connor interjecting—*

*The SPEAKER:*

The member for Gorton will desist!

*Mr Pyne:*

The problem with that side of the House is: they are all tactics and no strategy; they are all politics and no policy; he is all froth and no beer.

**Budget**

*Mr Shorten (Maribyrnong—Leader of the Opposition) (14:38):* My question is to the Acting Prime Minister. The Prime Minister's budget has cut $80 billion from schools and hospitals. It has cut family benefits and cut pensions. It will make people pay more to go to the doctor and more to fill up their cars with petrol. Why have government ministers spent all week undermining each other rather than tackling this budget of broken promises?

*Mr Pyne:*

I rise on a point of order, Madam Speaker. The Leader of the House will resume his seat. I am sorry; there is no question there to be answered for which the Acting Prime Minister has any responsibility. We will move on to the next question.

**Medicare**

*Mr Simpkins (Cowan) (14:38):* My question is to the Minister for Health. I refer the minister to the case of young Madison Dewar, one of my constituents with type 1 diabetes. How will the government's reforms in health make Medicare more sustainable and assist children like Madison? Who is standing in the way of these reforms?

*Mr Dutton (Dickson—Minister for Health and Minister for Sport) (14:39):* I thank the member very much for his sincere concern about, in particular, children with type 1 diabetes. In our country, sadly, we have about 100,000 Australians with type 1 diabetes. It is an insidious disease. I speak on behalf of people on both sides of the House when I say that we want to find a cure for type 1 diabetes. It is absolutely necessary that we do that. At the last election, the coalition promised $35 million to provide support to clinical trials to make sure that we could increase the research effort toward that cure. In this budget, we have built on that by wanting to get together a $20 billion medical research fund so that, over years, we could have the capital of that fund secured and the $1 billion a year in interest that would flow from that fund come back into medical research. That is incredibly important, not just for type 1 diabetes but for diseases of the brain, for dementia, for all of the cancers that we need to put more effort into in relation to research. It is incredibly important.

It is the case that we inherited an enormous debt from Labor. We cannot afford to put $20 billion aside without making savings elsewhere. So, in an effort to make Medicare sustainable and stronger into the future, we have proposed a $7 co-payment. Of that $7, $5 will go into
the Medical Research Future Fund so that we can help find the cures for type 1 diabetes and other important issues.

Ms Plibersek interjecting—

**Mr DUTTON:** The former health minister interjects. Of course, she was the mastermind of waste and mismanagement within the health portfolio, more so than any minister since Federation. Her contribution and her opposition to the amount of money that we put into medical research are well known, because in 2011 the Labor Party tried to rip $400 million out of medical research, and the medical research community in this country has never forgotten that the Labor Party tried to rip that money out of medical research.

I want to make sure that not only can we put extra money into the Medical Research Future Fund but, of the $7, $2 will go to doctors in general practice so that we can continue to support—on top of the money that they get out of Medicare now—bulk-billing for those people who cannot afford the $7.

Ms Rishworth interjecting—

**The SPEAKER:** The member for Kingston will desist!

**Mr DUTTON:** It is important in relation to the PBS as well. For 50 years, the Labor Party—in government and in opposition—supported a co-payment to keep our medicine system sustainable. For 50 years they supported a co-payment, and yet, for political reasons, they oppose a co-payment to keep Medicare sustainable. With an ageing population, with the need to find these cures, the coalition will fix up Labor's mess and we will make sure that we have a health system that is world class for years to come.

**Budget**

**Mr SHORTEN** (Maribyrnong—Leader of the Opposition) (14:42): My question is to the Acting Prime Minister. The Minister for Communications told Alan Jones this morning, in a truly outstanding interview:

No-one wants to pay more money to go to the doctor. Nobody wants to pay more tax. No-one wants to pay more at the petrol bowser.

If Malcolm Turnbull can admit that the Prime Minister's budget of broken promises is hurting Australians, why can't the rest of your team?

**The SPEAKER:** I will let the question stand.

**Mr TRUSS** (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (14:43): What I cannot get over about the Leader of the Opposition is his double standards. I know that he sets one rule for others—

Ms Macklin interjecting—

**The SPEAKER:** The member for Jagajaga will desist!

**Mr TRUSS:** and Labor behave a different way themselves. When Labor were in government, it was quite acceptable for there to be a co-payment on pharmaceuticals. When Labor were in government, they were happy to send market signals that we needed to make sure that we could manage future demand in the Pharmaceutical Benefits Scheme.

Ms King interjecting—

**The SPEAKER:** The member for Ballarat will desist!
Mr TRUSS: Over $30 was the market signal for people not on benefit cards, and even for those that were on benefit cards there was a $6 market signal. Why is it acceptable to pay $6 for a bottle of pills but $7 to visit a doctor is unacceptable? The Labor Party are so full of double standards that any commentary they want to make on health issues is simply not worth listening to. Their dishonesty, their unwillingness to accept the fact that what we have to do is make sure that our Pharmaceutical Benefits Scheme is affordable in the future—that was a philosophy that they supported when they were in government.

Dr Chalmers interjecting—

The SPEAKER: The member for Rankin will remember that he is warned!

Mr TRUSS: Now that they are in opposition, they do not think it is important to make sure that the Medicare scheme is sustainable. Now that they are in opposition they do not care about how we as a nation are going to manage to deal with our responsibilities to older Australians and those who are sick and disabled into the future. What we have is a budget plan that will help ensure—

Mr Burke interjecting—

The SPEAKER: The member for Watson will desist!

Mr TRUSS: that health costs are sustainable for the future and that all Australians can expect to have the support from their government when they need it.

Asylum Seekers

Mr WHITELEY (Braddon) (14:45): My question is to the very effective Minister for Immigration and Border Protection. Minister, how important are both strong policies and a consistent resolve in achieving control of our borders? What are the benefits to the budget of this government's approach?

Mr MORRISON (Cook—Minister for Immigration and Border Protection) (14:45): I thank the member for Braddon for his question and his ongoing interest in this topic, an interest that I have not seen shown by those opposite. I notice that the member for McMahon is very quiet today. It may have to do with the remembrances we had yesterday about the member for McMahon's performance when he was immigration minister, when he allowed in almost 25,000 arrivals and almost 400 boats on his watch.

As we went over the member for McMahon's record as immigration minister, I saw that immigration twitch coming back into his shoulder as he recounted all of the experiences that he had when he was immigration minister. We know that the only person who was going to thank the member for McMahon for his performance as immigration minister was Captain Emad. Have you seen him lately? Have you heard from him? Has he sent his thanks?

In relation to the question, I can say that we have reached another milestone from these strong policies and the strong resolve. It is 168 days, which is 24 weeks—a new milestone—since we have had our last successful people-smuggling venture. We have also passed a milestone: $2½ billion in savings for this budget. We have passed a milestone today. It is 100 days today since the shadow minister has asked me a question in this House when it comes to border protection—168 days without a successful venture and 100 days without a question. With our successful policies, we are stopping the boats and we are stopping the questions from the opposition.
But I am not surprised that the opposition cannot bring themselves to this dispatch box to ask us a question because, when you ask questions, you have to know what your own policy is. You have got to have the faintest idea about where you stand on issues. Because question time is question time.

Mr Perrett interjecting—

The SPEAKER: The member for Moreton will desist!

Mr MORRISON: What we get every day from the opposition is 'whingeing time'. They come in here and they whinge, but they will not bring policy alternatives into this place. Whether it is on the budget, on the borders, you will not hear an alternative policy from those on the opposite side.

Seventy-one per cent of Australians support the policies we are putting in place to stop the boats. The other 29 per cent sit on that side of the House, opposed to the policies that are stopping the boats. I have the same advice for the shadow minister and the Leader of the Opposition that I gave some time before: 'When you're looking for the border policies you should follow, don't look to the left, down to the Greens; don't look to the right for all the failed immigration ministers that litter your frontbench—look this way.' This is where effective border protection policy lives, with the coalition, and it has done so for more than a decade, you failures!

Mr Perrett interjecting—

The SPEAKER: The member for Moreton will desist!

Mr Perrett interjecting—

The SPEAKER: The member for Moreton is warned!

Budget

Mr CLARE (Blaxland) (14:48): My question is to the Acting Prime Minister. At a press conference this morning the Minister for Communications said, 'We are totally united, totally cohesive, totally committed.' How can this be true, given the Acting Prime Minister, the Nationals and the Australian people were so blatantly deceived by the Liberal Party?

Mr Pyne: Madam Speaker, an assertion cannot be simply dressed up as a question. These matters have been dealt with all throughout question time. If the opposition have given up on the budget, which they clearly have, they should move on to a different subject. This is not a question seeking information.

The SPEAKER: I have to say that the nature of the questions that have been coming today are really an infringement of standing order 100 and standing order 98. That, I am afraid, is another one. We will move on.

Budget

Mrs McNAMARA (Dobell) (14:49): My question is to the Minister for Communications. Will the minister inform the House how putting the budget—

Honourable members interjecting—

The SPEAKER: I cannot hear the question. There will be silence.
Mrs McNAMARA: I will start again, Madam Speaker. My question is to the Minister for Communications. Will the minister inform the House how putting the budget on a sustainable footing allows us to invest in areas like preparation for the fibre network in Dobell?

Mr TURNBULL (Wentworth—Minister for Communications) (14:50): I thank the honourable member for her question. I must say that I appreciate getting some questions on the NBN, because I never get them from the opposition. In fact, the only question the shadow minister for communications ever asked me was about a boat. In fact, they have asked the minister for immigration and me the same number of questions on boats—only one each, as far as I am aware.

But the position is that, by taking on the fiscal realities of our nation, of not deluding ourselves, of recognising that we cannot keep on spending and spending and running up debt, this government is getting down to the business of repairing the budget and, as part of that, repairing the NBN. I can inform the House that, with the stabilisation of the rollout, with the new management, we are now in a position to provide more information and more certainty for people living in roll-out areas. Today, NBN Co is releasing information on around 70 new sites, covering 167,000 premises, where build preparation for the fibre rollout has begun. That means that people will soon see workers out in the street, clearing Telstra's ducts and pits ahead of the physical network being installed. In Dobell, around 7,200 premises are a step closer to getting access to the National Broadband Network, with build preparation work now underway in Bateau Bay, 4,800 premises, and in Long Jetty, Toowoon Bay and Blue Bay, about 2,400 premises.

I can inform the honourable member that in her seat of Dobell the NBN has already passed 13,200 premises in brownfields or built-up areas. Just across the road from the honourable member's seat in the seat of Robertson we have fibre-to-the-node pilots underway in Umina, we already have 11 nodes in Umina and, as the NBN noted in a recent estimates hearing, we have signed an agreement to facilitate the access to the spare Telstra copper pairs there, meaning end-users can be signed up to services on a trial basis.

Ms Rowland: You are behind schedule.

The SPEAKER: The member for Greenway will desist.

Mr TURNBULL: We took the misleading information Labor had about the rollout off the maps because what Labor was doing was that Senator Conroy was putting green splotches everywhere, misleading people as to what was happening, giving people the impression that the NBN was about to come. It was a hopelessly disappointing exercise. So what we are now doing is putting reliable, accurate information about the project that people can trust on the NBN Co's maps. I have referred honourable members to it and I can say once again that we are committed to complete the rollout sooner, cheaper and more affordably, to the great benefit of all Australians and the repair of the budget.

Minister for Communications

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:53): My question is to the Minister for Communications. The minister has been very busy communicating lately. He has been working overtime, and on this side of the House we concede in very difficult circumstances. Why has the Minister for Communications gone on a media blitz to sell his own credentials rather than to sell this Prime Minister's budget of broken promises?
Mr Pyne: I raise a point of order—

The SPEAKER: The Leader of the House will resume his seat. Again, the strangest of questions. That is not one that relates to anything for which he is responsible in his official capacity. As you know, the standing orders are there to be complied with. But if the Minister for Communications wishes to answer the question he is free to do so.

Mr Turnbull (Wentworth—Minister for Communications) (14:54): I never shrink from an opportunity—to remind the Labor Party of the mess that they left this country in. The fact is the great failure of responsibility on the Leader of the Opposition's part. What a reckless man, what a hollow man.

Mr Shorten interjecting—

Mr Turnbull: What a hollow opposition full of complaints. What do they offer us: $667 billion of debt. That is what I am reminding people about and we are all reminding people about every day we speak. Had we stuck with your budget, with your plans, this country would sink deeper and deeper into debt. You had no solutions. The Treasurer produces a budget: do you have any alternative plans? Just heckling, just catcalling. What a tragic mob you are. No ideas. They say they do not like cuts. He has been very good with a knife in the past, quite the swordsman, but he is better at putting it into people's backs, isn't he? Always ready for the back cut.

Mr Albanese: Madam Speaker—

The SPEAKER: Those on my right will desist. The member for Hindmarsh. There will be silence on my right, including the Leader of the House. The Leader of the House will desist. The member for Grayndler on a point of order, and it had better be on the right point.

Mr Albanese: It is absolutely, Madam Speaker. The minister is halfway through and he has not yet uttered one word in defence of the budget—not one.

The SPEAKER: Strictly according to the standing orders, the question was totally out of order, but the minister has elected to answer the question.

Mr Turnbull: I could not believe the member for Grayndler saying he had not heard anything in defence of the budget. I do not blame him. He has probably got hearing difficulties and all his colleagues shouting and screaming. This is the whole point. This is the message we are all committed to and the single fact of the matter is this: you, the opposition, you, the Labor Party, left this budget in a shocking mess. You were spending more than you were earning and something had to be done.

Mr Watts interjecting—

Mr Turnbull: Yes, it is a tough budget. We know it is not popular. We picked that up, we know that. But do you know something: the alternative is this. The alternative is piling up debt, and what a weak and pathetic opposition that has no alternative budget, the first opposition leader in my time in this parliament that could not produce an alternative budget on the budget-in-reply.

Mr Shorten interjecting—
Thursday, 5 June 2014  

The SPEAKER: The Leader of the Opposition will desist.

Mr TURNBULL: Just one long whinge and that is the best they can do. What a hopeless opposition. They used to call the opposition the alternative government. Not anymore, no.

Mr Shorten interjecting—

The SPEAKER: The Leader of the Opposition is warned.

Mr TURNBULL: You could not regard this mob as an alternative. They are just a whingeing, whining, complaining bunch of political screamers. One of the members is often calling me a liar here. One minute I thought she was calling me a lawyer, which, while true, is nonetheless a low blow. But the fact is that we are taking on the reality of the financial condition you left us. We are cleaning up your mess.

Opposition members interjecting—

The SPEAKER: It seems to me that some people are looking for an early mark to get an early plane home.

Drought Assistance

Mr BRUCE SCOTT (Maranoa—Deputy Speaker) (14:58): My question is to the Minister for Agriculture. Following your visit to Charleville and extreme drought areas of my electorate last Friday, will you as minister inform the House how this government is supporting drought affected farmers against the backdrop of Labor's waste and mismanagement?

Mr JOYCE (New England—Minister for Agriculture and Deputy Leader of The Nationals) (14:59): I thank the honourable member for his question, a person who has served the people of Maranoa long and well.

Mr Shorten interjecting—

The SPEAKER: The Leader of the Opposition is warned and I remind him of that.

Mr JOYCE: I lived in the seat of Maranoa. If I were you guys I would just listen. You have an absolute shocker of a day: two questions ruled out of order, another two questions given to you out of charity. On a very serious issue we have to make sure that we look after people and carry them along. To the member for Maranoa, we have had two tranches of drought policy. The first was in December last year, where we managed to get the farm finance package signed off, because the previous government had not managed to complete it, and then reallocate that money in such a form that it was more associated with drought. We also put $10 million towards water reticulation. As you are well aware, more watering points give a greater coverage for the pasture.

Earlier this year, we took a $320 million package through cabinet to look after those people in the crisis of drought. Within that is included $10 million for pest eradication. I know you are very aware of the wild dog population. And I am sure many people on the other side are aware of the wild dog population as well!

As well, there is a policy for mental health. We also dealt with issues to make sure that people have capacity to get affordable money. I am happy that the ABA have come out today and said that they are trying to match our rates. It is bringing in competition and that is also good. So we are starting to get effects away from the policy. With this, we have signed off everything. I would like to thank the Treasurer and the finance minister for the work that they
have done in making sure that the package does not go back down to lines on a map. That is incredibly important and I am sure you are aware of that.

Away from that, I am sure the member for Maranoa is aware of the work that we are doing, especially in the sheep field. I know that sheep are so important in the western districts of the Maranoa. He would be aware that since we have opened the Bahrain trade, the price of sheep have gone up by $30 a head in the yards, which is a great return.

Mr Fitzgibbon: Madam Speaker, I rise on a point of order. To answer this question within the standing orders—

The SPEAKER: Yes, which standing order?

Mr Fitzgibbon: the minister will need to indicate how much of the money has actually flown on to farming communities because he knows that the answer is nil.

The SPEAKER: There is no point of order. The member will resume his seat.

Mr JOYCE: Thank you very much, Madam Speaker, but I would like to address the interjection because on this side we do actually understand the policy—and he should listen, this is called 'policy'. The tranches of money that we have made available out of the $420 million for New South Wales and Queensland are fully drawn. We have moved them all, because that is what we are—we are effective. The Labor Party could not even get them signed off with the states. They could not even finish the deal. We have also opened up the Egyptian trade. We now have the health protocols through for the Iranian trade. We are in negotiations with the Saudi trade. Compared to that side, we have a 19.3 per cent increase on their record for the first quarter with $10½ billion worth of agricultural products moved in the March quarter.

MOTIONS

Budget

Mr BANDT (Melbourne) (15:02): I seek leave to move the following motion:

That in light of reports that government members of parliament have been tricked into supporting the petrol tax increase, this House urges the government to reconsider its unfair budget, including the proposal to raise $10 billion in revenue by removing the fuel tax credit for miners but keeping it for farmers.

The SPEAKER: I take it the member was seeking leave?

Mr BANDT: I did seek leave.

The SPEAKER: Is leave granted?

Mr Pyne: Leave is not granted.

Mr BANDT: I move:

That so much of standing and sessional orders be suspended as would prevent the member for Melbourne from moving the following:

That in light of reports that government Members of Parliament have been tricked into supporting the petrol tax increase, this House urges the Government to reconsider its unfair Budget, including the proposal to raise $10 billion in revenue by removing the fuel tax credit for miners, but keeping it for farmers.
People in the gallery and members of the public might be listening to this and may be surprised to know—

Mr Pyne: Madam Speaker, on a point of order: I move:
That member be no longer heard.

A division having been called and the bells being rung—

Mr Fitzgibbon interjecting—

The SPEAKER: I think that interjection is almost worthy of having to wear a bowler hat on your head to ask the question.

The question is that the member be no longer heard.
The House divided. [15:08]
(The Speaker—Hon. Bronwyn Bishop)

Ayes .................85
Noes .................56
Majority ............29

AYES
Alexander, JG
Andrews, KJ
Billson, BF
Bishop, Ji
Briggs, JE
Broad, AJ
Broadbent, RE
Brough, MT
Buchholz, S (teller)
Chester, D
Christensen, GR (teller)
Ciobo, SM
Cobb, JK
Coleman, DB
Dutton, PC
Entsch, WG
Fletcher, PW
Frydenberg, JA
Gambaro, T
Gillespie, DA
Goodenough, IR
Griggs, NL
Hartjesky, L
Hawke, AG
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
Markus, LE
Matheson, RG
McCormack, MF
McNamara, KJ
Morrison, SJ
Nikolic, AA
O'Dowd, KD
O'Dwyer, KM
Pasin, A
Pitt, KJ
Porter, CC
Prentice, J
Price, ML
Pyne, CM
Ramsey, RE
Robb, AJ
Robert, SR
Roy, WB
Ruddock, PM
Scott, BC
Scott, FM
Simpkins, LXL
Smith, ADH
Southcott, AJ
Question agreed to.

The SPEAKER (15:14): Is the motion seconded?

Ms McGOWAN (Indi) (15:14): Speaker, I second the motion. There are two specific things in my question. Was there a trick—was there a deal? And who were the losers?

Mr Pyne: Madam Speaker, I move:

That the member be no longer heard.

The SPEAKER: The question is that the member be no longer heard.
Mr Bandt: Madam Speaker! There is no gag. The honourable member is not still speaking; she has concluded.

The SPEAKER: I am sorry, that is not correct. There is a motion before the chair and the motion will be proceeded with. The question is that the member be no longer heard.

The House divided. [15:16]

(The Speaker—Hon. Bronwyn Bishop)

Ayes ...................... 85
Noes ...................... 56
Majority .................. 29

AYES

Alexander, JG
Andrews, KL
Bishop, JI
Broad, AJ
Brough, MT
Chester, D
Ciobo, SM
Coleman, DB
Entsch, WG
Frydenberg, JA
Gillespie, DA
Griggs, NL
Hawke, AG
Hendy, PW
Hogan, KJ
Hunt, GA
Irons, SJ
Jones, ET
Keenan, M
Laming, A
Laundy, C
Macfarlane, IE
Markus, LE
McCormack, MF
Morrison, SJ
O'Dowd, KD
Pasin, A
Porter, CC
Price, ML
Ramsey, RE
Robert, SR
Ruddock, PM
Scott, FM
Smith, ADH
Stone, SN
Sukkar, MS
Tehan, DT
Tudge, AE
Van Manen, AJ
Vasta, RX
Wicks, LE
Wilson, RJ

Andrews, KJ
Billson, BF
Briggs, JE
Broadbent, RE
Buchholz, S (teller)
Christensen, GR (teller)
Cobb, JK
Dutton, PC
Fletcher, PW
Gambino, T
Goodenough, IR
Hartsuyker, L
Henderson, SM
Hockey, JB
Howarth, LR
Hutchinson, ER
Jensen, DG
Joyce, BT
Kelly, C
Landry, ML
Ley, SP
Marino, NB
Matheson, RG
McNamara, KJ
Nikolic, AA
O'Dwyer, KM
Pitt, KJ
Prentice, J
Pyne, CM
Robb, AJ
Roy, WB
Scott, BC
Simpkins, LXL
Southcott, AJ
Sudmalis, AE
Taylor, AJ
Truss, WE
Turnbull, MB
Varvaris, N
Whiteley, BD
Williams, MP
Wood, JP
Question agreed to.

Mr PYNE (Sturt—Leader of the House and Minister for Education) (15:17): Madam Speaker, is the question before the House that the motion be agreed to?

The SPEAKER: Indeed, it is. I thought you were on a point of order—do you wish to speak to the motion?

Mr PYNE: Yes, Madam Speaker. Obviously, the government will not be supporting this motion, because we want to get on with the business of governing.

The opposition has dropped the budget and got back into bed with the Greens! The opposition is criticising the government coalition while re-forming their own coalition with the Greens. And, of course, we will not be supporting the pantomime that now passes for an opposition—the circus that passes for an opposition—so I move:

That the motion be put.

The SPEAKER: The question is that the motion be put.

The House divided. [15:19]
(The Speaker—Hon. Bronwyn Bishop)

Ayes ..................85
Noes ..................56
Majority ..............29

AYES

Alexander, JG
Andrews, KL
Bishop, JI
Broad, AJ
Brough, MT
Chester, D
Ciobo, SM
Coleman, DB
Entsch, WG
Frydenberg, JA
Gillespie, DA
Griggs, NL
Hawke, AG
Hendy, PW
Hogan, KJ
Hunt, GA
Irons, SJ
Jones, ET
Keenan, M
Laming, A
Laundy, C
Macfarlane, IE
Mauro, LE
McCormack, MF
Morrison, SJ
O'Dowd, KD
Pasin, A
Porter, CC
Price, ML
Ramsey, RE
Robert, SR
Ruddock, PM
Scott, FM
Smith, ADH
Stone, SN
Sukkar, MS
Tehan, DT
Tudge, AE
Van Manen, AJ
Vasta, RX
Wicks, LE
Wilson, RJ
Wyatt, KG

Andrews, KJ
Billson, BF
Briggs, JE
Broadbent, RE
Buchholz, S (teller)
Christensen, GR (teller)
Cobb, JK
Dutton, PC
Fletcher, PW
Gambaro, T
Goodenough, IR
Hartsuyker, L
Henderson, SM
Hockey, JB
Howarth, LR
Hutchinson, ER
Jensen, DG
Joyce, BT
Kelly, C
Landry, ML
Ley, SP
Marino, NB
Matheson, RG
McNamara, KJ
Nikolic, AA
O'Dwyer, KM
Pitt, KJ
Prentice, J
Pyne, CM
Robb, AJ
Roy, WB
Scott, BC
Simpkins, LXL
Southcott, AJ
Sudmalis, AE
Taylor, AJ
Truss, WE
Turnbull, MB
Varvaris, N
Whiteley, BD
Williams, MP
Wood, JP

NOES

Albanese, AN
Bird, SL

Bandit, AP
Bowen, CE

CHAMBER
NOES

Brodtmann, G
Burke, AS
Butler, TM
Chalmers, JE
Chesters, LM
Claydon, SC
Conroy, PM
Dreyfus, MA
Ellis, KM
Fitzgibbon, JA
Gray, G
Hall, JG (teller)
Husic, EN
King, CF
MacTiernan, AJGC
McGowan, C
Neumann, SK
O’Neill, CE
Parker, M
Pilibberse, TJ
Rishworth, AL
Ryan, JC (teller)
Snowdon, WE
Thistlethwaite, MJ
Vamvakinou, M
Wilkie, AD

Burke, AE
Butler, MC
Byrne, AM
Champion, ND
Collins, JM
Danby, M
Elliot, MJ
Ferguson, LDT
Giles, AJ
Griffin, AP
Hayes, CP
Jones, SP
Macklin, JL
Marles, RD
Mitchell, RG
O’Connor, BPJ
Owens, J
Perrett, GD
Ripoll, BF
Rowland, MA
Shorten, WR
Swan, WM
Thomson, KJ
Watts, TG
Zappia, A

Question agreed to.

The SPEAKER (15:20): We will now vote on the suspension motion. The question is that the standing and sessional orders be suspended to allow the member for Melbourne to move his motion.

The House divided. [15:21]

(The Speaker—Hon. Bronwyn Bishop)

Ayes ......................56
Noes ......................85
Majority .................29

AYES

Albanese, AN
Bird, SL
Brodtmann, G
Burke, AS
Butler, TM
Chalmers, JE
Chesters, LM
Claydon, SC
Conroy, PM
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Question negatived.

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

AUDITOR-GENERAL’S REPORTS

Report No. 36 of 2013-14


Ordered that the report be made a parliamentary paper.

DOCUMENTS

Presentation

Mr PYNE (Sturt—Leader of the House and Minister for Education) (15:24): Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings.

MATTERS OF PUBLIC IMPORTANCE

Budget

The SPEAKER (15:24): I have received a letter from the honourable the Leader of the Opposition proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The need for the Prime Minister to urgently reconsider his unfair budget that will hurt Australian families into the future.

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

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

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (15:24): The 2014 Abbott budget is the most unfair attack on Australian families in living memory. This budget goes too far and Labor will continue to oppose this budget's unfair measures, because they hurt the future of Australian families. We will fight this budget because of its bad policies, its unfair outcomes and its bleak vision for the future of Australia. The Australian people have learned two things since the budget. One, it has been a dreadful 23 days for this divided government, obsessed with the wrong priorities and addicted to telling lies. Two, more importantly, it has
been a worse 23 days for Australian families as we have learned the shocking details of this budget.

