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SITTING DAYS—2008

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- **GOLD COAST**: 95.7 FM
- **MELBOURNE**: 1026 AM
- **ADELAIDE**: 972 AM
- **PERTH**: 585 AM
- **HOBART**: 747 AM
- **NORTHERN TASMANIA**: 92.5 FM
- **DARWIN**: 102.5 FM
FORTY-SECOND PARLIAMENT
FIRST SESSION—THIRD PERIOD

Governor-General
His Excellency Major General Michael Jeffery, Companion in the Order of Australia, Commander of the Royal Victorian Order, Military Cross

House of Representatives Officeholders
Speaker—Mr Harry Alfred Jenkins MP
Deputy Speaker—Ms Anna Elizabeth Burke MP
Second Deputy Speaker—Hon. Bruce Craig Scott MP

Members of the Speaker’s Panel—Hon. Dick Godfrey Harry Adams MP, Hon. Kevin James Andrews MP, Hon. Archibald Ronald Bevis MP, Ms Sharon Leah Bird MP, Mr Steven Georginas MP, Hon. Judith Eleanor Moylan MP, Ms Janelle Anne Saffin MP, Mr Albert John Schultz MP, Mr Patrick Damien Secker MP, Mr Peter Sid Sidebottom MP, Hon. Peter Neil Slipper MP, Mr Kelvin John Thomson MP, Hon. Danna Sue Vale MP and Dr Malcolm James Washer MP

Leader of the House—Hon. Anthony Norman Albanese MP
Deputy Leader of the House—Hon. Stephen Francis Smith MP
Manager of Opposition Business—Hon. Joseph Benedict Hockey MP
Deputy Manager of Opposition Business—Mr Luke Hartsuyker MP

Party Leaders and Whips
Australian Labor Party
Leader—Hon. Kevin Michael Rudd MP
Deputy Leader—Hon. Julia Eileen Gillard MP
Chief Government Whip—Hon. Leo Roger Spurway Price MP
Government Whips—Ms Jill Griffiths Hall MP and Mr Christopher Patrick Hayes MP

Liberal Party of Australia
Leader—Hon. Brendan John Nelson MP
Deputy Leader—Hon. Julie Isabel Bishop MP
Chief Opposition Whip—Hon. Alex Somlyay MP
Opposition Whip—Mr Michael Andrew Johnson MP
Deputy Opposition Whip—Ms Nola Bethwyn Marino MP

The Nationals
Leader—Hon. Warren Errol Truss MP
Chief Whip—Mrs Kay Elizabeth Hull MP
Whip—Mr Paul Christopher Neville MP

Printed by authority of the House of Representatives
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<td>Windsor, Anthony Harold Curties</td>
<td>New England, NSW</td>
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### Members of the House of Representatives

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<td>La Trobe, Vic</td>
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<td>Zappia, Tony</td>
<td>Makin, SA</td>
<td>ALP</td>
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**PARTY ABBREVIATIONS**

ALP—Australian Labor Party; LP—Liberal Party of Australia; Nats—The Nationals; Ind—Independent

### Heads of Parliamentary Departments

- Clerk of the Senate—H Evans
- Clerk of the House of Representatives—IC Harris AO
- Secretary, Department of Parliamentary Services—A Thompson
RUDD MINISTRY

Prime Minister
Hon. Kevin Rudd, MP

Deputy Prime Minister, Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion
Hon. Julia Gillard, MP

Treasurer
Hon. Wayne Swan MP

Minister for Immigration and Citizenship and Leader of the Government in the Senate
Senator Hon. Chris Evans

Special Minister of State, Cabinet Secretary and Vice President of the Executive Council
Senator Hon. John Faulkner

Minister for Finance and Deregulation
Hon. Lindsay Tanner MP

Minister for Trade
Hon. Simon Crean MP

Minister for Foreign Affairs
Hon. Stephen Smith MP

Minister for Defence
Hon. Joel Fitzgibbon MP

Minister for Health and Ageing
Hon. Nicola Roxon MP

Minister for Families, Housing, Community Services and Indigenous Affairs
Hon. Jenny Macklin MP

Minister for Infrastructure, Transport, Regional Development and Local Government and Leader of the House
Hon. Anthony Albanese MP

Minister for Broadband, Communications and the Digital Economy and Deputy Leader of the Government in the Senate
Senator Hon. Stephen Conroy

Minister for Innovation, Industry, Science and Research
Senator Hon. Kim Carr

Minister for Climate Change and Water
Senator Hon. Penny Wong

Minister for the Environment, Heritage and the Arts
Hon. Peter Garrett AM, MP

Attorney-General
Hon. Robert McClelland MP

Minister for Human Services and Manager of Government Business in the Senate
Senator Hon. Joe Ludwig

Minister for Agriculture, Fisheries and Forestry
Hon. Tony Burke MP

Minister for Resources and Energy and Minister for Tourism
Hon. Martin Ferguson AM, MP

[The above ministers constitute the cabinet]
Minister for Home Affairs
Assistant Treasurer and Minister for Competition Policy and Consumer Affairs
Minister for Veterans’ Affairs
Minister for Housing and Minister for the Status of Women
Minister for Employment Participation
Minister for Defence Science and Personnel
Minister for Small Business, Independent Contractors and the Service Economy and Minister Assisting the Finance Minister on Deregulation
Minister for Superannuation and Corporate Law
Minister for Ageing
Minister for Youth and Minister for Sport
Parliamentary Secretary for Early Childhood Education and Childcare
Parliamentary Secretary for Defence Procurement
Parliamentary Secretary for Defence Support
Parliamentary Secretary for Regional Development and Northern Australia
Parliamentary Secretary for Disabilities and Children’s Services
Parliamentary Secretary for International Development Assistance
Parliamentary Secretary for Pacific Island Affairs
Parliamentary Secretary to the Prime Minister
Parliamentary Secretary for Social Inclusion and the Voluntary Sector and Parliamentary Secretary Assisting the Prime Minister for Social Inclusion
Parliamentary Secretary to the Minister for Trade
Parliamentary Secretary to the Minister for Health and Ageing
Parliamentary Secretary for Multicultural Affairs and Settlement Services

RUDD MINISTRY—continued

Hon. Bob Deus MP
Hon. Chris Bowen MP
Hon. Alan Griffin MP
Hon. Tanya Plibersek MP
Hon. Brendan O’Connor MP
Hon. Warren Snowdon MP
Hon. Dr Craig Emerson MP
Senator Hon. Nick Sherry
Hon. Justine Elliot MP
Hon. Kate Ellis MP
Hon. Maxine McKew MP
Hon. Greg Combet AM, MP
Hon. Dr Mike Kelly AM, MP
Hon. Gary Gray AO, MP
Hon. Bill Shorten MP
Hon. Bob McMullan MP
Hon. Duncan Kerr MP
Hon. Anthony Byrne MP
Senator Hon. Ursula Stephens
Hon. John Murphy MP
Senator Hon. Jan McLucas
Hon. Laurie Ferguson MP
SHADOW MINISTRY

Leader of the Opposition Hon. Brendan Nelson MP
Deputy Leader of the Opposition and Shadow Minister for Employment, Business and Workplace Relations Hon. Julie Bishop MP
Leader of the Nationals and Shadow Minister for Infrastructure and Transport and Local Government Hon. Warren Truss MP
Leader of the Opposition in the Senate and Shadow Minister for Defence Senator Hon. Nick Minchin
Deputy Leader of the Opposition in the Senate and Shadow Minister for Innovation, Industry, Science and Research Senator Hon. Eric Abetz
Shadow Treasurer Hon. Malcolm Turnbull MP
Manager of Opposition Business in the House and Shadow Minister for Health and Ageing Hon. Joe Hockey MP
Shadow Minister for Foreign Affairs Hon. Andrew Robb MP
Shadow Minister for Trade Hon. Ian Macfarlane MP
Shadow Minister for Families, Community Services, Indigenous Affairs and the Voluntary Sector Hon. Tony Abbott MP
Shadow Minister for Agriculture, Fisheries and Forestry Senator Hon. Nigel Scullion
Shadow Minister for Human Services Senator Hon. Helen Coonan
Shadow Minister for Education, Apprenticeships and Training Hon. Tony Smith MP
Shadow Minister for Climate Change, Environment and Urban Water Hon. Greg Hunt MP
Shadow Minister for Finance, Competition Policy and Deregulation Hon. Peter Dutton MP
Manager of Opposition Business in the Senate and Shadow Minister for Immigration and Citizenship Senator Hon. Chris Ellison
Shadow Minister for Broadband, Communications and the Digital Economy Hon. Bruce Billson MP
Shadow Attorney-General Senator Hon. George Brandis
Shadow Minister for Resources and Energy and Shadow Minister for Tourism Senator Hon. David Johnston
Shadow Minister for Regional Development, Water Security Hon. John Cobb MP

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

Shadow Minister for Justice and Border Protection; Assisting Shadow Minister for Immigration and Citizenship
Hon. Chris Pyne MP

Shadow Special Minister of State
Senator Hon. Michael Ronaldson

Shadow Minister for Small Business, the Service Economy and Tourism
Steven Ciobo MP

Shadow Minister for Environment, Heritage, the Arts and Indigenous Affairs
Hon. Sharman Stone MP

Shadow Assistant Treasurer and Shadow Minister for Superannuation and Corporate Governance
Michael Keenan MP

Shadow Minister for Ageing
Margaret May MP

Shadow Minister for Defence Science and Personnel; Assisting Shadow Minister for Defence
Hon. Bob Baldwin MP

Deputy Manager of Opposition Business in the House and Shadow Minister for Business Development, Independent Contractors and Consumer Affairs
Luke Hartsuyker MP

Shadow Minister for Veterans’ Affairs
Hon. Bronwyn Bishop MP

Shadow Minister for Employment Participation and Apprenticeships and Training
Andrew Southcott MP

Shadow Minister for Housing and Shadow Minister for Status of Women
Hon. Sussan Ley MP

Shadow Minister for Youth and Sport
Hon. Pat Farmer MP

Shadow Parliamentary Secretary Assisting the Leader of the Opposition and Shadow Cabinet Secretary
Don Randall MP

Shadow Parliamentary Secretary Assisting the Leader of the Opposition and Shadow Parliamentary Secretary for Northern Australia
Senator Hon. Ian Macdonald

Shadow Parliamentary Secretary for Health
Senator Hon. Richard Colbeck

Shadow Parliamentary Secretary for Education
Senator Hon. Brett Mason

Shadow Parliamentary Secretary for Defence
Hon. Peter Lindsay MP

Shadow Parliamentary Secretary for Infrastructure, Roads and Transport
Barry Haase MP

Shadow Parliamentary Secretary for Trade
John Forrest MP

Shadow Parliamentary Secretary for Immigration and Citizenship
Louise Markus MP

Shadow Parliamentary Secretary for Local Government
Sophie Mirabella MP

Shadow Parliamentary Secretary for Tourism
Jo Gash MP

Shadow Parliamentary Secretary for Ageing and the Voluntary Sector
Mark Coulton MP

Shadow Parliamentary Secretary for Foreign Affairs
Senator Marise Payne

Shadow Parliamentary Secretary for Families and Community Services
Senator Cory Bernardi
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Thursday, 28 August 2008

The SPEAKER (Mr Harry Jenkins) took the chair at 9 am and read prayers.

DELEGATION REPORTS

118th Assembly of the Inter-Parliamentary Union in Cape Town, South Africa and Bilateral Visit to the Hashemite Kingdom of Jordan

The SPEAKER (9.01 am)—I present the report of the Australian Parliamentary Delegation to the 118th Assembly of the Inter-Parliamentary Union in Cape Town, South Africa and a bilateral visit to the Hashemite Kingdom of Jordan.

As the report that I have just tabled attests, this was a highly successful, hardworking and informative delegation. I congratulate each and every delegate—the deputy leader, Danna Vale; the Chief Government Whip, the member for Chifley, Roger Price; the Government Whip, the member for Shortland, Jill Hall; and the member for Barker, Patrick Secker—for the significant contribution that each of them made to the delegation to the 118th Assembly of the Inter-Parliamentary Union in Cape Town and also to the bilateral visit to the Hashemite Kingdom of Jordan. It was a team effort.

I have only have a few minutes to speak to the detailed report and therefore cannot review all of the meetings undertaken by the delegation and the issues that were pursued. In relation to the IPU, I would commend to honourable members pages 4 and 5 of the report, which list the many highlights of the delegation’s work at the IPU. I am particularly pleased to report that the member for Shortland has followed in the path of the member for Riverina, Mrs Hull, and was elected as a titular member of the coordinating committee of women parliamentarians. This is a great honour for this parliament and Australia.

In a major achievement for the delegation, Australia proposed and was successful in having the IPU agree that its first committee should debate and finalise a resolution on nuclear proliferation and the comprehensive test ban treaty at its meeting in Addis Ababa in April 2009. It is a great honour for this parliament and for Australia that the member for Chifley, Mr Roger Price, was elected as a co-rapporteur for this debate. I know he has already undertaken significant work to facilitate this debate, and I wish him well for his work at the meeting of the IPU in Geneva in October, when he will conduct a workshop on the matter.

On behalf of the delegation, I congratulate and thank the parliament of South Africa for the extremely efficient and successful conduct of the assembly. Their hospitality was well received. I also place on record our appreciation for the way in which the Speaker of the National Assembly of South Africa, Ms Baleka Mbete, carried out her duties as the president of the assembly, especially the important motion that she put forward as her president’s statement on Zimbabwe.

The bilateral visit to Jordan was highly educative and informative. Every member of the delegation came away from this visit with an enhanced understanding of the history of Jordan and the Middle East and the dynamics of the complex challenges that impact on the peoples of this troubled part of the world. The delegation was impressed with and welcomes the moderate and responsible approach adopted by Jordan in what was quite rightly described as a ‘hard neighbourhood to live in’. The delegation was impressed with how the Jordanian people are addressing significant domestic challenges including refugees, access to water and lack of energy resources. They are addressing these with enthusiasm, resolve and commitment.
The delegation expresses its sincere appreciation to the Jordanian parliament for an outstanding program incorporating intense discussions on complex and challenging issues facing the Middle East. There is no doubt that Jordan is in the ‘eye of the storm’ of the Middle East process involving Israel and Palestine and wider issues of the region as a whole.

Other highlights for the delegation were two events that indicate Australia’s heritage in this region and Australia’s involvement during the First World War. We attended the opening of an exhibition of historical photographs from the Australian War Memorial collection. The exhibition, entitled Anzacs and the Great Arab Revolt, showed Anzac soldiers in and around Amman and Salt in 1918. The delegation was also extremely honoured and moved to attend the Anzac Day dawn service commemorating the landing at Gallipoli 93 years ago, on 25 April 1915. The service was conducted at the Citadel in Amman. The location is particularly appropriate as it was the site of military action between Anzac forces and some 2,500 Turkish troops, in September 1918, in what was described as a ‘short but violent battle’. We will indeed be pleased to hear of the commemorations of the 90th anniversary of this battle that involved the Australian Light Horse.

It is important that, in this statement, I place on the public record the delegation’s appreciation of the outstanding contribution made by Dr Hani Al Nawafleh, a member of the Jordanian House of Representatives, to the success of the visit. Dr Hani and his wife, Attica, are graduates of Monash University and lived and travelled in Australia during their time here. No delegation could have wished for a more enthusiastic, pleasant, committed and energetic ‘honorary host’ than Dr Hani. If it could, the delegation would have made him an honorary Australian for the outstanding services he provided to us. His willingness to make the visit a success was boundless, and this report attests that he achieved his goal.

The delegation highly commends the services provided by the Jordanian parliament, particularly by Mr Yaroub Al Habashney; the excellent security officers, led by Lieutenant Colonel Amjad Al Husami and Captain Mohamad Al Zabaidi; and the efficient transport officers.

Federal Agent Michael Jackson, who for obvious reasons likes to be known as Mick Jackson, worked tirelessly to coordinate security and other arrangements, and his contribution was much appreciated. The staff of the Australian Embassy in Jordan, particularly Ambassador Trevor Peacock and Deputy Head of Mission Victoria Young, could not have done more to ensure the success of the visit. The program for the visit was wide-ranging and well targeted, with significant appointments with the Jordanian Prime Minister, the Speaker of the House, the President of the Senate and several senior ministers. The delegation appreciated the time and effort of other embassy staff, particularly those who organised an excellent and informative program for spouses.

I congratulate and thank my fellow delegates for their work on this highly successful visit. I wish to express my sincere and massive gratitude to the secretary of the delegation, Neil Bessell, who has been the secretary to a number of delegations to the IPU. His breadth of knowledge on the IPU has been important to the ongoing success of Australia’s contribution to that organisation. I thank the House for its attention and I commend the report to the House.

Mrs VALE (Hughes) (9.09 am)—by leave—Mr Speaker, as deputy leader of the delegation under your leadership, I pay tribute to all members of the delegation for their
commitment, diligence and professional conduct as active participants. Together with the Speaker and me, the member for Shortland, the member for Chifley and the member for Barker made up a delegation team in which each of us made a significant contribution. We were expertly supported in our work by the delegation secretary, Mr Neil Bessell, from the Department of the Senate; Ms Debra Biggs, adviser to the Speaker; Ms Alison Purnell, Director, Ministerial and Parliamentary Branch, Department of Foreign Affairs and Trade, at the IPU; and Federal Agent Michael Jackson in Jordan. It is appropriate that our gratitude for their fine efforts be recorded in the *Hansard*.

There were many notable contributions that were made by our delegation at the assembly but, before I attempt to highlight some of these, mention must be made of the generosity and warmth with which the government of South Africa received the national delegates. Their hospitality was abundant and unrestrained and, besides the many functions, meetings, conferences and receptions provided to welcome delegates from 150 nations, their program for the partners of the delegates was outstanding. I take this opportunity to thank South Africa, the host nation, for its matchless generosity and hospitality. The impressive Speaker of the National Assembly of South Africa, Ms Baleka Mbete, was elected as president of the IPU assembly.

The Speaker participated in the general debate on the theme of the assembly: ‘Pushing back the frontiers of poverty’. The member for Barker took an active role in the debate in the First Committee on Peace and International Security. The member for Shortland undertook to debate in the Third Committee on Democracy and Human Rights. I joined the debate in the Second Committee on Sustainable Development, the topic being: ‘Parliamentary oversight of state policies on foreign aid’. I was also elected to the drafting committee to refine the resolutions on this topic for adoption by the IPU assembly and was elected rapporteur of the drafting committee and presented its final resolutions at the closing general assembly. The member for Chifley was elected to the drafting committee of the third committee to finalise the resolutions of the debated topic—‘Migrant workers, people trafficking, xenophobia and human rights’—for adoption by the general assembly.

Our delegation also lodged a proposal that at the 120th assembly, in 2009, the first committee consider the topic ‘Advancing nuclear nonproliferation and disarmament, and securing the entry into force of the Comprehensive Nuclear Test Ban Treaty: the role of parliaments’. We were supported by the United Kingdom, Japan and Zambia, and the proposal was adopted by the committee and endorsed by the assembly. The member for Chifley and the delegate from Zambia were appointed as co-rapporteurs for this topic to draft a report and resolution to be discussed at the 120th assembly. I congratulate the member for Chifley for his contribution and this honour.

Together with the member for Shortland, I attended the meeting of women parliamentarians. The member for Shortland was nominated by the Asia-Pacific geopolitical group, one of the two groups which Australia attends—the other being the Twelve-Plus Group—and was subsequently elected as a titular member of the Coordinating Committee of Women Parliamentarians and attended its meeting.

There was a roll-call vote on the inclusion of an emergency item on the agenda of the assembly, and our delegation participated in that vote. Our delegation also welcomed the presidential declaration on the Zimbabwe situation, which was made by the president
of the assembly. The delegation attended several bilateral meetings at which we commended Australia’s candidature for a seat on the United National Security Council in 2013-14.

Following that, the bilateral visit to the Hashemite Kingdom of Jordan by the delegation was also marked by the warmth and generous hospitality of our Jordanian hosts. We were all edified by meetings with the Prime Minister and Minister of Defence, the President of the Senate, the Speaker of the Jordanian House of Representatives and several other ministers and their staff. We were received with outstanding hospitality by the Jordanians, and special mention must be made of the affable Dr Hani Al Nawafeleh and his delightful wife, Attica, who went to extraordinary lengths to ensure our comfort and satisfaction at all times, including inviting us to their private home to meet their family.

My sincere appreciation goes to the Jordanian parliament for an outstanding program, which included focused discussions on the many complex and challenging issues that face the Middle East today. Some issues, like access to water and energy resources, are shared by Australia. Our delegation was immensely impressed by the intelligent and measured approach adopted by the Jordanian ministers in what has rightly been described as a ‘hard neighbourhood’.