The government accuses Labor of trying to frighten Australians. We are merely telling the Australian people the truth. It is the truth in itself that is frightening. This is a government with a very narrow view of society and a narrow view of our obligation to look after one another. Unless key parts of this iniquitous budget are struck down, Australian families in the future will have to work longer and harder just to keep up. This budget does make it harder for families to pay the mortgage, to pay the utilities, to fill up the car, to make ends meet, to go to the doctor. It will cost families more to look after older members of the family who will be denied a decent pension and a secure retirement. It will cost families more to support their adult children who cannot find work and receive nothing from the government. It will cost families much more to pay the taxes for the emergency services to help those who have no families to fall back on. And the states will most definitely be blackmailed into increasing the GST and broadening its base.

The stability of Australian families will be jeopardised by the Abbott Liberal government's assault on fairness. This parliament needs to jealously guard fairness in Australia. Fairness is the soil in which grows Australian wealth, Australian success, Australian safety and Australian community. We are indeed a wealthy and stable society because we encourage growth on one hand whilst looking after the less well off on the other. We are amongst the richest nations in the world. Our gross domestic product is an outstanding $1.55 trillion but this budget selfishly demands that the heaviest lifting is done by our poorest citizens. Under this budget, a single parent on $55,000 a year will lose about 10.5 per cent of their disposable income as a result of cuts and increased medical costs. Yet someone on half a million dollars will lose just over two per cent of their disposable income. Liberal priorities: tax the poor and don't worry about doing anything to anyone else. For every dollar that the single parent gives up, the person on half a million dollars chips in 20c. That is right: for every dollar that a single parent will give up, the person on $500,000 will chip in 20c. By 2017-18, the single parent will be losing around $120 per week—11.5 per cent of their family budget. But the millionaire will no longer be paying a single extra cent. They will be back to their pre-budget position.

The Minister for Education is driving up fees and putting university beyond the dreams and hopes of Australian families. This minister's plan to increase the debt of students will hurt Australians for decades. Universities know this. Ross Milbourne, vice-chancellor of UTS said, 'I don't think any vice-chancellor supports the moves to increase the debt.' Deakin University vice-chancellor Jane den Hollander called the changes 'punitive and unfair'.

Universities Australia modelling reveals that the debts for engineering and nursing students will take an extra 15 years to pay off. It could take engineers up to 33 years to clear their HECS debt. It has been revealed that women will be the most affected by these changes. The NTEU has reported that the new arrangements have a built-in bias against graduates with carer responsibilities, which will mainly be women. The total repayments in an accounting degree will grow to $120,000 in today's dollars, including $45,000 for interest. That will be the case for graduates who have to take time off to start and raise a family. The degree will now take up to 36 years to pay off, compared with 10 years for a typical graduate today.
This Minister for Education chooses to employ a dangerous, community-dividing dog whistle. He says, 'Why should 60 per cent of Australians who do not go to university support the 40 per cent who do?' Minister, education is a public investment in the future of our country. It is not solely a private benefit.

We know about the damage of the GP tax. It does not deliver a single dollar to recurrent health funding, not a single dollar. It will turn GPs into tax collectors. Brian Owler, the new AMA President, has warned that it will put our front-line doctors under pressure to deliver four-minute medicine. And for what? A rushed medical research fund. We found out this week that the Department of Health has not provided any advice on the structure of a $20 billion fund. AAMRI was not consulted. The chair of the CSIRO board was not consulted. The Chief Scientist was not consulted. The department found out about this thought bubble only weeks before the budget. And there is no guarantee that the fund will not rob money from the National Health and Medical Research Council.

The government say they believe in science. They boast about helping to find a cure for cancer. Do not patronise Australians, do not damage science and do not make the sick of today pay for the research funds for tomorrow. Indeed, Australians already pay for their Medicare. We keep hearing from the so-called Minister for Health that medicine is not free. Australians know that, you arrogant fellow. That is why they pay their Medicare levy already. Australians already pay 12 per cent in terms of co-payment—

Ms O'Dwyer interjecting—

Mr SHORTEN: Well, he is an arrogant fellow, Member for Higgins. You could probably do a better job—perhaps. The OECD already shows that we are only second or third behind Switzerland and the United States in what consumers have to pay now. We do not need to go down this path.

Then we have the poor old pensioners. Weren't they misled and lead up the garden path by this dreadful Prime Minister? The cat got out of the bag last night. Senator Fifield, the minister, said of the change in indexation, 'It has been put in place in an effort to slow the rate of pension increase'—a deliberate and calculated cut. The department confirmed the bad news last night to all Australians. Some 530,000 additional pensioners will have their pensions cut. I bet those brave members opposite in this government will not be giving that number out to their constituents in the parliamentary break. Then there is the $65 million cut to war pensions—a disgrace from a party that so loves to wrap itself in the flag of patriotism.

Mr Robert interjecting—

Mr SHORTEN: The minister opposite says, 'Spare them.' You should spare the veterans of Australia. The Prime Minister said before the election: If it’s inadequate to lift Centrelink pensions just by the consumer price index, it’s even less fair to apply only that index to those who have risked their lives for our country.

We know what a Tony Abbott election promise is worth—nothing, zero, zilch, nada. So in conclusion—

Mr Alexander: I wish you would.

Mr SHORTEN: You can get up and speak any time you want, Member for Bennelong. Have a go. Australia has a choice. We could choose the Liberal’s bleak and narrow view—the meaner, colder, crueler and more expensive country beloved of conservatives—but Labor
believe this country can do better. We remain convinced and dedicated to the proposition that fairness is still the most sensible, pragmatic and decent path to a bright future. Despite their woeful unfair budget, their contradictory answers, their infighting and their broken promises, the Liberal Party of Australia and the ventriloquist dummies of Australian politics, the National Party, say to Labor, 'What is your answer?' Here again is our answer, and you will hear it every day for the next two years. We still believe in fairness. We believe a budget can be fair and sustainable. We believe in universal quality health care, a great education, a decent pension and world-leading superannuation.

I note the Prime Minister is going to visit the United States next week. While he is there I urge him to reflect on the wise words of Martin Luther King:

In the final analysis, the rich must not ignore the poor because both rich and poor are tied in a single garment of destiny. All life is interrelated, and all men are interdependent. The agony of the poor diminishes the rich, and the salvation of the poor enlarges the rich. We are inevitably our brothers' keeper … Labor will hold true to that wisdom.

Mr McCormack (Riverina—Parliamentary Secretary to the Minister for Finance) (15:35): Ventriloquist dummies? The opposition leader is leaving the chamber. He should stay and listen. Ventriloquist dummies? That is the pot calling the kettle black if ever I heard it. He is leaving the chamber. He should stay and listen. I do not think too many of his frontbench actually were listening when he was reading his prepared speech. I know because—

The Deputy Speaker (Hon. BC Scott): Order! I do not think we have got the clock going at the moment.

Mr McCormack: I can start again if you like, Mr Deputy Speaker.

The Deputy Speaker: The member for Riverina has the call.

Mr McCormack: I was referring to the fact that the pot was calling the kettle black. Certainly it is a bit rich for the opposition leader, the member for Maribyrnong, to call anybody a ventriloquist dummy. The Australian public have not forgotten his mob. They have not forgotten, and they will not forget when the next election comes around, the six years of waste, mismanagement and total incompetence.

Mr Thistlethwaite interjecting—

Mr McCormack: The member for Kingsford Smith is yelling out something in favour of his leader. He could do a lot better job, because the Leader of the Opposition is not listening, and his frontbench were not listening to him either. But I was listening in question time. I heard the member for North Sydney, the Treasurer, talking about 106,000 jobs in four months created under the coalition. I heard the member for New England, the Minister for Agriculture, talk about the fact that it was Labor that wanted to put a 6.85c per litre increase on the price of diesel. I heard the member for Curtin, the Minister for Foreign Affairs, talk about the fact that, under our policies, the live cattle trade has been reignited and 230,000 head of cattle have been shipped to Indonesia. That is of the 585,000 head of cattle that have been moved since we took back office.

I heard the Minister for Immigration and Border Protection, the member for Cook, talk about 168 days without a boat—and 100 days without a question from the member for
McMahon. No wonder the member for McMahon, the shadow minister, does not want to get up and ask the Minister for Immigration and Border Protection a question. He is embarrassed about the fact that, under his watch and under Labor's six years, 55,000 people came to these shores unauthorised and they are currently in detention centres—mind you, nine of which we have closed under our policies because the boats have stopped. Each and everyone of those 55,000 people cost taxpayers, cost the public purse, $170,000 to process. It is just a disgrace. Under our policies, we are saving people's lives. We have stopped the boats and we are saving people's lives.

We also heard the Treasurer talk about the billion dollars of interest that is being racked up each and every month because of the interest bill on the debt and deficit left by that fellow over there, the member for Lilley. I might read from his 2012-13 budget speech. Member for Lilley, I hope you are listening. He began:

The four years of surpluses I announce tonight are a powerful endorsement of the strength of our economy, resilience of our people, and success—success?—of our policies.

Have you ever? He pretends not to listen. He went on to say:

In an uncertain and fast changing world, we walk tall—as a nation confidently living within its means. Have you ever—'living within its means'!

That is what our budget is getting on with the job of doing. We are going to live within our means. Under the member for Lilley, we certainly did not live within our means. We just maxed out the credit card each and every day, each and every week and each and every month under his stewardship as Treasurer of this country. Our future generations are going to being paying dearly for the mess that he left us, the mess that Labor left us. But we are getting on with the job, because we now have a responsible Treasurer and we have people on this side of the House who know business and understand that you cannot spend more money than you earn. How many of you people have actually been in a small business, a farm or—

*Government members interjecting*

**Mr McCormack:** Exactly; we see lots of raised hands. How many people on the opposite side have? None; nobody put up their hand. I am not the first person to ask that question. The Treasurer did and he got the same sort of response, because they do not understand business.

**Mr Fitzgibbon:** What was the question?

**Mr McCormack:** A lot of them are union hacks. I can hear the shadow minister for agriculture—

*The Deputy Speaker (Hon. BC Scott):* The parliamentary secretary will resume his seat. Does the member for Hunter have a point of order?

**Mr Fitzgibbon:** I am giving him the opportunity to—

*The Deputy Speaker:* No. That is grossly disorderly.

**Mr Fitzgibbon:** What was the question?
The DEPUTY SPEAKER: You will get an early leave pass very shortly if you interrupt like that again.

Mr McCORMACK: The member for Hunter is embarrassed, because he probably read, as I did, the Australian of 2 June where it said 'Coalition cuts water buybacks'—and we have—'Labor accused of spending $1.5 billion on projects that didn't help Murray flows'. It was all about the environment, wasn't it, Member for Hunter? It was all about putting money into bureaucracy and spending money on everything bar helping those people who grow food and fibre, helping those people who you should have been getting in and assisting by insisting that your two Prime Ministers help them. Actually we had three, I suppose—three different sorts of Prime Ministers but two different people. It was just shuffling the deckchairs on the Titanic.

Under Labor we spent far too much money on bureaucracy, far too much money on water buybacks—taking water out of those valuable irrigation communities—far too much money on health bureaucracy and far too much waste. We could talk about pink batts and overpriced school halls, but we are not going to. We are going to be positive. We are going to talk about this budget being a key component of the Abbott government's economic action strategy, which will build a strong, prosperous economy and a safe, secure Australia. That is the job that we are getting on with doing.

The infrastructure growth package takes the government's transport investment to $50 billion by 2019-20. As a result, total infrastructure investment from Commonwealth, state and local governments as well as the private sector will build to more than $125 billion by 2019-20. That is a great investment in Australia. We have the infrastructure Prime Minister. We have got 'Australia open for business'. Andrew Robb, the Minister for Trade and Investment, was out forging key preferential trade negotiations with Korea and Japan. That would not have happened under Labor.

The government is creating the world's largest medical research endowment fund—a $20 billion Medical Research Future Fund. Contributions to the fund are coming from a new patient contribution to health services and from other health savings. We have to get on with the job of making some savings, because of the mess we were left by your mob—the debt we were left by Labor. This endowment fund, when mature, will double current direct medical research funding with an additional $1 billion a year. And who knows what sort of great medical research will come from that.

Young people with a work capacity will be required to be earning, learning or participating in Work for the Dole. There is nothing wrong with that. People cannot expect to just keep getting a government cheque. They cannot expect to just keep getting money which is actually coming out of the pockets of other Australian taxpayers. The buck has to stop. It stopped on 13 May when the member for North Sydney, the Treasurer, brought down his budget.

Businesses will receive up to $10,000 for employing workers older than 50—that is a good initiative—who have been on income support for six months or more, meaning that there will be stronger incentives to hire older workers. We are getting on with the job of giving people incentives to work. We are getting on with the job of making sure people either learn or earn.
The government will reform the age pension to make it sustainable. We have to make our country sustainable. Our health system has to be sustainable. We are getting on with the job of making Australia a fairer, stronger nation—we have to.

Dr Chalmers: Fairer?

Mr McCormack: Yes, fairer. I will take the interjection—absolutely fairer. It is not fair to keep taking money away from some Australians and giving it to others. Some Australians who want to work—who are just yearning for the capacity to get a job—are getting a job. Under the coalition, 106,000 jobs have been created in just a few months. We are getting on with the job of making Australia work again. More importantly, we are paying down the debt, the $667 billion debt which Labor left unchecked. Labor, quite frankly, in six years, lived beyond its means. Labor had no plan for agriculture, no plan to stop the boats and no plan to pay down the debt. We are getting on with the job. We are providing hope, we are providing opportunity, we are getting Australia working again and we are doing it in a measured, sensible way. The people of Australia know that the sensible people are in charge and they will vote for us at the next election.

Mr Thistlethwaite (Kingsford Smith) (15:45): Today we see that the Liberal Party of Australia have not only deceived the people of Australia but they have also deceived their so-called coalition partners, the National Party, by deliberately lying to them regarding the role of the diesel rebate in the budget. The Liberal Party have, once again, wiped their feet on the doormats of Australian politics—the National Party. For those over there from the National Party, do not worry; you are not alone. There are millions of Australians who know how you feel, who know what it is like to be deceived by the Abbott government, who know what it is like to be lied to about the budget by Liberal Party members. You are not alone and what of loyal bunch the National Party are to their coalition partners who deliberately deceived them on a very important issue—the diesel fuel rebate.

This budget is a fundamental breach of trust and commitment to the people of Australia. Those opposite claim that there is a budget emergency. They went to this budget claiming that Australia was in an emergency fiscal situation and what did we find yesterday when the national accounts were released? That Australia is growing at 3½ per cent, that unemployment is relatively low, that interest rates are low and that Australia has one of the lowest debt levels in the OECD—the envy of many developed countries and testament, I might add, to the fine job the Australian Labor Party did in difficult circumstances in managing our economy.

I ask the people of Australia: how on earth does a nation get a AAA credit rating from three ratings agencies, one of only 10 nations throughout the world to do so, when you have a budget emergency? How on earth do you say to the debt ratings agencies, 'We should get a AAA credit rating but, by the way, we have a budget emergency.' You would not find one of those other 10 nations with a AAA credit rating claiming that they have a budget emergency. The government have misled the Australian public regarding the state of our nation's finances. They have compounded this mistrust by breaking their election commitments. It was the Prime Minister who said a couple of days before the election, 'No cuts to education, no cuts to health, no changes to pensions and no cuts to the ABC and SBS.' They have broken every single one of those commitments and more in the name of a fake budget emergency. This is the act of an immoral, deceitful, duplicitous and we now know divided government.
I must take issue with the previous member's comment that none on this side has ever worked in small business. I point to the member for Hunter, who ran his own small business as a tradesman for 10 years. He is a fine example of a Labor country MP who stands up in this parliament for country people and for country businesses. Not only is this budget duplicitous; it is also unfair. The burden will be felt by those most vulnerable in our community—pensioners and those on fixed incomes, their purchasing power reduced because of this budget. They are forced to pay $7 every time they visit the GP.

Military pensions: it is wonderful to see the member for Fadden here. What a fine job he is doing standing up for military pensioners! The Assistant Minister for Defence is standing up for Australian veterans and letting this go through in the budget. They are making life harder for families, making them pay more for petrol. The schoolkids bonus is being cut and single parents will have family tax benefit B cut once their child turns six. Pressure on cost of living is going to increase because of this budget and this government. In education, from kindy to professor we have seen cuts in support for education from this government, making it harder for our kids to get an education, making us a regressive nation when it comes to education.

In early childhood development the government are reducing standards, cutting standards and making it more difficult for parents to get their kids into preschool. In schools they have blown the Gonski reforms to smithereens. They have absolutely decimated the Gonski reforms and completely ignored the needs of our kids, particularly those in public schools. And the lowest of low acts is cutting funding to our schools for kids with disabilities, cutting support for kids with disabilities. I do not know how any of those on the other side could vote for an act such as that. They are making universities unaffordable for the poor. Even in overseas development aid we have seen cuts. I want to finish with this quote from the foreign minister of the Marshall Islands, who said: Australia has always been our friend, but the change in their government last year has resulted in problems.

(Time expired)

Mr CIOBO (Moncrieff—Parliamentary Secretary to the Treasurer) (15:50): If you believed anything of what you just heard then you would be of the view that there is some great real estate available in some of the shonkiest places on the planet because, quite frankly, what we just heard was a narrative from the Australian Labor Party that has absolutely no connection whatsoever to the truth. I noticed that the MPI today talks about how the budget ‘will hurt Australian families into the future’. Of all the interest to use, how extraordinary that they would use the anchor of the future because the one inescapable fact about six years of the Australian Labor Party is that there is one thing Labor clearly cared naught for and that is the future, because six years of Labor policy underscored an approach that was all about the now. If the Labor Party truly cared for the future, they would not have allowed a situation to arise where they racked up $300 billion of debt and were forecast to reach $667 billion of debt. Do you know who pays all of that off? The next generation of Australians. It is the Aussie kids of today. It is the kids sitting up there in the public galleries who will be paying off that debt for the next 20 or 30 years. I know that when I went to Building the Education Revolution openings, which the Labor Party used to trumpet about—and I am sure that there were coalition members who went along to their local schools—and saw the puffed-up chests on...
Labor senators who were saying, 'Look at this majestic vision we are delivering for you Aussie kids.' I used to say to them that I hoped they derived benefit from those school halls. Sure, they may have paid twice what they were worth. Sure, it may not have been something that the school community actually wanted, but I genuinely and sincerely hoped that the children that were assembled there in the school hall actually got benefit from it. The reason I wanted them to get benefit from it is that those same kids will be paying that school hall off for the next 20 or 30 years.

So we on this side of the House do not need to be lectured to about the future by the Australian Labor Party. We on this side of the House are the defenders of the future. We on this side of the House are the people that are standing up for the next generation of Australians that will be paying back Labor's debt for 20 or 30 years. That is the reason why as members of the coalition we will always stand steadfast in wanting the next generation of Australians to inherit a country that is in a better position than what we were handed. Only the Australian Labor Party would have the hide, the hypocrisy, the audacity to be handed the reins of government with no net debt and actually $50 billion of savings, and then hand it back six years later with a forecast gross debt of $667 billion.

Only the Australian Labor Party would come into the chamber and talk about education and say that education has been cut under the coalition. The simple fact is that if you look at the actual forward estimates, if you look at education funding over the next four years, the coalition is putting $1.2 billion extra into education funding—$1.2 billion extra of education funding under the coalition. But if you were to listen to the contribution from the previous Labor member you would think that there was a cut. They stand there and they say it with sincerity. They stand at the dispatch box and they expect Australians to believe them. But there is no cut to education funding. Education funding in the budget papers, as a matter of fact, is going up by $1.2 billion. Members here on this side of the House from Queensland and from Western Australia know very well that those two states were going to have hundreds of millions of dollars of funding for education ripped out of them. That is what was in the budget papers.

So we do not need to be lectured to by the Australian Labor Party about the future, because we will deal with facts about extra funding for education. We will deal with facts about how the debt is going to be $300 billion less as a result of reforms that we are making. We know that we will leave a better Australia tomorrow for Aussie kids than the Labor Party did after six years.

Mrs ELLIOT (Richmond) (15:55): I rise to speak on this matter of public importance, to reconsider this unfair budget that will hurt Australian families into the future. I am pleased to be following the member for Moncrieff. As many people know, his seat is just up the road from mine on the Gold Coast—my seat is on the border of New South Wales—and so I am happy to present him with some facts now.

I have been inundated with people from his electorate concerned about the impact of the budget. That is the reality and the facts that he should take on board about things like the education cuts, which are real. I can assure you that people from his electorate and those other electorates on the Gold Coast are very worried, so much so that many of them are coming to a rally I am holding next Thursday—and I will give you some more detail in relation to that later on. Locals in my electorate, and I think right throughout Australia, are really concerned
about this budget of broken promises, its cruel cuts and unfair increases and its increases in
the cost of living as well.

People feel so betrayed by this government because, of course, before the election we had
the Prime Minister and the Liberals and the Nationals running around, saying: no cuts to
health, no cuts to education, no cuts to the pension, no cuts to family payments. And what
have we seen since then? We have seen cuts to all of those areas that are devastating families.
I speak to families every day that are so worried about the impact of the unfair and cruel cuts
that they see. There are pensioners as well who are devastated and really worried. The facts
are that this budget means that families pay more every time they go to the doctor, and every
time they fill up the car they pay more. They feel betrayed. In areas like mine in regional
Australia they feel betrayed by the National Party. One of the things that they really feel
betrayed about is the National Party petrol tax—and we will get to that one of the moment.

I mentioned before about the public rally I am having, Fighting for a Fair Go for the North
Coast. It is on Thursday, 12 June at 10 o'clock at the Tweed Civic Centre. As I say, I have
been inundated by people from seats over the border, like Moncrieff, that are very keen to
come over and express how concerned they are about this unfair budget.

Let us look at some of the facts surrounding this budget. We go to health first. There is a
$50 billion cut to Australia's public hospitals. That will be devastating for hospitals right
across the nation in providing necessary health services. As for the GP tax, that $7 GP tax is
terrifying people, terrifying families—

Mr Hutchinson interjecting—

Ms Owens: Mr Deputy Speaker Scott, on a point of order, I would ask the member to
withdraw that.

The DEPUTY SPEAKER (Hon. BC Scott): The member has withdrawn. The member
for Richmond has the call.

Mrs ELLIOT: Thank you, Mr Deputy Speaker. So we have the GP tax. It is absolutely
devastating families and they are terrified of what that is going to mean if they have got a
number of sick children and they have to see the GP and they have to get blood tests done as
well. Elderly people as well are very worried. On top of that, the $50 billion cut to hospitals is
going to have a huge impact upon those people. Another thing of course is the cuts to family
payments, freezing the family tax benefits and cutting the family tax benefit B. Families are
terrified in relation to what that is going to mean for the family budget.

Mr Hutchinson interjecting—

Mrs ELLIOT: But let us get to the petrol tax, the National Party petrol tax. You go out to
regional Australia and tell them what you are doing. We heard a lot today in question time
about the National Party being duped by the Liberal Party, which was really no surprise to
anybody, but the fact is that at the end of the day you own this petrol tax. So you go out into
the streets in regional and rural Australia and you tell them about the National Party petrol
tax. I can tell you that in areas like mine and other regional areas they are really angry about
it. In regional areas you have got to travel further to get somewhere and therefore you are
going to pay more in petrol tax. Do you understand that? Can you get that? That is the reality
of the National Party's petrol tax.
But, on top of that, some of the other cuts in this budget will really impact families. Look at the education cuts: $30 billion—horrendous in terms of the impact on families. And of course many families are also worried about what is happening in terms of universities and deregulating university fees. That means that their children cannot go to university, full stop, thanks to you. We have heard some of the figures about how university fees are going to skyrocket. That will be your legacy, each and every one of you. That will be your legacy to—

Mr Hutchinson: This is a new benchmark.

Mrs ELLIOT: Yes, exactly, especially to regional and rural seats. Those kids will not be able to get there. But at the end of the day it is absolutely appalling—the cuts that you have brought in and all the broken promises. Cuts to pensions are just outrageous in terms of the family budget and how they are going to be able to cope. At the end of the day, you should all be very, very ashamed of what this will mean for families—

Mr Hutchinson interjecting—

The DEPUTY SPEAKER (Hon. BC Scott): Order! The member for Lyons! The member for Richmond has the call—but you might refer your comments through me, not at me, please.

Mrs ELLIOT: Yes, Mr Deputy Speaker. This budget will be devastating for families, for pensioners, for people right throughout this nation. Of course, for electorates like mine in regional Australia, I think it is even more devastating. These people are terrified. They are terrified because of what you have done to their cost of living. They are terrified because they cannot afford to go to the doctor. It is devastating. (Time expired)

Mr RAMSEY (Grey) (16:00): If Australians do not like this budget, they know where the blame lies. The blame lies on those benches over there. The blame lies with the party that would leave Australia borrowing a billion dollars a month from overseas to pay for their wastage, their absolute dereliction of duty for the six years they were in government. That is where the blame lies. So, if Australians do not like the budget, they need to look to that side of the House. After their leaving debt and disaster, we have to borrow every day.

I listened to the Leader of the Opposition. Let me say that I do not think the Leader of the Opposition is a bad bloke. I think that in fact he is quite a smart gentlemen as well, and I think he knows much, much better than the line, the direction, in which he is leading his party at the moment.

The DEPUTY SPEAKER (Hon. BC Scott): Order! The member for Lyons on a point of order?

Mr Hutchinson: I just want a clarification. This is a matter of public importance, Deputy Speaker?

The DEPUTY SPEAKER: Yes, it is.

Mr Hutchinson: There are only two on the other side, Deputy Speaker.

The DEPUTY SPEAKER: No, there is no point of order.

Mr RAMSEY: I was saying that the Leader of the Opposition knows that the Medicare system, which 10 years ago was costing $8 billion a year to run, this year is costing $19 billion and in another 10 years will cost $34 billion a year to run. He knows that that is unsustainable. The Leader of the Opposition knows that—
The DEPUTY SPEAKER: Order! Do we have the clock going? Can we reset it at whatever time was left, please.

Mr RAMSEY: Thank you, Mr Deputy Speaker. I was wondering how I was going to get through all the material! He knows—

The DEPUTY SPEAKER: It will be altered, but just keep an eye on the clock. I call the member for Grey.

Mr RAMSEY: Do you want me to start again?

The DEPUTY SPEAKER: No. You have got three minutes 59.

Mr RAMSEY: Thank you, Mr Deputy Speaker; you are most generous! He knows that the $80 billion that those from the opposition benches and the states now say is being removed from education and from health was never there. It was a mirage. The Leader of the Opposition knows that the pension system, which has 4½ workers today paying tax to pay for each person on welfare, in 2050 will only have 2½ workers paying that welfare bill. He knows that that is unsustainable. He also well knows that the university system, the higher education system, relies so heavily on overseas students, full-fee-paying students, to pay their bills. He knows that we cannot afford for our universities to slip any further down the international pecking order.

And do you know what, Mr Deputy Speaker? The public knows it too. While there have been complaints to my office about the budget—and I have been able to put a lot of people straight because there is a lot of scaremongering out there—it is remarkable the number of people who say to me: 'Look, I don't particularly like this; I don't particularly like that, but I know you blokes have got to do something. I know you've got to do something.' And I think that the Leader of the Opposition knows that as well.

I represent regional Australia. It is not all represented by National Party members, I must say. Let me tell you: the people of regional Australia and rural Australia know that, if the answer is Labor or Greens—guess what?—they asked the wrong question. It has always been the way and it will always be the way because the Labor Party in this place does not represent regional Australia. They do not understand regional Australia, and—guess what?—they do not particularly like regional Australia either.

That team on the other side were the people who delivered the live export disaster to Australian farmers. We are just recovering now, and there was great news from the Minister for Agriculture in this place today. They are the team that, while they talk about the smart country, do not understand that modern agribusiness relies on modern communications. In six years they did not contribute to one mobile phone tower in Australia. They are the team that took $2 billion away from the telecommunications fund when they arrived in government and sunk it into the NBN. And, when I say 'sunk it', I mean they sunk it. The NBN paid out $7 billion, mostly in executive fees, to hook up about 200,000 people. But the Labor Party took away the fund that was supposed to be set in perpetuity to fund the rollout in regional Australia of telecommunications in years to come.

And then of course today we heard the bleating on about the fuel tax. There are not any easy answers in the budget, and I am sure the smart members of the ALP know that a tax that is stalled and is stalled forever eventually becomes an irrelevant tax. I will have more to say about that fuel tax when that bill comes before the parliament because I have a lot of thoughts
in that area. But the opposition telling us that a one cent rise in petrol is a great worry to country citizens when from 1 July under their legislation we will see a 6½c rise in the price of transport fuels in regional Australia—that would really hurt—just means that they are speaking with no credibility at all. They do not represent regional Australia. This side of the parliament does.

Mr Griffin (Bruce) (16:06): This budget is unfair. It is unfair because of the impacts it has on particular elements of Australian society. I want to focus on a couple of those today. It is unfair because of the impact it will have on their standard of living over time. And it is unfair because the nature of what is being said by the other side does not fully ensure that people understand the impact of the changes that are making. When comments are made about cuts, and when we talk about cuts to pensions, the cry from the other side is: 'There are no cuts to pensions. Pensions will increase. They will increase every six months.'

Mr Williams: That's true!

Mr Griffin: But those on the other side who are actually literate—and I count the member for Hindmarsh among them, just—understand the question of male total average weekly earnings versus CPI and the impact the changes to indexation will have on the growth in pensions over time. We will see a cut in the value of the pension compared to what it was going to be in time, as a result of those changes to indexation.

If we go back, the last change was the first one in more than 10 years where CPI was the actual headline figure that came into effect. The bottom line is: their own budget papers make it absolutely clear that hundreds of millions of dollars have been cut from the forward estimates with respect to pension expenditure in the out years. There is absolutely no doubt about that. The estimations, if we go on previous movements with respect to MTAWE versus CPI, are quite devastating to pensioners in this country. If this indexation system had been in place for the last four years, a single pensioner on the maximum rate of pension would be more than $1,500 worse off every year. This gap would continue to increase every six months. That is what is going to happen.

I want to highlight a particular issue in relation to the veterans community in this space. Just a few weeks ago, the parliament passed legislation for 'fair indexation' of some military pensions, DFRDB and DFRB. I note at least one former shadow minister here in the chamber, and I know that she understands what I am talking about here. Many on the other side of the aisle carried on about the fact that this was a matter of justice, a matter of fairness, a matter of equity, ensuring that there was a fair indexation system which maximised the value of the payments to those who had served our country. It was a long debate. There was quite a bit of disagreement. There were times when the other side refused to do it and there were certainly times when we did. But at the end of the day they did it. Some on the other side of the chamber carried on about the fact that this was about fairness and equity, and it became an attack on us.

The interesting thing now is, when you implement this budget in full, and the changes that are outlined in it—understand this, members of the government—you will have about 56,000 people who are DFRDB and DFRB pensioners who are being indexed to MTAWE versus CPI, who have what you said was a fair indexation system, and you will have hundreds of thousands of pensioners who are on CPI. Not only that; you will have hundreds of thousands of war veterans and widows on CPI. You are going to improve the indexation for their
superannuation payment, the top-up payment, for some of them, while at the same time taking money off the very people you are giving that to. You will be giving TPIs a bigger cut in what their payments would have been, on the basis of that indexation change. You will be cutting service pensioners to a very similar level.

In those circumstances, I want to see how you justify that out there in the veterans community. I want to see how you justify that out there amongst the people who gave so much for this nation. When you do, I want you to make sure you tell DFRDB and DFRB pensioners: 'It's okay. We changed everybody else, but we won't change you. You're okay. We gave a guarantee.' Well, you did not give a guarantee to everybody else. You did not give a guarantee to them, and now you have changed it. You now have a massive contradiction with respect to what you said was fair just a matter of days ago and what you are now threatening to implement for everyone else, every other senior in this country, including many who have grievously suffered as a result of their wounds.

I look forward to that debate occurring out there in the veterans community and in the wider community around superannuants and around those in the age pension sector, because you have created a problem for this country, a problem for those people who rely on those benefits to maintain their standard of living. It is a problem which will haunt you from now on until well beyond the next election.

The DEPUTY SPEAKER (Hon. BC Scott): I remind the member for Bruce that it will not be me. He referred to 'you' repeatedly. It is a problem on both sides of the chamber yet again.

Mr COLEMAN (Banks) (16:12): I am very pleased to speak on this MPI, focusing as it does on the incredibly clear contrast between those opposite—all three of them who are here with us this afternoon—and the members of the government. It is important that we are fair to those opposite. It certainly has been the case in recent times that all we hear from those opposite is negativity, complaining and just whingeing, basically. So you could be excused for thinking that there was no strategy at all over on the other side, and no real philosophy. But there is. There is a very, very clear approach to government on the other side, and their views on how things should be conducted. It is really just three words: spend more money.

In 2007 they came into government, kicked off the spendathon and off they went. They were very, very hard to constrain during that period, because government spending went up by 50 per cent in six years. That is a massive rate of growth. There are businesses all around Australia which would be thrilled and delighted if they were able to have that sort of revenue growth in a near-six-year period. The Labor Party had $50 billion in the bank when they came in and $200 billion of debt when they left—heading down the track, incredibly, towards two-thirds of a trillion dollars in debt within a decade. That is trillion with a T. That is not a word we are used to using in Australia very much. It is not the EU. It is not China. It is not the United States. This is Australia. But the path that those opposite—and there is now only one of them still with us—were on was a path towards two-thirds of a trillion dollars of debt; just unbelievable.

They were not content with what they did in those six years. What they decided to do after that was lock in, in their numbers, the fastest rate of growth in the OECD for the next six years. Not content to grow it at 50 per cent for the six years they were in government, they
said, 'Let's lock in dramatically higher rates of spending from 2012 to 2018.' They never saw a government-spending program that they did not like! There are so many examples.

We have talked about the NBN many times. It is remarkable, knowing what we now know about the NBN—from $4.7 billion of government investment, then to $43 billion. We now know that it was on track to be $72 billion. It is fascinating, because the member for Lilley, in 2009, at the time of the grave announcement of the NBN, encouraged Australian mums and dads to invest in the NBN. He actually said, 'There couldn't be a better investment,' than the NBN. That is what he said. This man was the Treasurer of the entire nation.

We are paying $1 billion of debt every month. What do we get for our $1 billion? We get to stand still. We borrow $1 billion and, once we have done that, we get to stand still at a debt level of about $200 billion, which is just extraordinary.

This budget addresses the significant problems that were created by the previous government. Importantly, because it is a prudent budget and a careful budget, there is the capacity to invest where it is sensible to do so—for example, in infrastructure. The WestConnex in my own electorate will be a fantastic initiative, cutting travel time to the city by more than 20 minutes. There are of course other great programs, such as the Restart program, which will encourage employers to employ older workers. We need to remember that, within the prudent envelope of this budget, we have provided for record levels of spending in hospitals and schools. Every year they go up and up, and continue to go up.

All of this hard work, cleaning up all the mess, means that we save $300 billion that we would otherwise have incurred in debt. We go from a $50 billion deficit to just $3 billion within a few years and we address those difficult structural problems. We have ended the spendathon; someone had to do it. That is what coalition governments do. What those opposite do is spend like there is no tomorrow and that is the wrong plan for Australia.

Mr HAYES (Fowler—Chief Opposition Whip) (16:17): I know those opposite are looking a bit tired and we are coming to the end of a parliamentary week. They will be going home very shortly but, hopefully, when they go home to their electorates they will actually talk to their constituents. Because their constituents actually learnt something this week, if they didn't before.

When those opposite talk about a budget emergency, people on that side will have to go home and explain that Australia's proportion of debt to GDP is, currently, a tad under 14 per cent, compared to that of our trading partners in the OECD, which is 75 per cent. They will also have to explain what people already know, that our economy is AAA rated by each of the three major world-rating agencies. By the way, I think most people knew that.

But what they did not know, until this week, is that the economy is growing at 3½ per cent, growing above trend. That is precisely what was put out in the Pre-election Fiscal Outlook. So when the coalition get up here and say: 'We didn't know the state of the books; we've got to do these things. There's a budget emergency and we have to hit families, hit pensioners,' they well and truly knew the precise state of the books before the election.

Do you know what? Because they knew the state of the books then, that is why they could make an election pledge. They could pledge: no cuts to education, no cuts to health, no changes to pensions, no changes to the GST and no cuts to the ABC or SBS. No prizes for guessing how many of those promises they have already broken. What they have done is
shameful when it comes to families, particularly those in my electorate, which, as you know, Mr Deputy Speaker, are not rich. About 15½ thousand families in my electorate are on family tax benefit B. They are on some form of support as they raise their families. There is a reason for that. The average median income in my electorate is a tad over $20,000, with the average household income at $55,000.

These are the people on whom the government are going to impose the harshest measures of this budget. Like those opposite, we also earn reasonable money in this place. Anyone earning over $180,000, which takes in parliamentarians and those richest and most privileged in society, will also have to shoulder the load. I understand that. For three years, they will have a two per cent adjustment to their tax rate.

Mr HAYES: And, by the way, for those who want to defend that, bear in mind that it only lasts for three years and then there is no permanent impediment on those on the other side, those who are privileged in our society. But what the government are doing to families and pensioners, by imposing the GP tax, to the unemployed and young people, who are trying to gain their first job, are all permanent impositions on the lowest areas of society, people who can least bear the pain.

There is no justice in what has been happening here. If the government want to take any degree of solace in the fact that our economy is growing at 3½ per cent, if they come off what the Treasurer has said and puff their chest out on that then, quite frankly, why do they turn around and unjustly punish the pensioners not only in my electorate but those sitting back in your electorate? The same with families on welfare. You will find them sitting back there in your electorate—and, by the way, they get a vote. A single parent family, earning around $55,000, is going to lose up to about $6,000. If they have got two kids, they lose their allowances, they lose family tax benefit B and lose access to family tax benefit A. Have a look at it. It works out to be almost 10 per cent of those most in need of assistance and support in our community.

This is a shameful position to be in in this parliament, trying to ask the Prime Minister to reconsider his position, because we know that they do not reconsider anything. But when they want to come back and crow about the performance of the economy at the moment, why go out and persecute those least able to bear the pain?

Ms HENDERSON (Corangamite) (16:22): We have just heard from the member for Fowler, and one thing I will say in response is that what is shameful is the lack of truth we are hearing from members opposite. Australian families know that if they run their household spending more than they earn year after year they go broke. Australian families know that if a government spends billions of dollars more than it earns year after year then eventually that country goes backwards. The Leader of the Opposition in this debate earlier talked about the truth. Let us talk about the truth, and the truth came from the words of the member for Lilley, the former Treasurer. He told the former Foreign Minister, Bob Carr, that the fiscal situation under the Labor Party was ruinous. One of the reasons that the member for Lilley is not on the shadow frontbench is that if he were he would have to address those questions. He fundamentally failed. Year after year the deficits mounted up: $27 billion, $54 billion, $47 billion, $43 billion, $19 billion, and in the current year almost $50 billion. It is a shameful record and we cannot forget that the admission comes from the former Treasurer. He admitted
that the fiscal situation was ruinous. If you look deep into your hearts, members opposite, you
know that is the truth and Australians know that is the truth and that is why we were elected,
to fix Labor's mess, and that is what we are doing. Let us not forget that unless we make the
policy changes that we are making we are heading towards $667 billion in debt. We will pay
unless we make those critical changes that our nation needs, with almost $3 billion a month in
interest payments. Currently we are paying more than $1 billion every month in interest.

Today I want to try and correct the record in a number of important respects and reflect on
what our budget is doing to support Australian families, their children and grandchildren. We
have a strong focus on earning, learning and working for the dole which has been celebrated
in my community in the Corangamite and Geelong regions. We are supporting older
Australians' return to work with an important restart incentive of $10,000. We are providing
greater access to higher education, for the first time offering fee loans to sub-bachelor and
other pathway degrees. As Mike Gallagher, the executive director of the Group of Eight
universities, said:

The higher education budget reforms are necessary. They are logical, coherent, sustainable, equitable
and inevitable …

We are building the roads of the 21st century. In my electorate we are upgrading the Great
Ocean Road. We have invested $3 billion in the East West Link, a project that would deliver
more than 6,000 jobs. Can you believe it: Labor is opposing both of those very important
projects. We are abolishing the carbon and mining taxes. Under our budget, yes, the pension

goess up twice a year, and let us not forget how misleading the Labor Party has been on this
point. It was the Labor Party that delivered an increase in the pension age to 67, so we are
seeing constant hypocrisy. Education is going up by a total of 37.4 per cent over four years.
Health spending is up each year over four years: nine per cent, nine per cent, nine per cent and
six per cent. I want to set the record straight in relation to sole parents. A sole parent on an
average wage of $60,000 by 2016–17 with one child under six will receive government
payments of $7,340, for two children under six a government payment of $12,630 per year
and for two children between the ages of six and 13 government payments of $8,348. That
does not include the childcare rebate, it does not include rental assistance.

The DEPUTY SPEAKER: Order! The time allocated for this debate has expired. I have
gone over a little time with a bit of discretion. This discussion has now concluded.

BILLs
Fair Work Amendment Bill 2014
Second Reading

Debate resumed on the motion:
That this bill be now read a second time.
to which the following amendment was moved:

That all the words after "That" be omitted with a view to substituting the following words:
"the House declines to give the bill a second reading because of:
1. the need to provide sufficient protections in Individual Flexibility Arrangements and the impact
that losing protections will have on employees; and
2. the Greenfield agreement making process being heavily skewed in favour of employers; and
3. the provisions of the Bill undermine the right for Australian employees to be represented at work including a requirement that an employee tell their employer if they want to speak with a union; and
4. the need for a full examination of all amendments within this Bill that may unfairly impact on employees.”

Ms MARINO (Forrest—Government Whip) (16:27): In the time available to me I will continue. The reason for our legislation is probably supported by the previous industry minister, Martin Ferguson. I quote an article from the *Australian Financial Review* on 28 February in which he said:

Strength will come through policy and reform that makes it easier for businesses to invest with certainty. Therefore, we must reduce red and green tape, commit to market-based policy and re-evaluate how our workplace relations framework influences access to labour and how it affects the economic viability of new projects. … Less intrusive regulation will stimulate business activity and increase revenues from tax and royalties without diminishing environmental standards.

He had a number of other things to say too. I note today, again from the *Financial Review*, in relation to union activity that the ACCC is now looking at an investigation over Boral allegations. The article reads:

The industry leaders have been urging the ACCC to act. Commissioner Simms is quoted as saying, 'It has been very visible behaviour. We have had a number of people ask us what we are doing about behaviour they think they can see.' The article goes on to say that he would not specify the exact nature of the claims or put a time line on the investigation but he said that it was a high priority for the ACCC.

When you look at what preceded my comments in beginning this particular part of the discussion, when you look at the 2007 election campaign Labor promised all sorts of wonderful things, including flexibility on matters such as rostering and hours. When it came down to delivering, however, Labor maintained that poor performance that leaves us in the current position we are in with the budget and debt and deficit. Once again it needed the election of a coalition government to make the changes, as we are through this legislation, to get this country moving. There is no doubt that the delivery of flexible workplaces must look after the interests of employees as well as employers and it is possible to create a mutually beneficial workplace where the needs of both employers and employees are met. We do know, however, that Australia is a high-cost place to do business and we can see the result of that everywhere, particularly in Western Australia. If you try to get a project off the ground it can be anything from—

Debate interrupted.

**ADJOURNMENT**

The SPEAKER (16:29): The time being 16:30, I propose the question:

That the House do now adjourn.

**Unmanned Aerial Vehicles**

Ms PARKE (Fremantle) (16:30): Tomorrow marks the 70th anniversary of the D-day landings, a massive and decisive military operation in a war that shaped the world as we know it today. Seventy years on, we find ourselves participants in another kind of conflict, a form of asymmetric warfare that commenced with the US and British conventional airstrikes in Afghanistan, a month after the 9/11 attacks in the USA, and continues now. This ‘war on
terror’ has lasted at least twice as long as World War II and has involved the evolution of new
tactics and high-tech weapons, including the use of unmanned aerial vehicles or drones.
Drones enable a greatly expanded scope for military intervention. They range far from the
operational theatres where our own military forces are engaged, loitering above places with
names few of us would recognise in countries only marginally familiar. They gather
intelligence, acquire targets and sometimes launch attacks to kill people who we are told pose
a threat to us.

On 16 April, The Australian reported the death of two Australians in a drone attack in
Yemen last November. The article said in part:

It is understood US authorities notified Australian officials about the possibility Australian citizens
might have been ‘collateral damage’ in the strike, part of an ongoing campaign by the US and Yemeni
governments to wipe out AQAP militants ... The two men were not the intended targets of the attack,
which killed three other militants.

Notwithstanding the hesitant language used, it seems clear from this and other reports that a
death sentence has been pronounced and carried out from a drone controlled by people we
cannot know who are not accountable to any legal process we would recognise and whose
decisions we are being asked to accept on trust after the fact. And this occurred in a country
with which we are not at war and which is relatively far from any area where our military
forces are directly engaged.

Can such strikes be reasonably considered acts of war or are they more properly to be
regarded as instances of extrajudicial killings or war crimes? In this case, two Australians lost
their lives in Yemen, with no independent examination of whether the targeted killing in
which they were reportedly collateral damage was legal under international law. They were
killed by remote control in the course of a drone attack that was formulated, authorised and
implemented without transparent process, and in which Australia may have played some role.
Human Rights Watch has reported allegations that Pine Gap has been used to locate and track
suspects, who are then killed in US drone strikes.

In an October 2013 report into drone strikes in Pakistan, Amnesty International noted 'apart
from Pakistan, other states, including Australia, Germany and the UK, appear to be providing
intelligence and other assistance to the USA in carrying out drone strikes'. If this is true, what
does the Attorney-General say is the legal basis for our involvement? Needless to say,
targeted killing by drones is conduct that threatens to tear up the principles on which our
system of justice and the international rule of law is based.

In the book Dirty wars: the world is a battlefield by Jeremy Scahill, the author writes:

The days of fighting uniformed enemies and national militaries according to the rules of the Geneva
Conventions were over. 'The world is a battlefield' was the mantra repeated by neoconservatives in the
US national security apparatus ... But terrorists would not be their only target. The two-hundred-year-
old democratic system of checks and balances was firmly in their crosshairs.

In April this year, the UN Special Rapporteur on the promotion and protection of human
rights and fundamental freedoms while countering terrorism, Ben Emmerson, called upon
'States that use remotely piloted aircraft for lethal counterterrorism operations and all states on
whose territory such operations occur, to clarify their position on the legal and factual issues
raised.' He also called for states 'to make public the results of all fact-finding investigations
into alleged civilian casualties resulting from such operations; and to release their own data on the level of civilian casualties inflicted through the use of remotely piloted aircraft’.

Further concern has been expressed about rapid technological progress towards the development of fully autonomous weapons—that is, weapons that can operate without any human input or interaction or with only minimal human supervision. International humanitarian law prohibits weapon systems that cannot adhere to the two cardinal rules of distinction and proportionality.

A report by the Special Rapporteur issued in April 2013, stated ‘Autonomous weapons may seriously undermine the ability of the international legal system to preserve a minimum world order.’ This warning was echoed by Human Rights Watch in a report last November titled Losing humanity: the case against killer robots.

On the eve of the 70th anniversary of the D-day landings, we remember the critical effort to defeat a Nazi regime characterised by the terror and murder it prosecuted using the most advanced industrial and military technology available at the time, with no regard for international law or human rights. It is important we remember what we fought against in World War II and what we were fighting for now. We honour and pay respect to the sacrifice of those who died or suffered in that conflict by making sure that we are not seduced by the appeal of a technology whose anonymous, unexamined, pervasive utility may nevertheless be at odds with the values we profess to hold and that may be responsible for outcomes we cannot abide.

Bass Electorate

Mr NIKOLIC (Bass) (16:35): I left my former profession of 31 years to enter politics for one important reason: to make a real difference for people in my community, and I have enjoyed some success in the nine months since the election. We have a revitalisation of the North Bank precinct which is about to commence. We have $3 million to clear the choking silt out of the beautiful Tamar River and restore not only its environmental values but its social, recreational and business amenity. We are upgrading Invermay Park, the most used sporting facility in Northern Tasmania. We are building 80 kilometres of world-class mountain bike trails in the beautiful country in the north-east of my electorate. We are upgrading the Flinders Island and Cape Baron Island airfields. We have over $500,000 for traffic black spots.

In the almost nine months since the election, I have found that one way of being successful in this place is spending a lot of time knocking on doors, trying to influence that important interface between the bureaucracy and the polity, where policy is best developed, bringing short-notice problems to the attention of ministers, problems in my community, and feeling a great sense of satisfaction when ministers respond, their staff and departments respond, as Australians would expect them to; also, engaging in the debate in this House with all its colour and pageantry and, regrettably at times, even the below decks interventions from the member for McEwen—but that is a separate story. Yet, in recent days, instead of debate about policy and the issues of most concern to our electorate, like getting debt and deficit under control, we have been confronted by an opposition more interested in stunts, rumour and superficiality. That was absolutely on show in the parliament here today, with questions from Labor based on rumour and hearsay that you, Madam Speaker, ruled out of order. Your generosity came to the fore to allow other questions through. Labor wasted valuable question
time by allowing Greens motions to go through division after division in this House. They are pandering still to that Labor-Greens partnership that is still very strong, even in the 44th Parliament, a partnership which is at the heart of the economic problems that beset our great nation.

We often talk about opportunity costs in politics. At the head of that list is the opportunity cost of a thousand million dollars that we borrow every month just to pay the interest on the debt that we have accrued in the last six years. Well, the Australian people deserve much better than what they are getting from the once proud Labor Party.

In contrast, we on this side of the House have a plan, with local, regional, national and even international dimensions, and we are prosecuting that plan with purpose and commitment. I can go home and tell my constituents that stopping the boats is not a three-word slogan; it is something that has been happening for 168 days—24 weeks—that has saved $2.5 billion for the budget, as compared to the $11.5 billion blow-out under those opposite, and an average of a boat a day arriving in this country. That is what happens when you change to a government that has resolve. And my constituents understand that.

We said we would repeal the carbon tax, and of course it has passed the House of Representatives. The only reason that the people of my electorate are not getting that benefit of $550 per family from the repeal of the carbon tax is because the Labor-Greens partnership, which I said is running so strongly, is doing a blocking motion in the Senate and stopping that benefit to Australian families, including those in my electorate.

We said we would build the roads of the 21st century, and there was $50 billion in the budget—the biggest infrastructure spend in this country's history—and my state of Tasmania is getting a billion dollars of that, for the Midland Highway, and for freight rail infrastructure, and a whole range of other projects that will revitalise our economy.

But, as we know, strategy without resources is illusion, and getting the budget back under control, getting it back onto a sustainable footing, will make sure that we can do things for our people into the future. I call on those opposite who value the tradition of Hawke and Keating, that once proud Labor tradition, to listen to the Australian people, to listen to the people in my electorate, and stand aside and let us pass the things that will ease their burden into the future. Let us stop stealing from future generations to fund our unsustainable spending today. I call on you to search your conscience and do what is right for our country. No more stunts—let us discuss what is best for our nation.

**Budget**

Ms BRODTMANN (Canberra) (16:40): It has now been more than three weeks since the Abbott government handed down its budget of broken promises, but, in that time, the shock and outrage in the community has not subsided one bit. In fact, as people have become fully aware of the extent of the damage caused by this budget, outrage has grown.

Over the last three weeks, I have been inundated with phone calls, emails and letters about the budget, and not one of them—not one—has been supportive of the budget. The thing that has struck me is how much of this outrage is coming from traditional Liberal voters, or people who do not normally politically engage. In the last few weeks I have spoken to Liberal voters who now feel betrayed, and I have been contacted by people who have never contacted a
politician before in their lives. These are just some of the emails I have received on the budget in the last week alone.

One of my constituents wrote: 'I am a resident of the ACT. I am a pensioner. I am a heart patient, I am a diabetic, and I am a cancer patient. Let me detail the negative effects that the budget has upon my welfare. Firstly, the government is going to change the indexation arrangements on the pension. The effect of this will be to reduce the effective value of my pension over the coming years—that is, my ability to sustain my quality of living will be reduced. Secondly, as a heart patient and a diabetic, the government is planning to increase the cost of medications. At the moment, medication costs me about $50 per month. How much will my medications increase by? Thirdly, the government is planning to introduce a co-payment to visit my doctor. I have a need to consult not only my GP but also my specialist, so here is another increase in my costs. Fourthly, I have been a cancer patient since 1990. I have a rare tumour which requires me to travel to Sydney once a month to consult with a specialist and undergo scans et cetera. This costs me approximately $80 per trip; now, thanks to the government, which is proposing to increase the tax on petrol, my costs are again heading upwards. To say the least, I am not a happy camper.'

I will quote again, from another constituent: 'I am extremely upset by the budget. As a pensioner with a small amount in super, I feel worried about how my situation may change with these impositions. I also worry about my daughter and her family and how they will cope with the changes, and further down the track. Their daughters are just starting school; how will this affect their public education? Please fight this budget, not only for our family, but for those youths of the country who cannot get a job and will have to live on air for six months.'

Again I quote another constituent: 'I am now writing to you about the serious concerns I have in relation to Tony Abbott's budget. I can hardly express my level of disappointment for Australia. I believe I speak for many by saying this budget will badly affect 90 per cent of Australians: those of us who are studying; the average- and low-income workers; the sick; children. Education, health and welfare should be the focus; these are investments in our future. I feel that, if the budget gets through, children will only be able to get an education if their parents can afford it, Australians will only be able to use a health facility if they can afford it, and if they lose their job—bad luck. As an Australian I was proud of our nation, that it wasn't defined by how much money we or our parents have and that everyone had a fair go.'