This visit was highly informative and our delegation considers that Australian parliamentarians should take every opportunity to increase engagement with embassies in the Middle East in order to increase our understanding of its history and the dynamics of the complex challenges that impact the peoples in this troubled part of the world. It was a privilege and an honour to have been part of the Australian delegation to the Hashemite Kingdom of Jordan. I thank my colleagues and commend the report to the House. I seek leave to move a motion in relation to the report.

Leave granted.

Mrs VALE—I move:

That the House take note of the report.

The SPEAKER—The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting.

118th Assembly of the Inter-Parliamentary Union in Cape Town, South Africa and Bilateral Visit to the Hashemite Kingdom of Jordan

Report: Referral to Main Committee

Mrs VALE (Hughes) (9.15 am)—by leave—I move:

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

Question agreed to.

COMMITTEES

Economics Committee

Membership

The SPEAKER—I have received advice from the Chief Opposition Whip that he has nominated Mr Ciobo to be a member of the Standing Committee on Economics in place of Mr Turnbull.

Mr ALBANESE (Grayndler—Leader of the House) (9.16 am)—I move:

That Mr Turnbull be discharged from the Standing Committee on Economics and that, in his place, Mr Ciobo be appointed a member of the committee.

I do find it somewhat surprising that the shadow Treasurer is leaving the House economics committee, which I had the privilege to be on for a number of years. Perhaps he has other priorities, speaking to backbench members in his caucus, but it is quite extraordinary that you would have the shadow Treasurer resign from the key economics
committee of this parliament, which traditionally the shadow Treasurer has been a member of. It is of concern that the divisions within the coalition appear to be stopping the senior members of the coalition from doing what is fundamental to their jobs.

Question agreed to.

AUSLINK (NATIONAL LAND TRANSPORT) AMENDMENT BILL 2008

First Reading

Bill and explanatory memorandum presented by Mr Albanese.

Bill read a first time.

Second Reading

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (9.17 am)—I move:

That this bill be now read a second time.

The bill that the government is introducing today demonstrates our ongoing commitment to road safety and local road infrastructure.

The bill amends the definition of a road so that it includes heavy vehicle facilities such as rest stops, parking bays, decoupling facilities and electronic monitoring systems.

This will enable the government to provide funding for these facilities under our $70 million heavy vehicle safety and productivity package.

Funding for the package is contingent on the passage of the enabling legislation for the 2007 Heavy Vehicle Charges Determination, which was unanimously endorsed by the Australian Transport Council of Commonwealth, state and territory transport ministers in February this year.

That legislation would ensure that the heavy vehicle industry pays its fair share of the infrastructure costs incurred by governments for building and maintaining the roads that they drive on.

This legislation has been blocked by the coalition in the Senate, even though the determination and policy was proposed by the former government.

In a speech given on 28 June 2007 entitled ‘The coalition government’s transport reform agenda’, the then federal transport minister and Leader of the Nationals said:

The National Transport Commission will develop a new heavy vehicle charges determination to be implemented from 1 July 2008. The new determination will aim to recover the heavy vehicles’ allocated infrastructure costs in total and will also aim to remove cross-subsidisation across heavy vehicle classes. One in five road deaths involve heavy vehicles, with speed and fatigue being significant contributing factors. In 2007, there were over 200 road deaths in Australia involving heavy vehicles.

I have been consulting with the states and territories and stakeholders such as the Australian Trucking Association, Australian Livestock Transporters Association and NatRoads to identify the most urgently needed works.

The facilities that will be delivered under the heavy vehicle safety and productivity package will improve road safety and provide a better deal for truckies.

I would encourage the coalition to support this bill and the 2007 Heavy Vehicle Charges Determination legislation to enable upgrades to be rolled out as soon as possible after 1 January 2009.

This bill also extends the Roads to Recovery program. Under the current act, it will end on 30 June 2009. This bill will continue the program until 30 June 2014.

The Roads to Recovery program provides much needed funding to local councils...
Local governments are responsible for more than three-quarters of all Australian roads—over 810,000 kilometres.

The continuation of this program means that local government can confidently plan for the continued improvements of their road network.

This amendment supports the government’s commitment to increase our investment under the Roads to Recovery program over the next five years. We will increase the allocation from $300 million per year to $350 million per year.

This means that, over the next five years, we will provide $1.75 billion directly to councils to fix local transport issues.

The bill also makes amendments to clarify that Roads to Recovery funds can be allocated to a particular state while the most appropriate entity to finally receive the allocation is determined.

This will allow funds to be preserved while, for example, arrangements can be put in place to provide funds for roads in unincorporated areas where there is no local council or to provide bridges and access roads in remote areas.

Finally, for technical reasons, the bill removes the exemption from the sunsetting provisions of the Legislative Instruments Act to prevent an AusLink Roads to Recovery List for a period long gone remaining on the statute books indefinitely.

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

I commend the bill to the House.

Debate (on motion by Mr Farmer) adjourned.
government has proposed for the tax system so far. I say that because the stated rationale for proposing this measure, which is allegedly savings, has been completely exposed by the Senate Standing Committee on Economics, yet the government still barrels headlong into making these amendments for no apparent reason. I will deal with schedules 1 and 3 first, and then I will move on to talk about schedule 2.

Schedule 1 of this bill amends the Income Tax Assessment Act 1997. The object of this schedule is to provide capital gains tax relief for private health insurance policyholders who receive a cash payment when their insurer demutualises. It is specifically a response to the demutualisation of NIB last year and MBF this year. This is a sensible schedule. It builds on the coalition’s strong record and demonstrated commitment to providing all Australians with the choice of adopting private health insurance—a commitment that the government obviously does not share.

Schedule 3 of this bill amends existing taxation laws to ensure the proper operation of the taxation system. It makes relatively straightforward and minor changes to existing taxation laws to promote their intended operation, and it does have the coalition’s support.

I will move to schedule 2, which is the schedule within this bill that deals with family trusts. This schedule amends schedule 2F of the Income Tax Assessment Act 1936. The object of this schedule is to limit the definition of lineal descendants of the test individual or of the test individual’s spouse and remove the ability for a family trust to make a one-off variation of the test individual specified in a family trust election. This schedule is another very clear example of the Labor government’s inability to understand Australia’s tax system.

After extensive consultation, the coalition government introduced amendments in 2007 that updated the definition of ‘family’ to reflect the evolution of Australian family dynamics. These changes received widespread support throughout the community, although they were opposed at the time by the Labor Party, who seem to retain some sort of ideological objection to family trusts. The amendments made by the coalition government reduced the restrictions and compliance burdens that were placed on small business, farmers and professionals who use family trusts for perfectly legitimate purposes, including asset protection and business succession planning. The amendments included changes to the definition of lineal descendants, former spouses and widows, among others, and allowed family trust elections to be varied or revoked in certain circumstances, including the death of a particular individual. The coalition’s amendments received very broad support from a range of stakeholders across the country. Reversing the coalition’s amendments will substantially increase the compliance burden on all those small businesses, farmers and professionals who use family trusts, as I said, for perfectly legitimate purposes.

We often hear from the Labor government that they are concerned about red tape, they are concerned about compliance costs and they want to simplify the tax system. Yet time and time again we see that when they talk of cutting red tape or simplifying the tax system all they are really doing is repeating motherhood statements and slogans while they continually do the opposite—that is, increase bureaucracy, increase red tape and increase compliance costs. Schedule 2 of this bill is a great example of that. There are over 400,000 family trusts in Australia. The amendments in this legislation will burden a substantial portion of those and will increase
compliance costs and potential penalties and taxes.

The Labor government has justified these changes—rather absurdly, I think—as a savings measure. I say ‘rather absurdly’ because this rationale has been completely demolished by the Senate economics committee and by those who gave evidence before that committee when they were conducting hearings into this bill.

Indeed, the evidence that was presented there by the government’s Treasury indicates that the compliance costs with this measure will be enormous, whereas the savings will be paltry. Treasury believes that the savings for the amendments relating to lineal descendants will be around $1 million over the forward estimates. Yet, as we see from the evidence presented to the committee, the compliance costs will be enormous. So the government might save $1 million, but they are pushing literally tens of millions of dollars, perhaps hundreds of millions of dollars, of compliance costs with this measure onto the Australian community. That is the absolute absurdity of what we are debating here today.

I want to take this opportunity to inform the House about some of the evidence that was given to this Senate committee and to quote some specific passages from the dissenting report that was submitted by Senators Eggleston, Joyce and Bushby and which completely demolishes the rationale for this schedule in this bill. This passage relates to the alleged savings that occur within this bill. The dissenting report says:

... the methodology for calculating the quantum of savings was seen to be less than rigorous and, at least as far as it extended to the proposed amendment relating to lineal descendants, almost entirely absent ...

I will also quote from one of the Treasury officials who appeared before the committee, talking about where they found these alleged savings:

The costing of this represents the reversal of the earlier measure, so it is based essentially on the earlier costing of the changes to family trusts and family trust elections.

... ... ...

My recollection of the costing of this is that the lineal descendants, over the forward estimates period, is a very small part, probably around $1 million.

So the government is prepared to push all of these compliance costs onto people in the Australian community—and there are 400,000 family trusts in Australia—for a saving of $1 million. How absolutely ridiculous. Evidence that was received from other witnesses suggests strongly that there will actually be no savings from the amendment relating to lineal descendants. So you really need to ask yourself: why are we debating this here today? The government says it is a revenue-saving measure. All the evidence suggests that there will be minor savings, if any, yet the government still barrels headlong into pushing this through the parliament. For what rationale? I certainly have not heard the answer from the government and I will be interested if other speakers in this debate are able to provide any even remotely sensible reason as to why they want this legislation to pass this House.

I will read a little further from this evidence, because it is very compelling. I quote again from the dissenting report:

Despite the questionable calculations of savings, any savings that may be achieved as a result of the proposed changes will be well and truly lost by the cost that so many of the 400 to 500 thousand trusts will have to incur in order to re-adjust for the changes with no economic gain to the economy from this expenditure.

So the government seem happy to talk about how they want to reduce red tape and attack compliance costs within the economy yet,
every time they are presented with the opportunity to do so, they do the exact opposite. Of course, like so much with the Rudd government, all that ever happens with these things is talk; it never translates into any meaningful action.

The Senate evidence, and the fact that the government have not been able to provide a rationale for making these changes, further highlights the incompetence of this administration in managing Australia’s tax system. I think that with these proposals the government have demonstrated a whole new level of incompetence. They have introduced a tax measure that will allegedly provide for greater revenue to the government. Of course, we find out that it hardly does that. What it will do is provide greater revenue to accountants, advisers and lawyers, who will be forced to advise confused Australians who are having to contend with these ridiculous changes to the administration of family trusts.

Like a lot of what this government do—and again a big song and dance was made in the lead-up to the last election by the then shadow Assistant Treasurer, the now Assistant Treasurer, about how they were going to consult widely when they introduced changes to the tax system—these measures were introduced without any consultation at all. This is so typical of this government. They always talk a big game, but it never, never translates into action.

There is very wide agreement within the industry about these two measures. What the industry say, and what they have said to the Senate economics committee inquiring into this bill, is that these two measures will create substantial compliance difficulties for families involved in small businesses and farming in particular and will not deliver revenue savings to the government.

The Senate committee received seven submissions from leading industry groups and experienced practitioners, each expressing condemnation of these changes. For the benefit of the House I will read the names of those who made submissions, because it is a pretty impressive list of stakeholders who deal in taxation in Australia. The individuals and institutions who made submissions opposing this measure include: the Institute of Chartered Accountants in Australia, CPA Australia, the Taxation Institute of Australia, Family Business Australia, the Financial Planning Association of Australia, Mr Mark Leibler of Arnold Bloch Leibler and Halperin and Co. Pty Ltd—seven submissions, all of them strongly opposing this absurd measure.

Typically, trusts will have a vesting period of between 80 to 100 years. The measure limiting the definition of family falls short of the expected duration of trusts, which will lead lineal descendants outside the proposed definition to be subject to a penalty tax, family trust distribution tax, of 46½ per cent. This is another example of Labor’s high-taxing policy agenda for Australia’s tax system.

Because people have an increasing life expectancy in Australia, many people now live to enjoy watching further generations of their family grow up. It is foolish in the extreme to then limit the use of family trusts to two generations at best and only a single generation in some circumstances. I would just like to provide the House with an example of how silly this measure will be. A brother and a sister carry on a business under a family trust, where the sister is the nominated test individual. The proposed measures will mean that only the grandchildren of the sister and children of the brother are included. This excludes the grandchildren of the brother and the great-grandchildren of either. The absurdity of this schedule is that
it penalises the family when the test individual passes away.

As illustrated, the proposed measures will intentionally introduce a taxation anomaly to Australia’s tax system, and these measures simply cannot be justified as an integrity measure. The government has really proposed a de facto inheritance tax at the top marginal rate to all those Australians who have set up family trusts to provide certainty for future generations. These measures jeopardise the main instrument used for business succession and protecting family assets for future generations. The proposed measures will create complicated hurdles for family businesses to be passed through the family.

Labor’s national platform states that they will ensure that we have a taxation system that minimises compliance in collection costs. Again, we hear members of the government talk about this all the time. They talk about cutting red tape, they talk about reducing compliance costs, but never do we ever see this government’s good intentions translated into action. These proposed measures show that either Labor is incompetent in understanding the consequences of what they propose for Australia’s tax system or they have become so arrogant since the last election that they are just going to push measures through that are patently absurd when the rationale for those measures has been demolished by an independent inquiry in the Senate.

The coalition is not going to be part of this farce. We are going to oppose unnecessary complications of our tax system. I would like to inform the House that we did give the government an opportunity to excise this silly schedule from this bill so that the House could pass schedules 1 and 3, which we support because they are sensible schedules. The shadow Treasurer wrote to the Treasurer on 25 August offering to do just that. I am happy to table a copy of his letter for the benefit of the House.

Mr McClelland—I would like to see a copy of the letter before agreeing, so leave is not granted at this stage.

Mr KEENAN—I am happy to supply a copy of the letter to the Attorney-General, who will find that there is nothing particularly concerning in it. It was a sensible offer from the shadow Treasurer to excise schedule 2 from this legislation. We opposed schedule 2 because it is just a silly schedule that does not do what it says it is going to do.

Mr McClelland—Having had the courtesy of the letter being provided, I am prepared to consent to that being tabled.

The DEPUTY SPEAKER (Hon. BC Scott)—It is agreed to table the letter. Member for Stirling, I would suggest that it be usual practice that the courtesies are offered to those on the other side of the chamber in the future.

Leave granted.

Mr KEENAN—Thank you for your guidance, Mr Deputy Speaker. I note that the government has not bothered to formally reply to our letter, although I understand that it did do so verbally. Given that the government has failed to take our sensible suggestion to excise schedule 2—this silly measure that increases compliance costs that will increase the burden on many hundreds of thousands of Australians who use family trusts as a legitimate vehicle—we have no choice but to oppose this whole bill. I would urge members opposite to take a look at the report that the Senate economics committee tabled earlier in the week in the other place. I urge them to have a look at that report because the report and those who gave evidence before the committee completely exposed these changes for the farce that they are.
The coalition will oppose this whole bill. We would have liked to have had the opportunity to pass schedules 1 and 3. As I said, we offered that opportunity to the government but they failed to take it. So we will oppose this bill in the House and then we will take our case to the other place. Of course, in the other place the government will not be able to rely just on the strength of numbers to force this legislation through; they will be forced to mount an argument defending this nonsense. I do not doubt for a second that when they come to do that they will fail. The emperor well and truly has no clothes on these measures. The rationale for them has been completely exposed by the Senate. It is opposed by every submission that was made to the committee on this legislation. I would urge the House to consider that when we come to vote on these particular measures.

Mr PERRETT (Moreton) (9.44 am)—I am pleased to speak in support of the Tax Laws Amendment (2008 Measures No. 4) Bill 2008. I am particularly pleased to see that the member for Stirling has gone on the public record indicating to all of the NIB and MBF members that they will pay capital gains tax on this.

Mr Keenan interjecting—

Mr PERRETT—I would like him to write to the members of NIB and MBF in my electorate indicating to them that they will have to pay capital gains tax—

The DEPUTY SPEAKER (Hon. BC Scott)—The member for Stirling is out of his seat.

Mr PERRETT—because they were prudent enough to look after their private health insurance. That is a disgusting attack on the people of my electorate and all over Australia who have been prudent enough to have private health insurance.

The demutualisation of private health insurance funds has been a surprising bonus for policyholders. The accumulated surplus from the fund is distributed to existing members of that fund, and people like my mum and my sister will receive a bit of a windfall profit because they have been prudent enough to take out health insurance and have been financially able to do so. The downside is that the recipients of this profit are subject to capital gains tax. As the opposition has indicated, that is something they will have to put up with. The Rudd government was fair minded in trying to look after these people by bringing to the parliament this amendment that says that health insurance policyholders will not be subject to capital gains tax when their health fund demutualises. Obviously the opposition has indicated that this is not a smart way to do things. Instead, it is going to slap a capital gains tax on people who are already doing it a bit tough.

In the government’s eyes, this is great news for MBF and NIB policyholders. These funds were demutualised in the last financial year, so the policyholders who have received shares or a cash payment under these demutualisations would have had to include a capital gains tax in their 2007-08 tax return. However, as the government’s amendments are retrospective, people who have already lodged their return before this legislation is enacted will be entitled to have their assessments amended. As a lawyer, and with the Attorney-General in the House, we sometimes have concerns about retrospectivity, but this is a great piece of legislation in bringing in some retrospectivity—although, as the member for Stirling has indicated, there will be some problems in the Senate with trying to protect those people who had taken out private health insurance.

This gives certainty to policyholders of health insurance funds that have demutualised—all of those policyholders of NIB,
MBF and others who might be going down that road. Under the Rudd government’s plan, they can have confidence that they will not incur any capital gains tax for the shares or payments they received. However, the member for Stirling and the coalition have obviously got some explaining to do in arguing that policyholders should pay capital gains tax.

The government is not taking this measure because Treasury decided to be extra generous. Rather, it is a vote of confidence in private health insurers and recognition of the sacrifices that people make to maintain their private health cover. As I indicated at the start—and to declare a possible conflict of interest—my mum and my sister are in MBF, so they would have received these benefits. I, too, have maintained private health cover for my family, both in good times and when people are ill. I am with Teachers Union Health, a closed fund. I know many Australians make sacrifices to have private health insurance for lots of reasons.

The Rudd government recognises that a viable private hospital system is essential to the delivery of quality health care in Australia. The private hospital system makes a significant contribution to the health system. In 2005-06, close to 40 per cent, or more than seven million, hospital separations took place in private facilities in Australia. This lines up with the number of Australians who have private hospital cover, which in March 2008 reached 9.5 million people, or 44.6 per cent of the population. Many of those would be in NIB and MBF. In the year ending March 2008 private hospital admissions reached 2.4 million. This removes a significant burden from public hospitals.

The Rudd government is also working with states and territories to strengthen our public health system. One of the most appalling legacies of the Howard-Costello government is its gross underfunding of the public healthcare system. Over the life of the Howard-Costello government, it left state governments billions of dollars out of pocket on public health through the funding administered by the Australian healthcare agreements. In June 2007 state and territory health ministers released Caring for our health? A report card on the Australian government’s performance on health care. This report found that, around the nation, the Howard-Costello government was ripping off the public health system by around $1.1 billion every year. That equates to about 350,000 additional admissions each year.

Under the terms of the current agreement, my home state of Queensland was shortchanged around $2.6 billion. I do not have to tell you, Mr Deputy Speaker Scott, with your country constituents, that $2.6 billion buys a lot of surgeries, a lot of cataract operations, a lot of hip replacements, a lot of knee reconstructions and a lot of angioplasties—procedures that can change and save lives. It funds thousands of desperately needed doctors, nurses and allied health professionals, and it helps build and maintain modern health infrastructure that patients and staff deserve.

The Caring for our health? report also found a massive increase in patient numbers in Australian public hospitals. Between 1999-2000 and 2004-05, inpatient admissions increased by around 10 per cent, from 3.88 million to 4.28 million. The report found the coalition government was paying a smaller and smaller share of public hospital costs each year. In 2000 it contributed 50 per cent of the cost of running and maintaining public hospitals but, by 2005, that share had dropped to 45 per cent. Real people suffer because of the Howard-Costello ideological agenda, and the members opposite should be ashamed of themselves. The fact is that over 11 years the Howard government refused to
face up to its responsibilities and effectively ripped the heart out of the nation’s public healthcare system. This Rudd government is turning the tide. We are meeting our COAG commitment of $1 billion to be paid to the states to relieve pressure on public hospitals—hospitals like the PA hospital, which is across the road from my electorate; the QE II hospital, right in the middle of my electorate; and the Logan Hospital, which also services a lot of people in my electorate. We are negotiating a new, fairer healthcare agreement with the states and territories. All states and territories, along with the federal government, have committed to work together to ensure health funding delivers the best possible outcome for public health services throughout Australia. It is a new era of partnership when it comes to health. Isn’t it great to see state and territory governments working in true partnership with the Commonwealth—and I say that having worked for a state health minister in a former calling? The reality is Australians do not care where the money comes from. They do not care who is to blame. All they want is for the job to be fixed.