And I quote again, from another constituent: 'I am a student at the University of Canberra, studying nursing. The proposed budget has made me reconsider my decision to study. Not only are nurses undervalued and the health system not funded properly, but compound interest on my HELP debt will guarantee that I will be burdened with increasing amounts of debt and will struggle even more to pay my debt off. University should be funded and viewed as an investment. Students are the future. They are the future taxpayers and the ones that will be leading our country in the next 20 years. Therefore, our government should not hinder anyone by enforcing these unfair measures. What does it say about the Liberal Party's values when the budget says, 'Too bad if you cannot afford it'? I ask: please make a stand and represent the people of Canberra by telling Tony Abbott that this budget is unfair and asking him to fix it. There are many ways to make the government's books balance without making people suffer unfairly.' Those opposite seem intent to ignore the opposition, the Independents and the minor parties when we tell them that this budget is a dud—it is a stinker! But I urge them: do not
ignore the people of Australia. Do not ignore your constituents and what they are telling you. Go out into your electorates, speak to your constituents and you will quickly realise that you have got it wrong, that this budget cuts into Australia's social fabric.

Treasurer

Mr HUSIC (Chifley) (16:45): I rise to object to an offensive and disgraceful set of comments uttered by the Treasurer in this place yesterday and to demand an unreserved apology from him.

I, the member for Moreton and the member for Wakefield were members of a joint parliamentary inquiry that investigated the tragedy at Christmas Island in December 2010. I can confidently speak for the three of us that that incident left in us a deep impression and a fierce determination to ensure that we took steps, as a group, within this parliament to ensure that there was not a repetition of what we saw at Christmas Island. The footage of naval personnel trying to drag people out of those waters, the faces of the first responders and medical practitioners who sought to assist and the horrific tales that we heard all left their mark and, in many respects, scars, on us.

This is why, in the last parliament, we spoke so strongly on taking strong steps to prevent this from re-occurring. And it is why we probably strained friendships, because we supported policies that were, in some words and some views, very harsh. But many of us could not countenance the memory of those people and the last moments that they had in those waters off our nation.

We argued for an arrangement with the Malaysian government to deny people smugglers the ability to ply their terrible trade. And we saw early success, with intel showing that people were turning up to people smugglers and demanding money back. They also saw drops in the number of arrivals that were seeking this path to get here. But the High Court knocked back that agreement, and I just want to reflect on some comments made by our shadow immigration spokesperson at the National Press Club recently. He said:

With the decision of the High Court this proposition was put squarely in the hands of the Parliament. It is at this point that the Coalition's approach to dealing with the question of asylum seeker policy unravels as nothing but political opportunism.

In following a strict order of obstructionism, Scott Morrison—the member for Cook—denied Labor cooperation at every turn.

He ran a joint ticket with the Greens to bring down the Malaysia Arrangement.

We had the Treasurer stand up in this place—I remember him in 2012—and say:

I will never ever support a people swap where you can send a 13-year-old child unaccompanied to a country without supervision—never. It will be over my dead body.

This, from a senior member of a government that is currently contemplating doing the same thing in an agreement with the Cambodian government. And he can say that!

And what was the aftermath? Six-hundred and eighty-nine people lost their lives at sea as a result of the Malaysia agreement being stopped. And, on top of that, the coalition went on to break another deal they made with the Greens when they blocked the Malaysian agreement—cutting the humanitarian intake the minute they came into office.
So imagine our disgust yesterday when we saw the Treasurer make the following statement in the parliament:

But most of all, as a result of the actions of this government there are no children floating in the ocean between Australia and East Timor as occurred under Labor!

How does he rationalise that with his decision to block the Malaysian agreement and then put politics above the needs of the nation and people? At a personal level, I had a deep regard for the Treasurer but he pretty much shredded that yesterday with those comments in parliament.

We finally got a refugee resettlement agreement with the Papua New Guinea government that has comprehensively crippled the people smugglers’ business. And those opposite can keep all their orange boats and think that they have stopped the trade, but they have not. It was the refugee resettlement agreement that did it.

But we will not sit quietly. The Treasurer can drag his sorry self back into this parliament and apologise. But not to us: he should not apologise to us. He should apologise to the 689 people who lost their lives because we could not get the type of agreement with Malaysia that we eventually got with the Papua New Guinea government. And if he thinks we will forget it, it will be over—to use his words—’my dead body’.

Mitchell Electorate: Infrastructure

Mr HAWKE (Mitchell) (16:49): I rise today to speak about the government’s commitment to infrastructure in Sydney. This is perhaps one of the most important and significant infrastructure investments in Commonwealth history, and it is particularly important to my electorate and to people in Western Sydney and Sydney more generally because infrastructure provision has perhaps been the single biggest challenge and issue for people in our major metropolitan cities over the past few decades.

Not only have we seen unprecedented growth in the north and south-west sectors of Sydney but we have seen governments, particularly state governments, who have failed to commit to the important road and rail projects that are required to sustain such growth. There is also social infrastructure. Suburbs in my electorate, out in Kellyville and Rouse Hill, are only just getting parks and social infrastructure on line, decades after housing has been put in place—another example of poor planning.

So it is with great joy that the majority of people in my electorate and in Sydney more generally see the great commitment of this government to better infrastructure in this budget. In difficult economic times it is particularly pleasing to see a government that understands that we need key infrastructure upgrades to ensure ongoing economic prosperity and ongoing social cohesion and that improvements in our major cities and economies will deliver great benefits to all.

Of course we have a state Liberal government in New South Wales now that is committed to great rail upgrades as well. The North West Rail Link is worth $10 billion. There will be eight railway stations: Cherrybrook, Castle Hill, Showground, Norwest, Bella Vista, Kellyville, Rouse Hill and Cudgegong Road. There will be 15.5 kilometres of tunnels—it will be the single biggest rail tunnel in the southern hemisphere—between Bella Vista and Epping. And the people of my electorate will soon be able to catch a train every five minutes in peak hour.
Unlike previous Labor administrations, not only is this project on time but it is also on budget. These are phrases that were lost to the lexicon of Australians—'on time and on budget'. A government produce a project on time and on budget? Never heard of in 16 years of a Labor administration! People have lost their faith in the ability of government to deliver. But not only is the New South Wales state government doing a fantastic job; it is on time and it is on budget.

In this budget we see a great commitment to road infrastructure, in particular in Sydney, and this has been sadly missing from the previous Labor administrations, particularly when you consider we had an infrastructure minister who was based in Sydney. You might have thought that having an infrastructure minister based in Sydney would have meant more infrastructure funding for Sydney. You would have thought, 'Sure, wouldn't that be the case?' But, of course, we saw a six-year Labor federal administration with zero.

Mr Fletcher: Zero!

Mr HAWKE: Zero. Let's go over that again: zero. I note that the member for Bradfield, the parliamentary secretary, is here to confirm that since the federal government co-funded the M7—the best piece of infrastructure in Western Sydney—there has not been any federal government funding for Western Sydney or for Sydney more generally. But now in this budget we see NorthConnex, we see WestConnex and we see a commitment to key road upgrades in Western Sydney, including Bringelly Road, with construction starting. This is not the old Labor trick that we saw during 16 years of state Labor governments of putting up the signs and parking a few bulldozers strategically at major intersections before elections—and we saw this many times. We have the funding allocated in the budget; we have a commitment from the federal government to innovative funding models that include the private sector, ensuring that we are looking at how these infrastructure projects will be funded; but we also have a commitment to start construction within 12 months. That is written into the contracts of these critical infrastructure projects. Construction will have begun by next year on critical road projects in Western Sydney, ensuring that 10,000 jobs will be supported, with construction commencing for stage 1 early next year and stage 2 also expected to begin in 2015—two years ahead of schedule—and a completion date of 2019. This WestConnex road will of course be the biggest infrastructure upgrade of Sydney roads in some time.

These infrastructure improvements are well received. Infrastructure provision has been the single biggest weakness of our major city for a long time. We now have a state government committed to better infrastructure provision, we now have a Commonwealth government that—whilst we have to take tough budgetary decisions—is making key decisions in infrastructure to keep the economy ticking over and to enable our major city and major economy to grow and continue to build and create jobs into the future. It is a far-sighted vision. I commend the Minister for Infrastructure and Regional Development and the assistant minister, and, on behalf of the people of Mitchell, I welcome the key commitments to billions of dollars of road funding for Sydney in this budget.

Environment: Tasmanian World Heritage Area

Mr HUTCHINSON (Lyons) (16:54): From the 15th to the 25th of this month in Doha, the World Heritage Committee are meeting to consider many issues. One of those issues is the recommendation by the federal government to rescind 74,000 hectares of the Tasmanian Wilderness World Heritage Area that was extended by the previous government to the tune of
170,000 hectares in 2014, albeit under duress—this has become a common theme today—from the double whammy of a government controlled by a minority of people in the federal parliament and, in my home state of Tasmania, a government controlled by a minority in the form of the Greens.

The World Heritage listing that was put forward under the control of the member for Watson in 2013 was nothing more than a political construct. Environment Tasmania recently released an Essential Research poll that apparently states that only 17 per cent of Australians are in favour of the government doing what it said it would do prior to the federal election in September. I do not want to labour the point, but I stand here because I got a 14 per cent swing—the largest swing in the nation—principally because we stood for something and we said that the communities impacted most by this political construct, the extension of the Tasmanian Wilderness World Heritage Area, had not been consulted. They simply had not been consulted.

I do not know who the 17 per cent of Australians were, but in September the Tasmanians spoke very, very clearly. More recently, they spoke very clearly in March this year at our Tasmanian state election, and particularly in regional Tasmania—it was business as usual in Denison—where, of the 15 seats available, 10 went to the Liberal Party. And it was on a clear stance to unwind what was nothing more than a political construct. It was not based on science and not based on fact. In fact, I would argue that the World Heritage Committee have breached their own guidelines. This is quite significant; this was never a minor boundary adjustment. They refer to 10 per cent as being a minor boundary adjustment, and 170,000 hectares was indeed far more than the 10 per cent that they, in their own guidelines, suggest to be a minor boundary adjustment. As I said before, there was no consultation with the people and the communities most impacted by this listing. In fact, ICOMOS, one of the advisory bodies to the World Heritage Committee, actually advised against the listing in April 2013 because of a lack of consultation.

We Tasmanians are very proud indeed of the World Heritage listing. It is an important part of the Tasmanian brand and it is indeed a world-class estate. But the extensions potentially devalue the wilderness values of the Tasmanian World Heritage Area.

The other question that I would raise is: if the World Heritage Committee have breached their own process, their own guidelines, yet put nothing into the management of the areas that are required to be managed by, in this case, Australia, it is actually a threat. It is actually an attack on the sovereignty of our country. We support, applaud and value World Heritage, but the committee must follow the processes that are there quite clearly, and they did not in the case of the listing of the Tasmanian Wilderness World Heritage Area extension in 2013. I hope they will listen and I hope they will go back and review their processes.

House adjourned at 17:00.

NOTICES

The following notices were given:

Mr Marles to move:

That the Migration Amendment (Repeal of Certain Visa Classes) Regulation 2014 made under subsection 504(1) of the Migration Act 1958 on 29 May 2014 and presented to the House on 2 June 2014, be disallowed.
Mr Danby to move:

That this House:

(1) notes with sadness that 4 June 2014 was the 25th anniversary of the Tiananmen Square massacre;
(2) expresses its sympathy to the families of those who died as a result of their participation in the democracy protests of 1989 in the People’s Republic of China as well as those who have suffered for their efforts to advance human rights and democratic expression during the past decade;
(3) commends citizens of the People’s Republic of China who peacefully advocate democracy and human rights; and
(4) deplores ongoing human rights abuses in the People’s Republic of China and calls on the Government of that country to:

(a) re-evaluate the official verdict on 4 June 1989 Tiananmen pro-democracy activities and initiate open investigations on the 4 June event with the goal of providing a complete and accurate account of those events;

(b) treat fairly Chinese students who elected to stay in Australia after 4 June 1989 under special temporary visas and who have since returned to their homeland;

(c) release all prisoners of conscience, including those still in prison as a result of their participation in the pro-democracy protests of May and June 1989, provide just compensation to the families of those killed in those protests and allow those exiled on account of their activities in 1989 to return and live in freedom in the People’s Republic of China;

(d) put an end to harassment, detention and imprisonment of Chinese citizens exercising their internationally recognised rights to the freedom of expression, freedom of association and freedom of religion; and

(e) proceed quickly to ratify and implement the International Covenant on Civil and Political Rights which it signed on 5 October 1998.
The DEPUTY SPEAKER (Ms Griggs) took the chair at 09:30.

CONSTITUENCY STATEMENTS

Ageing

Mr BYRNE (Holt) (09:29): In Australia the number of people aged 65 and over is expected to increase from 13.4 per cent of the total population in June 2007 to 25.3 per cent by 2047. That means there will be substantial pressures on our aged-care sector. Accordingly, I have been disturbed to hear about the inadequacy of the accreditation standards for aged-care facilities from family members who have loved ones residing in a local aged-care facility in my electorate.

Boyd Fraser, whose 91-year-old mother, Valerie Fraser, is currently residing at the St Jude's aged-care facility in Narre Warren, has raised with me his specific concerns about the failure of accreditation standards for aged-care facilities to ensure sufficient mobility and physiotherapy standards for residents.

After regular visits—and this pertains to Mr Fraser's mother, Valerie—to visit his mother, he became concerned about the lack of exercise and mobility sessions provided to her at the St Jude's aged-care facility in Narre Warren. Valerie suffers from dementia and arthritis. On a number of occasions Valerie was confined to her room and effectively had no exercise such as walking around the facility with her pusher.

Valerie also has a calliper fitted to her right leg to enable her to walk properly, which her son Boyd fits on her leg whenever he visits the facility. He notes that only after months of lobbying were staff required to fit the calliper to Valerie's leg daily to allow her some form of exercise; she had to do it herself.

He raised these concerns with the complaint resolution officer with the Aged Care Complaints Scheme. Boyd Fraser was disheartened by the lack of clear standards in relation to the measures that could improve his mother's mobility.

Mr Fraser is advised that notwithstanding the laudable goal of optimising resident mobility and dexterity, as per clause 2.14 of the accreditation standards, there is a complete lack of detail and provision for accountability of this particular standard. As I said, Mr Fraser has raised his concern with the Aged Care Standards and Accreditation Agency, but the variability in the health status of aged-care residents would make an assessment too difficult.

One of the concerns relating to this is exception reporting. Under these particular standards, aged-care providers are not required to provide ongoing status of the elderly resident in their care, except if there is an exception, like an incident. As a consequence of this, someone like Valerie, who has lack of mobility, has been imprisoned in her room without being able to exercise but, because she has not had an incident, it is not required to be reported. That is a problem with the standards. They need to be fixed up, and I am going to be petitioning to government as I have in the past to ensure that these standards are fixed up.
Page Electorate: Constituent Concerns

Mr HOGAN (Page) (09:34): One of the great privileges that many of us in this room have as members of parliament is that we meet a lot of people in our community. We have lots of people come to see us and therefore we meet lots of different groups of people who represent a lot of different people in our community in different ways. Two groups I have seen in the last seven or eight weeks have asked me to report that we met and what topics we spoke about, which I am going to do today.

The first group was the Richmond Valley Ratepayers and Residents Association. I met four or five members of their group, which is obviously a large group. They asked me to touch on the subjects that we talked about: they did not feel that we should bail out large car companies when we are in so much debt; they felt that we had a mandate to get rid of the carbon tax and they thought the Speaker, Ms Bishop, was being spoken to was very inappropriate in parliament; this was a while ago—they said that that long-term unemployed should be made to undertake Work for the Dole schemes as well, which is interesting given what happened last week; and they also felt that the ABC was biased for a publicly funded organisation.

Probably about a week or two after that I met a delegation that had marched against the Abbott government. They also wanted to raise issues with me. It was wonderful to meet them. They spoke about their beliefs and what they felt about the government. They have very passionate and strongly-held beliefs—I certainly acknowledge that. They brought up two issues. One was asylum seekers: they felt very deeply about detention centres and the whole way the asylum seeker issue is being dealt with.

Obviously, I think at the end of the day we wanted the same result in the sense that no-one wants detention centres. They would be very happy that we have shut down eight or nine of them already and obviously with our border policies we would hope that there would be none, like there weren't at the end of the Howard government, and that we will be taking refugees from refugee camps throughout the world.

The other issue that they brought up was climate change. They spoke very strongly about the carbon tax. We obviously had to agree to disagree on that one. I spoke about Direct Action and our plans to combat climate change, even though they felt very strongly about the carbon tax. I acknowledge both these wonderful groups in our community who represent different views, as our community has. It was wonderful to hear them and listen to them and acknowledge our meetings in parliament.

Fremantle Electorate: Live Sheep Exports

Ms PARKE (Fremantle) (09:36): I represent an electorate that has lived with the reality of live export for many years and which has direct and regular experience of the endemic shortcomings in this trade. The decision by the government to move towards reopening live sheep exports to Iran is a matter of dismay to my constituents, who cannot understand how a system that currently produces animal welfare atrocities on a regular basis is expected to do anything other than greatly expand the unacceptable treatment of animals—in a country that not only has little regard for human rights but also virtually no animal protection laws.

Australia's ESCAS supply chain regulatory system still contains flaws, as evidenced by the steady flow of incidents which reveal the horrible, inhumane treatment of animals through the
live export process. It is disappointing to hear the minister celebrate the potential to send more than a million sheep annually to Iran as a replacement for the loss of market opportunities in Saudi Arabia, which only occurred because Saudi Arabia rejects the ESCAS regime. I am concerned and my constituents are concerned that in the rush to send hundreds of thousands of sheep to Iran animal welfare risks will inevitably be underestimated and overlooked, and that those with responsibility when it comes to both regulatory and industry oversight of this trade will continue their recent history of pretending there isn't a problem right up until the very moment when we are again confronted with graphic visceral evidence of animal mistreatment as a result of the diligence and scrutiny that only animal welfare advocates appear willing to supply.

What do animal experts and advocates think of the government's decision? The statement issued by Animals Australia rightly noted that:

The government is talking about opening a new market when there is no one even policing the old markets. Once again, we are pushing animals into a country where there are no local laws to protect them from cruelty.

RSPCA Australia's chief executive, Heather Neil, responded to the announcement by saying:

I think there's enough examples with ESCAS going terribly wrong and the government doing really very little in order to bring exporters into line and to take away their licences, when they've shown time and time again to be getting it wrong.

Then putting animals into another country, with another country's laws, and there isn't a good track record of people doing it well. It's really setting it up for disaster.

As I have made clear many times, neither I nor the many thousands of Australians in my electorate and elsewhere are ignorant of or ambivalent about the importance of economic opportunities for Australian farmers. Indeed, it is in recognition of the fragility of the live export trade that I and others continue to argue for much better regulation and for a clear plan to transition out of live export altogether in favour of a more dependable and higher yield chilled and frozen meat industry, which will also create more Australian jobs. Rushing to recommence live sheep exports to Iran is a decision fraught with danger and I fear that the severe penalty to be paid for this poor judgement and for the questionable process to follow will be reckoned in the suffering of thousands and thousands of sheep.

Macarthur Electorate: Eco-Schools Program

Mr MATTHESON (Macarthur) (09:38): It is my great pleasure to rise today to congratulate the students and teachers at Harrington Park Public School becoming the first registered eco-school in Australia. The Eco-Schools program is run by Keep Australia Beautiful and a pilot program was launched at Harrington Park in my electorate last month. Eco-Schools is an environmental management certification program designed to encourage children and youth to take an active role in how their school can be run for the benefit of the environment. The program combines learning and action to help improve environments of schools. It also raises awareness and helps change the behaviour of young people, school staff, families and communities.

The Eco-Schools program is recognised by the United Nations Environment Program as a preferred global model for environmental education, management, sustainability and certification at an international level. It is a program of the Foundation for Environmental Education, which operates in 55 countries around the world, involving more than 14 million
students. Australia is the 55th country to launch the Eco-Schools program, which aims to empower students to bring change by engaging them in fun, action-oriented learning.

I was honoured to attend the launch at Harrington Park and meet the special guests from Eco-Schools South Africa, Malcolm Powell. Malcolm is from the Wildlife Environment Society of South Africa, which operates in eco-schools there. He has been on the international board for the past 10 years and has visited numerous eco-schools all over the world, including around Africa, North America, Asia and Europe. Principal Andrew Best from Harrington Park Public School was very proud that it was the first officially registered school for the program and thanked Keep Australia Beautiful for providing access to Eco-Schools in Australia.

The Keep Australia Beautiful National Association is Australia's leading grassroots environmental organisation, with more than 45 years of experience in changing behaviours and attitudes concerning litter and recycling. It does this through community engagement, partnerships, education and ensuring that the community also takes its share of responsibility for improvement. It is Australia's largest face-to-face schools environmental education service provider, teaching more than 70,000 students each year. Macarthur resident Peter McLean is the hardworking CEO of the association, which has been delivering environmental education to schools for more than two decades.

According to Principal Best, the new Australian curriculum has sustainability as one of its three cross-curriculum priorities. Eco-Schools membership will assist schools in delivering a 21st century curriculum and provide students with an authentic learning experience. I think it is fantastic to see Harrington Park Public School taking part in such a fantastic initiative. I think it is fantastic to see Harrington Park Public School taking part in such a fantastic initiative. I am proud to see this program launched in my electorate and encourage other schools around Macarthur interested in this initiative to contact Keep Australia Beautiful for more information. I would like to wish all of the students at Harrington Park Public School all the best as they continue towards their goal to achieve the highest level of Eco-Schools, the award of the Green Flag. I am told the school's HEAT group and the school parliament have this award firmly in their sights. I am sure it is something they will achieve.

Budget

Ms KATE ELLIS (Adelaide) (09:41): I rise today to place on the record the outrage of the community that I represent over the government's extreme, ill-considered and unfair attacks on our higher education sector. Since the surprise announcements in the budget I have been contacted not just by university students but by high school students, by parents and, importantly, by grandparents as well who always thought that this was about making sure that future generations had more opportunities than they had, not that we would close the door on access to higher education.

Just last Friday I had the opportunity with the member for Port Adelaide to spend some time at the University of Adelaide speaking directly with students about these proposals that will impact on them so massively. I would suggest that is something that those opposite might like to try some time. The Minister for Education might like to try that some time as well. What I heard firsthand from students at the University of Adelaide was about the concern but
also about the shock. These are students who had been told by this government in its own election policy document:

We will ensure the continuation of the current arrangements of university funding.

Well, hasn't that been shown just to be another utter farce in the long line of broken promises which this government has already delivered? But they were even more specific than that. The now education minister said in August:

… we have no plans to increase fees …

Well, isn't it funny how things change? Now they will not only massively increase fees, they will reduce the threshold at which this is paid back and, to add the triple-whammy, increase the rate that debt accumulates so that students today and students of the future will have debt for years and years, for decades to come, as a result of this government's actions.

If that is not bad enough, we also see time and time again that this government, this Prime Minister and this education minister are making it up as they go along. They do not even know the details of their own policy, as was demonstrated very clearly on Sunday when the education minister said that none of these changes would affect current students. Let's be very clear about this. He was wrong again. These changes will hit now, they will hit hard and they will hit everyone. Past students will pay, current students will pay, even future students will pay as well. Everyone will pay under these changes, although the education minister seeks to deny it.

It is not just us who are talking about how extreme and damaging these changes are. We have heard in recent days from the University of Canberra's Vice-chancellor, Stephen Parker, who said:

I also think it is unethical for a generation of leaders who by and large benefited from free higher education to burden the generations behind them in this way.

Ross Milbourne at UTS said:

I don't support this budget package because it is a badly designed model of deregulation—

(Time expired)

**Budget**

**Fisher Electorate: Employment**

Mr BROUGH (Fisher) (09:44): I cannot help but comment on the member for Adelaide, who said that this generation will pay and the next generation will pay. She is absolutely right, because we are going to be paying $667 billion worth of debt, and so will all the children you are talking about. But you very conveniently forget to tell the truth that, if you actually ran an economy half decently, these issues would not have to be addressed by a responsible government.

I have risen in this place before to talk about youth unemployment on the Sunshine Coast and how we must work responsibly to do something positive for them. Today we have one of the highest levels of youth unemployment and these young people are being locked out of the labour market. I recently asked for comments on my Facebook page from local business people about the impact of penalty rates. I am for penalty rates—let me say that again: I am for penalty rates. I am just not for obscene penalty rates like double time and a half, which people simply cannot afford to pay young people to keep their doors open.
So here are a couple of verbatim comments from local business people. This is one from a supermarket owner: 'From our perspective, penalty rates are a problem. We crunched some numbers recently for our public holidays. The question was: is it worth opening on public holidays when we have to pay such high penalty rates? We found the business did not make any money opening on a public holiday. The profit went to the people working on the day. The upside is that it's still worth us operating due to the fact that when we don't open we still have to pay part- and full-time workers our fixed expenses. So, whilst we make no profit, our loss is minimised.' How extraordinary in a free enterprise system that your choice is between losing nothing or opening so that the people who put their own capital and their sweat into something can make no money.

Craig, who is a restaurant owner, says: 'I totally agree. We could employ more young people if it wasn't for weekend penalty rates. Maybe a youth award would help. At the moment we are paying far too much for people we are training.' He went on to say about the people he is training: 'We're trying to get them to do qualified work when in fact they are still in their apprenticeship or training phase.' Another one writes: 'I'm an ex-employer of other people. Now I only employ my wife and myself because we don't demand exorbitant wage rates.'

I now turn to real estate. If you are out hunting for a house, you expect to be able to pick up the phone and talk to someone at any time. Right now the Fair Work Commission is about to look at the real estate award 2010, and this is what the union is proposing: the abolition of commission-only employment, a 38-hour week Monday to Friday, penalty rates for weekend and evening work, a work value case to significantly increase wages, and fixed car and phone allowances.

I say to the Fair Work Commission: please start listening to real people in the real world who are trying to make this country work. You have put up wages for 19-year-olds in the retail sector, locking them out of the workforce. Apprentices are getting higher wages, so there are fewer apprentices. Now we are saying to another industry where people get a start: 'Bad luck—it's all over. Go and try somewhere else.' (Time expired)

Budget

Ms MacTIERNAN (Perth) (09:47): Earlier this week I wrote to the gen Ys in my electorate of Perth to highlight some of the ways in which the Abbott government's first budget will affect their future. It is pretty clear from the responses that there is very tangible concern in our community about the impact of changes to Newstart and university fees. Can I give you a few samples of the responses. First of all we had Jessica. She is a 24-year-old honours student. She writes:

Had it not been for HECS, of which I have a debt of $20,000, I would not have been able to attend University. I come from a low socioeconomic single parent family. She writes:

She goes on:

For the last four years, in order to support myself through Uni and keep surviving after graduation, I have worked in a low paying hospitality job—

one that the previous speaker, the member for Fisher, wants to cut the pay for—
where I have to wake up at 3am and walk 3km to start work at 4am. There is no public transport so early and I cannot afford to purchase or run a car. I make $25,000 per year. That's it. I am also a casual so I have no job security, no sick pay and no holiday pay.

It is a familiar story. We also heard from Dom. Dom says:

At 27, I can count on one hand the amount of mates who have a full time or even permanent job where they get sick leave or paid holidays. The majority of them are on casual or short term contracts, spanning a few weeks or a school term—and that's the ones that can get jobs. These are teachers, lawyers, nurses, tradies—people who have put a huge amount of time and effort … into getting skilled up.

Another constituent, Chris, writes:

I feel for those who study general bachelor degrees such as arts and science, that then struggle to find jobs. Factors such as the cost of buying a first home will only widen the gap of opportunity between the previous generations and the younger ones.

Another, Jordan says:

As someone who has worked since I was 14, and paid taxes as soon as I was eligible, what do these new laws regarding unemployment assistance 'Newstart' and youth allowance mean for me?

Well, Jordan, Jessica pretty much sums it up. Jessica writes:

I can only assume that if I was to lose my job next month I'd become homeless in a fortnight. It seems the Liberals believe every person under 30 has the same advantages they once had. They expect parents to support young people until they're 30. I do not have parents, or family, to support me. I am completely on my own. Unless I'm expected to beg my pensioner grandparents to share what little they've got, which sadly, is even less than I have.

These are not bludgers: these are young people who want to earn; these are young people who want to learn. They want to—(Time expired)

Hughes Electorate

Mr CRAIG KELLY (Hughes) (09:50): Earlier this week I was privileged to attend the Champions of the West awards at Rooty Hill RSL. It was the culmination of the Fair Go for the West campaign. I would like to congratulate the Daily Telegraph and NewsLocal community papers, Nova and Channel 7 for their strong and genuine commitment to the people of my region in south-west Sydney, as evidenced by their strong support and promotion of the Fair Go for the West campaign. I was delighted to attend the event alongside the Prime Minister and several colleagues, and to see local heroes from my community recognised for the good work that they do in making our region the fantastic place that it is.

Since they were established in Liverpool more than 20 years ago, the Young Adults Disabled Association have been a fantastic initiative and are well supported by the Liverpool community. So I was very pleased to see YADA of Liverpool's Liftin' the Load program win the environmental category on the night. In the community category, Neighbourhood Connections of Warwick Farm won with the Youth Space program, where they have created dedicated and safe places for children in the neighbourhood to play outside. I should also point out that Neighbourhood Connections have been doing a lot of good work with a number of initiatives and that in 2012 they were honoured by a visit from the then Governor-General.

I would also like to add to the record my thoughts on another important campaign for south-west Sydney called Cover Our Kids, which aims to increase the amount of shadecloth and covering across our children's playgrounds. This is in support of the work from the New
South Wales Cancer Council to prevent exposure to harmful UV rays, and it is a program I strongly back. Shadecloths over our playgrounds are needed because this generation of kids are often inside with their computers, PlayStations and videos, so it is very important to give our kids as many opportunities as they can to be outdoors and playing. What is more, we have to make sure it is safe. Shadecloths provide an important benefit in two ways: providing protection from harmful UV rays while also preventing the equipment heating up under the direct sunlight to the point where children will not touch it in the middle of a hot summer's day.

Recent studies by the Cancer Council found that areas of south-west Sydney have significantly less shadecloth than elsewhere in Sydney. This is of great concern to me as it adversely affects the children and families in my electorate. But thankfully things are finally turning the corner. I would like to commend our Liverpool mayor and the Liverpool councillors for their decision to commit $200,000 to build shade structures in many playgrounds in the region. I would also like to take note of the leadership of the New South Wales Cancer Council for their excellent work in promoting awareness for the need for more shade covers over public playgrounds. I also draw to the attention of the House their innovative shade for schools grant program, where schools can apply for grants of up to $25,000 to purchase a shade cover for the school playground. Finally, I would like to thank the shadecloth industry for their work in protecting our children, including Glenn Barlow, Beatrice Moonen, Tom Gastin and George Formosa: you represent a great Australian industry doing very important work.

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Ms HALL (Shortland—Opposition Whip) (09:53): I wish to raise my concerns and the concerns of the constituents I represent within this parliament over the cuts to ABC and SBS funding. On election night Tony Abbott, the now Prime Minister, said there would be no cuts to the ABC or SBS. This is another example of saying one thing before the election and another thing after the election. This government will go down in the records for its ability to break promises, and this is just another promise that has been broken. 'No cuts to the ABC, no cuts to SBS', and now we see that the Abbott government will cut more than $232 million from the ABC and $8 million from SBS. It is going to abolish the Australia Network, despite the fact it reaches 167 million households, giving access to what is happening in Australia to our Asian neighbours.

In addition, I would have to say that the fact that programs like *Peppa Pig*—my grandchildren's favourite program—are under pressure is a symptom of the fact that this government does not listen to and does not care about what Australian people want. I was visited in my office by people who are members of Friends of the ABC, and I think they may also be involved with GetUp! They came along to implore me to fight against these cuts. I will fight against these cuts because I know what a valuable role the ABC plays. It has certainly played an exceptionally valuable role within my electorate. Last October, there were bushfires in the Central Coast and Lake Macquarie in the southern part of my electorate. The ABC were there. They were reporting and they were helping people react to the emergency.

But the thing that really concerns me more than anything is what is going to happen to the ABC 92.5 on the Central Coast. I want a guarantee from this government that they are not going to close it down. The people of the Central Coast deserve to have an ABC studio
operating in their area. They do not want or need a second-class ABC broadcast relayed through other areas. This government stand condemned for what they are doing to the ABC and for the cuts that they promised they would not make that they are now making. *(Time expired)*

**Durack Electorate: Education**

Ms PRICE (Durack) (09:56): I recently had the pleasure of officially opening the Broome cluster education conference at Broome Senior High School. It was there that I was able to witness firsthand what can be achieved when schools collaborate and work together under a unified vision with the sole aim of improving the lives of our future generation through education. With approximately 300 education staff from across the Broome Independent Public Schools cluster in attendance at the conference, it was clear that there in Broome the vision of the IPS initiative that was collaboratively designed by the federal and state governments not only has been implemented but is thriving. Professional development days such as these help to ensure our educators are able to provide the best education possible for our students, whether they are our teachers who work directly with students in the classroom or the staff who assist and educate on the periphery.

This conference also provided me with the opportunity to acknowledge the Broome cluster’s principal Saeed Amin and his staff, whose hard work and dedication saw Broome Senior High School named WA school of the year in 2012. In the same year, the school had a 100 per cent success rate for university offers for those students who had applied to study university courses.

On a federal level, the Abbott government is continuing to encourage local public schools throughout Australia to consider participating in the IPS initiative. The government recently announced $70 million in funding to achieve this. The aim of this initiative is to help government schools to become more independent by increasing their own local government, community and parental engagement. The government’s Students First education reforms include a goal of assisting 25 per cent of public schools, about 1,500 schools, become independent by 2017.

We are working closely with state and territory education authorities to increase school diversity and give all Australian students choice for a quality education. The Abbott government has reaffirmed its commitment to schools in the budget by providing additional funding of $54 million in 2017-18. We also surpassed this commitment by restoring the $1.2 billion in funding for Western Australia, Queensland and the Northern Territory to secure a truly national agreement on school funding.

Without the commitment of our educators and the vision of schools, such as those in the IPS cluster, this initiative would never reach its potential. I look forward to seeing how Broome Senior High School—along with Roebuck, Broome and Cable Beach primary schools, who make up this IPS cluster—continue to develop and improve their vision.

**The DEPUTY SPEAKER (Mrs Griggs):** In accordance with standing order 193, the time for members’ constituency statements has concluded.
BILLS

Appropriation Bill (No. 1) 2014-2015

Consideration in Detail

The DEPUTY SPEAKER (Mrs Griggs) (09:59): In accordance with standing order 149, the Federation Chamber will first consider the schedule.

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (09:59): May I suggest that it might suit the convenience of the Federation Chamber to consider the items of proposed expenditure in the order and groupings shown in the schedule which has been circulated to honourable members. I also take the opportunity to indicate to the Federation Chamber that the proposed order of consideration of portfolio estimates has been discussed with the opposition, and there has been no objection to what is proposed.

The schedule read as follows:—

Infrastructure and Regional Development
Communications
Attorney-General’s
Finance
Foreign Affairs and Trade
Employment
Defence—Defence
Defence—Veterans Affairs
Health
Immigration and Border Protection
Industry
Social Services—Social Services
Social Services—Human Services
Education
Environment
Agriculture
Treasury
Prime Minister and Cabinet—Prime Minister and Cabinet
Prime Minister and Cabinet—Indigenous Affairs
Schedule—
Proposed expenditures—

The DEPUTY SPEAKER: Is it the wish of the Federation Chamber to consider the items of proposed expenditure in the order suggested by the minister? There being no objection, it is so ordered.
Infrastructure and Regional Development Portfolio

Proposed expenditure, $1,265,062,000

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (10:01): The government's infrastructure investments are firmly within a budget framework that reflects two fundamental and closely linked elements. These are the needs of financial sustainability and for the productive investments in transport infrastructure that is essential to Australia's future prosperity. We need to shift from excessive recurrent expenditure towards productive investments in infrastructure and skills and other drivers of economic growth. The spending patterns we have inherited were skewed away from this productive investment.

So we have made some tough and necessary decisions in the budget. We will reduce the budget deficit from almost $50 billion in 2014 to $29 billion by next year and to just $2.8 billion in 2017-18. We are doing it in a sustainable way by reducing expenditure. While under-reported, the budget will actually reduce taxes by $5.7 billion in 2014-15. The most exciting part of the budget is the government's pro-active commitment to infrastructure that will help re-invigorate our nation.

Our $50 billion investment in transport infrastructure is the largest by an Australian government and it provides billions of dollars for regional road projects across the nation. The investment will drive and leverage more than $125 billion of construction activity. Our road building investments cover every state and territory. We are injecting record investments in road and rail projects to create real productivity improvements.

We have allocated $6.7 billion to fix the Bruce Highway by funding 45 new projects and continuing funding on 16 already underway. We are investing $5.6 billion to complete the duplication of the eastern states' artery, the Pacific Highway. There is $2.5 billion for the local roads under the Roads to Recovery program, including an extra $350 million to provide double funding in 2015-16. The budget includes $565 million for black spots—crucial for fixing dangerous and accident prone sections of local roads—plus $248 million for heavy vehicle safety projects. There is $229 million for a new national highway upgrade program; $300 million for our new Bridges to Renewal program to help to repair and replace local bridges.

We have also allocated $480 million for the North West Coastal and Great Northern highways in Western Australia; $400 million for the Midland Highway in Tasmania; $77 million for the Northern Territory roads package; $1.285 billion towards the Toowoomba Second Range Crossing; $508 million for the Warrego Highway. We said we would build the roads of the 21st century, and that is what we are doing. These are projects that are in addition to some major capital city projects, like $1 billion for the Gateway Motorway North in Brisbane; $3.5 billion for the WestConnex in Sydney and another $2.9 billion for Western Sydney roads; $3 billion for the East-West project in Melbourne; $944 million for the North-South corridor, the Southern Expressway to Darlington and South Road from Torrens Road and River Torrens in Adelaide. We have committed to $1.6 billion for the Perth Freight Link, and $600 million for the Swan Valley Bypass. Importantly, we are funding those projects without a mining tax.
We have been criticised for a supposed lack of investment in rail. Firstly, there is $3.5 billion in the budget for rail projects, but since the coalition has been elected the states have committed $25 billion to major public transport projects. That includes the Melbourne Metro. Queensland is planning its cross-river bus and train tunnels. There is the North West Rail Link in New South Wales and the Forrestfield-Airport Link in Perth. In addition, the states can access the Australian government's $5 billion asset recycling initiative.

So the fact that the federal government is allocating such significant funding to roads frees up state money to do what they are able to best—projects such as public transport et cetera. Our freight rail investment includes $300 million to resuscitate the Melbourne to Brisbane inland rail route—a project left in limbo for six years under Labor. Another $2 billion has been invested in urban passenger rail over a six-year program, including the Moreton Bay Rail Link in Brisbane, completing the Regional Rail Link in Melbourne and the Gold Coast Rapid Transit Project. This is a major investment in infrastructure, the likes of which our country has never seen, and it will make a real difference to our nation.

Mr HAWKE (Mitchell) (10:06): Thank you, Deputy Speaker—

Mr Albanese: Hang on.

The DEPUTY SPEAKER (Mrs Griggs): Excuse me. Sit down.

Mr HAWKE (Mitchell) (10:06): I would make a point of order, but I have been given the call so I have started my question to the Deputy Prime Minister.

Mr Albanese: I rise on a point of order. Acting Deputy Speaker, the way that it works is that we have someone from one side and then the other side. That is what House of Representatives Practice provides for.

Honourable members interjecting—

Mr Albanese: I was on my feet. That is the way that it works.

The DEPUTY SPEAKER: Member for Mitchell, would you mind taking a seat. The member for Grayndler.

Mr ALBANESE (Grayndler) (10:07): I am pleased to be able to make a contribution and then provide some questions for the Deputy Prime Minister, who appears reluctant to get questions from this side of the House. I am not surprised, given that it is difficult to defend a range of measures which are in this budget. Firstly, I refer to the cutting, in this budget, of all funding of public transport which is not under construction, including the Cross River Rail project, the Melbourne Metro project, the Tonsley Park rail project in Adelaide, and the Perth public transport projects, as well as the planning money for Hobart light rail that has been cut.

I note that the minister has said that there will somehow free-up projects for rail spending. He also said that there is rail spending in the budget. Can the minister point out any single dollar of rail freight funding or public transport funding in the budget that was not already committed in the budget—including the inland rail line? I note the breach of commitment in that respect, where the coalition said that they would increase and bring forward that $300 million that had been allocated in the 2011 budget for the inland rail project.

I also note Infrastructure Australia's advice in writing to the Senate process that said that the reduction of the Commonwealth funding in rail would distort the market and lead to less state investment in public transport over a period of time. In terms of the budget the minister
might like to address why $1.5 billion is being forwarded, this month, to Victoria, for the East West Link project—$500 million for stage 1, which is not under construction; and $1 billion for stage 2, which the budget papers indicate is due to commence not this financial year, not next financial year but the financial year after that. If there is a so-called fiscal issue why is the government putting $1.5 billion forward for a project that is not due to commence for some time? And, given what is going on in Victoria, that is a problematic project. How does that fit with the comments of his assistant, who spoke about making milestone payments and not just making payments without construction having taken place?

When it comes to roads, can the minister point to a new Pacific Highway project that will commence in the next four years? I note that the booklet that was produced on budget night does not include a single new project that was not already scheduled and funded to commence. Why has the minister breached that commitment? The government said on 5 September that the Gateway project in Queensland would be concluded by 2016, but the budget papers and budget estimates indicate that it will not be completed until 2019. Is that the case? Finally, it has been confirmed at Senate estimates that almost half of the funding for the Bruce Highway, or almost $3 billion, will not commence until the 2020s—that is, beyond the financial year 2019-20. Which Bruce Highway projects will commence in the next four years that were not already on the schedule? Is it the case that this represents a massive breach of a commitment by the coalition and indeed less money will be spent in the next four years of the forward estimates than was anticipated under the previous government?

Mr HAWKE (Mitchell) (10:12): I listened very carefully to the Deputy Prime Minister's presentation. Coming from Western Sydney, it is very important for me to acknowledge how grateful we are for the decision-making of this government, so early in its term of office, by the Deputy Minister and Minister for Infrastructure and by the assistant minister, who is also here with us in the chamber today. There has been 40 years of uncertainty in relation to Badgerys Creek airport, a second airport for Sydney, which is our largest city and biggest economy. I also acknowledge the former minister for infrastructure, the member for Grayndler, who also has strong support for a second airport in Sydney at Badgerys Creek.

I welcome the announcement by the Deputy Prime Minister and the government that the location of the second Sydney airport will be Badgerys Creek. Minister, you have ended 40 years of speculation and taken a very constructive approach in terms of infrastructure prior to the construction of the airport—that is, key road and rail infrastructure will be upgraded prior to the construction of the airport. This means important roads in the south-west corridor, the fastest growing suburbs in Sydney, where thousands and thousands of new families are moving. This puts Western Sydney at the forefront of the infrastructure agenda in Australia, and we thank you for that.

Some people say having a Sydney based infrastructure minister would have been good for Sydney. But actually the opposite has proven to be true—neither the minister nor the assistant minister need to be from Sydney to give us the biggest boost to our roads, with billions of dollars of infrastructure funding coming to our city. We thank you for your understanding of the people of Western Sydney and the needs of these growing communities.
So, Minister, in the light of the government's very strong agenda in relation to Badgerys Creek and the road and rail that will follow and of the government's infrastructure investment agenda, even in the very difficult economic times we are in—we really appreciate the commitment—could you outline for us what this infrastructure spend will mean for my electorate and also the western parts of our biggest, growing city, Sydney?

**Ms MacTIERNAN** (Perth) (10:15): I do actually have some questions. I know I am probably really, really naive, but I really thought this process might be one which one can use to actually get some answers—

**The DEPUTY SPEAKER (Mrs Griggs):** You have five minutes—

**Ms MacTIERNAN:** so I am genuinely interested not in speaking but in getting an answer. I have some questions to the minister about the Perth Freight Link. My first question is: will Infrastructure Australia complete an assessment of the Roe Highway stage 8 extension before the funding is due to commence in July 2015? Your funding for this project is due to commence in July 2015, and what I am trying to get clear is whether or not we will have a report by then by Infrastructure Australia, which has to date not analysed that. I am more interested here in the Roe Highway stage 8 portion of it, which is the big portion. So, in relation to the Roe Highway stage 8 portion, will we have that Infrastructure Australia assessment completed? I also would like to know: will that assessment, when it is completed, be made public? We are looking at the Roe Highway stage 8, not the Leach Highway bit that has already been done. Also, can you clarify when you anticipate the road opening? I have one further question on that. Could you tell us what discussions you or your department have had with Western Australia about the need for the new container facilities at the Kwinana outer harbour?

**Dr SOUTHCOTT** (Boothby) (10:17): My question is to the Assistant Minister for Infrastructure and Regional Development. As the assistant minister will be aware, RAA traffic surveys are showing that peak hour performance on all major arterial roads in Adelaide is below national standards. Residents in Adelaide's south have been promised an upgrade to South Road at Darlington since 2006 and have been fighting long and hard to address growing traffic congestion. On the day of the budget, residents in Adelaide welcomed the largest infrastructure investment by any Commonwealth government ever: the announcement of a $1.5 billion commitment to the north-south road corridor in conjunction with the South Australian government. My question to the minister is: given that residents in the south of Adelaide have been waiting for action on South Road at Darlington since 2006, what is the government doing to make sure that this project will be under construction in the near future?

**Mr GILES** (Scullin) (10:18): It is very interesting to note that no Victorian government MPs are here to ask questions of the Deputy Prime Minister.

**An honourable member:** They're busy!

**Mr GILES:** Yes, though I can imagine that they would not have any questions to ask in respect of this infrastructure budget from the infrastructure Prime Minister. What is extraordinary is that this budget, the first budget of our infrastructure Prime Minister, is entirely bereft of any vision for our cities. It walks away from an approach to infrastructure provision based on evidence, replacing it with prejudice and politics. We have already heard from the member for Grayndler—and I look forward to the Deputy Prime Minister's answer—
about the decision to walk entirely away from the Commonwealth investment in public transport expenditure.

On top of this, of course, we see in this budget the abandonment, fundamentally, of any urban policy responsibility from this government, a matter that I would have thought should be of concern to the growing communities in Sydney's south-west, represented by the member for Mitchell, as it is to me, representing growing communities in Melbourne's north. So I invite the Deputy Prime Minister's response to two questions. Firstly, what support is continuing for urban policy following the scrapping of the Major Cities Unit, and what resources are available for urban development policy? Secondly, what new infrastructure investment can he refer me to that is of direct relevance to Melbourne's north and, in particular, the Scullin electorate?

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (10:21): I might respond to a few of those questions and then we can have some more. The shadow minister made a number of comments and asked a number of questions. He suggested that the previous Infrastructure Australia coordinator had said that by investing in roads we were reducing the assets and opportunities that would be available on rail. Frankly, if he said that, he is wrong, because the states have since the election of the current government either confirmed or reconfirmed $25 billion worth of new major public transport projects. I mentioned some of them earlier.

Victoria is going ahead with the Melbourne Metro. Queensland is going ahead with its cross-river bus and train tunnel. New South Wales has the North West Rail Link, and Western Australia the Forrestfield-Airport Link. It is quite clear that the states have taken the opportunity, because the Commonwealth is doing a lot of the heavy lifting in road funding, to be able to bring forward some of the public transport proposals that they want to have in their cities.

Frankly, the states and local government are best equipped to manage and deliver public transport projects. The Commonwealth is able to assist with the National Highway and national freight tasks—that is where we have a particular responsibility and therefore we are able to ensure that many of these projects come to fruition.

Members opposite, because of their hate campaign against roads, forget that half the public transport in the country is by bus on real roads. In reality, road investment therefore also improves the traffic and the public transport flow in our capital cities.

The shadow minister also commented on the Bruce Highway program. It was very clear that the government's $8.7 billion commitment to the Bruce Highway, of which $6.7 billion comes from the Commonwealth, was a 10-year program. That was very clear in our election announcement. That was very clear in all the public statements. If you choose to go and look at our policy documents, it is quite clear it is a 10-year program. It includes 27 extra projects that Labor had never committed to.

Of course Labor's commitment to the Bruce Highway was always conditional on the state paying 50 per cent of the costs. They knew that the state did not have 50 per cent of the cost, so their promises were empty—a bit like the Pacific Highway promises that they made; they were all conditional on 50 per cent of the cost being met by the New South Wales government. When there was a Labor state government in New South Wales, they weren't
asking for fifty-fifty. It is only when there was a change of government that the federal Labor
government, the minister himself, had a change of policy and decided that in future it would
be fifty-fifty on the Pacific Highway.

Under Labor, the Pacific Highway would not have been finished for decades, because they
were expecting from the states funding they could never supply. We have restored the
traditional 80-20 funding mix on the National Highway, and that means that the Pacific
Highway projects can power ahead and deliver significant results to the people of New South
Wales.

In relation to the freight link project in Western Australia where questions were asked: yes,
Infrastructure Australia will report on that project, as it will on all projects over $100 million
in value, and the report will be public. As long as we can get the legislation through the
parliament that delivers those sorts of things then there will be a public report by
Infrastructure Australia on all of the projects over $100 million.

I would prefer that Infrastructure Australia did its work and made assessments on projects
before governments made announcements, and that is why we are so keen on the 15-year
advanced plan. I hope that in the future Infrastructure Australia will be able to get ahead of
government announcements rather than having to catch up.

Ms MacTiernan interjecting—

The DEPUTY SPEAKER (Mrs Griggs): If the member for Perth wants the call she
should stand up!

Mr ALBANESE (Grayndler) (10:24): Infrastructure Australia, indeed, in an answer to a
question on notice provided in May in response to a question from Senator Sterle about the
argument re fund public funding—question No. 135—said this:

Australian government funding to infrastructure project identified by a state government would
reduce the financial costs to the state of that project. Were the Australian government to fund only
certain types of infrastructure projects, those types of projects would become relatively more attractive
to the state than other projects. A limited state budget for infrastructure projects could stretch further if
it is focused on the types of projects likely to attract Australian government funding.

There it is. Common sense tells you that if you are state treasurer and there is a road project
worth $1 billion and a rail project worth $1 billion, and if you fund the road project you will
get co-funding but if you fund the rail project you won't, then it will distort over a period of
time funding away from rail projects in the states towards road funding. It is a very simple
principle.

On the Pacific Highway, these are the facts. When the Howard government was in office
and you were a minister for transport in that government, the Howard government contributed
$1.3 billion for the Pacific Highway. The state Labor government contributed $2.5 billion
during that time—that is, well over half the funding for the project. The minister said New
South Wales would not fund it fifty-fifty. The fact is that the Frederickton to Eungai section
of the Pacific Highway, along with at least two other sections around Nambucca are funded
on the basis of fifty-fifty agreements between the Commonwealth and the state. Because you
have moved from fifty-fifty to 80-20 means, whilst you have not put in any additional money,
the state government will put in less money for projects on that highway. The state
government has already cut in its MYEFO statement in September last year over $70 million from their funding for the Pacific Highway.

On the Bruce Highway, you might be aware of the Cooroy to Curra section of the highway. It is one of the sections that we promised, funded, built and opened in your electorate of Wide Bay. The next section where construction has begun is funded on a fifty-fifty basis in an agreement signed between the Commonwealth and the Newman government. Again, because you are moving away from the funding model, the state government is then in a position to cut funding, which they have, for the Bruce Highway. As a result of your incompetence we are seeing less funding put into the national road network than would have been put in otherwise.

In Western Australia there was a fifty-fifty agreement for the Perth to Darwin highway—it is called a number of things—signed between Minister Buswell and myself. It is now called North Link. One of the things that characterises this government is that they change the name of a project and then pretend it is new. It was a fifty-fifty agreed funding project and yet in the budget now the Commonwealth is paying more money than the state government asked for in writing for that project. That is the incompetence of this government when it comes to infrastructure.

On the Gateway Upgrade North Project the minister did not answer that at all, because he hasn't got anything to say on it, in a clear breach of promise given just two days before the 7 September election. On the East West project, why is $1.5 billion being given this month for a project that is years away from commencing in terms of stage 2? The minister has confirmed that half of the funding for the Bruce Highway is not this year or next year—there are no advance payments there; it is off in the 2020s. It is off absolutely into the never-never. The minister could not name one project on either the Bruce or the Pacific highways that is due to commence in the coming years that was not already in the schedule and that was not already funded by previous budgets.

Dr GILLESPIE (Lyne) (10:29): My question is to the Minister for Infrastructure and Regional Development. Minister, as you are aware, there are a number of projects in the Lyne electorate that attracted funding from the Community Development Grants program that the coalition announced, such as the Port Macquarie indoor stadium, the tennis courts at Port Macquarie surf club, the University of the Third Age and many others. I understand 300 of these grants have been rolled out around Australia, with a $340 million commitment to the program. Will the proposed National Stronger Regions Fund play a similar role in supporting community projects in regional Australia?

Ms COLLINS (Franklin) (10:30): Last night we heard extraordinary revelations that change to the diesel fuel rebate was never on the table for this budget, but of course the fuel excise has been. Interestingly, we heard in estimates last week in response to questioning from Senator Stephen Conroy about whether any analysis has been done on the impact of the increase in fuel excise on regional Australia that the answer was no. So you are not planning to do any regional impact study on any of these cuts? No, not at this stage. Still not going to bother with any regional impact study? No, not at this stage. So no impact study has been done on the fuel excise increases in the budget and their impact on regional Australia.

We have had no regional impact study on anything that is in this budget and how it will affect regional Australia. We heard in health estimates that there has been no impact analysis.
of the GP tax in regional Australia. We also heard in health estimates that there has been no impact analysis of whether or not it will affect a person's ability to access a GP right across rural and regional Australia. In education estimates last night we heard that the Department of Education has not looked at the potential impact of the $30 billion cuts on schools, so the impact of those cuts on regional schools has not been looked at either. So regional Australia is going to be very badly hit by this budget. We have had no impact analysis done by the department or, it appears, by anybody in government from any agency on the budget cuts to any part of regional Australia.

Nobody in any department or in the regional development department appears to have done any analysis on any of these decisions and their impact on regional Australia. Minister, can you tell us: has anybody, or will anybody, anywhere in the government at all do this analysis? Is anybody interested in the impact of this budget on regional Australia? Are you interested in the impact of the fuel excise increase? Are you interested in whether regional Australians can access a GP when these changes come into effect? Do you care that regional students may have increased fees and may have less access to regional universities because of the changes in your budget? Is anybody anywhere, at any time, actually going to undertake some analysis of how hard regional Australia will be impacted by these budget cuts?