Mr PERRETT—Australians just want to know that their families will have access to affordable health care—whether it be the public or the private healthcare system—where and when they need it.

I thank the Assistant Treasurer for bringing this bill to the House and for recognising that it will benefit a large number of people in receipt of payments following the demutualisation of private health insurers. I would ask the member for Stirling to talk to his colleagues in the Liberal caucus room to make sure that NIB and MBF policyholders do not have to pay capital gains tax. Please do not put an unnecessary tax burden on those doing it tough in my electorate and throughout Australia. I hope that you can talk to your Liberal colleagues in the Senate and get this through.

I commend the bill to the House.

Mr ROBERT (Fadden) (9.54 am)—It is interesting that we find ourselves in the House this morning debating a range of bills that I think demonstrate Labor’s true colours. The Trade Practices Legislation Amendment Bill will come forward this afternoon. It seeks to roll back section 46 (1A) of the Trade Practices Act and reinstate the market-power test rather than the market-share test. Fifty per cent of Australians are employed by small businesses and Labor is seeking to roll back a reform that will directly impact them because of the predatory pricing of larger institutions. But it gets better. Not only does Labor want to wipe out small business in that respect; later on today we have the Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Emergency Response Consolidation) Bill 2008 whereby the Labor government is
seeking to allow pornography back into Indigenous communities in the north. As if the Little children are sacred report—which showed the direct linkage between child sexual assault and pornography in communities—was not enough, this Labor government wants to allow it back in again. That brings us to our current piece of legislation, the Tax Laws Amendment (2008 Measures No. 4) Bill 2008, which actually wants to roll back—

The DEPUTY SPEAKER (Hon. BC Scott)—I thank the member for Fadden. He was about to be brought back to the bill before the chamber.

Mr ROBERT—I am simply bringing to the House’s attention three bills that demonstrate Labor’s true colours in affecting small and medium enterprises and adversely impacting Indigenous brothers and sisters by allowing pornography back in again, and now through adversely affecting those who hold trusts. The coalition, of course, was intending to support schedules 1 and 3 of the bill and wrote to the government to say: ‘Remove schedule 2, which is unfair. It is unjust. It is proposed on a false premise.’ It was proposed as a budgetary saving measure. Treasury, within the Senate inquiry, made it very clear that the savings would be $1 million or perhaps a little more. Schedule 2 was promoted on a farce. In the words of the member for Kalgoorlie, it is ‘a complete dud’ of a schedule proposed by ‘a complete dud’ of a government. So the coalition, through some degree of generosity, said, ‘Remove schedule 2, which seeks to disadvantage Australians with trusts and to disadvantage those in rural and regional areas.’ But the government, in its arrogance, in its hubris, refused to do so, leaving the coalition no choice but to oppose the bill in its entirety.

The Australian people need to understand that we are now forced to oppose this bill because of the bloody-mindedness of a dud government that will not see the impact of schedule 2 on those who run trusts, and especially the intergenerational passing of those trusts. Schedule 2, of course, seeks to repeal two of the family trust changes made by the coalition government in 2007. A financial impact of $20 million over the forward estimates was put forward, but this has now quite clearly been shown to be a sham and a farce—as much of Labor’s legislation is slowly appearing to be. Treasury noticed that they could not justify that figure and that the savings would be considerably less.

There are two measures within this second schedule. The first proposes that the definition of family reverts to the previous definition, noting it will limit lineal descendants to children or grandchildren of the test individual or the test individual’s spouse. The second measure will remove the ability of the test individual specified in a family trust election to be changed. These changes were brought about in 2007 by the coalition government after enormous consultation to reduce the restrictions and compliance burdens placed on small to medium taxpayers. The key thing here is that the coalition brought in this piece of legislation after enormous consultation. Let us compare that to the budget measures that the Labor government brought in—an assault of over $2 billion on the condensate industry that will have a direct impact on the LNG industry. Was the LNG industry consulted? Were they asked for their input? Or in one fell swoop was that industry and indeed the sovereign rights that attached to it and to all exploration in this nation swept aside because of a Treasury measure?

Indeed, Woodside, at 1 pm yesterday, announced that they would pass on that full $2½ billion in increased gas costs to taxpayers in WA. That is the impact of implementing legislative changes without any consultation. And it continues with a raft of other
measures: alcopops tax, tax increases on luxury cars, $19.7 billion worth of taxes put upon the Australian people—a fraud enacted upon the people of the Commonwealth that they were not told about prior to the election. Whenever this farce of a government walks in here holding aloft and claiming a mandate to implement changes, may I remind those opposite that they have no mandate to increase taxes by $19.7 billion. They did not consult widely with the Australian people. They perpetuated a fraud on the Australian people and they will stand condemned for that fraud. So it is no wonder that a responsible opposition are saying to the Australian people: we are going to look at these fraudulent tax increases and we will make a considered opinion as to which ones should be allowed through and which ones should be voted on in the Senate.

Coming back to this fraudulent schedule No. 2, this Labor government has sought to justify the change as a revenue-saving measure—'It is all right; we are going to stuff with the full lineal descendents nature of trusts because we are going to save taxpayers some money.' This government rolled out a figure of about $20 million. It would be interesting to know where indeed it plucked that number from. Let me go to the dissenting report from the coalition senators—because, of course, on 12 August the Senate Standing Committee on Economics had a hearing to see and test the veracity of what this government is doing. It is becoming increasingly necessary to test the veracity of what this fraudulent dud government is seeking to do. The dissenting report says:

In brief, this schedule makes changes to the lineal descendents laws for Family Trusts ... It continues:

The current moves against changes to family trusts have little to do with closing loop holes and are far more, it appears, a move to transition trusts to entity taxation laws. The move to restrict the inter-generational nature of trusts works against the implicit nature of why we have trusts. Trusts are as much a relationship as they are an entity. Trusts are designed as a relationship within families to hold assets and to pass those assets down within families. Trusts are predicated upon keeping families and assets within them strong and passing them down. An assault on a trust is an assault on families. Mr Julian Cheng of the Institute of Chartered Accountants said during the inquiry:

... a lot of trusts have a typical vesting period of around 80 years. In practice, they can typically cover four generations. The proposed amendment to limit the definition of family is out of line with the expected life span of trusts.

The report continues:

The issue with the change to the test individual is that it starts to limit the lifespan of the trust and forces the trust to an event horizon where either the trust vests or the penalty tax is paid at 46.5 per cent—the current top marginal rate. It goes on:

As that is at a premium to the corporate tax rate, then the trust will become obsolete and companies will take their place. The benefit to the treasury is the long term removal of the tax advantage of discretionary trusts.

As discretionary trusts are one of the major ownership vehicles in family assets, especially rural land, then all current ownership structures will have to be reviewed, which has already started. For the discerning—and I will note that does not include the Labor government—and I will note that does not include the Labor government—majority non-real property asset structures will be moved overseas, for the majority of trusts, however, they will, for no apparent reason, have the tax nature of their asset changed.

So the question is: why an assault on family trusts? Why an assault on the basic nature of the family and their desire to pass assets
Are you aware of any groups of people who form family trusts—for example, in rural areas ...

The witness from Treasury replied:

...I understand that there are in the area of the rural communities. It would mainly be in the farming sector, where the land may be held separately to the business ... it might be because you want to segregate and control your assets in succession planning.

The rationale, it appears, for reversing these amendments was stated in the explanatory memorandum as being a savings measure. The explanatory memorandum says:

The trust loss measures protect the integrity of the income tax system by preventing the tax benefits arising from the recoupment of a trust’s tax losses and bad debt deductions being transferred to persons who did not bear the economic loss or bad debt when it was incurred.

This is perhaps noble if one were to take the words at face value, which I would caution the Australian people not to do when it comes to this government; yet evidence from Treasury indicated that, when this announcement was made by the government, it was announced as a savings measure. But when pushed Treasury said:

The costing of this represents the reversal of the earlier measure, so it is based essentially on the earlier costing of the changes to family trusts and family trust elections ...

And:

My recollection of the costing of this is that the lineal descendants, over the forward estimates period, is a very small part, probably around $1 million.

That is what the inquiry showed—that this is all about saving $1 million. The compliance costs for close to half a million trusts in this country will have to be reviewed and looked at to save $1 million. What if half a million trusts spent a few thousand dollars on accountants and lawyers to look at the compliance and the impact of these changes on their lineal descendants? The tens of millions of dollars of compliance costs on ordinary Australians—and in particular rural, remote and regional Australians—clearly bear no interest or no concern from this Labor government. It just wants to come out in the politics of envy and attack those who have trusts. Clearly, it is not a savings measure. You are saving $1 million and putting compliance costs of tens of millions of dollars upon Australians, so it is not a savings measure.

So why doesn’t the government call it as it is, as did the good minister at the desk, the Minister for the Environment, Heritage and the Arts, the member for Kingsford Smith, when he said, ‘When we get in, we will change it all’? That is exactly what this moribund, egregious piece of legislation is seeking to do. It is seeking to detrimentally harm rural, remote and regional Australians, particularly those with land, notwithstanding other Australians who hold trusts, to take away their opportunity and, indeed, right as a family to protect assets down family lines. The government wants to sweep that away because that does not fit in with its left-wing ideological bias. There is no other reason I can come up with, because the savings measure is only $1 million yet the compliance costs will be far greater. There is no other logical conclusion that can possibly be reached. Indeed, the minister at the table was correct: ‘Once we get in, we’ll just change it all.’ No word of the $19.7 billion in tax increases and no engagement with the community—‘We’ll just get in in a duplicitous, conniving manner and we’ll just change it all.’

Schedule 2 of the legislation is appalling. The government was given the opportunity to pull schedule 2 out for the benefit of Australia, to allow schedules 1 and 3 to come in. This arrogant government, who said that when it got in it would change it all, has decided not to pull it out. We have no choice,
then, but to protect Australian interests, to protect Australian families from this dupli-
tous government, and reject the entire bill. Be it on the head of this government, because when it got in it indeed changed it all.

Mr BRADBURY (Lindsay) (10.08 am)—I am very pleased to rise in support of the Tax Laws Amendment (2008 Measures No. 4) Bill 2008. In particular, I would like to comment on schedules 1 and 2 of the bill. I note that the amendments proposed in schedule 3 of the bill are largely of a techni-
cal nature. They are not so much substantive but directed towards correcting some minor drafting difficulties that have existed in the past.

Schedule 1 is a significant proposal that will affect many people throughout our community. I should in the interests of full disclosure acknowledge that my wife and I are policyholders with the MBF, which is obviously one of those entities that would be affected by the proposals currently before the House. In relation to demutualisation, the mutuality principle is a very well-known concept in the taxation context. Those mem-
bers or participants in a mutual fund contrib-
ute to the fund and continue to retain an in-
terest in the funds of the fund. Ultimately, where there is a decision taken by the com-
mon fund to divest the accumulated surplus of that fund, that is the process that we de-
scribe as demutualisation. Essentially, the interests, the rights and entitlements, that each of those individuals or entities have in the common fund are surrendered and, as a result of that, there is a distribution of the surplus funds contained within the fund.

In the absence of any statutory provision to provide relief from capital gains tax, capital gains tax would ordinarily apply in re-
spect of those distributions. I think it would be accepted that the notion of distributing funds back to the policyholders is by its na-
ture a CGT event and triggers a taxation li-
ability, whether that be in the form of a gain or a loss. These proposals are directed to-
wards ensuring that those policyholders, those participants in the health insurance sphere, when a surplus is distributed as a result of demutualisation, will have any gains or losses from a capital gains tax perspective disregarded. This is not an uncommon treat-
ment of this type of arrangement. If we look at it in the context of other insurers, general insurers and life insurers, for example, there is clearly a precedent for this type of treat-
ment. This bill merely seeks to clarify the position in relation to private health insur-
ance, which, in the context of what has oc-
curred in the past with NIB and, more re-
cently, MBF, is of real concern and real in-
terest to many policyholders who are expect-
ing to receive some of that distributed sur-
plus but may be uncertain as to the taxation implications of those events. So it is impor-
tant from that perspective—it is critical, in fact—that this parliament passes this legisla-
tion, to give certainty to policyholders so that they can be clear on what their taxation obli-
gations are in respect of that demutualisation and all other demutualisations that occur in this context into the future.

In relation to the treatment of any shares issued or any rights granted as a result of the demutualisation process, these proposals will ensure that those shares or rights, those inter-
est will be passed back into the hands of the individual or entity. But, for capital gains tax purposes, those interests will have a deemed market value as their cost base, which will ultimately be of significance for those individuals that later dispose of those interests and trigger a subsequent tax liability. There will be greater certainty about the quantum of that liability because through this proposal we are clarifying what the cost base is.
There is one further aspect of schedule 1 that I wish to comment on, in relation to ensuring that, in the case of a policyholder dying during the demutualisation process, the tax treatment of any interests that they are entitled to are passed on and similar tax treatment is provided to the executor or beneficiaries of their estate. That might seem like an unusual set of circumstances, but, considering the large number of policyholders of some of these mutuals, throughout that process—which can sometimes take some time—there will no doubt be cases where people fall into those categories. I certainly commend the bill and schedule 1 in respect of those changes.

In respect of the much vexed schedule 2, as previous speakers have indicated, it has been the subject of much discussion in the Senate and by the Senate Economics Committee’s report on this bill. To briefly outline the significance of the proposals, the amendments before us address the essential concern that the current definition of ‘family’ and the ability of family trusts to make a one-off variation to the ‘test individual’ specified in a family trust election—‘test individual’ being a concept set out in the legislation—provide more scope for family trusts to transfer the benefits of tax losses to future generations to lower their income tax. These amendments seek to change the definition of ‘family’ in the family trust election rules to limit lineal descendants to children or grandchildren of the test individual or of the test individual’s spouse. There was much discussion before the Senate committee about what ultimately the revenue impact or the savings impact of this might be.

As to the significance of this, I think one would be somewhat misinformed to approach this simply from a revenue perspective, because essentially there is a common-sense test that needs to be applied here. I think that what we are talking about, in the context of these rules, is where losses have been generated by an individual or by an entity. A fairly fundamental principle of taxation law is that, as to the benefit of losses—and losses do carry a benefit in taxation terms because they can be used to offset gains—where losses are incurred by an individual or an entity then that individual or entity has some ownership over those losses. It is not unreasonable for that individual or that entity to get the benefit of those losses to be offset against other income.

But it is a different proposition to start providing for transfers of those losses to others that might not have borne the real economic loss. Where that is done we start to get into some of the avoidance issues that emerge right across the tax system. That is why at the company level we clearly have rules in place—for example, the continuity of ownership test and the same business test—to ensure that there is not trafficking of losses, that individuals or entities that did not bear the economic cost of the losses are not the beneficiaries of those losses. In a sense this is, at a theoretical level, the argument that should have occurred before the Senate committee, but unfortunately there was what I think was a disproportionate focus on the revenue aspects. I want to go through and look at a couple of the comments made. In fact, I want to refer to one of the comments that was made in the dissenting committee report by coalition senators. It is on page 11:

The current moves against changes to family trusts have little to do with closing loop holes and are far more, it appears,— to do with— a move to transition trusts to entity taxation laws...

I will come back to entity taxation laws a little bit later. I will move on and look at some extracts from the transcript of the committee hearing. In particular I am inter-
ested in this following extract where Senator Bushby said:

For every extra that you earn over a certain point, you will still be paying the top individual tax rate.

Then Mr Noroozi of the Institute of Chartered Accountants in Australia replied:

I am happy to answer that question. Can I just make one point first: there may be some question over the way trusts are taxed at the moment; should the trust laws and the taxing of them be the way they are? I do not think that is a question for this committee on this legislation at the moment. That question was addressed. There was some talk some years ago as to whether trusts should be taxed like companies and the board of tax addressed that issue. There was long-term discussion—

And then Senator Bushby says:

I do not want to raise that as an issue.

I can understand why he would not want to raise that as an issue even though it came up in the context of the comments that were originally made by Senator Bushby. But I think it shines a little bit of light on what used to be the policy of the former government, for various parts of their time in government, on the vexed issue of entity taxation, which we all know was one of the subjects of the very strong recommendations of the review of business taxation, the Ralph review. In fact, the then Treasurer, the member for Higgins, indicated at the time that the government was prepared to adopt the recommendations of the Ralph review. We then had the situation where clearly there was a bit of strong-arming going on, particularly by the National Party. We hear all these stories about the ‘once-mighty’ member for Higgins and how the emerging economic contagion that confronts the world economy can only be confronted by bringing back and drafting the ‘once-great’ Treasurer. You would think that, in the face of not much more than a few whimperers at the time from the National Party, that the ‘once-great’ Treasurer would have been able to withstand the blowtorch of the likes of the National Party. But, unfortunately, as the historic record shows, he was not able to do that.

We saw what I think is one of the most ignominious examples of a minister, in particular a Treasurer, backing down on a policy that he had committed his government to. On 11 November 1999, the then Treasurer distanced himself from entity taxation, and that was after having previously adopted the recommendations of the Ralph review. I am most interested to note his justification for walking away from entity taxation. Clearly, as we all know, behind the scenes there was the great threat that the National Party posed. Let us look at what reasons were ostensibly offered up at the time by the then Treasurer. He said:

As outlined in the Government’s 21 September announcement on business taxation reform, the consistent tax treatment of trusts and companies will commence from 1 July 2001. The commencement of entity taxation was deferred—to begin with it was deferred; the decision was not taken to can it straightaway—in recognition of the current demand on business associated with the need to address Y2K compliance needs—

There was a lot of hysteria in the lead-up to the so-called arrival of the millennium bug. We all know that a lot of efforts went into preparing for that, but it really fizzled out. It seems to me that the lasting legacy of the threat posed by the Y2K bug was that it hammered the final nail in the coffin of entity taxation. The once great former Treasurer was brought to his knees by the Y2K bug, and that was the end of entity taxation. It seems that it also signalled, once again, the dominance of the National Party in driving economic policy within the former coalition government. It is a sad record. I am not surprised that Senator Bushby did not want to go any further down that line of questioning,
but it is one that inevitably emerges in discussion of the current position of the opposition in relation to this set of measures.

There is one final extract from the discussion that I wish to refer to. I think this is relevant for a few reasons. This is also in an exchange between Senator Bushby and Mr Noroozi. Senator Bushby says:

… You mentioned earlier that one of the advantages of the legislation that was passed last year was that it made it easier for small businesses to carry forward losses and to deal with those in an appropriate manner, but you suggested that there were a number of hoops that they would have to go through if that legislation had not been passed.

Mr Noroozi—I am sorry; I may have misled you. I was saying that, for trusts generally to utilise their losses—forget family trusts for a minute; just trusts generally—there are a number of hoops they have to go through. The rationale is that the underlying individuals or whoever, taxpayers, who incurred the loss should be able to also recoup it—the same individuals. However, with family trusts, because you know that the beneficiaries are usually members of the same family, there is a presumption that the same people that incurred the loss will also be—this is putting it very simply and perhaps not accurately. Basically with election to be a family trust—

And he goes on. The essential point that he is making there is the point I was making earlier. Where a loss is incurred, the value of that loss should only be available to the individual or the entity that incurred the true economic cost of that loss.

The amendments that were introduced that brought about this situation extended the scope of the definition of family and brought individuals such as the lineal descendants of nephews into the picture. There may be some families where there is an argument that a nephew’s descendant is so inextricably linked into the economic unit of the uncle or the aunty that they should legitimately be able to obtain the benefit of the loss—because in some way they incurred the economic cost—but I would think that that would be an absolute and very small minority of cases. That is what we are talking about here. It is a perversion of one of the most fundamental principles of our taxation system, and that is that losses should only be available to be utilised by those that incurred the economic cost.

Those on the other side who want to lecture those of us in the government about economic management, about economic purity, should have a good hard look at themselves, because, frankly, in going down the populist path that they are going down, pandering to the National Party, they are simply surrendering the last vestiges of the credibility that they once had. They do not have a lot of credibility on this issue. The member for Higgins and his dismal performance in relation to entity taxation is a perfect example of where, when it comes to confronting real economic reform in this country, vested interests—more often than not the National Party—unfortunately get in the way.

I want to quote from a Financial Review editorial. I note that the Financial Review do not always agree with things that I say, but on this occasion I agree with something that they said back on Friday, 8 December 2000. The heading to this editorial was ‘Tax reform left in the lurch’. The comment that begins the editorial is salient:

The failure to push the Federal Government’s new tax treatment for trusts through Parliament this week represents another blow to the once ambitious business tax reform agenda that promised “a new tax system” rather than just a new tax.

With the benefit of hindsight, we all know that the charade that was the review of business taxation and the charade that was the new tax system were about one thing alone—delivering a new tax.
Those on the other side have surrendered their reform credentials and their economic credentials. If they are prepared once again to succumb to vested interests, not to support an election commitment of this government and to do what they have done on so many other fronts—to block significant revenue measures that will produce a significant part of our budget surplus—then once again they are demonstrating that they have lost touch with the central economic challenge facing this country. I commend the bill to the House.

Mr BOWEN (Prospect—Minister for Competition Policy and Consumer Affairs, and Assistant Treasurer) (10.28 am)—in reply—I thank all members who have contributed to this debate: the member for Lindsay for his usual well-considered and erudite contribution, the member for Moreton likewise, the member for Stirling and the member for Fadden. I recognise the cross-party support for schedule 1 of the Tax Laws Amendment (2008 Measures No. 4) Bill 2008. Schedule 1 provides relief from capital gains tax for policyholders of private health insurers that convert from a not-for-profit insurer to a profit insurer by demutualising. The amendments will facilitate the demutualisation of private health insurers and will apply from 1 July 2007. These amendments disregard any capital gains or losses that arise to policyholders under the insurer’s demutualisation. The amendments also ensure that no other tax consequences will arise to policyholders from receiving a cash payment or an issue of shares under the demutualisation. Policyholders who receive shares in the demutualised insurer will receive a market value cost base for those shares. These amendments will also allow shares issued under the insurer’s demutualisation to be held on trust and then transferred to or sold on behalf of policyholders who are unable to directly receive their shares without capital gains tax consequences for the trustee.

In relation to schedule 2, I note that this has not been an area of agreement between the two sides of the House. I must take this opportunity, in summing up, to correct some of the misstatements from members opposite. I am sure they are genuinely misguided. I am sure they are not deliberately misleading the House but they are misleading the House nonetheless. Firstly, on the issue of costings, the member for Stirling, the shadow Assistant Treasurer, said that the change in the lineal descendants mechanism would save the government $1 million over the forward estimates. He quoted extensively from the Senate inquiry evidence and alleged that this would save $1 million over the forwards. I need to correct the record and refer to the evidence from the Treasury to the Senate inquiry. Mr Brown, who is a Treasury official, said:

My recollection of the costing of this is that the lineal descendants, over the forward estimates period, is a very small part, probably around $1 million.

The evidence continues:

Senator Bushby—$1 million out of the $20 million?
Mr Cicchini—Each year.
Mr Brown—Each year.

 Senator BUSHBY—$1 million each year?
Mr Brown—Each year.

It is not $1 million over the forward estimates; it is $1 million each year—a fundamental mistake by my honourable friend the shadow Assistant Treasurer. Mr Brown went on to say:

But that number outside of the forward estimates period would grow.

That is a fundamental point. It is not simply about savings over the forward estimates but also about protecting the integrity of the tax system going forward. It is about protecting
the revenue base going forward to ensure that we continue to have a fundamentally robust revenue base and that changes made by the previous government do not undermine that revenue base. That is the first mistake from the shadow Assistant Treasurer, who, once again, was not completely on top of his brief.

Secondly, we had an allegation from members opposite that the government should have split this bill and that, because we have arrogantly refused to split the bill, they are forced to vote against it. Tax bills are omnibus bills. It is the way it has worked for time immemorial. The government puts a range of measures in tax bills. The job for members opposite, as it was for me when I was the shadow Assistant Treasurer, is to recommend and to determine whether to support or oppose the bill as a whole. And may I introduce members opposite to the concept of an amendment. If you do not like part of the bill you amend the bill. You propose an amendment. You move that a schedule be removed or you propose other changes. The government then accepts or rejects the amendment and the House votes. That is how it works.

The opposition are constantly calling on the government to split bills so that they can vote for parts that they like and so that the other parts can be put in a separate bill. That is not generally how it works. I am happy to split bills if there are timing issues—if there are particular parts that the opposition genuinely want more time to examine if it would have an implication for the timing of other bills. I am always happy to consider those requests on their merits. But, where the opposition oppose part of a bill but support the other part of the bill, they have to make the call. It is not our job to make the call for them. They have to make the call. They can move an amendment if they wish. If that amendment fails in either house, they have to make a judgement on balance as to whether to support the whole bill. That is a matter for them. That is what we used to do when I was shadow Assistant Treasurer: we would move amendments if we did not like parts of the bill and then, if those amendments failed—as they regularly did—we would make a call as to whether to support or oppose the bill. That is what you do.

I think the opposition have indicated that they oppose this bill. That is fine. They have made a judgement that, while they will support schedule 1—

Mr Keenan—Mr Deputy Speaker, I rise on a point of order: why doesn’t the Assistant Treasurer address the substance of what we are actually discussing here today rather than lecture the opposition—

The DEPUTY SPEAKER (Mr AJ Schultz)—There is no point of order.

Mr Bowen—As I was saying, they have made a judgement, as I understand it, on balance, that they oppose the bill. That is fine. That is their right. They have made the judgement that opposing schedule 2 is more important than supporting schedule 1—that protecting the lineal descendants of family trusts is more important than providing capital gains tax relief for members of health funds which demutualise. That is fine. That is their judgement. We disagree. It will go to a vote and the House will decide. When it goes to the other place, every senator is entitled to move an amendment. We will not be splitting bills if the opposition decide that they support bits of a bill and oppose other bits. They have to move the amendments and then vote accordingly.

This bill represents a clear election commitment by the now government. It is part of our savings plan. It saves $19 million over four years. Those were the estimates prepared by Treasury. They cannot have it both ways. They say that the Treasury estimate is
Mr Keenan interjecting—

Mr BOWEN—No, the shadow Assistant Treasurer is again incorrect. The new government did not proceed with reversing all of the changes. The ones of a technical nature which made eminent sense, relating to family breakdowns, are excluded. So the shadow Assistant Treasurer is again, unfortunately, not on top of his brief. This was a clear election commitment and an important part of our savings package. I commend the bill to the House.

Question put:
That this bill be now read a second time.

The House divided. [10.39 am]

(The Deputy Speaker—Mr AJ Schultz)

AYES

Adams, D.G.H. Albanese, A.N.
Bevis, A.R. Bidgood, J.
Bird, S. Bowen, C.
Bradbury, D.J. Burke, A.E.
Byrne, A.M. Butler, M.C.
Champion, N. Campbell, J.
Clare, J.D. Cheeseman, D.L.
Combet, G. Collins, J.M.
Danby, M. D’Ath, Y.M.
Dreyfus, M.A. Debus, B.
Ellis, K. Elliot, J.
Ferguson, L.D.T. Emerson, C.A.
Fitzgibbon, J.A. Ferguson, M.J.
Georganas, S. Garrett, P.
Gibbons, S.W. George, J.
Griffin, A.P. Gray, G.
Hall, J.G. * Hayes, C.P. *
Irwin, J. Jackson, S.M.
Kelly, M.J. Kerr, D.J.C.
Livermore, K.F. Macklin, J.L.
Marles, R.D. McClelland, R.B.
McKew, M. McMullan, R.F.
Melham, D. Murphy, J.
Neal, B.J. Neumann, S.K.
O’Connor, B.P. Owens, J.
Parke, M. Perrett, G.D.
Plibersek, T. Price, L.R.S.
Raguse, B.B. Rea, K.M.
Ripoll, B.F. Saffin, J.A.
Roxon, N.L. Sidebottom, A.L.
Shorten, W.R. Snowdon, W.E.
Smith, S.F. Swan, W.M.
Sullivan, J. Tanner, L.
Symon, M. Thomson, K.J.
Thomson, C. Turnour, J.P.
Trevor, C. Zappia, A.

NOES

Abbott, A.J. Bailey, F.E.
Baldwin, R.C. Billson, B.F.
Bishop, B.K. Bishop, J.I.
Broadbent, R. Cobb, J.K.
Ciobo, S.M. Coulton, M.
Costello, P.H. Farmer, P.F.
Dutton, P.C. Haase, B.W.
Gash, J. Hawke, A.
Hartsuyker, L. Hockey, J.B.
Hawker, D.P.M. Hunt, G.A.
Hull, K.E. * Jensen, D.
Irons, S.J. Keenan, M.
Johnson, M.A. * Lindsay, P.J.
Ley, S.P. Marino, N.B.
Macfarlane, I.E. Morrison, S.J.
Markus, L.E. Neville, P.C.
Pearce, C.J. Ramsey, R.
Randall, D.J. Robb, A.
Robert, S.R. Ruddock, P.M.
Secker, P.D. Slipper, P.N.
Smith, A.D.H. Somlyay, A.M.
Southcott, A.J. Stone, S.N.
Truss, W.E. Tuckey, C.W.
Turnbull, M. Vale, D.S.
Washer, M.J. Windsor, A.H.C.
Wood, J.

* denotes teller

Question agreed to.

Bill read a second time.
In division—

Mr Randall—Mr Deputy Speaker, on a point of order: the use of cameras in the chamber is forbidden. A government member is using a camera in the chamber.

The DEPUTY SPEAKER (Mr AJ Schultz)—The member for Canning has a valid point of order. If any member has a camera in the chamber, they are not to use it. The camera should not be in the chamber.

Third Reading

Mr BOWEN (Prospect—Minister for Competition Policy and Consumer Affairs, and Assistant Treasurer) (10.47 am)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

TELECOMMUNICATIONS INTERCEPTION LEGISLATION AMENDMENT BILL 2008

Report from Main Committee

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

Ordered that this bill be considered immediately.

Bill agreed to.

Third Reading

Mr GARRETT (Kingsford Smith—Minister for the Environment, Heritage and the Arts) (10.48 am)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

FAMILY LAW AMENDMENT (DE FACTO FINANCIAL MATTERS AND OTHER MEASURES) BILL 2008

Second Reading

Debate resumed from 25 June, on motion by Mr McClelland:

That this bill be now read a second time.

Mr MORRISON (Cook) (10.49 am)—I am pleased to have the opportunity to comment on the Family Law Amendment (De Facto Financial Matters and Other Measures) Bill 2008. This is an important bill. It raises some very important issues about the nature of relationships and families in our community, what happens when they go wrong and our obligations to ensure that those who are vulnerable and dependent in these relationships—that is, children—are protected.

The minister’s second reading speech implies that this bill is predominantly about inequities faced by same-sex couples. I believe something fundamentally more significant is at stake in this bill. It is about recognising and providing a mechanism to deal with the responsibilities of being in a relationship, whatever form that relationship may take. While I appreciate and respect the fact that not all Australians choose to establish relationships in the way I believe is the most ideal way to pursue a committed relationship, which is marriage—a loving marriage relationship is the most secure environment in which to raise a child, and such unions should be forever reserved for opposite-sex relationships; I also believe that every child has the natural and fundamental right to a mother and a father and that our laws should protect this right above any other claims—I also appreciate and respect that Australians will choose to establish relationships in other ways.

There are many different types and forms of relationships in families and we need to ensure that those who live in these relation-
ships—especially children, who are most vulnerable in these relationships—are protected. We must also recognise that all citizens have rights in relation to property that arise from these relationships. Sadly, these rights often only become tested and threatened when these relationships fail. Such rights should be unaffected by distinctions in the nature of these relationships—whether de facto or marriage, same sex or opposite sex. Such distinctions should not compromise anyone’s property rights.

Unlike another bill that recently came before this House, this bill does not seek to lump together for definitional purposes all relationships under one banner. This bill, in definitional terms, preserves the distinction and primacy of marriage in our national laws—and may that be the case for all bills that come before this place. I hope that the approach now being considered in this bill applies to the same-sex relationships bill that is now before the Senate. I also note that action on these issues did not commence with the initiation of this bill. These issues that until now have been the province of the states have been on the table since 1976. It was not until 2002, under the Howard government, that agreement was reached between the states to refer powers to the Commonwealth on these issues. We now have the bill before us, which takes the next step, following enabling legislation in Queensland, Victoria, New South Wales and Tasmania, with the western states still to come on board.

In discussing the bill further, we should note what this bill does not do. The bill does not create for the first time the right for the Family Court to deal with family matters in relation to de facto relationships. This coverage has also existed in the state courts for a number of years. This bill enables the Family Court to deal with both family and property rights issues, relating to a relationship breakdown, at the same time.

The great leap forward in this bill is not really for same-sex couples. The great leap is to enable the Family Court to better provide for the care of children who are part of a family where the parents are in a de facto relationship and that relationship has failed. As a consequence of this bill, the economic means available to both partners can be put on the table and assessed to see how best they can provide support for the children who are affected. So we have this opportunity now, when matters to do with a relationship breakdown—such as custody of children—are being addressed by the Family Court, to go further and allow the court to deal concurrently with working out how these children are going to be provided for in the future. This is, I think, the true great merit of the intent of this bill. More significantly, in the case of New South Wales and Victoria, it will provide the added benefit of allowing the court to consider future needs—which currently is not possible in the state courts in both of these jurisdictions—as well as past contributions on which the current decisions have been based, to ensure primary caregivers have the resources they need to support the child on a long-term basis.

It is a very sad thing—and, Mr Deputy Speaker, I am sure you and others in this House would agree—that far too many of the issues that come through our offices, as members of this House, are to do with the tragedy of failed relationships. We see it in child support issues. We see it in those who have chosen to walk away from their responsibilities and who have left the primary caregiver in an invidious position. I feel for the primary caregiver in that situation. It is largely women who are in that situation. I
have sat with them and listened to their stories and their frustrations. What always touches me is that, despite their own stress and their own sense of loss of both a relationship they once valued and the quality of life they used to enjoy within that relationship, where their heart burns is for the situation their children are now in and the situation their children could have been in had that relationship been able to be sustained and had the person who left that relationship lived up to their responsibilities in providing care.

Now we have a situation, under this bill, where these matters can be addressed concurrently. It will be children who will be the winners, regardless of the relationship they happen to find themselves in. It is not the children who decide to live in a de facto relationship. It is not the children who decide to live in a marriage relationship. It is not the children who decide whether that relationship is working or not working. One of the saddest things you hear from children who have grown up in families that have broken down is that they sometimes feel a horrible sense of guilt or blame themselves. There can never be any guilt or blame placed on a child in those relationships. Relationships are the responsibility of those who are in them, not the children. So I think that the opportunity we have here to ensure that they are protected is a very worthy one. We should do all we can to provide whatever protections we can in this place to preserve the standard of living of these children.

Recent statistics released by the Australian Institute of Family Studies show that people living in cohabiting relationships accounted for 15 per cent of all people living with a partner in 2006. So 15 per cent of all the relationships that are out there are now cohabiting relationships. That is compared to 10 per cent only 10 years earlier. Other studies by the institute also highlight the increased risk to children of relationship breakdown in families where there is a de facto relationship. A recent report showed that between 1975 and 1995—these are the most recent statistics available—on average more than a third, 34 per cent, of people cohabitating separated within five years of commencing. The comparable figure for marriage relationships over the same period is less than eight per cent. That is less than eight per cent compared to 34 per cent. These figures, I think, highlight the fact that cohabiting relationships, clearly, on the numbers, have a greater propensity to break down in the early years. Again, this bill, which provides a mechanism to enable both property and family law issues to be dealt with concurrently in those situations, is urgently needed on the basis of those figures alone.

Of greater concern is the rate of increase of breakdowns for each of these forms of relationship—both marriage and de facto. The rate of breakdown in cohabitation relationships increased from 30.9 per cent between 1975 and 1979 to 38.2 per cent between 1990 and 1994. For marriage it rose from 6.9 per cent to 8.8 per cent over the same period. So both rose, but there was about an eight per cent rise in the breakdown rate of cohabitation relationships in the first five years. These figures highlight starkly the increased fragility of de facto relationships over the marriage alternative. In the same report it is estimated that the number of children born outside marriage increased from around four to six per cent in the early 1960s to one-third in 2006. So one-third of children born today are growing up in relationships based on a de facto arrangement. We therefore have an increasing number of children who are living in families in this type of relationship and, as I have said, whose interests must be protected.

Further to this a survey found that, while it is best to retain the active involvement of
both parents in the lives of children post
separation, half of separated mothers and
fathers indicated their relationships with the
child’s other parent was friendly or coopera-
tive—so the other half clearly did not. In a
separate report, conducted for the Depart-
ment of Families, Housing, Community Ser-
vices and Indigenous Affairs, Parenting and
families in Australia, it was found that lone
parents were significantly more likely to re-
port a higher number of stressful life events
than partners who were in an intact relation-
ship—married or de facto.

The children in these relationships will al-
ready face significant emotional and family
challenges when these relationships break
down, and it is therefore totally appropriate
that we take steps as proposed in this bill to
provide protection through the concurrent
consideration of family and property law
issues, and that at the very least we do all we
can to ensure that children are at least pro-
vided for as a first priority.

This issue, essentially about providing
protection at the bottom of the cliff—this is a
bottom-of-the-cliff measure in relation to
families—is a timely reminder of the urgent
need to ensure that we do whatever we can in
this place to avoid the situation occurring in
the first instance. I am sure all of us would
agree, in whatever form we wish to, that
family is the bedrock of our community. The
Governor-General, soon to depart the post,
made this point the other night in the Great
Hall. Family is the bedrock of our commu-
nity. As families fail, whatever form they
may take, our society also fails. Every year
families come under greater pressure. A key
policy focus of every government must be to
keep relationships and, in particular, family
relationships together.

In research conducted for the report I re-
ferred to earlier, half of parents with children
under the age of 18 recently surveyed by the
Australian Institute of Family Studies believe
that is hard for couples to maintain a good
relationship in today’s society. The Parenting
and families in Australia study shines a light
on some of the issues we need to face. The
report also looked at the prevalence of life
stress events amongst particular groups of
people and families and the health of their
relationships. The events included financial
crisis, uncertainty in relation to employment,
problems with police or court appearances,
and issues with drugs and alcohol in the
home. The report noted that parents who
were unemployed were far more likely to
report stresses than parents working full
time, part time or those classified as not in
the labour force. Keeping people in jobs and
putting people in jobs is critical to keeping
families together.

In this place yesterday the Deputy Leader
of the Opposition repeatedly sought an indi-
cation from the government about how many
job losses were forecast for the next 12
months. We already know from the budget
papers that the forecast is for 134,000 job
losses in this current financial year. I think
we need to stop and reflect on the human toll
of those job losses on potentially 134,000
families and on how many others there will
be.

Those who work in overseas aid, particu-
larly in the area of microfinance, will tell you
that the best thing you can give to anyone in
a poor family in a developing country is a
job. Once they have a job and the ability to
support themselves, they have the ability to
support their family and eventually, with
enough of them, they have the ability to sup-
port their community. While this is so true
for working in overseas aid, it is just as true
here in our own country. Jobs provide stabili-
ity for families. They provide a sense of as-
surance for families. They provide an ability
to plan for the future with confidence. There
can be no greater thing we can do for fami-
lies than to ensure the health and strength of this economy and to ensure that unemployment is low and that job growth is high. It is absolutely disturbing for families in this country that there are at least 134,000 forecast job losses—and that is one budget forecast that is dead on track. So keeping people in jobs and putting people in jobs is critical to keeping families together.

The study also finds strong linkages between the prevalence of these life stress events that I referred to earlier and psychological distress, with greater concentration amongst those with socioeconomic disadvantage as well as those with inadequate support structures—and I highlight this—to share the burdens of raising a family, either through extended family, within the relationships or otherwise throughout the community. Other issues included support in terms of access to information, to counselling and to opportunities to learn how to be better parents. Of greatest significance was the impact of all of these issues on the quality of parenting and how, in turn, a lack of such quality impacts negatively on the development of the child. All of these issues are significant—the ability to keep relationships together and, particularly, the responsibility of those in relationships to be good parents. I am sure we would all like to believe that all parents would like to be good parents, but not all of us are faced with the same challenges that others are in trying to be good parents. I think we should be mindful of that as we consider all sorts of measures.

While providing protection in this bill for when it all goes wrong, let us redouble our efforts in this place to help couples and families make it all go right, as far as families and relationships are concerned. One of the virtues of this bill is that it will make people, I believe, enter into a relationship, particularly a de facto relationship, more cognisant of the responsibilities to each other in forming such a relationship. One of the great virtues of marriage is that it requires a real and public commitment. I believe such commitment is essential to providing the stable environment that every child needs and deserves. For those who choose not to form a marriage relationship, I believe these measures will actually raise the bar. This can only serve to give these relationships a better chance and, in the event that they involve children, protect these children from having to go through the pain of family breakdown.