Mr COLEMAN (Banks) (10:33): My question is also to the Deputy Prime Minister and Minister for Infrastructure and Regional Development. My electorate is in Western Sydney and very close to the WestConnex project; indeed, the Beverly Hills interchange is within my electorate. The announcements in relation to the WestConnex project have been very widely welcomed within my community, given that the project will save more than 20 minutes on the drive from the Beverly Hills area to the city and that will be a great win for local families. In that context, Minister, can you provide some further detail on the concessional loan arrangement which has helped to accelerate that project and also on the revised and accelerated construction timetable?

Ms MacTIERNAN (Perth) (10:34): I have, again, a series of questions that I hope the minister can look at. Firstly, there is the question I raised previously, which I do not think you have answered yet, about the new container facility that is required in the Kwinana outer harbour—if you could give us some information about what discussions your department has had on the Kwinana outer harbour. Second, could you provide some information on when you expect the Roe Highway stage 8 to be opened? My third question is: if you have had discussions about the new container facility, what advice have you received about the impact of such a facility on freight traffic in Fremantle?

Mr BRIGGS (Mayo—Assistant Minister for Infrastructure and Regional Development) (10:35): I might start by answering the member for Boothby's question from earlier on in relation to the Darlington and Torrens-to-Torrens projects.

Mr Albanese interjecting—

Mr BRIGGS: Well, let us talk about you being Bill Shorten's errand boy, if you want to! The member for Boothby was instrumental in fighting for the Darlington upgrade for many years—so much so that, although it was Labor policy, you will remember, to upgrade the Darlington end of the project for some time, when it became our policy, interestingly, they swapped projects. Putting aside the five estimates that were done on the Darlington project, it took this government to give the money to the state government to actually do the work to get
a final cost and an outcome. The Prime Minister made the commitment last October that we would do both projects, the Torrens-to-Torrens project and the Darlington project, and continue to work on South Road. On the broader South Road question, we are continuing with that plan, which we will have by November. So the member for Boothby should be very proud of the commitment he made to Darlington. He has driven the fact that there is now federal funding of nearly $1 billion in the next four years to do both of those projects, which will benefit his constituents enormously.

The member for Mitchell asked earlier about the Western Sydney package. There is $2.9 billion from the federal government over the next decade, which is to build the infrastructure to prepare for the Western Sydney airport, a decision which has taken 40 years. I do acknowledge the member for Grayndler and his support for the Western Sydney airport. It is concerning, however, that there are others who are opposed and trying to make politics out of it in Western Sydney. But the infrastructure element of it will deliver a plan and the roads before the airport, as the Prime Minister and the Deputy Prime Minister have committed to ensuring.

The WestConnex project is a terrific project. It has enormous support from the community. Stage 1 will make a huge difference. That is why we committed $1½ billion before the election to do stage 1 and we reconfirmed that in the budget. But, to get stage 2 moving at the same time, we have given New South Wales access to the first ever concessional loan arrangement, which means that the project will get underway mid next year, which is a great outcome—both projects at the same time. We will see the benefit of that project far earlier, at least 18 months earlier than we would have otherwise, and we think it will bring enormous benefits not only to Western Sydney but also in and around Sydney itself and increase the productivity of our biggest capital city.

In relation to the Perth freight link, the answer to the question the member for Perth asked earlier but the Deputy Prime Minister did not get time to answer is that we expect it to be open by 2019. That is our expectation and that is what we are working towards. We want to get this project underway as soon as possible and we hope the member for Perth will help facilitate this important investment, because it is the first PPP in Western Australia's history—

Ms MacTiernan interjecting—

Mr BRIGGS: as she knows, and it will be terrific to see that project done. Infrastructure Australia will see all the projects we have announced in the budget—

Ms MacTiernan: Can you answer the question about Kwinana outer harbour?

Mr BRIGGS: As per parliamentary procedure, we will let you interrupt as we continue to speak! But, in relation to the outer harbour, the new Treasurer in Western Australia raised it with me and I think they have raised it with the department in some early discussions, but there has been no official advice in relation to it and ultimately it will be a state decision on whether they proceed with that terminal or not.

Ms MacTiernan interjecting—

Mr BRIGGS: Are we just going to continue to allow interjections from the member for Perth?

The DEPUTY SPEAKER (Mr Goodenough): Order!
Mr BRIGGS: That is the typical arrangement! The Perth Freight Link will be an enormously beneficial project. The member for Swan knows very well how beneficial this project will be. We have been working very well with the Western Australian government.

The final point I will make in relation to public transport projects is that the Deputy Prime Minister is absolutely right about the $25 billion of projects that have been announced by state governments since the federal election. Fifty per cent of public transport travel in Australia is by bus, and of course buses use roads to travel on. That is another point the member for Grayndler does not like to acknowledge.

The Asset Recycling Initiative will get public transport projects happening across the country—a terrific innovation encouraging states to use their balance sheets more effectively. In fact, it is interesting that even the ACT government is selling assets to take advantage of this. We think even the South Australian government might do it. Interestingly, there are already South Australian assets listed on the website. So it will be very interesting to see whether the South Australian government takes advantage of this innovation. This budget is delivering $50 billion in infrastructure, $16 billion more than if the member for Grayndler had continued in the infrastructure portfolio after the election in September last year.

Mr ALBANESE (Grayndler) (10:40): With regard to public transport, it has been pointed out, quite correctly, that buses use roads. But to deal with urban congestion you need to deal with rail. If you had not abolished the Major Cities Unit, if you had not refused to allow the Urban Policy Forum to meet, if you had listened to the Infrastructure Australia Council, you might be conscious of that. The structure that we put in place of Infrastructure Australia, which makes assessments regardless of mode, without instruction from the government, ensured that recommendations such as the Regional Rail Link in Victoria went ahead because of the cost-benefit analysis that was done. That is how infrastructure investment should be directed, as a result of that arms-length advice to the government. Over a period of time, it will undermine not just federal investment but also state investment.

With regard to roads funding and the points that were made, the coalition's own policy said that all infrastructure projects worth more than $100 million would be required to undergo a cost-benefit analysis. It says:

Infrastructure Australia will be required to calculate and publish the net present value of recommended infrastructure projects and to justify why a given project has been recommended and prioritised.

Stage 2 of the East West Link project in Victoria will forward $1 billion this month to the Victorian government—into their bank account. They will be collecting money for a project in which it is not clear where the tunnel will come out, let alone a cost-benefit analysis. It does not even have a finalised case, let alone a business case.

A government member interjecting—

Mr ALBANESE: He is ignorant about the M2. There was a study done under the Howard government that set the route for that project. The minister might like to tell his assistant, the junior minister, exactly what happened with the M2.

I refer also to page 175 of Battlelines by Tony Abbott, who spoke about the need for the M4, essentially to connect people from Western Sydney with the city, and also for a connection from the western suburbs to Port Botany. I refer to the media release from WestConnex which says that the M4 is being extended, titled 'Stage 1—M4: widening and
extension from Parramatta to Haberfield'. Haberfield is in my electorate. It is not in the city. It is no longer a road to the city. It is a road to a traffic jam at Haberfield, if that is the final outcome. Stage 3 is the M4 south from Haberfield to St Peters. Stage 2 is the M5 east duplication from Beverly Hills to St Peters.

People should just drive down King Street, Newtown, or any of the roads around St Peters that are already massively congested. It is to the west of Sydney airport, where even this morning it took me 40 minutes to get from Marrickville to the airport—a distance of just a few kilometres—and you are proposing with this new design to no longer take it to the port. The key elements are getting people to the city and freight to the port. You need to make sure that you get infrastructure right, not take people to Haberfield and trucks to St Peters, which is what is being proposed in the joint press release from the Prime Minister and the Premier. I support good infrastructure projects, I support good infrastructure projects that are got right. This is not getting it right. Previous governments have got it wrong in not making the M5 wide enough in the first place, so we need to make sure that it is got right and it is not a road to a traffic jam.

Mr BUCHHOLZ (Wright—Government Whip) (10:46): I ask the Acting Prime Minister, the Minister for Infrastructure and Regional Development, to inform the House about where we are up to with the Toowoomba Range crossing. I recall that back in 2007 we had committed, as a coalition, to fund the construction of the Toowoomba Range crossing to the tune of $700 million. To put it into context for those who have probably never had the opportunity to travel on the current Toowoomba Range, as you descend off the top of that range there is a big clear sign, put there by the state government, that, unfortunately, reads ‘To date’—and there is a little tablet of numbers that are interchangeable—’lives have been lost on this range’. The last time I had the opportunity to drive down that range, something like 159 lives had been lost on that road. There is an enormous amount of work currently being undertaken on it, through NDRAA funding, as a result of the damage that was done to it by the floods.

The Toowoomba Range bypass that this coalition has committed to, I believe to the extent of $1.285 billion, will have an enormous benefit for my region at the bottom of the range. We get so much traffic coming out of Sydney through that Toowoomba area because it is quicker for a truck to go from Sydney through Toowoomba to Brisbane than it is to go up the coastline. At the moment we have trucks going through Toowoomba, through 27 different sets of traffic lights and some incredible amount of traffic a day—I think 25,000 units a day, and in that is obviously a large number of trucks. Can the minister inform the House what the relationship is with the state government funding arrangements, with the 80-20 split, and also what the benefits to productivity are for the state? This is a project that was never going to be funded by those on that side. It was in the budget papers in 2007 but was taken out.

Mr Albanese: It was not.

Mr BUCHHOLZ: There was no money coming for the Toowoomba Range crossing when the previous government was in charge—not a cent. So I welcome the—

Mr Albanese interjecting—

Mr BUCHHOLZ: It was in our budget. You are right—

Mr Albanese interjecting—

FEDERATION CHAMBER
The DEPUTY SPEAKER: Order!

Mr BUCHHOLZ: I also take this opportunity to acknowledge Ian Macfarlane and the industry minister's contribution and ongoing advocacy for this project. He has been untiring and has led the cause. He will deliver it, with the assistance of the minister. This is a well overdue project, a project that will have significant and ongoing benefits for the region, for the state and for our nation. And if the minister could inform the House of the benefits, I would be truly grateful.

Ms COLLINS (Franklin) (10:49): This budget also had some significant cuts for financial assistance grants to local government. In fact, there is an indexation freeze that will, over the forward estimates, cut more than $900 million from councils right across Australia. Interestingly, as the shadow minister for local government I have had many councils write to me about the impact, particularly the disproportionate impact on rural and regional councils right across Australia.

Mr Albanese: Table them if you like.

Ms COLLINS: I have got them if you want to see them. I will read some quotes from them. The Greater Hume Shire Council says: 'The freezing of FAGs has a disproportionate negative effect on local government authorities in rural areas in that it forms a significant larger share of a rural council's revenue stream.' Too right it does. And here is another one: 'The financial assistance funding forms the base of revenue for all councils, and regional and rural areas will be hardest hit by this decision.' Too right. Another council, from my electorate, wrote to me—and, in fact, to all Tasmanians, including the Premier—about the impact that this cut in Financial Assistance Grants will have on local government.

Interestingly, the Roads to Recovery money which is used by councils, as well as the Financial Assistance Grants, will be wiped out in six years because of these cuts; you might as well not have Roads to Recovery or the Financial Assistance Grants Scheme because they cancel each other out. Interestingly, the department, when asked about the financial assistance grants at estimates, said each individual council will have to reshape their budget. That, of course, is code for cuts to councils and loss of services—and, as we have just heard, regional and rural councils will be hardest hit. We have had no analysis of the impact of the budget on rural and regional areas in Australia; the department has admitted that that has not been done, and, in fact, we have had other departments admit that it has not been done. And now we have got the Financial Assistance Grants cut. Of course, the freeze in indexation will actually be a permanent funding cut that they will never get back. And now we hear that local councils are going to have to cut services and cut their budgets because of this indexation freeze to Financial Assistance Grants. So they are being hit right across the board in regional Australia as a result of this budget, and it appears that nobody from the government actually cares that regional Australia is being impacted more adversely by this budget than anywhere else in the country.

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (10:52): Let me respond to a couple of the questions that have been raised. I thank the honourable member for Lyne for his reference to the Community Grants Program that this government is funding. There are around 300 projects to be funded through this program, with a total expenditure of $340 million. This will mean projects in almost every community. I know that there are a number of projects in the electorate of the
honourable member for Lyne. It also includes funding for 53 projects which the previous
government had announced but never contracted or funded from rounds 2, 3 and 4 of the
Regional Development Program. Those projects were announced but never proceeded, and
we are picking up the bill for the Labor Party's commitments in that regard.

I can also respond positively to the member's question about the new National Stronger
Regions Program. This program will provide $1 billion over five years for projects in regional
communities and disadvantaged areas—places of low socioeconomic status or high
unemployment—to help provide economic benefit and stimulus to those communities. I have
no doubt that that program will provide real benefits to local communities—in particular, the
projects in areas such as the one represented by the member for Lyne. I was pleased to be
with him for the opening of the U3A, and there are a number of those projects that are
proceeding very strongly in his electorate.

The honourable member for Wright asked about the Toowoomba Range project, which he
rightly identified as one that had no support from the previous government but which we have
now brought to fruition. On 12 June there will be a meeting in Toowoomba which potential
contractors will be invited to attend for a briefing on the construction project. This project will
be built as a PPP. We are looking for the private sector to be engaged in the design and
construction of the project and eventually the management and collection of the tolls. It will
be a very substantial engineering project—probably the biggest road-building construction in
regional Australia's history—and it will make such a difference to the lifestyle of the people
who live in Toowoomba. It is indeed a worthwhile project.

The Commonwealth has agreed to provide 80 per cent of the cost not met by the private
sector. We are anxious to ensure this is a quality project. The innovation of the private sector
will be brought to bear so that we end up with the kind of project that the people of
Toowoomba want and which delivers real transport benefits to the whole national freight
network. I think this is an exciting project, and it will certainly transform Toowoomba and
improve the quality of life for the people of that city.

Moving onto a couple of other issues that have been raised, can I again go back to the
comments in relation to Infrastructure Australia: yes, we have committed that every project
valued over $100 million will be subjected to IA scrutiny, and those reports will be made
public.

What I find quite amazing is this idea that some members opposite seek to peddle that
somehow Infrastructure Australia was influential in the decisions they made about
infrastructure. The reality is: every single project announced by the previous government was
announced before it went anywhere near Infrastructure Australia. They were playing catch-up.
They were giving blanket approvals to what the government had already decided to do. Their
whole global financial crisis response package was all announced before it went anywhere
near Infrastructure Australia; indeed some of those projects have never proceeded—they were
of such little merit. How about the O-Bahn project in South Australia dreamed up—

A government member: Parramatta to Epping.

Mr TRUSS: That wasn't on that particular package, but Parramatta-Epping was of course
a favourite project of the minister and the former Infrastructure coordinator; in fact, he
worked on it as an engineer in his previous iteration before those days. It has never gone
anywhere. It would never pass any kind of a test of that nature, yet the previous government had announced it.

So Infrastructure Australia spent its life under the previous government playing catch-up. We want to change that and get them out in front identifying the key projects before they are announced. (Time expired)

Mr ALBANESE (Grayndler) (10:57): The Deputy Prime Minister just had the gall to say, 'We want to get out there and have Infrastructure Australia assess projects before they're announced.' There is not a single project announced in the budget in May which had been assessed and put on Infrastructure Australia's priority list—not one of the new projects. Granted, there weren't many new projects—it is mainly just reannouncements of old projects and funding in the year 2020-something when, I am sure, the minister may think that he will still be here.

In terms of the questions failed to be answered, one is Infrastructure Australia had 15 projects on the priority list while I was the minister and all 15 were funded. Projects such as—

An honourable member interjecting—

Mr ALBANESE: He is just wrong. It is either a deliberate lie or it is misleading. There is the Majura Parkway, for example, that he can have a look at on the way to Canberra Airport. It was approved by Infrastructure Australia with a BCR above 3, funded—no politics in it at all—$144 million from each level of government, benefiting ACT seats that are not partisan. The Goodwood to Torrens project in Adelaide, the Hunter Expressway in the Hunter—all three projects are ones which boost national productivity approved by Infrastructure Australia and then funded by the government; all 15 out of 15 projects, including projects like the managed motorway system that has been cut—a managed motorway system using smart infrastructure that has a higher benefit cost ratio than all projects that have been considered by Infrastructure Australia.

There has been no answer about new projects on the Pacific Highway in the budget; no answer about the Bruce Highway; no answer about the cuts to the Gateway; and no answer about the fact that WestConnex does not go to the city in terms of stage 1—it goes from Parramatta to Haberfield—and stage 2 goes from Beverly Hills to St Peters rather than to the port. There has been no answer, whatsoever, to those questions.

I want to ask the minister another question, given that silence is golden with regard to the non-answers that have been given. My question to the minister is about aviation. I am talking about aviation safety, so he might want to listen! I seek an assurance from the minister that, in terms of the departmental cuts that have been indicated in the government's budget, no cuts will be made to CASA or the aviation safety agencies, including the ATSB. The issue of aviation safety has been, and should continue to be, above politics. I seek the minister's assurance that in terms of those cuts, there will be a quarantining of aviation safety regulators and agencies from those cuts.

Mr Briggs: I rise on a point of order. During the contribution of the member for Grayndler, he made an unparliamentary comment. He should withdraw it.

The DEPUTY SPEAKER (Mr Goodenough): I ask the member for Grayndler to withdraw.

Mr Albanese: He should not make things up. He knows it is not true.
Mr Briggs: I let the member go, during his whole contribution, so as not to interrupt, but he should withdraw. He knows the procedures better than anyone in this place, other than the—

Mr Albanese: I withdraw, but the minister should not continue to repeat untruths—things that he knows are not true.

The DEPUTY SPEAKER: All right. I give a direction—

Mr Briggs: He should withdraw without reservation.

Mr Albanese: I have withdrawn.

Mr IRONS (Swan) (11:01): I know that the member for Perth is in here. You might have had this question; I was not here when she raised her questions. Can the minister give, for the benefit of my constituents—the economic freight hub in Western Australia is in my electorate and it is an important piece of economic industry in Western Australia—an update on the Gateway and the expected time of finishing. There was an air of expectancy or a fear that the Gateway project would be under threat because it was linked to the mining tax. Could the minister also advise how that issue has been fixed and about the security of funding for that particular project. I also refer to the funding of the Black Spot Program, and ask how that will help areas in Western Australia, particularly in the electorate of Swan.

The minister might have access to some information which I was not able to get before. In 2007, during the election process, the then Leader of the Opposition promised $100 million per annum for an infrastructure fund in Western Australia. I ask whether that money ever came to Western Australia; if it did, were any projects built out of it? As far as I know and as far as I can see, no funding of $100 million per annum was ever allocated to Western Australia.

Mr GILES (Scullin) (11:03): The two questions asked by the member for Franklin touched on the impact of this budget on regional communities. I note that they have not received an answer. What I find absolutely extraordinary is that the daily double has been achieved—an extraordinarily negative impact on regional communities and the abandonment of Australia's major cities, where 80 per cent of Australians live and where more than 80 per cent of economic activity takes place.

So, having regard to the abandonment of major cities through the abolition of the Major Cities Unit and the fact that the portfolio budget statement for the department makes no mention of cities, nor of any national urban policy framework, can the Deputy Prime Minister advise whether there is any interest within this government in making our cities more productive? I would like to ask whether there was any interest in making them more sustainable and liveable, but I will stick to the question about making them more productive and more economically viable for the purpose of this answer. Specifically, is any activity contemplated in this regard beyond continuing the publication of something like the State of Australian Cities report? Can the minister also advise the House of the status of the National Urban Policy Forum?

Mr BROAD (Mallee) (11:04): Minister, the Roads to Recovery program, which is a fantastic program that was introduced by the Howard government, has been very successful in the electorate of Mallee. Over the past five years, councils in my electorate have received funding under this program—for example, the Mildura City Council received $8.8 million,
the Horsham Rural City Council received $5 million and Swan Hill Rural City Council received $4.8 million. They have been substantial programs. Can you please outline how the continuation of this program over the next five years will work. How is it going to work, and will the additional funding outlined in the 2014-15 budget be delivered to regional communities? Furthermore, what other programs will councils be able to leverage off for their much-needed infrastructure?

Ms MacTIERNAN (Perth) (11:05): I have a couple of actual questions for the minister. Minister, I note in the budget you have $339 million in the forward estimates for the Oakajee Port project. Could you give us some idea of what the funding profile for that is? For which years has that money been designated? I would also be very interested to know what discussions or briefings you or your agency have had about the likelihood of this project proceeding in the next couple of years?

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (11:06): I will respond to a number of those questions but perhaps the last one first. The funding for the Oakajee Port was actually provided initially by the previous government as part of its response to the global financial crisis; we have just retained that money in the budget.

Ms MacTiernan: Can you tell us where in the forward estimates the funding is sitting?

Mr TRUSS: I would need to check that. We did consider whether or not it was appropriate to keep the money in the budget, because obviously there has been little or no progress on the project for some time. However, there is renewed interest. Essentially, the money is available. It is in the capital section, so the money is available whenever it is required. When the project proceeds, the funding will be available.

Ms MacTiernan: Have you had discussions with the Western Australian government on—

Mr TRUSS: Yes, I have spoken to the Western Australian Premier and others about the project so that they were informed about the process we were going through and whether that money would remain in the budget.

The shadow minister asked an important question about funding for CASA and ATSB. The shadow minister may not be aware of this because I gather he was overseas at the beginning of the week but the review report into CASA was made public. There are substantial recommendations that will obviously affect the operation of CASA into the future. I have undertaken, from a government perspective, to respond to that report as quickly as possible. We are inviting public comments over the next month. Some of those proposals are quite radical and would certainly change the budget requirements for CASA. So I think it would be brave to suggest that there will not be changes in the budget, but we recognise the absolutely critical importance of ensuring that our aviation industries are safe. Funding will be provided as required to ensure that CASA is able to operate effectively.

Mr Albanese: And it won't be reduced?

Mr TRUSS: If functions are taken away from CASA and given to others—

Mr Albanese: Sure, but aviation safety funding won't be.
Mr TRUSS: The shadow minister would also be aware that a lot of that funding is collected direct from the industry through the fuel levy.

The second issue is the ATSB. It will be funded on a needs basis. It depends on how many inquiries they have to do. They are likely to get increased funding this year because of their role in the MH370 incident that is requiring substantial resources from them. Funding will be provided to meet those needs.

In relation to the projects in Western Australia—I think there has been some reference to those—they are important projects. Yes, the previous government had started the Gateway project. They announced it as their flagship project for regional Australia. I can recall us all having some degree of amazement that the Labor Party decided that a project around Perth Airport was a regional Australia project. Nonetheless, that is how it was announced. Of course, the funding was coming out of the mining tax, along with funding for the Swan Valley bypass and a whole lot of other projects in Western Australia. We all know now that the mining tax has only delivered three per cent of what Labor had budgeted. So, in practice, the work was underway but the source of the funding did not exist.

Mr Albanese interjecting—

Mr TRUSS: We picked it up. The project is underway. We will fund the Swan Valley bypass. All of those projects will now be properly funded in an orthodox way, not by relying on a tax that is not collecting any money.

A number of speakers have referred to the Roads to Recovery program. It is a program that is highly valued by local government. Indeed, we are not only extending the Roads to Recovery program; in 2015-16, local government will get a double issue. That will help them to fund their road projects. In addition, they will no doubt be participating in our new bridges renewal program, so there will be real benefits for local government in having those programs delivered. Of course, we are still waiting for that legislation to be passed by the Senate. We note that Labor and the Greens voted against the extension of the R to R program in the House of Representatives, and I hope they will be more responsible in the Senate when the legislation comes up. (Time expired)

Mr ALBANESE (Grayndler) (11:11): I wish to raise two issues, given that there has been a failure to answer any of the questions that have been put with regard to the Pacific Highway, the Bruce Highway, the Gateway project and WestConnex. Firstly, I go to the Gateway WA project, which is one of the projects that the new government is attempting to say was somehow its initiative. I was with the member for Swan at the opening of construction. The project is fully funded, the contract has been signed, and it has been going for two years now. There are 2,000 people working on the project. They are working on the project with funds provided by the federal Labor government, under the same funding system that is being undertaken now by the government in which the Deputy Prime Minister is now transport minister—exactly the same funding. We ensured that Western Australia received record funding; indeed, we more than doubled the per capita funding for infrastructure in Western Australia after 2007.

Another thing we did in Western Australia was the Perth City Link project, a fantastic project that is boosting productivity and changing the nature of Perth by uniting the CBD with Northbridge. In terms of urban projects, there would not be a better one anywhere in the
country. In terms of the Labor government's record, whether it be funding roads or funding rail there are significant benefits.

I wonder whether the minister can state whether he agrees with his Prime Minister's comments outlining the ideological underpinning for not funding public transport. He said this in *Battlelines*, on page 173 and 174:

In Australia's big cities, public transport generally slow, expensive, not especially reliable and still a hideous drain on the public purse.

He went on to say:

Mostly there just aren't enough people wanting to go from a particular place to a particular destination at a particular time to justify any vehicle larger than a car, and cars need roads.

He went on to say:

The humblest person is king in his own car.

So providing an ideological underpinning for this view which accords with what the late Margaret Thatcher said: that if you find yourself at the age of 27 on a public bus you can consider your life a failure. This is the sort of elitist attitude of those opposed to public transport funding.

There is a global debate about cities, about driving productivity, about sustainability. I have just attended the World Cities Summit in Singapore and the debate there was very much about public transport, about how we reduce urban congestion and boost productivity by doing that, and about how we reduce greenhouse emissions and improve sustainability. It is a debate which ministers, including from the Conservative Party in the UK, and other representatives from around the world are having while Australia appears to be going in the opposite direction to the rest of the world. Why is it that the new government does not believe that there is a role for the Commonwealth in providing leadership on cities, including in urban policy and in providing support, where it stacks up, for public transport as well as roads?

The minister opposite said before that somehow they were the only party that supported roads. That, of course, is not true. While I was the transport minister the former government doubled the roads budget, compared with in the previous period. The difference is we support roads and rail. They support roads only, the Greens support rail only, and both are exclusive positions to the detriment of dealing with urban congestion in our cities.

Ms LANDRY (Capricornia) (11:16): My question is to the Acting Prime Minister and Minister for Infrastructure and Regional Development. I firstly put on record the appreciation of my community for the Australian government's commitment to fix the Bruce Highway over the next 10 years. The project has been very well received. I ask: how is the rollout of the plan progressing for communities along this key transport link in Queensland? I am particularly interested in the area surrounding Capricornia which supplies the wealth of the nation.

Ms COLLINS (Franklin) (11:17): Given that I have not had any answers from the ministers opposite in relation to the impact of this budget on regional and rural Australia, I would like to remind them that this budget will hurt regional Australia through things such as the GP tax, the fuel excise increase, the $80 billion cuts to health and education, the cuts and changes to pensioner concessions, the cuts to the financial assistance grants and, of course, the cuts to public sector jobs. We have already seen ATO closures in regional cities across
Australia and that will impact pretty badly on regional areas. There are also the changes to
tertiary education. And we have heard from the Rural Doctors Association and the Regional
Universities Network about how this budget will impact negatively on regional Australia. I
would like to ask some very specific questions now that we are getting to the end of the hour
and a half that has been allocated for this debate.