Relationships involving living together should not be a casual consideration. The only issue I raise in relation to this bill is the potential for the consequence—I would hope unintended—where a person is at the same time in both a marriage and what could be deemed a de facto relationship by the courts under this measure. This ‘Brothers and Sisters scenario’—for those of you who watch Channel 7—could in fact enable what is basically a polygamous relationship and a recognition of a series of polygamous relationships to exist. I know this is something my colleagues will touch on. I understand the Senate report on this matter today has highlighted some changes, and I must say I am not sure those changes go far enough.

In this case, I would like to be assured by the Attorney-General that the married partner could not in any way have their primary claim over property rights diminished by the presence of any other relationship, de facto or otherwise. We cannot endorse a situation of infidelity in polygamous relationships which results in the diminishing of rights of people in the primary marriage relationship. That is a fairly fundamental principle that I would hope this House and the Senate would support. I do not believe that this is the intent of this bill; I believe it is an unintended consequence of this bill and I think it urgently requires some clarification. I would also wish to be assured that the bill would in no
way provide any precedent in relation to adoption rights through any form of tacit recognition of parenting rights for people with no biological relationship to a child in a same-sex relationship. A child, as I said, has the fundamental right to a mother and a father, and this right must always come first before all others. There is also the question of interdependent relationships, which I understand cannot be dealt with in the context of this bill or family law; nevertheless, it raises issues about how their property rights are impacted when longstanding interdependent relationships are terminated.

The bill provides a positive step forward and is a reminder of the need to ensure that we do what we can to avoid the mess that this bill is designed only to clean up. The health of our relationships is a barometer for the health of our society. We must value them, protect them and esteem them, so as not to enter into them lightly. And when we do enter into them, we must live up to our commitments and strive to create a greater environment for each other and especially for the children that become part of that relationship. This is easier said than done for all of us. It often feels like an unattainable goal; I am sure we would all agree. For all of our faults as human beings, probably the hardest to overcome is selfishness. It is often selfishness that gets in the way of all of our relationships.

As we consider this bill, I urgently ask the government to consider the matter I have raised in relation to the potential for this bill to give rise to polygamous relationships, and I ask them to address their attention to that and provide an absolute guarantee before the bill leaves this House. But I also commend the opportunity to move forward to protect children in relationships, however they may be formed.

Mr NEUMANN (Blair) (11.09 am)—I am pleased to speak in support of the Family Law Amendment (De Facto Financial Matters and Other Measures) Bill 2008. I have argued, advocated and agitated for this amendment for many years. I became an articulated law clerk in 1983 and commenced a practice in the jurisdiction of family law on that occasion. In 1996 I became an accredited family law specialist and acted for some of the most prominent citizens in the state of Queensland. Those opposite would be surprised to know that I have acted for more conservative politicians and their partners than for Labor politicians and their partners.

This particular reform is part of the great history of family law reform initiated by the Australian Labor Party, and I want to pay a tribute to a former Attorney-General and High Court justice, Lionel Murphy, for the groundbreaking legislation of the Family Law Act in the mid-1970s. Certainly in my experience as a family lawyer and in my observation in society as a husband and as a parent, I have seen great demographic changes in the concept of family and the meaning of family relationships in the last three decades. It is interesting to note that, according to the Australian Institute of Family Studies, the proportion of families of a couple with children has decreased from 48.4 per cent in 1976 to 37 per cent in 2006, and there has been an increase in couple only families from 28 per cent in 1976 to 37.2 per cent in 2006. According to the Australian Institute of Family Studies, the proportion of families of a couple with children has decreased from 48.4 per cent in 1976 to 37 per cent in 2006, and there has been an increase in couple only families from 28 per cent in 1976 to 37.2 per cent in 2006. One-parent families with dependent children have increased from 6.5 per cent in 1976 to 10.7 per cent in 2006. According to the Australian Bureau of Statistics, it is a fact that, of the 114,222 registered marriages in 2006, 76.1 per cent of the couples lived together in de facto relationships for the period prior to marriage—that is an increase from 64.7 per cent in 1997. We have seen many changes in family law, and it has been said on occasions that we should cele-
brate those years in which there have been no changes to family law. Certainly, we as politicians deal with family law issues, in terms of child support and other matters, almost daily.

The Attorney-General made a very interesting speech to the Family Law Practitioners Association of Queensland on the Gold Coast on 15 August 2008 when he set out that the Rudd Labor government was committed to family law and the family law system. He talked about the ideal of settling family law disputes outside the courts whenever possible and looking at effective ways to get entrenched cases out of the court system. The Rudd Labor government is committed to $1.7 billion worth of taxpayers’ money being spent on the family law system over the next three years, including a family relationship centre arrangement and also legal, community and other services. Why is this such a groundbreaking change? Married couples have had the opportunity to bring proceedings for spousal maintenance under section 72 and section 74 and have had the benefit of the factors under section 75(2) of the Family Law Act for many years. They have also had the right to bring applications for property settlement under section 79(1) and look at the factors set out in section 79(4) of the Family Law Act. These proceedings are matrimonial causes within the definition of section 4(1) of the Family Law Act. Further, married couples have had the ability to enter binding financial relationships under part VIIIA to oust the jurisdiction of the court and to make their own arrangements in terms of property and spousal maintenance.

Since December 2002 under part VIIIB of the Family Law Act, those couples who have been married can split their superannuation interests by binding financial agreements or by court order, and trustees of superannuation policies can be bound by those arrangements provided procedural notice is given. These rights have not been consistently experienced by those Australians living in de facto relationships, whether of a heterosexual or homosexual nature. Why? Really it is a constitutional problem because our founding fathers, in their wisdom, did not provide the Commonwealth the necessary jurisdiction.

About two decades ago the states referred power to the Commonwealth—Queensland in 1990; New South Wales, Victoria, South Australia and Tasmania in 1987—so that ex-nuptial children could be dealt with under a uniform national approach concerning parenting orders. In the absence of Commonwealth jurisdictions concerning property and spousal maintenance between de facto couples, the states have had to take up the slack. New South Wales in 1984, Victoria in 1987, Northern Territory in 1991, Australian Capital Territory in 1994, South Australia in 1996, Tasmania and Queensland both in 1999 and Western Australia in 2002 have all introduced statutes which cover property alteration arrangements and other financial matters concerning couples of a de facto relationship of a heterosexual nature.

De facto same-sex relationship legislation has already been introduced in the states and territories—in the ACT in 1994, in New South Wales in 1999, in Queensland in 1999, in Victoria in 2001, in Western Australia in 2002, in Tasmania in 2004 and in the Northern Territory in 2004—so why are we dealing with this amendment now? Because for many years, despite the agreement of the then Commonwealth Attorney-General, the Hon. Daryl Williams QC, when he announced on 8 November 2002 that all of the states and territories had agreed with the Commonwealth to refer the powers to the Commonwealth, nothing was done. The reality is that the Howard government squibbed this issue because there was an insistence that the Commonwealth should only legislate in relation to heterosexual relationships.
There was a discriminatory approach when it came to those couples in same-sex relationships. This bill, despite the member for Cook’s fudging the issue, actually deals with de facto relationships of same-sex couples. I refer the member for Cook to proposed section 4AA with the definition of de facto relationships, particularly (5), which says:

(a) a de facto relationship can exist between 2 persons of different sexes and between 2 persons of the same sex...

So it is interesting that, despite what the member for Cook was saying, this groundbreaking legislation deals with both heterosexual and same-sex relationships. It is a shame and a disgrace that the Howard government failed to act upon this for so many years.

The primary aim of this bill is to extend to de facto couples the same rights to property settlement and spousal maintenance as married couples. Excuse me for being a parochial Queenslander, but I am aware of part 19 of the Queensland Property Law Act because it is the law with which I am most familiar. Under part 19 of the Property Law Act there is no right to bring proceedings for maintenance between de facto couples, whether of a same-sex nature or a heterosexual nature. There is no right to split superannuation as part of a property settlement. While there are factors that we would look at, such as sections 291 through to 309, which mimic 79(4) and 75(2) of the Family Law Act, there is no history of jurisprudence and no familiarity with the nuances of property settlement and spousal maintenance litigation. It has been my experience that judges do not pay sufficient attention to the importance of contribution to the welfare of family, particularly by women with children in their capacities as homemakers and parents in the state system in Queensland. Since cases like Norbis in 1986 and Mallet earlier on, the High Court of Australia and the full court of the Family Court have paid due diligence and respect to the contribution of women, particularly their contribution as homemaker and parent. Their contributions are no less important than the contributions made by the breadwinner in the family. I am pleased to see the Family Court has adopted an approach that looks at this and, in recent decisions, has rejected the concept of special contribution in that dreadful decision of Ferraro some years ago.

The cost of running parallel cases—one in the family law courts system, either in the Family Court or the Federal Magistrates Court, and another in the state courts—with the additional costs of pleadings and formal court proceedings is prohibitive for many people. It is difficult for litigants in person, it is difficult for women with children, it is difficult for those with few financial resources. The failure of the previous Howard government in relation to this matter has meant there have been obstacles to justice in this area for Australian families, particularly those living in de facto relationships. It is unfair, and we have had messy jurisdictional problems. For example, in New South Wales, under the Property (Relationships) Act, there is no reference to what we—that is, family lawyers—call the section 75(2) factors. There is no emphasis on other needs and resources based factors. That equivalent is so important to do justice to people, particularly those on low incomes, those with the primary responsibility for the care of the children and those without adequate child support and access to superannuation. In Victoria there is no right to spousal maintenance under the Property Law Act. In Queensland it is the same, but the poor Victorians have an even direr situation because there is no right to take into consideration in Victoria the 75(2) factors. So a Victorian who is living in a de facto relationship has no right to have the court regard the age or health or...
care of children in the future as factors in property adjustment in the Victorian system.

As I said, the concept of 'de facto relationship' is important because there is some definition as to what it might mean. Unlike the member for Cook, I do not lack faith in the judiciary to interpret adequately the meaning of this term because there is guidance provided in the bill on that. In fact, it imitates the relevant provisions in Queensland under the Property Law Act and section 32DA of the Queensland Acts Interpretation Act.

There is a limitation period provided in the amending bill. Except with leave of the court, a party to a de facto relationship can apply for an order under section 90SE for maintenance and section 90SM for property settlement but only if it is made within two years of the end of the de facto relationship. This is similar to the Property Law Act of Queensland and certainly to the Family Law Act. For a person to make an application for maintenance or property settlement, they must have been in a relationship for a period of two years of cohabitation. There is an exception if there is a child of the relationship or if the applicant has made a substantial contribution of the kind set out in section 90SM. That is similar to the Family Law Act in section 79(4). So I am very confident that this will be interpreted liberally and broadly in the circumstances. I think there will be some emphasis on whether there has actually been a de facto relationship. I am pleased that there is an amendment in the bill which talks about the concept of the court having the power to make a declaration under section 90RD about the duration of the de facto relationship.

There are some problems, however, that I can foresee in this particular bill. For example, for those couples who are not blessed with being able to come within the meaning of the amendments—for example, if they have not got a child of the relationship, they have not lived together for two years or there is no substantial contribution—those particular litigants have to resort to the old concepts of constructive or resulting trusts. They have been interpreted in a very narrow way by the High Court in cases like Baumgartner and Muschinski v Dodds. Concepts like that really fail to take into consideration contributions as homemaker and parent, so I have some concerns.

If it becomes necessary to define a de facto financial relationship, reference will have to be made to whether that person continues to remain within a state or territory. This could have some problems in terms of establishing a geographical connection. For some inexplicable reason, the South Australian government has not referred the power, so there could be some jurisdictional difficulties or if someone lived in South Australia for a while and then lived in Queensland for another period of time. It was interesting to hear this particular concept being discussed recently at a family law conference on the Gold Coast, where very prominent Sydney counsel Neil Jackson recently explained this particular predicament. I think that there needs to be better regard to this geographical connection issue in the future. I understand that there is a constitutional issue involved, but I would urge the Attorney-General to have a good look at this.

There is another problem that I foresee here in that only those couples who separate after this legislation is promulgated will have the power to bring proceedings under this legislation. That means those people who are living in de facto relationships and who separate before its promulgation will not have access to the same kind of justice and will have to resort to the state and territory courts. I have already outlined some of the problems, particularly in the bigger states of Aus-
There is also no amendment to section 90K of the Family Law Act, which sets out the grounds to set aside financial agreements. Parties can enter binding financial agreements to oust the jurisdiction of the court. Unfortunately, recently the full court of the Family Court, in a case called Black and Black, held that there needs to be strict compliance with the statutory requirements to oust the jurisdiction of the court. I had hoped that the Attorney-General would use this opportunity to ensure a more liberal approach was formulated by statute and I would urge him to look again at section 90K and the new section 90UM in relation to this problem.

A final difficulty that I foresee in this particular legislation is the problem caused by the majority decision in the full court of the Family Court case called Coghlan and Coghlan in 2005. I had hoped that that particular decision would be overturned by this bill, but unfortunately it will not be. The new section 90MA will provide an extension for those couples in de facto relationships to have the same rights to bring applications for property settlement and super splitting arrangements as married couples. But there is a problem. The Coghlan case was a 3-2 decision and unfortunately what it said was that everything turned on the word ‘also’ in section 90MS. What that meant was this: unfortunately, superannuation is treated as another species of asset, different from property as defined in section 4(1) of the act. I would urge the Attorney-General to have a look at this particular decision and uphold the minority views of justices Warnick and O’Ryan, who were correct in my view. There has been a lot of confusion and uncertainty caused by the decision in Coghlan and it should be done away with.

I would urge the Attorney-General to have a look at the case of Hickey, a 2003 decision of the full court of the Family Court, made up by a differently constituted bench. Superannuation should be considered to be property for the purpose of property adjustment orders. It should be treated as property and it should be property. There should be some certainty in this particular area, and I would urge the Attorney-General to make the changes.

But on balance this is a great reformist bill. It empowers those people who have lived for a long time without access to spousal maintenance, without the right to split their superannuation and to have the right to have their real future needs taken into consideration in property settlement. This is a great Labor amendment. This is groundbreaking stuff for the people of Australia. It means that people are treated equally no matter what their domestic arrangements, and that is how it should be. It is a shame that we have waited so long in this country to bring forward legislation like this, which will make a difference to the lives of tens of thousands of Australians in the next few years and hundreds of thousands in the years to come who will go through the family law system that we have in Australia today. I commend the bill to the House. (Time expired)
for a sufficient period of time for us to look at what those unintended consequences may well be.

This morning I want to deal with a few scenarios which the second reading speech simply does not envisage. The second reading speech just talks about de facto relationships as if they exist in isolation. It does not talk about the complexity of relationships or, indeed, the situation that could arise and may well arise and indeed will arise where we are actually sanctioning polygamy. There is already a debate in the community involving certain people who have a particular religious belief and who believe that polygamy should be introduced into this country. An interpretation of this act and the way it is coming in has not been addressed in depth. It has been touched upon in the Senate inquiry and, as I said, the report was tabled this morning. I do not have a bound copy of it, only a loose-leaf copy, and it is just not good enough to leave these questions out there.

Let me give you a few scenarios. In this country we say that marriage is the preferred way in which families should be formed. I thought there was bipartisan support for that principle, that we prefer marriage over other relationships that are established. My colleague the member for Cook outlined statistics in his speech which showed that in the stability of marriage relationships the benefits for children are better. The likelihood of breakdown is less than it is in a de facto relationship. He highlighted the figures that I think I first published in a report that I did into balancing work and family that show about a third of all children are born into de facto relationships and the consequences that flow from that. Some of those will be de facto relationships which are stable and some of them will be, to put it colloquially, encounters that occur from which no relationship is established but from which a child is born.

So we are looking at questions which are important in the welfare of children. In this country we do not have a public policy which is in the interests of children. We mouth it off. We say it in the area of family law, we say it in the area of adoption, we say it in the area of fostering and we say it in the area of drug abuse that we are making decisions in the interests of children. We never are. I have seen official reports that say: ‘If we give this child to this parent, it might be good for the parent.’ So, when we start to look at the issues that are involved, let us look at the cases of individuals who matter. Supposing, for instance, we have a legitimate marriage of good standing, let us say, of 15 years in Sydney: husband, wife, two children, a job, a house—all the things that make it a recognised and stable marriage. Down in Adelaide, we have not a marriage but a de facto relationship: house, support, children—the whole box and dice. Under this legislation, the de facto spouse of the second family will have the same standing and rights as the wife of the first family when it comes before the Family Court. That ispolygamy. Indeed, if a proceeding was to begin where the spouse in the de facto relationship takes an action then the spouse of the original marriage can be joined and you can have it all dealt with as a single lot. There is nothing in this act to prevent the court treating the two spouses as the same before the law. There is no protection or no higher recognition under these amendments given to a marriage. I think it is important to say what we define in this legislation as being a de facto relationship. It says in new section 4AA:

**Meaning of de facto relationship**

(1) A person is in a *de facto relationship* with another person if:

(a) the persons are not legally married to each other; and

(b) the persons are not related by family ... and
(c) having regard to all the circumstances of their relationship, they have a relationship as a couple living together on a genuine domestic basis.

Whatever that may mean. It then goes on to say:

Working out if persons have a relationship as a couple

(2) Those circumstances may include any or all of the following ...

So the court may consider these things:

(a) the duration of the relationship;
(b) the nature and extent of their common residence;
(c) whether a sexual relationship exists;
(d) the degree of financial dependence or interdependence, and any arrangements for financial support, between them;
(e) the ownership, use and acquisition of their property;
(f) the degree of mutual commitment to a shared life;
(g) whether the relationship is or was registered under a prescribed law of a State or Territory as a prescribed kind of relationship ...

That means that in some states, where there is a same-sex couple relationship, they may register it. That can be considered. It goes on:

(h) the care and support of children;
(i) the reputation and public aspects of the relationship.

It then says:

(3) No particular finding in relation to any circumstance is to be regarded as necessary in deciding whether the persons have a de facto relationship.

So there is uncertainty.

(4) A court determining whether a de facto relationship exists is entitled to have regard to such matters, and to attach such weight to any matter, as may seem appropriate to the court in the circumstances of the case.

In other words, until such time as we have case law and matters considered, we will not know what the definition of a de facto relationship is likely to be. Once we have some case law, we will have some precedent, and it will be followed. The next part of the legislation which we are asked to enact says:

(5) For the purposes of this Act—

the bill is the Family Law Amendment (De Facto Financial Matters And Other Measures) Bill 2008, amending the Family Law Act—

(a) a de facto relationship can exist between 2 persons of different sexes and between 2 persons of the same sex; and
(b) a de facto relationship can exist even if one of the persons is legally married to someone else or in another de facto relationship.

So you can have a married couple where one of the partners sets up a de facto relationship with a person of the opposite sex and then sets up a further de facto relationship with a same-sex partner, and they can go on forming relationships if they wish. There is no limit to the number you can have; there is no definition that says when enough is enough. We have total uncertainty under this law, because it is simply not being considered.

My colleague the member for Cook said that these are probably unintended consequences, and I can only hope they are, because at the end of the day there has been a commitment in this place from this Prime Minister saying that he indeed gives a special place in our law to marriage and married couples. There have been many attempts to downgrade the definition of marriage to simply being some sort of shared relationship, and that has been resisted. If you read the submissions that were made to that inquiry, you will find that there are very strong groups of people who are totally offended by
what are proposed as unintended consequences of this legislation.

I will go to the second reading speech and the minister’s outline of what this bill is meant to do. Nowhere does the second reading speech recognise that there is the possibility of multiple relationships. It is as if they are all stand-alone relationships and they are never going to be anything else. It says:

The Family Law Amendment (De Facto Financial Matters and Other Measures) Bill 2008 introduces significant reforms to allow opposite-sex and same-sex de facto couples to access the federal family law courts on property and spouse maintenance matters on relationship breakdown.

It then goes on to say:

The reforms will also bring all family law issues faced by families on relationship breakdown within the federal family law regime. It will, and they will all be on an equal basis. Because people can apply to be joined as a party to proceedings, you could have a divorce proceeding where a person has a de facto relationship with an opposite-sex partner and one with a same-sex partner, and those partners are joined as actions to that proceeding. There is nothing in this legislation to say that cannot happen and there is nothing in this legislation to prefer the institution of marriage — nothing. It breaks it down to commitment.

The thing that distinguishes marriage is that people make a public commitment. There are witnesses who must be there to see it happen and there is documentation to say it exists. When someone comes to a court and says they are married, there is a piece of paper that is irrefutable evidence of that marriage. In those states where same-sex couples are entitled to register a relationship, they have a piece of paper that says, ‘We have an established relationship.’ When it comes to a de facto relationship, whether it is between same-sex couples or heterosexual couples, it is a matter of subjective interpretation of the items that are set out in the court. So we have competing levels of proof as to what is an established relationship, and yet they are to be treated as equals before the law. This is a major departure from what has been said to be the position of both the government and the opposition in this parliament. It makes a mockery of the statement of the Prime Minister that marriage is sacrosanct and should stand above other relationships, because this legislation does not allow that to happen.

Let us go on with the second reading speech. It goes on to say:

This bill amends the Family Law Act 1975 and related legislation to create a Commonwealth regime for handling the financial matters of de facto couples on the breakdown of their relationship. By providing a consistent and uniform approach for de facto relationships, this bill will alleviate the administrative and financial burden— that they currently have of being in separate jurisdictions, which made a distinction between a married couple and a de facto couple. That is now being removed. And that can have very positive outcomes for children, if we are serious about really considering children. But there is still a need to recognise in this legislation that marriage is the preferred institution.

In the second reading speech, as I said, no account is ever taken of the fact that you can have relationships which are confused, to put it mildly. You can have a situation where somebody who has been married has their entitlement whittled away because they are to be treated equally with a spouse under a de facto relationship. The second reading speech says that the court:

... will need to be satisfied that the de facto relationship lasted for at least two years, that there is a child of the relationship or that a party to the relationship made a substantial contribution to the relationship ...
That is all it says it has to do, whereas the legislation says far more. Then the second reading speech says:

The bill will allow a court to make orders for the maintenance of one of the parties to the de facto relationship, or an order declaring or altering the interests or rights of a party to a de facto relationship in respect to property.

And that can mean property not just of their relationship but of other relationships into which one of the parties to that relationship has also entered.

My complaint, and the thing that I am concerned about, is that there has not been sufficient time allowed for this bill to be considered and for these issues to be canvassed widely, not just by the people who sent in submissions to the Senate inquiry, not just by the people who have picked it up since the second reading speech—which I think was in June, before we got up—and have managed to read it, but for the general community to be aware of them.

Let me just finish on the question of superannuation, a very vexed question. It was only in 2002, when we were in government, that we finally said that superannuation should be considered marital property for the purposes of property settlements. Then we had moves such that other people who are not married couples also want to have access to superannuation. Suppose that you have a married couple. Suppose they have been married for 20 years. Suppose that one party—let us say the husband in that marriage—has chosen to salary sacrifice part of his wage in order that superannuation can be built up, and the family over those 20 years has therefore had less disposable income during those 20 years because there has been the sacrificing of the salary into the superannuation. Suppose that that husband leaves that relationship and establishes a de facto relationship. Suppose he is in that relationship for 10 years. Suppose he does not salary sacrifice this time; he just goes on paying his superannuation. Suppose that relationship then breaks up and the de facto spouse takes action. You have had a family for 20 years which has gone without disposable income in order to build an asset. You have another family which has not had a forgone disposable income and wants access to that same asset. Where, in all the discussion that we are having here, are those problems addressed? They are not. And that is why I say to the government that the better course of action would be to allow this discussion to take place and to allow proper analysis of the impact of this bill on families in this country and the impact on marriage that it will have.

If I sound passionate, I am, and I am because I so often get the answer, ‘Well, maybe those circumstances won’t affect too many people’—that is, they do not matter. To me, individuals do matter. Each individual who is going to be impacted by this bill has the right to be considered. I know the collective argument of the government will be that this is a better outcome for all and that the individual who will be adversely affected can be sacrificed to the collective decision. That is the big philosophical distinction between us: the difference between individualism and collectivism, where we consider the impact on individuals and you do not; you consider the collective.

I say to you that the speed with which this bill is being introduced is simply unwarranted. It should be permitted to lie on the table. It should be able to be discussed so that we can see the ramifications of its unintended consequences.

Mr Perrett (Moreton) (11.48 am)—I rise to support the Family Law Amendment (De Facto Financial Matters and Other Measures) Bill 2008. Before I continue with my speech, I thought I would address some of the information provided, I hope mistak-
enly, by the member for Mackellar. She took a wrong turn at the start of her speech and did not actually get back to the truth, or the accurate content, until towards the end of her speech. She stated at the start that this bill has been rushed into parliament. My calculation is that it was put on the table on 25 June, which she did accurately state at the end of her speech, which is about 64 days ago. That is a fair bit of time to look at the legislation. That was from someone who was part of a government that I think used to introduce legislation in the morning and then debate it in the afternoon.

Ms Plibersek interjecting—

Mr PERRETT—More than once. There is a little bit of hypocrisy there in suggesting that 64 days is rushing something. Sixty-four days is obviously enough time to consider the legislation.

One of the other bits of information that I would hate the public to be misled by was the idea that there is no definition of de facto. Any lawyer knows that there is significant case law dealing with definitions of de facto, especially in succession law, where I used to work. There is lots of case law on some of the things that the member for Mackellar put forward. Obviously there is family law. There are lots and lots of cases, precedents, both at the state and federal level, and obviously also even in superannuation law, dealing with some of the examples that the member for Mackellar put forward.

Let us return to the facts and the bill before us. This bill amends the Family Law Act 1975 to allow opposite-sex and same-sex de facto couples to access the federal family law courts on property and spouse maintenance matters. This is hardly an introduction to a piece of legislation that would suggest it is revolutionary, as was put forward by the member for Mackellar. In fact, it sounds dry and almost perhaps a little bit boring. Nevertheless, this bill before the House goes another small way towards restoring fairness to our community—in fact, to all of our community. It is yet another example of practical equality from the Rudd government.

I turn to one of my favourite books, *To Kill a Mockingbird*, by Harper Lee. That book is largely about suggesting to people that they need to consider what it is like to step into someone else’s shoes to understand what the world is about. That is the major theme, I guess, in the novel *To Kill a Mockingbird*. There was a similar theme used in Paul Keating’s famous Redfern speech, when he urged us to judge fairness based not on our own experience but through the eyes of others. The fundamental tenet in Keating’s famous speech was that concept: how would I feel if this were done to me? I ask members of the House to imagine that these discriminatory laws applied to them. Keating’s magnificent speech was obviously about another form of discrimination, but the principle still holds true.

If we aspire to true equality in Commonwealth law, then we must amend legislation that discriminates against some sections of our society. The legislation before the House is about bringing fairness into play when we are dealing with separating de facto couples. It is quite simple, despite all the smoke and nonsense from the preceding speaker.

Unfortunately it is often the case that we have to fight for fairness. The struggle to give de facto couples equal property rights has been no different. It was first suggested as far back as 1976 that the powers of property rights of de facto couples should be referred to the Commonwealth. I was in grade 6 in 1976. Mr Deputy Speaker Georganas, you would have been in grade 1, I think! It is a long time ago. The struggle continued until a 2002 meeting of the Standing Committee
of Attorneys-General, when the Commonwealth, state and territory governments agreed for the states to refer these powers to the Commonwealth. Remember who was in power in the Commonwealth in 2002. Queensland, New South Wales, Victoria and Tasmania have already put legislation in place to refer these powers to the Commonwealth.

Another five years of typical inaction by the coalition government passed and finally today we are debating legislation that will finally restore fairness for de facto couples. This is especially important now that an increasing percentage of Australians live in marriage-like relationships in preference to formal marriage. I am not sure how this is going to play out for politicians. I send out wedding anniversary cards to people that reach their 50th anniversary and the like. I am not sure if I am able to obtain a de facto 50th anniversary card. I will have to work on that. Love is a complicated enough thing for heterosexuals who enter into a normal marriage. When things go bad, sometimes unfortunately we need the helping hand of the state to try and make it as easy as possible for people to sort out their differences.

Under the current state and territory based laws, de facto couples have different rights in different states when it comes to property settlement and spouse maintenance. With the much more mobile Australian community these days, this creates extra headaches, especially in places like Queensland, where people on the Gold Coast can easily go back and forth over the border. Where de facto couples have children, they might deal with children issues in a federal family law court and then property issues in a state court. Further complications arise where couples own property in different states. This places unnecessary costs and stresses on families already facing the hurt of a relationship breakdown.

The bill ensures that issues regarding children and property will be dealt with under a single set of consistent laws. I have been a lawyer and lots of my friends are lawyers. I will have to apologise to them for creating less work for them, but obviously it is a good thing when the Commonwealth is able to simplify some of these issues. I believe that, wherever possible, people should work to resolve these matters without courts and lawyers—they make enough money. But my friends who are family lawyers assure me that every now and then people will resort to lawyers at 50 paces. Unfortunately, human nature being what it is, on occasion people insist on using the courts to bludgeon each other, so it will be useful to have some legislation that simplifies some of these issues.

We must ensure that everyone has access to a fair and equitable system. The bill before the House will enable the Commonwealth to set up a system for handling the financial and property matters of de facto couples. The federal family courts will deal in the one proceeding with both financial and child matters for separated de facto couples. It will provide greater protection for separating de facto couples and simplify the laws governing them. That is a good thing.

This bill also introduces equality for de factos with regard to their superannuation. And isn’t the superannuation tale a wonderful Labor tale? Think of the sacrifices that Prime Ministers Hawke and Keating had to make to introduce superannuation to the Australian people. Once upon a time it was only a couple of coalminers, a couple of farmers and a few well-off people that had superannuation, whereas now normal working people—people working in bars and the like—have superannuation assets that they are able to talk about and look at online to see how their retirement plans are progressing. That is a wonderful achievement for the Labor Party and those Labor governments.
The legislation before us allows de facto couples to split their superannuation interests in the event that they separate. I note that this has been available to married couples under the Family Law Act since 2002, but not to de facto couples.

These reforms will apply to de facto relationships that have lasted for two years or more or for a shorter time than that if there is a child from the relationship.

This bill does not discriminate on the basis of sexuality. It redefines ‘de facto relationship’ to apply to both opposite-sex and same-sex de facto couples.

I especially welcome the support for the bill from that esteemed body the Law Council of Australia. Law Council President Ross Ray QC—that is Ross Ray, not Robert Ray; he was a different legal authority enforcing a different set of rules!—said:

Any step towards eliminating discrimination brings us closer to meeting our international human rights obligations, makes us a fairer, more just community and ought to be greeted with strong approval.

That is strong praise indeed from the Law Council of Australia.

That other august body the Human Rights and Equal Opportunity Commission have also given their support to the intent of this bill to remove discrimination against same-sex couples and their children. When HREOC says something, it is a good idea to listen. HREOC is a pretty good weathervane as to where the winds of fairness are blowing. To quote the great poet and songwriter Bob Dylan, from his song *Subterranean Homesick Blues*:

Keep a clean nose
Watch the plain clothes
You don’t need a weather man
To know which way the wind blows

When HREOC is coming out in support of this legislation, it is a very good thing. I too support this bill, because it is right that separating de facto couples should have the same rights as divorcing couples. I commend the bill to the House.

Ms JULIE BISHOP (Curtin) (11.59 am)—The Family Law Amendment (De Facto Financial Matters and Other Measures) Bill 2008 seeks to amend the Family Law Act to provide de facto couples, both opposite-sex and same-sex, with access to federal family courts on property and maintenance matters. The bill relies on referrals of power by most of the states to the Commonwealth, currently with the exception of Western Australia and South Australia, agreed through the Standing Committee of Attorneys-General in 2002.

Presently, the financial arrangements between separated de facto couples are subject to state and territory laws, which vary among jurisdictions, while child custody and access is governed by federal courts. Consequently, in many cases separated de facto couples with children may need to institute proceedings in different courts in relation to the various matters in dispute between them. The intention of this legislation, therefore, is to provide for national uniformity for all relationship breakdown matters and confer jurisdiction on the courts with the best resources for resolving the breakdown of relationships, namely the Family Court and Federal Magistrates Court. These are serious issues for de facto couples, and legislation to address them has the support of the coalition. Funds were allocated by the Howard government in the 2007-08 budget for one additional Family Court judge and four additional federal magistrates in anticipation of this measure. This bill is still being considered by the Senate Standing Committee on Legal and Constitutional Affairs, which I understand is due to report shortly. It is my understanding that the
committee will be recommending amendments to the bill.

Turning to the detail, the amendments confer jurisdiction on federal family courts in relation to de facto financial causes by the insertion of a new part VIIIAB. It mirrors, but is distinct from, the provisions of the act relating to the property aspects of a marriage breakdown. A person is in a de facto relationship with another person if they are not married or related to each other by family where, having regard to all of the circumstances of the relationship, they have a relationship as a couple living together on a genuine domestic basis. This applies equally to same-sex and opposite-sex couples. The coalition agrees in principle with that intention.

For the purposes of orders relating to maintenance, alteration of property interests or declaration of property interests, a de facto relationship must have been in existence for two years, or a period totalling two years, or have produced a child. The amendments do not apply to de facto relationships that broke down before the commencement of the act; however, financial agreements written in contemplation of a de facto relationship before the commencement of the amendments will be governed by the act.

The definition of ‘spouse party’ in the act is to be amended to include a party to a de facto relationship. However, the act will be arranged into distinct parts so that marriage and de facto relationships are dealt with separately. The coalition believes this is an appropriate way to structure the legislation.

The coalition recognises that people enter de facto relationships for a range of reasons. Often they do so as the next stage from commencing a sexual relationship, when it no longer makes sense to pay two lots of rent. Sometimes, too, they enter into de facto relationships following divorce because they do not want the obligations and incidents of marriage. When there are no children of the relationship, treating them as independent, autonomous adults who can look after themselves and make their own way financially in the world fits with their expectations and intentions, however long the relationship lasts. It is important that legislation recognises the diversity of circumstances that apply to de facto relationships, some of which resemble marriage in all respects other than being formalised and some of which do not contemplate marriage in any way other than being formalised and some of which do not contemplate any property related consequences. This is an aspect of the legislation that the coalition believes may require clarification and possible amendment. We believe it will be appropriate to await the Senate committee report before proposing any amendments in this place.

The bill seeks to confer additional jurisdiction on federal courts. Unlike marriage, the existence, commencement and duration of de facto relationships are matters of evidence and can be highly contentious. Additional resources were allocated to the Family Court and Federal Magistrates Court in the last coalition budget, and we will monitor closely the adequacy of those resources.

The coalition supports the principles underlying this bill and believes it is important in terms of both efficiency and justice that de facto couples, of whatever sexual composition, have access to the expertise and experience of the Family Court and the Federal Magistrates Court in relation to all issues arising out of relationship breakdowns. That said, I wish to echo the points made by the Leader of the Opposition in this place in relation to the Same-Sex Relationships (Equal Treatment in Commonwealth Laws—Superannuation) Bill 2008. In giving our support to this bill, we do not and will not support any change to or devaluation of the traditional status of marriage as the bedrock
of our society. Acceptance that people who live in a permanent domestic relationship, whether same sex or opposite sex, must not be allowed under any circumstances to devalue the traditional status of marriage. The opposition does not accept that there is either a legal or a moral equivalency between such relationships and that of marriage.

On behalf of the opposition, therefore, I move:

That all words after “That” be omitted with a view to substituting the following words: “whilst not declining to give the bill a second reading, the House:

(1) affirms its commitment to the central importance of the institution of marriage in Australian society;

(2) recognises that partners to permanent domestic relationships other than marriage (including, but not limited to, same sex relationships) ought not to be discriminated against in relation to their financial and property affairs; and

(3) notes that the Opposition has referred the bill to the Senate Legal and Constitutional Affairs Committee with a view to ensuring that, in relation to this bill:

(a) the centrality of marriage is not devalued, whether by the use of inappropriate statutory language or otherwise; and

(b) the rights and status of children are properly protected”.

The DEPUTY SPEAKER (Mr S Georgantas)—Is the amendment seconded?

Mr Anthony Smith—I second the amendment.

Mr DANBY (Melbourne Ports) (12.08 pm)—It gives me a great deal of satisfaction and pleasure to rise to speak in support of the Family Law Amendment (De Facto Financial Matters and Other Measures) Bill 2008. I do not know what the opposition’s amendments are. They had a long time to bring this kind of legislation into the parliament, having announced—rather hypocritically—that they were in favour of the essence of this idea but doing little about it over the last decade.

The package of bills of which this is a part has been a long time in coming. These bills represent the fulfilment of a promise which Labor first made at the 1998 election—when I was first elected to this place—to remove discrimination against gay men, lesbians and same-sex couples in federal legislation. It is a promise we made to a community which has suffered a historic legacy of discrimination. It is a promise that I, and some other members—notably my friend the Minister for Infrastructure, Transport, Regional Development and Local Government, Mr Albanese—have continued to promote over the past decade. It is a promise that we are, at last, in a position to keep, and I want to express my appreciation to the Attorney-General and the Prime Minister that these bills are being brought on so early in the government’s term in fulfilment of that promise.

This week we were delighted to see a fine young Australian, Matthew Mitcham, win a gold medal in diving in the Beijing Olympics, and I know all members will join with me in congratulating him. But what does it say about us as a country that while we congratulate him we continue to tolerate laws in this country that deny him and his partner—the partner who provided him with so much support—some of the rights that other Australians take for granted? It says we are a country that still has a long way to go before we achieve full equality for all of our citizens. These bills mark another step, an important step, in reaching that goal.

This bill amends the Family Law Act to provide opposite-sex and same-sex de facto couples access to the federal Family Court on property and maintenance matters. The bill also amends the act to provide for amendments relating to financial agreements...
between married couples and superannuation splitting and to provide for certificates given in relation to family dispute resolution. It is hardly revolutionary stuff, but it has the ability to affect the lives of many people. The bill is part of a larger package of bills, of which the most important is the Same-Sex Relationships (Equal Treatment in Commonwealth Laws—Superannuation) Bill 2008. Taken together, these bills go a long way to fulfilling Labor’s promise to end discrimination in Commonwealth law.

These bills will mean a lot to many people in my electorate, including people who I know well and am proud to call my friends. But I point out to all honourable members on both sides that these bills will benefit gay men and lesbians in their electorates, whether they know of their existence or not. The gay and lesbian community may be more visible and vocal in the electorate of Melbourne Ports, but that does not mean that these bills will have no importance in the electorates of Riverina, O’Connor, Maranoa, Casey or Bradfield. They will certainly have importance to people in those places—people whose voices are not often heard in this House.

I am pleased that the opposition have decided to support these bills. I do not know what their amendment is, but I am entitled to point out that the reason we had to wait 10 years to see these bills before this House is that the opposition, when they were in government, preferred to play cheap populist politics with this issue rather than do what they knew was the right thing. We all remember the stunt pulled by the then Howard government in 2004, when they brought in their ‘defence of marriage’ bill in the run-up to that year’s election in the hope of playing wedge politics with the issue of marriage out in the electorate. In other words, they hoped to exploit homophobia to win that election—whatever they may have said in this House or not. I know this is true because a member of my staff heard two Liberal members of this House saying exactly that.

Let us be clear about this—it has never been Labor policy to change the definition of marriage in the Marriage Act. I have never heard such tortuously hypothetical nonsense from the member for Mackellar, who spoke before. Her points about the definitions of de facto couples were very ably answered by the member for Moreton, who said there is a vast area of case law affecting the definition of de facto couples.

I know many in the gay and lesbian community are unhappy about the fact that the government are not affecting any definition in the Marriage Act, but that has always been our policy position. These bills do not change that. They do not affect the status of marriage and they certainly do not ‘undermine’—as the member for Mackellar was trying to insinuate—the institutions of marriage or family, as some people have alleged. What they do is provide that people living in same-sex relationships and their children will have the same rights in the fields of superannuation and family law, and before the courts, as people who are legally married. As someone who has recently entered the esteemed estate of matrimony, I reject the view that married Australians will somehow be adversely affected by extending equality in these areas to other Australians. Extending rights to others enhances rather than diminishes the rights of all. It was Lenin who said that freedom is so precious that it must be rationed. I would be disappointed to find that members of this House shared that view.

At the time of the ‘defence of marriage’ legislation, the then Attorney-General, the honourable member for Berowra, said that the government would bring in a bill ending discrimination against same-sex couples in superannuation—as if this would somehow
compensate the same people the government was insulting with their crude wedge politics. I do not doubt that the honourable member intended to honour that commitment. But he was not able to so do because of opposition by the cabinet, led by the National Party. So it has fallen to Labor, as it has in so many areas of important social reform, to do the right thing—in this case, to do what every member of this House knows should have been done a decade ago. It is with great pleasure that I commend this bill to the House.

Ms GRIERSON (Newcastle) (12.14 pm)—I rise today to speak on the Family Law Amendment (De Facto Financial Matters and Other Measures) Bill 2008. Like my colleague before me, the member for Melbourne Ports, I welcome this legislation, which is indeed long overdue. It gives effect to an agreement between the Commonwealth, states and territories which was actually made in 2002. There are three key points embodied in this bill. Firstly, it will allow de facto couples to access the federal family law courts on property and spouse maintenance matters. Secondly, it will make the laws in this area simpler and more consistent across state boundaries. Thirdly, it is consistent with the government’s policy not to discriminate on the basis of sexuality, as the bill applies to both opposite-sex and same-sex de facto couples. Given the increase in de facto relationships within Australian society—de facto partners now represent 15 per cent of all people living as socially married—it is important that these couples have access to a Commonwealth regime for handling the financial matters associated with any breakdown of their relationships.