Minister, do you agree that there should be a regional impact study done of this budget by
your department? If not, why not? Have you asked for a study to be done on the impact of this
budget on regional Australia? Why wasn't any consultation undertaken with local government
prior to the indexation of the freeze on the financial assistance grants? Will the minister
explain to small regional and rural councils how they are expected to cope with this change in
financial assistance grants and how they are expected to deal with these cuts to their budgets?
Lastly, will the minister guarantee that council rates will not increase, given the financial
assistance grants cuts that were made in this budget?

Mr BRIGGS (Mayo—Assistant Minister for Infrastructure and Regional Development)
(11:19): I rise to answer a couple of questions. In relation to the WestConnex project, which
the member for Grayndler seems to be opposed to, constantly—

Mr Albanese interjecting—

Mr BRIGGS: The WestConnex project is an obsession. As the minister for transport in
New South Wales makes the point, for those living in inner city Sydney everything is about
getting to Sydney, to the CBD. In fact, what WestConnex actually does is connect Sydney far
better for people who are moving around, particularly people like tradespeople who work all
across the expanse of Sydney every day. It helps people move right across Sydney,
absolutely, every day. It fixes a problem that Labor created with the M5 tunnel, as the
member for Grayndler acknowledged earlier—I accept that. It also upgrades roads all around
Sydney and the port area as part of WestConnex stage 2. Then, of course, there is the
Moorebank project, which the member for Grayndler is also familiar with, which has helped
to deal with the freight connections in Sydney. If you look at what we are doing with the
WestConnex, we are creating a much better connected city with the WestConnex stage 1 and
bringing stage 4 together will lead to a better project. This project is evolving and it will
become a better project as the process goes on. We are very confident of that. It will create
10,000 jobs in its construction. It is an enormously beneficial project.

Talking about urban policy, we are spending $50 billion in this budget, the vast bulk of it
on new projects that will help our cities deal with congestion issues. Fifty per cent of public
transport kilometres travelled are by bus. That will continue to be the case. Bus is an
important part of our public transport network. Improving the road network will assist. The
asset recycling initiative and the state government's commitments mean we have seen $25
billion since the federal election to rail, which will also complements that.

Regarding the Urban Policy Forum, the secretary of our department, who the member for
Grayndler is very familiar with, will continue to chair the Urban Policy Forum. There have
been no recent meetings, but meetings can be called to deal with emerging issues. The forum
still exists.
The other point that was raised on this side, and I think it was from the member for Mallee, was in relation to the Black Spot Program. We announced this year's allocation yesterday. In fact, we announced a project in the member for Grayndler's electorate.

Mr Albanese: It was in our budget.

Mr BRIGGS: 'It was in our budget!' They just can't get over the fact that they lost the election. What we are doing next year and the year after—and this is part of the issue raised in the member for Franklin's line of questioning—is increasing the Black Spot Program by $100 million in each of the next two years. So there will be $320 million in the Black Spot Program in the next two years which will target unsafe roads.

I am reasonably familiar with part of the member for Mallee's electorate—I grew up in Mildura. What we are going to do is look at the criteria to make it easier for small rural councils to get access to the program to upgrade roads. We acknowledged to achieve—

Ms MacTiernan interjecting—

The DEPUTY SPEAKER (Mr Goodenough): Order! Member for Perth!

Mr BRIGGS: We understand the issue with some small roads in country areas. For instance, in my own electorate, some of the most dangerous roads in South Australia are on Kangaroo Island. The member for Grayndler has been there and I acknowledge that he would know this. Such roads do not have the traffic to necessarily meet the fatality or the incident criteria, so we are looking at the criteria to see if we can spend Black Spot money to ensure that we get safety outcomes to prevent some of these accidents in the first place.

Ms MacTiernan interjecting—

The DEPUTY SPEAKER: Order! Member for Perth!

Mr TRUSS: I don't think the member for Grayndler is in a rural seat!

Mr BRIGGS: That's right. The Black Spot Program is spread right across the country. It is in city areas, it is in country areas. It is a very important part of the program.

Ms MacTiernan interjecting—

Mr BRIGGS: The member for Perth chirps away, but the member for Perth was at the barricades with the Greens in Perth trying to stop a vitally important project which will help transform Perth and get 60,000 trucks off local roads. It is an utter disgrace. The member for Perth, having left the Western Australian parliament as a failed minister, comes to this place now and tries to inflict the damage she did in Perth in Canberra.

Mr ALBANESE (Grayndler) (11:24): I refer to the Pacific Highway. I refer to the budget document 2014-15 in the graph on page 17 that goes through Pacific Highway projects. Can the minister for infrastructure confirm that this graph shows that the Banora Point upgrade, $344 million, was completed in late 2012, Ballina bypass was completed in 2012, Devils Pulpit was completed earlier this year, Glenugie was completed in early 2012, Kempsey bypass was completed and opened in 2013, Herons Creek to Stills Road was completed in 2013 and the Bulahdelah bypass was completed in 2013?

Can the minister further confirm that the upgrade projects that are listed as being part of the forward estimates from this financial year are the following: Tintenbar to Ewingsdale, to be completed next year, already well under construction; Woolgoolga to Ballina, planning and preconstruction work of $282 million, with an agreement that was signed in 2013, following
the budget, between the Commonwealth and New South Wales; the Sapphire to Woolgoolga upgrade, which will be completed pretty soon if it has not been already; Nambucca Heads to Urunga, funded in the 2013 budget; Warrell Creek to Nambucca Heads, with construction commencing this year, funded in the 2013 budget; Frederickton to Eungai, where construction began in 2013, funded in the budget; Kundabung to Kempsey, which was funded in the 2013 budget, with construction commencing this year; along with the Oxley Highway to Kundabung upgrade, which was also funded in the 2013 budget, with construction commencing in 2014?

I refer the minister to the nation-building infrastructure budget papers of May 2013. Apart from the projects that have already been completed and opened, is there a single project that the minister can identify that is in this year's budget that was not already in last year's budget for the Pacific Highway? How does that fit the rhetoric of those opposite on their concerns over the Pacific Highway, particularly from members such as the member for Cowper, who talked a lot about the Pacific Highway but did not deliver on it during the 12 years in which those opposite previously held office, contributing just $1.3 billion to the Pacific Highway while the state Labor government contributed $2.5 billion in the same period; or the new member for Page, who is pretending that the Tintenbar to Ewingsdale section somehow began only in September last year, whereas of course construction is well underway, having commenced more than two years ago?

Can the minister for infrastructure point to how their rhetoric about the Pacific Highway fits at all when he has not been able to identify a single new project that is funded in this budget, in his own budget papers, in this glossy document of 2014-15? It cost less, I am sure, than the $85,000 in total that was allocated to the video presentation that was very helpfully released by the minister's assistant a few hours prior to the budget speech being delivered! Can the minister point to any new projects at all on the Pacific Highway that are to commence construction as a result of this budget?

Mr BRUCE SCOTT (Maranoa—Deputy Speaker) (11:29): I preface my remarks by thanking the Deputy Prime Minister. I think this is the very first time we have had an acting Prime Minister in the Federation Chamber since its establishment, so in many ways you are making history today as well, Acting Prime Minister. In relation to the inland rail, I have spoken to you about this on a number of occasions, and I am aware that there is a proposed route alignment that includes communities in my electorate of Maranoa, such as the town of Millmerran and perhaps Goondiwindi and Inglewood. I am not quite sure where the final alignment may rest, but I would be interested to receive any information that you may have and an update on that, the potential investment and what it could mean to the regional communities in Queensland.

There is another question I want to ask the minister—and I acknowledge the $508 million in this year's federal budget for the Warrego Highway, the largest single investment in the Warrego Highway in many, many years, if not ever. Acting Prime Minister, I notice also that in the forward estimates starting 1 July this year there is some $49 million to be appropriated as the first spending on the Warrego Highway. I have written to you and to the minister in Queensland as well as to the Department of Transport and Mains Roads, which I understand has the responsibility for the planning of the expenditure that we make available to the Queensland government. There are some priorities that I have seen after consulting with my
community—and you would be aware of this because you have been in Dalby yourself—such as a set of traffic lights on the eastern side of town near the Dalby South State School. Has there been any planning done by the main roads department for that? I also know that in Chinchilla itself there is a very dangerous railway crossing that the community would like to see addressed as part of that $508 million, particularly in relation to the $49 million in the forthcoming financial year. The Warrego Highway has not been upgraded east of Chinchilla to Warra—

A division having been called in the House of Representatives—

Sitting suspended from 11:31 to 11:46

The DEPUTY SPEAKER (Mr Whiteley): Order! The member for Maranoa did have the call but his time has run out, so if he could just conclude it would help the chamber.

Mr BRUCE SCOTT: I will indeed. I was asking the Acting Prime Minister about the Warrego Highway and the $49 million that is appropriated for the 2014-15 financial year, particularly in relation to priorities I have written to the Queensland minister about. I am wanting to know whether they are shovel ready for projects such as the Dalby South State School, the Chinchilla safety issues, the upgrades to Warrego between Warra and Chinchilla and more passing lanes. Given that we have had deaths on the Warrego Highway in the Dalby region in the past five years, it is an absolute priority that we continue to spend this money, which is in our forward estimates, as quickly as possible. I would appreciate any updates the Acting Prime Minister can give me in relation to that.

Proposed expenditure agreed to.

Communications Portfolio

Proposed expenditure, $1,780,674,000

Mr TURNBULL (Wentworth—Minister for Communications) (11:48): The funding announced in the budget for the communications portfolio will support the promotion of an innovative and competitive communications sector in Australia. Through the 2014-15 appropriation bills, the government will provide the portfolio with more than $7 billion to deliver its priorities. This includes $6.8 billion to the Department of Communications to provide for an equity injection to the NBN Co of up to $5.2 billion, including $2 billion from prior years; $238.6 million for the department to deliver its outcomes; $1.1 billion, through the department, to the Australian Broadcasting Corporation; $287.1 million, through the department, to the SBS; $96.9 million to the ACMA; and $100 million to TUSMA.

The government is providing $110 million in new funding to the department over the next four years for the following measures to implement our election commitments: $100 million to the Mobile Black Spot Program to improve mobile coverage in outer metropolitan, regional and remote areas of Australia, and $10 million to the enhance online safety for children initiative. Enhanced online safety will be achieved through assisting schools to access accredited online safety programs; establishing the office of the children's e-safety commissioner, who will take a leadership role in online safety; and supporting Australian based research and information campaigns on online safety.

Additionally, the Office of Spatial Policy and TUSMA functions will be transferred into the department. These funding increases are offset, in part, by an efficiency dividend of $2 million applied to the department over the next four years. The government will provide $5.5
billion over the next four years to the national broadcasters—$4.4 billion to the ABC and $1.1 billion to the SBS. The 2014-15 budget includes a one per cent efficiency saving on the national broadcaster's operational budgets, excluding transmission and distribution services, raising $43.5 million over the next four years, of which $35.5 million is for the ABC and $8 million is for the SBS. The savings realised through this measure will be considered a down payment on efficiencies identified in the context of the ABC and SBS efficiency study, widely known as the Lewis review.

The exact implementation of the savings arising from this measure will be determined by the boards and executives of the national broadcasters. The government expects that these efficiencies can be achieved without cutting the diverse range of programs and services being offered by the national broadcasters or affecting their editorial independence.

The government will provide $360.7 million over the next four years to the ACMA, the regulator of the communications sector. In 2014-15 the ACMA's funding has been reduced by a one-off one per cent efficiency saving, saving $3.3 million over the next four years. This efficiency saving recognises that, as regulation is removed and simplified in the coming year, costs should also decrease for the regulator. The ACMA's funding has also been reduced by an efficiency dividend of $2.1 million over the next four years.

Turning to TUSMA, the government announced in the budget that we will abolish TUSMA and transfer its functions to the department. This decision will increase industry certainty by having a single agency responsible for policy implementation of telecommunications universal service matters. TUSMA is a very small agency, and bringing the role into the department will help streamline the delivery of government services.

Efficiencies from the merger will result in savings to the telecommunications industry of $1 million per annum through a reduction to the telecommunications industry levy. The government will bring forward legislation to repeal the TUSMA Act and transfer responsibility for TUSMA's contracts, finances and levy collection obligations to the department.

**Mr CLARE (Blaxland) (11:52):** My first question to the minister is in two parts. Can the minister guarantee that there will be no sporting events taken off the anti-siphoning list in this term of parliament? And can the minister guarantee that any reform to the anti-siphoning laws will be presented at the same time as any changes to media ownership laws?

**Mr COLEMAN (Banks) (11:52):** My questions are also to the minister, and relate to the administration of the NBN—and indeed, the contrast between the administration, or lack thereof, under the previous government and under this government. Minister, in the broad context of the NBN, I understand that this was a project conceived in mid air in the absence of a cost-benefit analysis or, indeed, much analysis of any kind at all.

I want to focus in particular on the financial contribution of the government to the NBN. My understanding, Minister, is that the previous government originally announced that there would be a $4.7 billion contribution prior to the 2007 election in the context of a total project spend of $10 billion. But I understand, further, that some years later, in 2009, the government said that the project cost had increased to $43 billion, and that private investors and mums and dads were encouraged to invest up to 49 per cent of that $43 billion.

Indeed, I understand that at that time the member for Lilley said:
There couldn't be a better investment.

That is my understanding of what the member for Lilley said. As I understand it, Minister, the Prime Minister at the time stepped forward, with faux FDR gravitas, to announce a 'new deal' for broadband. But of course that new deal turned out to be a very bad deal for everyone except perhaps a few telecommunications companies that might have outwitted the previous government in negotiations. I also understand that the rollout of this project was dramatically over budget and behind schedule. My understanding is that $6.5 billion was spent prior to the 2010 election to reach just three per cent of Australians, which seems an extraordinary figure and almost a rollout by press release as opposed to a rollout by substance—with some premature announcements, donning of high-visibility gear perhaps before it was necessary, and frankly a very poor scenario.

Minister, my understanding is that the previous government had never actually undertaken an exercise to determine where broadband was most needed. It was quite startling when I first came to that knowledge. I also understand that at one point the previous government claimed that access to the NBN under them would be free. Given that the total cost of the project was going to be about $72 billion, which is about $8,000 per Australian household, plus the requirement for people to pay $100-plus to access it, it would seem to me that that description of the project as being free was misleading. In that context, Minister, I have some specific questions. Firstly, what did the strategic review which was recently conducted reveal to be the true state of NBN Co? What is the true financial position of NBN Co as opposed to the, perhaps, less accurate descriptions that we were used to under the previous government? What is the broadband quality project and how was it conducted? Has it been helpful in identifying, for the first time, where broadband is in most need? And why is it important to serve both underserved areas and areas that are promising for revenue?

Mr Turnbull (Wentworth—Minister for Communications) (11:57): I will deal with both of those questions. First, briefly, to the member for Blaxland: I understand his interest in the anti-siphoning list. It is something that everyone is very keenly interested in. It tends to be amended every few years as circumstances change. We do not have any plans to make any changes to it, but we are certainly in the process of engaging with the broadcasting sector and talking about regulatory reform generally. He also asked whether I would guarantee that all changes to broadcasting law would be part of one package. That is certainly what at least one network has argued should be the case. That is a perfectly reasonable proposition to make and that is all under consideration. We are being very, very transparent in our discussions with the media sector. Given the engaging and convivial nature of the participants, I am sure that our discussions will rapidly come to the knowledge of most members of the public.

Turning to the member for Banks's question about the NBN, he has described very well the very sorry state of this project and its development. The truth is that the Labor government started off with a conventional approach to broadband—conventional by global standards—in the sense of proposing to get the private sector to upgrade the national network and to provide a subsidy to ensure that uneconomic areas got a service. In one form or another that is the norm pretty well everywhere.

Then, when that tender did not work out, there was this enormous leap into a unique, hitherto untried approach for any major country—to have the government build an entirely new broadband network in a start-up company. That was the fundamental mistake. The next
big mistake they made was specifying one access technology instead of specifying or promising a service level and being flexible about technology. And, as the honourable member asks about, the consequence of this has been a colossal failure. Very little progress has been made and a huge amount of money has been committed.

When we took over government in September we arranged for the NBN Co to undertake a strategic review. It was designed to find out the current state of the project and what our options are. The current state of the project is: if the Labor government's policy was continued business as usual, the peak funding requirement would be $72.6 billion—$28.5 billion more than forecast. The consequence of that, naturally, would be that broadband prices would have to go up—up to 80 per cent more, on average. You cannot have a massively overcapitalised government monopoly, or a monopoly of any kind, and expect it to do anything other than put prices up. So it would be have been a shocking lose-lose for both the taxpayer and the consumer.

The review examined why these problems and delays occurred. It identified a number of cultural issues, which was very interesting. It noted that, within the NBN Co, there was a sort of group-think—a blind faith in the achievability of the corporate plan, notwithstanding clear factual evidence to the contrary. As the honourable member and NBN Co's current management have pointed out, the previous approach was not so much fibre-to-the-premises as fibre-to-the-press-release. They were seeking to pass as many premises with fibre as they could so they could say, 'We have passed X thousand premises'—and they missed all of those targets—without actually taking care to ensure that those premises could be connected. This led to the extraordinary consequence that, in some areas which were declared ready for service, only a very small percentage—in some cases, less than 10 per cent—were able to get a connection if they rung up because the rest did not have a lead-in and were either service class 0 or service class 1. It has been a catastrophic mess, and I will have the opportunity later to explain what we are doing to clean it up. (Time expired)

Mr CLARE (Blaxland) (12:02): This is disappointing. Of all of the ministers in this government, the last I would have expected to have to hide behind backbenchers in an environment like this is Malcolm Turnbull. I am honestly so disappointed.

Honourable members interjecting—

Mr CLARE: Let's see if the minister can answer this question without having to wait and think about the answer while we are receiving another diatribe from one of his backbenchers. Minister, you have previously said that you do not propose to pay Telstra anything for access to or ownership of their copper network. You have said:

I'm very confident that we can acquire access, ownership if you like, of the last mile copper network. You have said:

Are you still confident that you will get the copper for no additional payment? Can you please give me an answer to that question.

Mr TURNBULL (Wentworth—Minister for Communications) (12:04): What I will do, to gratify the wishes of the courageous gentleman opposite, is answer all of his questions, which
will mean that more time will be taken up with me on my feet and he will have less opportunity to ask questions—the usual self-defeating approach.

The answer to the question is as follows: the previous government, in entering into its arrangements with Telstra, and a similar deal with Optus, basically agreed to pay a gigantic sum—tens and tens of billions of dollars—over a long period to Telstra in return for switching off, decommissioning its copper network and its hybrid fibre coax network insofar as it was used for broadband data or voice, and similar arrangements with Optus. In entering into those arrangements, the previous government, in what can only be described as one of the most self-wounding, stupid political betrayals of the public interest, chose to take no option over the legacy infrastructure they were paying Telstra to switch over. If you were going to pay billions and billions of dollars to Telstra to switch off its copper, you would think that you would say, 'And by the way, I want to have the option to use some or all of it myself if I choose to do so.' That is what any rational businessperson would do. But they did not do that. Instead they ran this project politically; they turned fibre to the premises, which is just one access technology, into an ideological cult and they were determined to make it as hard as possible for any subsequent government to take a more rational approach.

Opposition members interjecting—

The DEPUTY SPEAKER: Order! Members to my left: you have asked a question; the minister is answering it.

Mr TURNBULL: I am confident we can achieve the objectives described in the quote the honourable member for Blaxland gave, but we are in negotiations with Telstra about it. The negotiations are progressing well, but these things are only—you can only say they will be completed when they are over. That is the reality, but they are progressing well. All I can say is this: the culpable recklessness of the previous government in not taking an option over those legacy assets was extraordinary. It was a political decision, it was designed to hamper any future government in its flexibility, and it was a classic case, yet again, of politics—Labor Party politics in this case—putting the financial future of this country at risk. Yet another reckless, wasteful decision that was a completely unbusinesslike decision.

The simple truth is this: in every other jurisdiction of comparable countries, what telcos are doing, what carriers are doing, is upgrading their broadband networks—that is happening everywhere—and they are using a mix of technologies and they are using whatever is cost-effective. And new hybrid technologies are becoming more effective: vectored VDSL can now deliver 100 megs—who would have thought that five or six years ago? G.Fast is delivering a gig—who would have imagined that was possible over a hybrid network? All of these technologies are becoming available and they are all being deployed in a rational way. The crazy Labor government, which was thrown out of office last year, did its utmost to ensure that the NBN could not be completed in a rational way and we are hard at work to ensure that it is completed rationally, prudently and in the best interests both of the taxpayers and the consumers.

WYATT ROY (Longman) (12:09): To appease the political chest beating of those members opposite, I will be very succinct in my questioning because I am very interested in the answer. Minister, as you know—

Opposition members interjecting—
The DEPUTY SPEAKER: Order!

WYATT ROY: They might not be interested in this because this is a genuine policy question that affects my electorate. I know they want to beat their chests politically, but let's just listen to a genuine policy question.

The DEPUTY SPEAKER: Address your question through the chair.

WYATT ROY: Thank you, Mr Deputy Speaker. Minister, as you know I do have a semirural electorate, and mobile coverage has been a very significant issue in that electorate for a very long time; many people struggle with black spots around parts of my electorate. The government took to the last election a very significant policy to rectify mobile black spots across the country. Could you update us on where that is at. What community feedback have you been seeking? What engagement have you had with mobile network operators such as Telstra and Optus? In particular, could you give us some time lines on the rollout of potential funding and when we might know a bit more about what I think is a great policy.

Mr TURNBULL (Wentworth—Minister for Communications) (12:10): I would ask the parliamentary secretary, the member for Bradfield, to respond to that as he has had the carriage of the Mobile Black Spot Program in our portfolio.

Mr FLETCHER (Bradfield—Parliamentary Secretary to the Minister for Communications) (12:10): I thank the member for Longman for raising a very important topic. When the Abbott government came to power, we looked at the question of mobile coverage and we went back and looked at the previous government's budgets. We looked at the 2008-09 budget and found that not one dollar had been spent by the previous government on upgrading mobile coverage—nor in 2009-10, 2010-11, 2011-12 or 2012-13. It was for those reasons that we took to the last election a policy to spend $100 million on upgrading mobile coverage in outer metropolitan, regional and remote areas.

The three mobile carriers—Telstra, Optus and Vodafone—obviously spend very substantial amounts of money each year on expanding their networks. That is as it should be; they are all private sector corporations and they are all in the business of providing mobile telecommunications services to make a profit. But, of course, Australia is a very large country and, while those carriers continue to put large amounts of money into expanding their networks every year, there are always going to be some areas where there is a case for providing mobile coverage but it is not likely that the particular location is going to meet the business case requirements of the carriers. So the intention of this policy is that, in what we estimate to be around 250 to 300 sites around the country, we are in a position to provide a public subsidy so as to reduce the breakeven point so that it does become economic for the mobile carriers to put in base stations and provide coverage.

The important thing is to make sure that, through our allocation process, we identify and direct the funding to the areas of greatest need so that we can get the maximum possible benefit for this $100 million of public money. The first thing to say is that we intend to allocate the money through a competitive selection process. The objective there is twofold. Firstly, quite explicitly, we have said we intend to put pressure on the mobile carriers. We expect to leverage, at least, an equivalent amount of money out of the mobile carriers. So we expect, at least, an additional $100 million to be secured through the competitive selection process. The second point is that we need to make sure that we are identifying the areas of
greatest need around the country, and the best way to do that is through a competitive selection process. At the moment, we are seeking community feedback. To date, we have had a large number of locations nominated through the process—locations where there is not mobile coverage but Australians are saying their ought to be. Next, we will go to a competitive selection process, and that is intended to be carried out in the second half of this year. In the first half of next year, we expect to be in a position to announce the locations which will be successful in securing funding. We anticipate that the rollout of the first base stations to be funded under this program will commence in the second half of next year. Funding was provided in this budget for this $100 million program over the next four years. We expect that, by the second half of next year, we will be in a position to commence the rollout of the initial base stations to be funded.

It is very important to understand one of the key distinctions between the coalition's approach in this area and Labor's approach. Let us remember that Labor announced they were going to spend $43 billion on a massive program that was going to solve every communications problem. Did they bother to check with regional and rural Australians what their priorities were? Evidently, they did not. I can tell you that in the locations all around Australia that I have been to, consulting on this program, people consistently say to me, ‘What we heard from the previous government was that there would be a marvellous NBN that would fix everything, but they had nothing to say about mobile coverage.’ The previous government had nothing to say about mobile coverage, yet that is what regional and rural Australians are saying is their priority.

This government—this side of politics—has a proud record in regional and rural communications. People who reside outside the capital cities know who they can depend on to solve their communication needs.

Ms ROWLAND (Greenway) (12:15): Minister, in December 2013 the government broke the promise they made before the election that all Australians would have access to speeds of 26 megabits per second by 2016. Minister, how many homes and businesses will have access to 25 megabits per second by 2016? What is the minimum speed that the rest of Australia will be able to access?

Mr IRONS (Swan) (12:15): We heard earlier in the week about some NBN issues in my electorate when, in question time, I put a question to the minister. I remind the minister that back in 2010, in the lead-up to the election, there were promises made to the people of Swan that the rollout of NBN in Victoria Park would commence in June 2011. That actually took a fair time to come to fruition. They started the rollout in October 2012. That was just another poor performance by the NBN in their process of rolling things out.

The minister can probably enlighten me on the processes for the selection of the NBN projects. Many people in the electorate at that time thought that it was a purely political allocation to Victoria Park, because there were plenty of areas that had more need. The candidate for the Labor Party at that time was obviously focusing on Victoria Park as that was the area where he thought he could get the most bang for his buck from the NBN. At that particular time, in the lead-up to the election, the Eastern Metropolitan Regional Council had made a fantastic submission on behalf of the area of Belmont to the minister. The minister had come out and said that it was a fantastic submission and he thought it definitely merited
looking at. But it never got a mention. All of a sudden the allocation of the NBN project rollout went to Victoria Park. Victoria Park had not even put a submission in.

How does the process work? Belmont Park is an area where there is enormous need for improvement in broadband facilities—it has a fantastic industrial area, near the airport and near the road and rail freight hub—but the minister overlooked a fantastic submission by the EMRC and allocated the rollout to an area from which no submission had been made. The minister at some stage might enlighten me on the process of the allocation of the NBN in Western Australia.

You have been to my electorate, Minister, and we went looking for the NBN in Victoria Park, and we struggled to find it. We saw plenty of signs that they had been there but it was a bit like the hunt for the elusive Scarlet Pimpernel. But there was plenty of action. Syntheo were saying they were doing things. I know there were plenty of subcontractors who were saying that they were not getting paid by Syntheo.

We also had the issue in Teague Street. Teague Street was dug up six times by the NBN contractor and enormous damage was done to property and areas within the town of Victoria Park. The Syntheo contractors left that. Can the minister advise us what steps you have taken in the process to ensure that these things do not happen again during the NBN process and that good people, like those in Teague Street in my electorate, do not have to suffer enormous damage by the contractors when the process was overseen by the previous government.