This bill amends the Family Law Act 1975 to create a regime for de facto couples similar to that which exists under the act for married couples. I think it is extremely important, in a time when we are seeing more and more different family types, that those who choose to live in de facto relationships have access to the same process as those who live under formal marriages. Of course, ideally we like to see all relationships last and be productive and positive for everyone, whether people are married or whether they are de facto, but the truth is that, for many reasons, many do not survive. There are just over 50,000 divorces granted each year, about 30 per cent more than there were 20 years ago. That is possibly one reason why more people now choose to live in de facto relationships. Other reasons are probably to do with the changing nature of work, financial pressures and the way young people perhaps focus more on the quality of relationships than on the legal status of them. The opportunity for travel, of course, means young people spend more time in different parts of the world. It all means that people are less and less likely to stay in one place for too long.

I note the important part of this legislation that ensures same-sex de facto couples are not discriminated against. As I said earlier, we live in a country where, by and large, people are free to make their living and family arrangements as it suits them, and I strongly say that is how it should be. I note that there is an amendment, which I have only just looked at, from the opposition. The opposition wishes to ensure that the centrality of marriage is not being devalued. I think that is a fairly simplistic approach. I wish relationships were that easy. Having a marriage certificate does not ensure the depth, positiveness and lasting value of a relationship. I find it rather distressing sometimes in this place when political parties politicise something that I think members of parliament would be the least able to comment on—human relationships. Most people would hope to end their life having had a very intimate and rewarding personal rela-
tionship. I think we would be the last people to tell them how that should look and what form it should take.

Many years as a school principal gave me the experience of the difference and diversity of caring parent relationships, whether they involve a person not even related to a child, a grandparent or another relative. That complexity is something that should be acknowledged, assisted and supported in our response so that relationships that involve children are always positive. I do find it difficult that the opposition have brought forward an amendment that really does not relate to this bill; that is outside the ambit of the bill. They certainly attempt to divide people. I would say, though, that the Australian public are not divided on their attitudes to relationships and marriage. The majority think they are something that we should stay out of. I stress that I agree with them.

It is very important that we have a regime in place that does not discriminate against people for the relationship that they have chosen to pursue. Our government is committed to policies of nondiscrimination on the basis of sexuality. That is why we have also passed legislation in this place to give partners in same-sex relationships equal treatment in the area of superannuation. Unfortunately, that legislation is currently being held up by opposition senators, who have sent it to a committee for review.

Because these are important first steps in implementing the government’s election commitment to remove discrimination against people in same-sex relationships from a wide range of Commonwealth laws it is appropriate that this legislation be given speedy passage. I would hope that a bipartisan spirit would prevail on this very basic principle of treating all people as equals at law. So I am pleased that this legislation covers both opposite-sex and same-sex de facto couples. I am pleased also that it gives them access to the same regime that currently applies to married couples. Looking a little closer at that regime, we can firstly note that the reforms apply to a de facto relationship that has lasted for two years or to shorter relationships if there is a child of the relationship or if a party to the relationship made a substantial contribution to that relationship and it would cause serious injustice not to grant an order. That definition will apply to de facto relationships, and I think it is a very sensible one.

The bill also extends to couples whose relationship both satisfies the definition of ‘de facto relationship’ in the references of power and is registered under state or territory relationship registration legislation. It is the primary objective of the bill to allow de facto couples to access the federal family law courts on property and spouse maintenance matters. This will give greater protection for separating de facto couples and simplify the laws governing them. This is because we are creating a Commonwealth regime for handling the financial matters of de facto couples on the breakdown of their relationship. The current state and territory de facto property settlement and spouse maintenance laws are far from uniform, giving de facto couples different rights and different procedures depending on which part of Australia they live in. New South Wales, Queensland, Victoria and Tasmania have all referred to the Commonwealth their powers over financial matters arising from the breakdown of de facto relationships, so this new regime will apply in those states as well as in the territories. At this stage, Western Australia and South Australia have not referred their powers, so de facto couples in those states will not be covered by the new laws—but this is still progress.

One important aspect of the law will be changed by this legislation. Currently, sepa-
rating de facto couples who have children can find themselves with the issues relating to their children in one of the federal family law courts and their property issues being dealt with separately in a state court. As you can imagine, this creates additional stress during what is already a very stressful time for people, so being able to have all these issues of property, maintenance and child support dealt with by one federal court system, particularly one that has such a specialised practice and track record, will help to reduce some of that pressure—and the costs as well.

We also know that the federal family law courts have a great deal of experience in handling relationship matters and have procedures and dispute resolution mechanisms more suited to handling litigation between family members. Having the federal family law courts handle the financial and property matters arising from a relationship breakdown does make sense and, we hope, can provide a more sensitive environment for those matters to be heard in. The government understands that these measures confer additional jurisdiction on federal courts, and additional resources to deal with the increased workload were therefore provided to the courts in the 2007-08 budget. The government will also, in consultation with the courts, monitor the impact of the new jurisdiction created by this bill.

I am pleased we will be doing this as, just last week, I chaired a hearing of the inquiry of the Joint Committee of Public Accounts and Audit into the impact of the efficiency dividend on small government agencies. Among those we heard from last week were the Family Court of Australia and the Federal Magistrates Court. It was interesting to note that one of the issues raised by witnesses last week was their struggle to service the expansion of their roles while meeting the efficiency dividend each year. In cases like this legislation, where the government is clearly asking an agency to take on a new jurisdiction, that fortunately has been recognised and resources have been provided in addition to existing resources.

I also note that the Attorney-General has a review underway into the delivery of family law court services by the federal courts. The Attorney-General has stated that he wants the Family Court and Federal Magistrates Court to be completely externally focused on assisting people to resolve their differences as quickly and cost-effectively as possible. I understand that the review is to be completed shortly and I look forward to the government’s consideration of any changes that should be made to the structure of the federal family courts to better promote access to justice for family law litigants—after all, it is the clients who have the highest need. In family law we are trying to achieve the most effective and efficient way of helping families to resolve some of the most difficult issues they are ever going to face. We want to see every effort and support going into maintaining relationships, and the government is providing various programs in this area.

I would like to make mention of some of those programs that demonstrate the government’s commitment to family support services and which are available in my electorate of Newcastle. In July, the Minister for Families, Housing, Community Services and Indigenous Affairs announced that a mobile playgroup specifically for Indigenous families would be funded and based out of Newcastle. Support for parenting is an important way of strengthening family relationships. The government is committed to supporting the work of the Family Relationship Centre in Newcastle, which helps couples try to resolve disputes before they end up in litigation. In May of this year, we announced a one-off funding boost of over $80,000 to the Hunter Community Legal Centre in Newcas-
tle to assist in its service delivery, which includes assistance to people in the family law area.

We are also trying to support families so that disputes and breakdowns do not occur. We are providing non-legal dispute and relationship services and we are providing services to help those who have got to the point of litigation. We provide this support because we understand that supporting families, particularly when they are going through difficulties, is one of the most important things we can do. One very important issue for users of family law services in the electorate of Newcastle is the need for better facilities for the federal courts in our city. Along with legal practitioners and the fraternity involved, I have been lobbying for and talking about the need for improved facilities for federal courts since long before I became the member for Newcastle. I am pleased to say that we are gradually inching much closer to a better Commonwealth court in Newcastle. Our current facility is inadequate to cater for the growing population which it serves. The population extends from Newcastle and the Hunter to the North Coast and to New England. A strategic review of the current court accommodation in Newcastle, commissioned by the Family Court and Federal Magistrates Court, recommended that a full, separate Commonwealth court facility be established. There was jubilation in the city of Newcastle at this fine recommendation.

Many problems with the current accommodation were raised within the review. First, the court building is too small. It only has four courtrooms. With two judges and three federal magistrates based in Newcastle, it certainly does not fit. The Federal Magistrates Court regularly has to use state court facilities for its divorce list. Given the geographical size of the area serviced by Newcastle, there is also latent demand from more Commonwealth matters which cannot list there because of space constraints and the lack of facilities. With the expansion of jurisdiction outlined in the bill before us today, it is therefore even more important that the Newcastle court be given room to grow.

In addition to the size of the building, its layout also compromises its functions, with security being made difficult by the building being spread over many floors. The problem is further exacerbated by the slow and erratic lifts in the building. The configuration of public spaces and waiting areas is not optimal. In fact, it is one of the contributing factors to security risks and to the tensions and frustrations experienced by litigants, who are often forced to wait side by side and with their respective legal teams in very cramped areas. Private meeting areas and briefing rooms are also inadequate to allow all who need to prepare before hearings to do so in a decent space. The general presentation of the court was found to be well below the acceptable standard, given the status and prominence that courts have within our system of government.

All in all, the review found that the Newcastle Commonwealth courts were deficient in size, layout, facilities and presentation—a rather damning summary. It was a review that confirmed what we had been saying for a long time: upgraded facilities for Newcastle are long overdue. I put on the record my appreciation to the Attorney-General for being very accessible to me on this issue. As the shadow Attorney-General, he last visited the courts several years ago. He acknowledges this, and nothing has improved since then. He has certainly been accessible not just to me but to the users of the facility since he took office last year. He met with stakeholders in June when he came to Newcastle. I know that discussions are ongoing and thorough on a proposal for a new dedicated court facility and that all these things will take a certain amount of time and proc-
ness. I also thank the Family Court and the Federal Magistrates Court for funding, from their own budgets, the scoping studies that are underway right now.

We are considering a $60 million project. When we look at big projects like this, it is imperative that we ensure that the government invests its resources where they are most needed, and where we know from evidence they are demanded and will provide the most benefit to Australian families. We will continue to enjoy putting forward the case for the urgently needed upgrade of facilities in Newcastle. Comparative figures actually show that filings in the Family Court registry and the Federal Magistrates Court in Newcastle are up to 10 times higher than those at other facilities in the country and that the completion of applicants’ matters can take up to 12 months longer due to capacity constraints. The emotional difficulties faced by people before these courts suggest that frustration and aggravation from prolonged delays should be avoided. I think people should be able to have their matters heard in an environment in which they certainly feel safe and secure and so can give their attention to trying to resolve these difficult family law matters. So I look forward to ongoing discussions with the Attorney-General, his staff and officials, the courts, court users and the community of Newcastle on this issue. I am hopeful that we will be able to progress this through future budget processes and give the people of Newcastle and the wider region some comfort that we understand the need for improved facilities in this area.

To conclude by returning to the specifics of the bill, there are three key things that we are trying to do in this legislation and that should certainly be supported by the opposition. We are allowing de facto couples to access federal family law courts on property and spouse maintenance matters; we are making the laws in this area simpler and more consistent across state boundaries; and we are removing discrimination on the basis of sexuality, as the bill applies to both opposite-sex and same-sex de facto couples. I conclude by congratulating the Attorney-General for bringing this legislation forward within our first year of government. I commend it to the House.

Ms NEAL (Robertson) (12.32 pm)—I rise to speak on the Family Law Amendment (De Facto Financial Matters and Other Measures) Bill 2008, which is before us. This bill is the natural and logical descendant of the reforms to family law which commenced with the carriage of the Family Law Act in 1975. Prior to this time the legal framework of family law was such that matrimonial disputes were fought out on an adversarial basis whereby each party was required to establish the fault of the other, and the courts’ determination of the placement of fault would have implications in relation to the orders made regarding both children and financial matters. The principles on which the reforms were based were: the simplification of the legal process; the transfer of family matters to a court that had specialist skills in the area; a focus on alternative dispute resolution processes to reduce both the cost and time taken to finalise matters and also to lessen the impact on the husband or wife and any children; and, most importantly, to remove the issue of fault from the matter that was being dealt with and determined by the courts.

This bill has much the same principles underpinning it, with the addition of extending these provisions to same-sex couples on the basis of equity and removing discrimination in relation to these couples. The original act relied on the Commonwealth powers set out within section 51 of the Constitution under subsections xxi, ‘marriage’, and xxii, ‘divorce and matrimonial causes; and in relation thereto, parental rights, and the custody
and guardianship of infants’. The reliance on these powers meant that the act could not extend to financial matters between de factos. Prior to 1990 the states referred their powers to the Commonwealth by legislation, even where the parents were not married, in relation to children. From the early nineties some financial matters between de factos were dealt with in the Family Court as incidental to children’s matters initiated there on the basis of cross-vesting principles. This practice was halted by the decision Re Wakim; Ex parte McNally that determined in 1999 that that cross-vesting reliance was unconstitutional.

This constitutional limitation has been resolved to allow this bill to take effect by the referral of these powers from the states of New South Wales, Victoria, Queensland and Tasmania pursuant to subsection xxxvii of section 51 of the Constitution. This is the result of extensive consultation between the states and the Commonwealth on this issue and of a decision made in November 2002 for the Commonwealth to proceed on the matters with the support of the states at a ministerial council. It is a shame that the previous government dragged its feet on implementing this decision, particularly in the light of New South Wales carrying its referral legislation as early as 2003.

For many years it has been a matter of some frustration and a cause of inequity that de facto couples involved in financial disputes have been required to take up their issues in the more complex, generally more expensive and less suitable courts, such as, for example, the Supreme Court of New South Wales, a court that is notoriously expensive to litigate in. There has been even greater frustration by de factos in same-sex couples, who have had no venue in which to resolve issues in relation to children and financial matters after the breakdown of their relationship. The problems and the frustrations caused by the lack of courage of the previous government to deal with this issue are to be remedied by the bill that is here before us today.

The bill has two major parts. Firstly, schedule 1 and schedule 2 amend the Family Law Act and related legislation to allow the family courts to make, in relation to those in de facto relationships, financial orders which include: maintenance; declaration and alteration of property interests; orders and injunctions binding third parties; financial agreements; proceeds of crime and forfeiture of property; and defining which instruments are not liable to duty. Although the bill extends jurisdiction to de facto relationships, it does so in quite particular circumstances, which I will deal with later.

The second major area is set out in schedule 3. It makes changes for married couples by extending matters relating to separation declarations, superannuation splitting and proceedings by third parties in relation to binding financial agreements. This is essentially an extension of the sorts of orders that the Family Court can make in relation to existing married couples. Finally, there is a small section in schedule 4 which makes minor changes in relation to certificates provided to parties who attend family counselling.

The area I would like to focus on in particular is the extension of the jurisdiction of the Family Court on property and financial matters relating to de facto relationships. Prior to this bill the laws that applied to property issues between de facto couples varied from state to state. There were also great differences in how property issues were dealt with for married couples and those in de facto relationships. The situation was just not satisfactory. It wasted the time of the courts and it wasted the time of those families and individuals affected. It really was
quite an unreasonable and unsatisfactory situation.

A major injustice under previous legislation relating to de facto relationships was the failure to take into account the future needs of the parties. The New South Wales De Facto Relationships Act only took into account the initial contribution of parties when dividing property. This could create a situation whereby, after a very long relationship, a person who had invested a great deal of their time and effort into the relationship, and possibly the children in the relationship, would receive only a very small part of the property because of their small initial contribution.

Another failing in state legislation was the fact that same-sex couples did not have a regime to deal with property issues at the breakdown of a relationship, other than the general law that relates to any person who is not necessarily in a relationship. There were also great difficulties, in that, despite a range of failed regimes, many de facto couples may have been required, prior to this bill, to have issues between them determined by a number of different courts, including children's matters in the Family Court and property matters in the Supreme Court.

The main impact of the bill is to create a regime whereby couples in de facto relationships can have property disputes resolved by the Family Court—at the same time, if necessary, as the matters relating to children are being dealt with. Proposed section 4AA defines a de facto relationship as one in which the parties are not married, are not related by family and, having regard to all the circumstances, have a relationship as a couple living together on a genuine domestic basis. For the act to apply there is also a requirement that the relationship has lasted for two years or that there is a child of the relationship or that a party has made a substantial contribution to the relationship and it would cause serious injustice not to grant an order. This provision is at the core of much of the opposition to this bill, particularly from members of the opposition.

The proposition that the granting of a regime to determine property rights between de facto couples will somehow reduce and undermine the value of marriage is something I find puzzling in the extreme. The opposition argues that there is somehow a ‘limited pool of recognition or happiness’ to which married couples should have first right and that somehow the granting of some sort of recognition of the rights of de facto couples undermines marriage. I do not see that as being correct. I have some concern that some people who present themselves as religious, or Christian, seem to follow the same theme.

In my view there is great value in marriage. It does provide stability and happiness to many people. It provides recognition of each party and their responsibility in raising children. But I do not believe that all the benefits contained in marriage mean there is not value in de facto relationships. Though it has been said many times in this chamber, it is important that we recognise not only that 15 per cent of people choose to be in a de facto relationship rather than a marriage but, even more importantly, that 30 per cent of children in Australia come within a de facto relationship.

I think it would be cruel and unreasonable of us as legislators and also as human beings to fail to protect the rights of children through proper separation of financial property and resources by not allowing de facto relationships to have access to a scheme for separation within the Family Court. I believe that bringing this bill is the right thing to do. It is long overdue. It should have been done back in 2003. But it was not done because of the fear and failings of the previous govern-
ment. I congratulate the Attorney-General, Robert McClelland, for acting so quickly in an area that obviously required action some time ago. He has certainly ensured that it is brought before the House as quickly as possible.

While I am on my feet, I want to mention another matter the Attorney-General has been acting very quickly on, and that is the family relationship centres. Of course, this is all part of a general philosophy being pursued by this government to try and assist families, whether de facto or married, during the period of their breakdown, when they are under stress. This is an extremely high priority.

In pursuit of this policy, this government has opened an additional 24 new family relationship centres as of 1 July this year; by October there will be 65 centres across Australia. I am very lucky that this government has opened a centre at Erina, an area where there is extremely high demand for these sorts of services, as there is all over the Central Coast. It is extremely important that this government assist families, when relationships are breaking down, to resolve in an amicable way problems and disputes about children and property matters and to reduce the level of impact on them. These centres go a long way towards assisting with that. I am very proud to have a centre at Erina and I thank the Attorney-General for coming and opening that centre over the parliamentary break. I commend the bill to the House and I urge the House not to delay by referring it to further committees. This is a bill that is long overdue. The suffering that would be caused by any delay cannot be justified.

Mr DREYFUS (Isaacs) (12.46 pm)—I rise to speak in support of the Family Law Amendment (De Facto Financial Matters and Other Measures) Bill 2008. This bill gives effect to the referral of powers by Queensland, New South Wales, Victoria and Tasmania to the Commonwealth to legislate on de facto relationships. It is also legislation that gives effect to longstanding Labor policy. It is an excellent use of the referral mechanism that is contained in section 51(xxxvii) of the Commonwealth Constitution. In the words of the Victorian referring act, which is the Commonwealth Powers (De Facto Relationships) Act 2004, these referrals give the Commonwealth the power to legislate on:

(a) financial matters relating to de facto partners arising out of the breakdown (other than by reason of death) of de facto relationships between persons of different sexes;

(b) financial matters relating to de facto partners arising out of the breakdown (other than by reason of death) of de facto relationships between persons of the same sex.

The referral from New South Wales, Queensland and Tasmania is expressed in virtually identical terms to the Victoria referral, and the legislation will apply in the territories through section 122 of the Constitution. South Australia and Western Australia have not yet passed full referral legislation, but I would hope that those states will follow the other states so as to provide uniform treatment throughout Australia.

During the late 1980s, all states except Western Australia referred to the Commonwealth powers to legislate over children born outside marriage. This bill will extend to all families in the referring states and in the territories the jurisdiction of the Family Court over financial matters in the event of the breakdown of a relationship. As the Attorney-General said in introducing this legislation, this legislation is long overdue, and I note that very many speakers on our side of the House have expressed the same sentiment. It gives effect to an agreement made between the states and the Commonwealth in 2002 at a meeting of the Standing Committee
of Attorneys-General. Even in 2002, the reform that was agreed on was overdue, and it is perhaps worth referring to the history of attempts to legislate in this area, just so that the House can be aware of how long this has taken.

Referral of powers over property rights for de facto couples has been on and off the agenda since not later than 1976, when it was raised during meetings of the Australian Constitutional Convention. There was a similar suggestion made at the Constitutional Convention in 1988—that powers over property rights of de facto couples should be referred to the Commonwealth—and in 1994 the Queensland government announced that it would refer its power to the Commonwealth. The Attorney-General of the day urged other states to follow suit. In 1999, the then Commonwealth Attorney-General, Daryl Williams, indicated that the Commonwealth would agree to a referral of powers, even if only some states wanted to refer their powers. He noted at the time:

One significant gap in the family law system is its coverage of the 10 per cent of couples who choose to live in de facto relationships.