There was also an asbestos issue in the electorate, where a pit was dug up. There was some left on the ground. The people who came to clean up did not have the right protective gear. There was no oversight by the NBN, nor any concern for the safety of the workers who had to do that. There were no regulations in place. Syntheo took about 10 months to reply on that. So could the minister also advise what steps you have taken to make sure that the workers doing the NBN contract and other people are not subjected to those sorts of dangers again, such as dealing with asbestos? If the minister could enlighten me on those issues, that would be fantastic.

Mr Turnbull (Wentworth—Minister for Communications) (12:20): I thank members for their questions. Dealing with the member for Greenway's question, the best forecast we have for premises with access to 25 megs by 2016 remains the strategic review, although that will of course be superseded in due course by the new corporate plan, which is in preparation. I refer the honourable member and anyone listening to this discussion to its forecast that, by 2016, 43 per cent of the fixed-line footprint—that is, 43 per cent of 93 per cent—will have access to 25 megabits per second.

There will obviously be other premises outside the NBN footprint which will have more than 25 megabits per second, although it is hard to identify what that percentage is, and it is expected that, if the fixed wireless build is substantially completed by that stage and of course if the satellites are deployed by that stage, people covered by that will have 25 megas. By 2019, the strategic review forecasts under scenario 6, the optimised multitechnology mix, that 91 per cent of premises in the fixed-line footprint would have 50 megas and, of that fixed-line footprint, by that time, 65 to 75 per cent of the fixed-line footprint would have 100 megabits per second.
Now, I should say that, in terms of access to speeds, the technologies are improving all the time. The ability to get higher and higher speeds out of a connection which consists, for the last few hundred metres, of copper, is getting better all the time. That is why Deutsche Telekom, for example, which had started off with a very ambitious substantial fibre-to-the-premises rollout, has stopped it and is now overwhelmingly concentrating on a VDSL deployment—because of the cost—

An opposition member interjecting—

Mr TURNBULL: You will get your turn. You are not helping yourself and you are not helping any of these proceedings by being so disorderly.

Turning to my friend the member for Swan's question, the rollout of the NBN in Western Australia has been a disaster. At the time of the election, there were only a handful of premises connected. The work had basically stopped. The contracting consortium that had been engaged, Syntheo, had downed tools. It had been a failure. Getting that back on track has been very difficult. but it is underway. It is often said that you can have the best business plan in the world—and the NBN did not have the best business plan in the world—but, if you do not have the right people, it is never going to work. We do now have a much, much better executive team at NBN Co. The chief operating officer, Greg Adcock, is one of the most experienced telecom network engineers in the country—obviously, from Telstra—and Greg is getting all of this back in hand. So things are moving again in terms of the NBN in Western Australia, but it is challenging. I say to honourable members, and I think we all know this from experience, that it is much harder to get a project that has failed or that has been mismanaged back on track than it is to get a new project, from a greenfields start, on track.

So there is massive cultural change required at NBN Co, but I am very confident about the new management. The new CEO, Bill Morrow, is a man who has not only run telecom companies in many countries; he has been responsible for building a large telecom network. That is the type of experience you need in a project like this. It was always going to be very difficult to accomplish, but we now have a much better team than we did before and I am confident that we will get the project back on track.

Mr CLARE (Blaxland) (12:25): I have a series of questions for the minister about ABC and SBS and I would ask if he might be able to answer them in the time that we have allotted. As the minister would be aware, the Prime Minister said on the night before the election that there would be no cuts to the ABC or SBS. My first question is: do you accept that this promise has been broken? My second question is: will the minister commit to publishing the entire ABC-SBS efficiency review? My next question is: did the minister recommend the reappointment of Joseph Skrzynski as chairman of SBS? On how many occasions did he recommend this? Did the Prime Minister or the Prime Minister's office have any input into the decision not to reappoint Mr Skrzynski? Finally, can the minister rule out the appointment of Sophie Mirabella as chair of the SBS board?

Mrs PRENTICE (Ryan) (12:26): I would like to follow up on the member for Blaxland's questions and I would be interested in what the cuts mean to the total budget for the ABC and SBS. More importantly, I think, for many people out there, can we do anything to protect Peppa Pig?
Mr TURNBULL (Wentworth—Minister for Communications) (12:27): I can say Peppa Pig is quite safe. I know she has been criticised by some people but I am a great supporter of Peppa Pig and, as the very, very proud grandfather of an eight-month-old baby boy—my daughter's son—Lucy and I and all our family are looking forward to young Jack becoming a similar devotee of Peppa Pig.

In terms of the Lewis review, the answer to the honourable member's question is that I do not anticipate the review being published in full and I don't think the management or the boards of either company would want that to happen. At the moment the review is being completed. It was a very constructive collaborative work with ABC and SBS management and, obviously, presided over by Peter Lewis. He had been the longstanding CFO of the Seven Network and had very current domain expertise in that area. It has been a very thorough work. It is the first of its kind that has been done for a very long time, and I think our department—and of course the Department of Finance—now understand more about the financial status and operations of ABC and SBS than they ever have. The review is now with the board and the management of the two public broadcasters, and we are looking forward to discussing how these recommendations can be implemented.

It is very important to note that there are substantial savings that can be achieved—that much is clear from the review—but entirely in what we would call back-of-house areas. This does not affect the resources available for programming. This is savings in terms of facilities, administration and so forth.

It is important to remember that running a public broadcaster is a very difficult business. Your top line, your revenue line, is not a function of your performance; it is simply a function of your ability to persuade the government of the day to give you some money. If you are running a commercial broadcaster and you cut your programming resources, you run the risk that that will drive your ratings down further and your revenues will go down further and it becomes a spiral. It is not unfamiliar or unprecedented.

The problem with a public broadcaster is that the easiest way to cut spending is to cut programming. It is by far the easiest way to do it. The consequence is that it is very important to ensure that we understand how savings can be made without impacting on programming or resources. I am not suggesting that the approach that we asked them to undertake is an easy one; it is a difficult one—

The DEPUTY SPEAKER (Hon. BC Scott): Order! Minister, resume your seat.

Mr Clare: I am conscious of time. I am conscious the minister only has 1½ minutes left. There are four questions still unanswered. I ask the minister: if he is unable to answer those questions now, will he take them on notice and provide me with an answer in writing?

Mr TURNBULL: I was asked about communications between myself and the Prime Minister. Naturally, I am not going to assist him with that. What was the other question you asked?

Mr Clare: The other question I asked was: do you accept that cutting the ABC budget is a broken promise?

Mr TURNBULL: I am not going to accept any of your electoral claims. Thank you.
Mr Clare: The last question, in the interests of completeness, is: can you rule out Sophie Mirabella being appointed to the SBS—

The DEPUTY SPEAKER: Order! The time allocated for this debate has expired. The question is that proposed expenditure for the communications portfolio be agreed to.

Question agreed to.

ADJOURNMENT

Mrs PRENTICE (Ryan) (12:31): I move:

That the Federation Chamber do now adjourn.

Tiananmen Square

Mr DANBY (Melbourne Ports) (12:31): Yesterday marked the 25th anniversary of the Tiananmen Square massacre, where thousands who protested for a freer China lost their lives. We cannot allow those who lost their lives that day and the following day to go down the Orwellian memory hole. I would like to acknowledge the work done by the Australian embassy, who provided asylum for some of the leading dissidents of that period. I would like to particularly mention Liu Xiaobo, a Nobel Peace Prize winner, who has served many years behind bars for his struggles toward an end of one-party rule in China. He is not alone.

I, like many, did not know the role of the Australian diplomats working at the embassy in 1989, but it was ably set out last night by Stephen McDonnell, the ABC's outstanding international reporter in Beijing for Foreign Correspondent, including the role of the Australian Ambassador to China in those days, Mr David Sadlier. Our representatives sought to give asylum to some people; even to get people out of the country. They provided critical footage to people outside China, in the wider world. The Australian embassy's media officer at the time was able to record certain video tapes of that time, which we have all forgotten about. He made his way through customs and passed the tapes to people in Hong Kong and then to the wider media. At a time when the Chinese government had strict control of the media, the efforts of people like that made sure that what happened in Tiananmen was known all around the world. Our Defence attache later found 72 bullets in the apartments of Australian embassy officials. Very regrettable violence was even visited upon them.

One who declined our offer was Liu Xiaobo, a literary critic and philosopher. He was a very important person later on. Soon after, he decided to stay in China. He was imprisoned for two years and tortured. He was imprisoned three more times since then, including his current 11-year sentence. In 2010, while behind bars, Liu Xiaobo won the Nobel Peace Prize for 'his long and non-violent struggle for fundamental human rights in China'.

To this day, the Chinese government continues to restrict information on events surrounding the Tiananmen Square massacre. It has never released a death count and has, in the past few weeks, made great efforts to censor any discussion of what took place. Even in social media in China there are attempts to censor what happened in those days. The government has gone so far as to arrest a Chinese-born Australian artist, Guo Jian. Friends of Mr Jian say that he spoke to the Financial Times about his sculpture of Tiananmen Square and his belief that the government is doing the wrong thing by trying to wipe out all traces of what happened. Mr Jian has been held for two weeks at a detention centre. According to human rights groups in China, over 50 journalists, lawyers, activists and artists have been detained in this harsh crackdown. The only place in China where the anniversary has been
openly acknowledged is in Hong Kong where 200,000 people attended a candlelit vigil to remember the lives lost in the struggle for democracy in that great country with its ancient culture.

One recognises and welcomes the Chinese transition from a suffocating, command economy to its rather uneven market economy these days, with its growth rates and growing economic opportunities for Australia. The fact remains that the colossus of Asia is ruled, as I said in a speech on the 10th anniversary, by an unelected cabal of generally incompetent, overwhelmingly corrupt and deeply heartless men for whom it would appear no limitation of political behaviour is too embarrassing. At stake, of course, in this global drama of China's journey since 1949 is not just the question of freedom within China but also the threat the Chinese leadership poses to the rest of the world with its struggle to maintain political control in the face of inevitable countervailing forces moving towards greater pluralism and openness implicit in the widening freedoms of the market and in the capacity of modern telecommunications.

Many observers, not just me, fear some of the manoeuvres in the South China Sea and unilateral declarations of air zones over the East China Sea. The ruthless oppression of people in Tibet and Xinjiang is designed by the Communist Party leadership to divert the Chinese people from their own natural evolution to the kind of democracy that we enjoy here in Australia by engendering a nationalist backlash that will help them maintain their ruthless hold on power. I feel that the Chinese leadership poses that threat to the rest of the world because it wants to avoid those freedoms. I point particularly to their efforts to suppress the internet and satellite TV. It is very important that Chinese people are able to transcend the best efforts of Big Brother, as George Orwell called it, and the totalitarian mindset to suppress the merest thoughts— (Time expired)

Budget

Mr LAUNDY (Reid) (12:36): I rise today to discuss the challenges that the government have inherited, the actions that we are taking to overcome these challenges and the vision that the government hold for Australia's future. When the coalition government were resoundingly elected nine months ago we inherited a budget position that has been appropriately described by my colleagues as 'Labor's legacy of debt and deficit'. When the last coalition government left office in 2007 we had no debt and money in the bank. In the years since, the previous Labor government ran up five record deficits during its time in power and left $123 billion in future deficits. Without policy changes our debt was on track to reach $667 billion.

As a result of this terrible record Australia is currently borrowing $1 billion a month just to pay the interest on that debt. How long would any of us be able to keep our houses if we had to ask the bank to borrow more money to pay the interest on our mortgage? Those that are arguing that there is no budget emergency by comparing our debt levels to those of other countries are deceiving the Australian people and engaging in nothing but political spin. Recent IMF forecasts have projected that, without significant action, Australia would have the fastest spending growth and the third largest increases in net debt between 2012 and 2018. This is the situation that the government inherited from Labor. Thankfully for the people, Australia elected the Abbott government to fix the debt and deficit disaster, and that is what we are doing.
The 2014-15 budget is an important piece of the government's economic action strategy to repair the budget and build a strong and prosperous economy for the sake of our kids and our grandkids. This is the budget that recognises that we must live within our means and outlines savings, while also building for the future with significant investment in infrastructure like the WestConnex in my electorate. Thanks to the policies and savings in this budget Australia's debt in 2023-24 is projected to be nearly $300 billion lower than previously forecast in the 2013-14 MYEFO.

However, the measures outlined in the budget are not the only actions the government are taking to build a strong and prosperous economy for future generations of Australia. We are cutting the red tape that is holding back business in Australia, in particular, small, medium and family business. The government are committed to cut more than $1 billion of red tape every year. We have already cut over 10,000 pieces of unnecessary legislation. This will save businesses over $700 million in compliance costs.

We are repealing the carbon tax, which will save households an average of $550 a year. The government have finalised free trade agreements with Korea and Japan, tasks that the former government struggled to achieve during their entire term. The Prime Minister has been busy promoting Australia as a business and trade destination with one of the largest and most senior business delegations being taken to Asia recently, with a similar delegation accompanying the Prime Minister on his current trip to Canada and the United States. The trade and investment that these missions promote will bring jobs and prosperity to Australia.

The coalition government is not only taking the necessary steps to fix Labor's debt and deficit disaster; it is also introducing policies to build a sustainable and prosperous future. I have said before in this parliament that I am not a career politician—I come from a business background—and have only recently stepped into public life. I decided to pursue the honour of representing the people of Reid with one key goal in mind: to make this country a better place for my kids, their kids and future generations of Australians that follow them. This is why I am proud of the policies outlined in the budget, because they put Australia on a path for a better and stronger future. Most importantly, under the management of this government, the budget is back under control. The unsustainable levels of borrowing and spending under the previous government have ended. Australia's health care system is back on a more sustainable funding path and will remain accessible to all Australians. A tertiary education is now accessible to more Australians than ever before. Young Australians choosing to pursue apprenticeships in trades have more support than ever before. Social service policies are being refocused to provide a hand up not a hand out, while keeping vital safety nets in place for those who need support.

This week's ABS figures show promising signs for the Australian economy, with GDP, exports and productivity all improving. It demonstrates that the government's economic action strategy for a strong and prosperous economy is working. I congratulate the Prime Minister, the Treasurer and the Assistant Treasurer, and the Minister for Finance for their excellent work outlined in this budget and their strong vision for a better, stronger, more prosperous Australia. The ultimate winners will be our children, our grandchildren and future generations of Australia.
Indi Electorate: Budget

Ms McGOWAN (Indi) (12:29): I rise today to reflect on this week in parliament. As MP for Indi, my focus has been on regional living—what communities in regional Australia need to have good and productive lives in the places they choose to live. I have brought the views of my constituents to this place using the information collected from 726 constituents during the Indi budget impact tour. I have spoken about the importance of Landcare, and I have spoken about telecommunications and the importance of mobile phone coverage for regional people. I have asked the Minister for Communications about his plans to further combat this issue of mobile phone black spots. I have spoken about the National Rural Women's Coalition e-Leaders Program as a great example of innovation in rural community leadership. I have spoken about how Indi young people are responding to mental illness in regional communities. And today I have spoken about Bruck Textiles and the devastating impact that changes to the Textile, Clothing and Footwear Investment and Innovation Programs Act 1999 will have on this great business manufacturing in Wangaratta.

As you can tell, I am proud of regional Australia, especially the communities I represent, such as Wodonga, Wangaratta, Benalla, Yea, Mansfield, Kinglake, Mount Beauty, Beechworth and Rutherglen. I am proud of the people who live there, the ideas they have for their communities, and the actions they take to implement these ideas.

While acknowledging that the government has a clear mandate to manage the economy—and I will support them when I am sure there will be benefits for the people of Indi—there is one element of the budget that gives me great concern. It is the absence of a rural and regional ministerial statement for the 2014-16 budget. To my knowledge, every budget since 1996-97, with the exception of 2006-07, had a rural and regional ministerial statement which outlined the impact of the budget on rural and regional Australia. Without this statement in the budget people who live in Corryong, Eldorado, Alexandra, Marysville, for instance, cannot be sure—in fact, are worried—that they have not been taken into account in the creation of the budget. The discipline of doing these statements means that every department has had to look at the budget measures and do the work, often the hard work, of understanding how their policies will impact on regional Australia. I believe that uncosted interventions and the unintended consequences of some measures of the budget will have significant long-term impacts on rural and regional Australia and in the end it will cost us more money.

Mr Deputy Speaker Bruce Scott, I ask you and members of the coalition opposite if you could help me with this—that is, to ensure that the next two budgets that the government brings down have both a statement on rural and regional Australia and a statement on the impact on women. In previous years we have had a statement on the impact on women, but I note it was not included this year. I believe that the government needs a long-term plan for rural and regional Australia. I believe the government is committed to looking after us, but it needs to involve and talk to the communities and the stakeholders who best understand how we work.

In closing, I am very proud of regional Australia. It is a place that is full of fantastic people who need excellent representation in this place. I will support those elements of the budget, and I will support the appropriations bills, because I believe the government has a mandate to reform the economy. However, I will be working very hard over the next two years to ensure that regional Australia gets a better deal. I have started the process of consulting with
members of the community in Indi, my community, and communicating their views to many of the members, senators and members of the crossbench, particularly in the other place. All groups, particularly the government ministers, have shown great willingness to work together with me on these issues. I believe that many people in this parliament know what needs to be done in regional Australia, and I am optimistic that the much needed planning and reforms for regional Australia will come to fruition.

**Bonner Electorate: Wynnum Family Day Care**

*Mr VASTA (Bonner) (12:46):* Today I would like to recognise a standout achiever in child care and education in my electorate of Bonner. In January this year, Wynnum Family Day Care, managed by Ms Cathy Babbage, earned an excellent rating from the Australian Children's Education and Care Quality Authority. The ACECQA is an independent statutory body that was formed to help guide the implementation of the National Quality Framework for Early Childhood Education and Care across Australia. It is the only authority that can award the excellent rating, which is the highest rating possible under the national framework. Wynnum Family Day Care is the first ever family day care service in Australia to achieve this prestigious rating. In fact, there are only five other early education and care services in the country that have been awarded the excellent rating. This achievement is a testament to the amazing service Wynnum Family Day Care provides for bayside families.

The ACECQA has commended Wynnum Family Day Care because of its demonstrated excellence in a number of areas. It has said that the centre's service: exemplifies and promotes exceptional education and care that improves outcomes for children and families; demonstrates leadership that contributes to the development of a community, a local area or the wider education and care sector; and demonstrates commitment to sustained excellent practice through continuous improvement and comprehensive forward planning.

Wynnum Family Day Care has a number of programs that prove its commitment to achieving the best learning outcomes for its children. One standout that has helped earn its excellent rating is its Child Development Initiative. The CDI was created to identify potential development delays in individual children. It has helped identify speech and language support needs in children across Wynnum Family Day Care’s service. This has in turn seen it develop its speech and language development initiative. Very few day care establishments in Australia can claim that kind of highly specialised care and service for their children.

Wynnum Family Day Care has also proven it is willing to go another step to ensure its initiatives are always improving. It works with a number of organisations involved in recruiting and training childcare educators, including the In Safe Hands organisation and the Family Day Care Association of Queensland. As a result, its educators do exceptional work. They are often employed by families for their children through to school age, and commonly for subsequent siblings. This is yet another testament to Wynnum Family Day Care’s quality of care.

Wynnum Family Day Care is one of the most popular day care centres in the bayside and it has won a number of accolades that reflect this. It was awarded the title of Family Day Care Service of the Year in the 2013 Excellence in Family Day Care Awards. Now, with its excellent rating, it has deservedly been recognised as a premier provider of quality child care and superb educational outcomes for children which are constantly improving. Its staff and
management should feel incredibly proud of their achievement. I thank them for providing such an outstanding service for the people of Bonner.

**Urban Policy**

Mr GILES (Scullin) (12:50): In December 1972 Tom Uren was appointed as Minister for Urban and Regional Development in the Whitlam government. This was a watershed moment in Australian politics as it recognised the role that the Commonwealth government can and should have in our cities. In 1973—and on the day before the day I was born, I note in passing—Minister Uren wrote:

The Australian Government believes it must be positively involved in the life of our cities and that it has a significant role to play to ensure that they are our servants rather than our masters. In doing this, we are concerned that all people get fair access to a full range of public services and utilities such as schools, recreation, health services, public transport, adequate housing at reasonable cost, choice of employment, an adequate range of commercial and shopping facilities, community welfare services and essential services such as garbage and sewerage. These facilities need to be blended together in cities which retain a sense of human scale and a sense of belonging and liveliness. These are essential conditions ought to be available to everyone.

Prescient, visionary words from a great Australian, these bear repeating today and need responding to. This is a challenge that Labor is up for.

In Australia we have seen a significant shift in the demographics of our cities whereby formerly deprived inner-city areas are becoming gentrified and often unaffordable. These inner-city areas are close to all the public services and utilities that Mr Uren spoke of. The other aspect of this shift is that those on low and middle incomes are often being pushed further and further away from these services and opportunities in the cities, especially jobs. Many of the people that I represent in this place make up the latter of these two groups.

Scullin is an area of Melbourne's north that would profit from greater involvement in our cities from the Commonwealth, as would the electorate of Calwell, I am sure. Scullin experiences the best and worst that extraordinary levels of population growth have to offer us. The best is of course the different people, many of whom come from across the seas to us and bring inspiring stories of hard work, hope and dreams. Unfortunately, we also see something of the worst: a lack of infrastructure and job opportunities creating and compounding social dislocation. Labor went to the last election with a suite of policies designed to tackle these problems. For instance, Labor promised to fund Melbourne Metro, to build a real NBN to people's premises and, of course, to have a minister for cities putting the concerns of urban residents, in one of the most urbanised nations, at the centre of national government. These policies would have made a real difference to the lives of people in Scullin and throughout the suburbs of Melbourne and our other cities.

Instead, we have a government which pursues a policy of wilful neglect, claiming that urban policy is none of its business. The coalition recklessly axed the Major Cities Unit, much to the dismay of leaders in the field such as the Planning Institute of Australia and the Property Council—not traditional friends of the Labor Party. The Abbott government has withdrawn from the urban policy sphere and inflicted massive cuts on Commonwealth spending on urban public transport. Thomas Mulcair, Canada's opposition leader, recognises, as we do, the national interest we share in the success of our cities. He said yesterday:

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FEDERATION CHAMBER
There can be no national vision for our cities; no national 'project' without an urban project; no national agenda without an urban agenda.

Our self-described 'infrastructure Prime Minister' would do well to heed this advice, but we will not be holding our breath. Instead, we will get to work.

Labor has moved to promote the importance of urban policy, and caucus members are working together to share ideas including about the full potential of our cities. I want to pay tribute to the work of the member for Grayndler, who has been a tireless advocate in this place. He has been especially instrumental in his advocacy for urban rail and the importance of independent expert oversight of infrastructure investment. There is a large and growing body of work about cities. Labor believes experts should be listened to, not ignored. That is why we created Infrastructure Australia and kept it independent.

Australia is amongst the most urbanised nations in the world. It is vital that the Commonwealth is an active player in ensuring the economic health of our cities. Labor has always recognised urban policy is not just about amenity. Traffic congestion and poor planning can act as handbrakes on productivity. The Commonwealth needs to be engaged in this policy area for the sake of our economy. Cities are everybody's business. Labor knows this and that is why we are filling the void this government has left. I am pleased to advise we have already received a positive response from experts as well as from community leaders who wish to brief Labor members about issues affecting all of our cities. We will listen to our experts and give communities a voice.

In my own part of Melbourne, the Access Denied campaign shows both the strong level of support for major public transport investments and the deep interest in communities around having a say in shaping their cities. I look forward to working with them and communities around Australia and playing a part in driving the policy process so that our cities can realise the great vision that Tom Uren outlined so many years ago. We recognise that Australia in the 21st century can only realise its opportunities if it engages with the great challenge of ensuring that our cities are as productive, sustainable and liveable as they can be.

**Bennelong Electorate**

Mr ALEXANDER (Bennelong) (12:55): I rise to inform the House of several recent significant milestones in my electorate of Bennelong. Last month, Eastwood Fire Brigade celebrated 100 years of serving our community. I was honoured to attend the official centenary ceremony. Firies past and present attended, along with local dignitaries and Fire and Rescue NSW Commissioner Greg Mullins. We were treated to some local performances, as well as being able to appreciate onsite some refurbished early fire trucks that were lovingly restored by a third-generation fireman at his own expense. Eastwood Fire Brigade has grown from a volunteer brigade formed in 1914 to a brigade of 38 permanent firefighters stationed in Eastwood. They have come a long way since six men used to have to haul 356-kilogram hose reels up and down the hilly terrain of Eastwood. Now, they have modern fire engines and the latest equipment and technology. For 100 years, Eastwood firefighters have responded to major incidents—from industrial and residential fires to serious road accidents—ensuring the safety and protection of the local community and, at times, beyond. Last financial year, Eastwood firefighters responded to 1,761 fire and emergency calls and conducted more than 330 community education and engagement activities. I send my heartfelt congratulations to the Eastwood Fire Brigade and a huge thank you for its ongoing service to our community.
Recently I discovered a little piece of culture, a musical jewel, that exists virtually on my doorstep. The Ryde Hunters Hill Symphony Orchestra has been performing in Bennelong for a number of years and I was delighted to attend one of their performances just a few weeks ago. The orchestra's music filled the hall and took all members of the audience to a musical heaven. As the orchestra's mission statement promised, the performance ignited and fostered the wondrous joy of music-making. I was mesmerised by the experience and thoroughly enjoyed my afternoon at the symphony. Since experiencing the performance, I have met with the orchestra founder, Rita Lepedjian—I have also played tennis with her—and members of her board to work out ways to further promote the orchestra within Bennelong and beyond. Currently most of the musicians are passionate volunteers. In my humble opinion, the orchestra performs at a world-class level. Unfortunately, funding is an ongoing issue, so I am working with the board to establish a sustainable plan to keep the Ryde Hunters Hill Symphony Orchestra performing their beautiful music. This dynamic organisation combines a vibrant passion for music with enrichment and appreciation for both players and listeners. Stay tuned—pardon the pun—for more on the members' black-tie event that we hope to announce later this year featuring members of the symphony.

Finally, I wish to talk about one of our genuine local champions. The Bennelong electorate is characterised by the generosity of volunteers and those engaged to assist people less fortunate or who need a helping hand to get through their day-to-day life. Sometimes, that spirit is embodied in people employed in such endeavours. In the case of Sue Dennett, her commitment is so strong that there is no distinction between her role as principal of Karonga School and her involvement with the school and the greater community. Karonga School offers educational programs for students with special needs—from their early years through to the end of high school. The school offers special education within a caring and supportive environment, equipping these young people with lifelong skills. Many of these students have multiple disabilities.

Sue Dennett has touched the lives of all of these students and their families since she became principal of Karonga in January 2006. Sadly for Karonga, tomorrow is Sue's last day at the school before she heads off to begin a new phase of life in retirement. Sue's extraordinary work and contribution to our community over many years is most admirable. She has had a positive impact on the lives of all Karonga students as well as helping families at a very personal level through situations that many of us could never imagine. After 35 years of working for the department of education, 33 of those years in special education, I wish Sue and her family the very best for the future. On behalf of the community of Bennelong: Sue, thank you very, very much.

Question agreed to.

Federation Chamber adjourned at 13:00