... ... ...

The issue of the referral to the Commonwealth of State powers concerning de facto relationships has been discussed in the Standing Committee of Attorneys-General (SCAG) since 1992...

The Law Council of Australia has indicated that its preferred approach is to have all States and Territories refer power in relation to de facto relationship property matters to the Commonwealth.

The then Attorney-General expressed support for an approach which would have meant that the referral could be acted on even if not all states agreed. That led, in November 2002, to agreement at a meeting of the Standing Committee of Attorneys-General to allow states to refer their powers to the Commonwealth and for the Commonwealth to act even though not all states had done do. Even then—and this is a point that other speakers have noted—the former government was not prepared to legislate in respect of same-sex de facto couples, and the matter has in effect foundered on that refusal. It has needed a change of government for this long-overdue reform to be introduced.

It has been the position that, until now, couples in de facto heterosexual relationships or in same-sex relationships which had broken down have had to use state courts to resolve property issues. In Victoria and New South Wales, only past contributions of the parties and not future needs or financial resources are taken into account when dividing property. Further, in South Australia, Queensland and Victoria, spousal maintenance is not payable to the primary caregiver of a child from the former spouse. In New South Wales and the ACT, spousal maintenance is only payable until the child is 12 years of age. So there is a legal patchwork and the difficulty of having to front up to more than one court, with all of the attendant expense and delay that that necessarily involves. This bill, therefore, represents real change for thousands of Australians and their families. Some 15 per cent of those in social marriages are in de facto relationships according to the Australian Institute of Family Studies. This bill says that the Family Court is available for each one of those families if they need to use it. With these changes, we will accord to all families the respect that is warranted.

The bill has, as has been said by my former colleague at the Law Council of Australia, Mr Ian Kennedy, ‘profound implications for two significant groups in our community and for our society as a whole’. I believe that the implications of the bill are not only profound but also positive. The breakdown of a relationship is rarely easy. It can cause immense pain to all those involved—the partners, the children, the extended families and
the friends. A break-up may be painful and difficult but sometimes it is inevitable and sometimes it is even necessary. Whatever the circumstances, governments should never make it harder; governments should not impose burdens that increase the suffering of those who are already struggling through what can be one of the most difficult periods in a person’s life. As a result of this bill, all family law issues in the referring states on the breakdown of a relationship will be dealt with in the one court, which has specialised expertise in the area.

We have established a Family Court in this country as an acknowledgement that personal relationships are very different from commercial relationships. It is an acknowledgement that the break-up of a personal relationship is different from a breakdown in a commercial relationship. It is an acknowledgement that specialised expertise may be necessary and that particular procedures will be more appropriate.

During the inquiry of the Senate Standing Committee on Legal and Constitutional Affairs, Natascha Rohr of the Women’s Legal Services Australia pointed out:

... the Family Court has developed into a highly specialised forum to resolve family relationship disputes, and particular procedures including access to conciliation and mediation, and simplified procedures for consent orders, now make it a more appropriate court for de facto disputes than the general estate courts ...

This bill will reduce the additional legal burden imposed on de facto heterosexual couples and on same-sex couples. The present parties involved in a de facto partnership must deal with issues concerning the custody of children in the Family Court and issues regarding the division of property in the state courts. As Ms Rohr told the Senate inquiry:

The less money that is wasted on concurrent court hearings and more expensive Supreme Court proceedings the better.

These changes will ensure that separating couples will have greater financial resources for the future of their children.

The bill is also crucial in furthering the rights of children, particularly those born to parents in de facto heterosexual relationships or in same-sex relationships. Proposed section 90RB defines the child of a de facto relationship as thus:

1 For the purposes of this Part, any of the following is a child of a de facto relationship:
   (a) a child of whom each of the parties to the de facto relationship are the parents;
   (b) a child adopted by the parties to the de facto relationship or by either of them with the consent of the other;
   (c) a child who under subsection 60H(1) is a child of the parties to the de facto relationship.

Because of the current family law arrangements, children born to parents in de facto relationships are not treated equally to children born to married parents. Under the Family Law Act, a party is required to financially maintain their ex-partner if that partner cannot support themselves because they are responsible for caring for their children. This requirement is fundamental to the welfare of children whose parents’ relationship has broken down. This bill, by fully including children from de facto relationships, will ensure that the welfare of these children is protected and enhanced. One witness giving evidence to the Senate inquiry pointed out:

... it is in the best interests of the child to have economic and emotional security, which comes with the legal recognition of their parents.

I agree. The legal recognition of these relationships has important consequences that are both symbolic and practical. No child should experience discrimination or disadvantage because of the gender, sexual orientation or legal marital status of their parents. It is fundamentally unfair to penalise chil-
children because of the prejudice that emanates from some in the community.

As I mentioned earlier, state courts are unable to make orders dividing the superannuation interests of de facto couples. Superannuation is often the most significant asset held by couples and therefore, on the dissolution of that relationship, it is often the most valuable asset for distribution. The ability of the Family Court to consider the division of superannuation assets after the breakdown of a de facto relationship will be of considerable benefit, particularly to those partners who have taken time out of the workforce to raise children. Those partners have often missed out on accumulating superannuation because they have been primarily responsible for the care of children. The law recognises the need to take into account, for couples that have been married, the fair division of superannuation assets. The reasons for doing so for de facto couples are equally compelling.

This bill is also significant because it acknowledges the equality of gay and lesbian families. It represents a shift away from the intransigence and the demeaning obstruction of the former government in refusing to accord respect or dignity to same-sex relationships and gay and lesbian families. Same-sex relationships have been explicitly recognised by the references from each of the states and by this bill as deserving of equal protection under the family law arrangements in this country. This is as it should be. It beggars belief that any Australian could be so antagonistic to their fellow citizens that they would seek to deliberately and consciously make the experience of a relationship breakdown more difficult than it needs to be. Those who claim to represent Australian families in this place but who then work to exclude certain Australian families from accessing services—in this case, the specialised Family Court system—that other families can access are hypocrites.

Along with many other nations, Australia has taken a historic journey to accord full equality and citizenship to all its citizens—to women, to Indigenous people, to racial and cultural minorities, to gays and lesbians, to people with disabilities and to each and every citizen. The journey is not yet complete, but I hope that in years to come we will be able to look back—as we now do to the years of the White Australia policy—to the years in which there was discrimination against and gays and lesbians, cultural minorities and people with disabilities and say, ‘We have come a long way, and to a better place.’ We must never underestimate the importance of legislative action in this journey. Legislative change helps to bring about administrative action. Legislative change assists social change. The law is a statement of our society’s values—it approves, it disapproves, it sanctions and it prohibits. To my mind, this bill certainly reflects the values of a modern, confident Australia: equality before the law, the protection of children, access to justice, fairness and the inclusion of all Australian citizens. I commend the bill to the House.

Mr McCLELLAND (Barton—Attorney-General) (1.02 pm)—In summing up on behalf of the government, I would like to thank honourable members for their contributions to the debate. I think that, in terms of the essential policy underpinning the legislation, there is broad support, for which I indicate my appreciation. The Family Law Amendment (De Facto Financial Matters and Other Measures) Bill 2008 implements the government’s platform commitment to ensure that family law applies in a consistent and uniform way to de facto relationships across Australia. For the first time, de facto couples will be able to access a federal, uniform family law regime. They will be able to deal with their financial matters and children’s matters in the one court and in a single proceeding.
They will be able to access specialist family law procedures and dispute resolution mechanisms. In all referring states, they will have their property issues determined against the background of what they have and what they need. In appropriate cases, they will also be able to get spouse maintenance orders. They will be able to split their superannuation interests in the same way that married couples have been able to do since 2002.

The new single regime proposed by the bill addresses unsatisfactory aspects of the current state and territory regimes. De facto couples in different states and territories have different rights and cannot access the specialist family law courts. Where they have children, the bill will also remove the cost and inconvenience of couples running parallel proceedings in two court systems. This will be corrected with the passage of the bill in this parliament. Consistent with the government’s policy, the bill does not involve discrimination between opposite-sex and same-sex de facto couples. I should also note that nothing in the bill alters the marriage laws, which provide that marriage is between a man and a woman.

I would like to thank the Senate Standing Committee on Legal and Constitutional Affairs for its report on the Family Law Amendment (De Facto Financial Matters and Other Measures) Bill 2008. I am particularly pleased that the committee has recommended that, subject to several amendments, the Senate should pass the bill. The government is closely considering the committee’s recommendations for amendments to the bill. They have been suggested in good faith and are, by and large, very constructive. Early parliamentary consideration of the bill is a priority for the current parliamentary sittings because of the fact that, unless we amend these laws, there will be inconvenience caused to many people in the distressing situation where they are attempting to accommodate the best interests of children. De facto couples across the country have for too long had their family law cases decided under different legal regimes and in different courts—with, as I have mentioned, all of the additional costs, inconvenience and anguish that that involves.

I would like to now address several points made during the course of the debate. The first point I want to make, and I referred to it a short time ago, is that nothing in this bill affects, reduces, limits, restricts or otherwise impinges on the institution of marriage. Marriage is defined under Commonwealth legislation as being between a man and a woman. The government is committed to that principle. The opposition is committed to that principle. Hence, the parliament of the Commonwealth of Australia is committed to that principle. This bill respects the fundamental principle, as I have indicated, that marriage is between a man and a woman. There is nothing less than a firm statement of and commitment to that principle by this House. At the same time, this bill will provide equal treatment for same-sex and opposite-sex de facto couples in determining their property disputes. Hope as we may that relationships remain stable, particularly when children are involved, the reality is that, as we are all aware, relationships do break down. It is important to ensure that our legal framework and legal system are able to adjust to and cope with those realities.

Family law has long recognised that men and women can contribute in a number of ways to a relationship, whether it be by acquiring property, raising children or making other important family contributions. This bill, for the first time under federal law, recognises that de facto partners can contribute equally in a number of ways to their de facto relationship. The bill introduces a separate regime for financial disputes between de facto couples on the breakdown of their de
facto relationship. Married couples will continue to have their property matters determined under the existing provisions of the Family Law Act. Giving de facto couples access to property settlement and spouse maintenance is not new; each state and territory already has a property settlement regime for de facto couples, broadly based on the approach that is taken for married couples in the Family Law Act. There is inconsistency, however, in the area of spouse maintenance and certainly in the area of the splitting of superannuation entitlements.

During the debate, the members for Mackellar and Cook spoke about the risks of people entering into concurrent relationships. It is very important that I place on the record that the bill does not provide recognition of polygamous relationships. It is unlawful to enter into a polygamous marriage under Australian law and indeed under the laws of the states and territories. Under provisions in the bill it is possible for a de facto relationship to exist when one party is still in a marriage or in a de facto relationship with another person, and that is currently the situation under state and territory law. For instance, this provision would be used most often in situations where a couple has been separated for some time but formal divorce of the original marriage has not been finalised. So only to that extent, in those circumstances, does the legislation apply to concurrent relationships. Any subsequent relationship would have to satisfy the strict threshold test for being considered a de facto relationship, including being of sufficient length, displaying a mutual commitment to a shared life and having a public reputation as a de facto relationship.

The bill gives the court the power to determine, taking into account all circumstances, the fair distribution of the rights of all parties. If the bill does not give the court the power to determine a just and equitable distribution of property between couples in a range of relationships, then grave injustice could potentially be done to the de facto spouse whose claim is not recognised because of the fact that, for instance, the original divorce of their partner has not been concluded.

I note also the comments from the member for Blair about the validity of binding financial agreements. The member for Blair has considerable experience in the area of family law and we will certainly look in detail at his suggestions. I have asked the Family Law Council to undertake a review of the binding financial agreement provisions of the Family Law Act 1975 in light of the case of Black & Black, which was a full court decision of the Family Court of Australia in which an agreement was held to be invalid because it contained a relatively technical error. The government is concerned about the possible consequences of the full Family Court’s decision on the validity of existing binding financial agreements.

In conclusion, the government has taken a landmark step in implementing a consistent and uniform de facto property and spouse maintenance scheme. Obviously, it is a primary responsibility of government to do what it can to preserve, support and sustain relationships, particularly where children are involved, but it is a fact of life that relationships break down. The bill implements an agreement reached at the Standing Committee of Attorneys-General back in 2002. Obviously, my predecessor was responsible for that agreement. De facto couples and their children have had to wait too long, however, for the Commonwealth to act on the basis of that agreement. The Rudd government has moved swiftly to deliver this important reform.

I congratulate the majority of states which have already referred the necessary powers to the Commonwealth. They are the states of
New South Wales, Queensland, Victoria and Tasmania. I am continuing to discuss references with South Australia and Western Australia. I note that Western Australia has previously provided a partial reference, limited to the distribution of the superannuation of de facto partners on the breakdown of a relationship. Obviously, the federal government would like the totality of the reference to occur because the current reference would leave spousal maintenance and non-superannuation property issues between de facto partners as a matter of Western Australia state law and the scheme, intent and purpose of the legislation is to draw it together under one federal law.

Obviously, jurisdictional issues will arise. For instance, if the limited reference were to be accepted from Western Australia it would still leave a situation where jurisdictional issues would arise in cross-border cases under the terms of that limited reference. Also, the limited reference would require Western Australia to periodically duplicate Commonwealth amendments to family law. While we would expect that the Western Australian legislature would approach the matter with diligence and good faith, experience suggests that this is a cumbersome mechanism frequently resulting in inconsistencies, at least for a period of time, and certainly not an optimal constitutional arrangement. I am continuing discussions with Western Australia about a full reference of power. I look forward to working with the states and territories so that together we can harmonise and simplify the family law regime for de facto couples across Australia. I commend the bill to the House.

Question put:
That the words proposed to be omitted (Ms Julie Bishop’s amendment) stand part of the question.

The House divided. [1.18 pm]
Forrest, J.A.  
Haase, B.W.  
Hawke, A.  
Hull, K.E.  
Irons, S.J.  
Johnson, M.A.  
Ley, S.P.  
Macfarlane, I.E.  
Markus, I.E.  
Moylan, J.E.  
Neville, P.C.  
Ramsey, R.  
Robb, A.  
Ruddock, P.M.  
Scott, B.C.  
Slipper, P.N.  
Stone, S.N.  
Tuckey, C.W.  
Vale, D.S.  
Wood, J.  

Gash, J.  
Hartsuiker, L.  
Hockey, J.B.  
Hunt, G.A.  
Jensen, D.  
Keenan, M.  
Lindsay, P.J.  
Marino, N.B.  
Morrison, S.J.  
Nelson, B.J.  
Pearce, C.J.  
Randall, D.J.  
Robert, S.R.  
Schultz, A.  
Secker, P.D.  
Smith, A.D.H.  
Southcott, A.J.  
Truss, W.E.  
Turnbull, M.  
Washer, M.J.  

PAIRS  
Hawker, D.P.M.  
Owens, J.  

* denotes teller  
Question agreed to.  
Original question agreed to.  
Bill read a second time.  

Message from the Governor-General recommending appropriation announced.

Third Reading  
Mr McCLELLAND (Barton—Attorney-General) (1.25 pm)—by leave—I move:  
That this bill be now read a third time.  
Question agreed to.  
Bill read a third time.

TRADE PRACTICES LEGISLATION AMENDMENT BILL 2008  
Second Reading  
Debate resumed from 26 June, on motion by Mr Bowen:  
That this bill be now read a second time.  

Mr DUTTON (Dickson) (1.25 pm)—I rise to speak on the Trade Practices Legislation Amendment Bill 2008, which seeks to amend section 46 of the Trade Practices Act and includes provisions which would allow the Federal Magistrates Court to hear matters arising under section 46. I also note that the bill proposes to legislate that one of the ACCC’s deputy chairpersons have knowledge of or experience in small business matters, removes the threshold on unconscionable conduct cases under section 51AC of the Trade Practices Act, and clarifies the ACCC’s information gathering powers under section 155 of the Trade Practices Act.

Small business is the lifeblood of many small communities, both in city areas and in the bush. It also typifies what living in Australia is all about. We should be grateful that we live in a country where, if you choose to and have the motivation and commitment, you can work in a small business and determine your own destiny. It provides many opportunities and rewards for people who are prepared to work hard and believe in themselves. According to the ABS, in 2005-06 there were around 2.5 million small businesses in our country. These 2.5 million small businesses employ close to 3.8 million people, or just under half of the working population. Small businesses in that year paid $95 billion in wages, collected $840 billion in revenue and made an operating profit before tax of $108 billion. So the importance of the contribution that small business makes to the economy cannot be underestimated. Small business is indeed the engine room of our economy. Not only does the sector employ a significant portion of the workforce, but it also fills many niche roles in communities in providing some of the most basic and essential requirements for everyday life, including plumbers, electricians, bakers, butchers, accountants, solicitors, doctors and chefs, to name but a few.

The strong economy that the coalition built over the last decade, under the stewardship of the former Treasurer and member for
Higgins, helped to boost confidence in the small business sector, and small businesses thrived. In the 11 years that we were in government, we eliminated $96 billion of Labor debt, we prepared for the future by establishing the Future Fund to pay for the government’s unfunded superannuation liability, and we were positive and had a forward-looking approach to managing the economy. This government seems to be always looking backwards, looking for someone else to blame for the economic mess that it has caused in a relatively short period of time.

When the coalition was in government, small business had confidence. It had confidence in the economy and, most importantly, it had confidence in the government. It had confidence that allowed it to invest in new capital and to employ new staff. There is no doubt that at the moment there are global factors impacting on our economy, including the US credit crunch and rising oil prices, but this government inherited an economy that was the envy of the world. We had low unemployment, low inflation and good prospects for growth. The government inherited an economy which was in great shape to withstand the current shock.

Under the coalition government, the economy withstood similar international shocks, including the September 11 attacks in 2001, the US recession, the SARS crisis and the Asian financial crisis. We endured all of those international events and yet we were still able to maintain confidence in the Australian business community. Australian business had confidence in the previous government to deal with those most difficult of international issues as well as issues and difficulties that arose in the domestic economy. Business as a whole, and small business in particular, has lost confidence in this government. It has lost confidence to move forward and make investment decisions and employ staff. Instead, we are seeing redundancies and workers put off, and casuals, particularly in the retail sector, are having their hours wound back.

Consider for a moment a few statistics. In the National Australia Bank monthly business survey, confidence remained steady at negative nine points in July, to be at its lowest level since September 2001. The measure has fallen 24 points since last June and 15 points since November 2007. In the NAB quarterly business confidence survey in the June quarter it fell four points to negative eight; this is the lowest reading since early 1991. The measure has fallen 18.9 points since last June and 13.8 points since December 2007. But perhaps the most damning indication of small business’s lack of confidence in the economy and in this government are the figures in the quarterly Sensis Business index. The August 2008 index just released shows that confidence amongst small and medium businesses fell to its lowest level since the inception of the index over 15 years ago. The business confidence indicator currently sits at a pathetic 24 per cent, which is less than half the level recorded this time last year. That demonstrates what this government has done in a very short period of time to business confidence in this country. And small business’s lack of confidence in this government has flowed through to consumers—hardly surprising, given that small business is such an important part of our community.

The August Roy Morgan consumer confidence rating is 90.1, the lowest since December 1991, down 1.9 points from July 2008 and 35.1 points lower than in August 2007. The August 2008 Westpac-Melbourne Institute consumer sentiment index is currently at 86.2 per cent, a recovery from the July result of 79, which was the lowest level since July 1992. However, the index is below 100, therefore showing negative sentiment, and is 22.4 points below the figure for Au-
It has fallen by 24.3 percentage points since the last election in November 2007. The June 2008 Sensis Consumer report showed a net balance of 35 per cent of Australians reporting confidence in their financial prospects for the year ahead—about one in three Australians. That, for this government, is a shameful statistic. It is a fall of nine percentage points from last quarter, bringing confidence to the lowest point recorded since the start of the Sensis Consumer report in May 2004. Over the past six months, confidence levels amongst consumers have fallen by 26 percentage points. Only 22 per cent of Australian households believe that they are better off now compared to a year ago, down three percentage points in the past quarter. That is the lowest level recorded in the history of the Sensis Consumer report. Nearly 80 per cent of Australian households believe that they are no better off now than they were a year ago.

The reality is that this is a government that, in nine short months, has been able to turn around consumer and business confidence to a point where we are now at crisis level. We have businesses which are putting off young and older Australians—particularly those who are working in part-time or casual employment. Hours are being slashed and people are being made redundant. This is an unsustainable position for the Australian economy to be in. The fundamentals of this economy are strong. As I said earlier, we have demonstrated that because we paid down the $96 billion Labor debt. Imagine, in the current global crisis, if this government were weighing into the money market to fund that $96 billion government debt; it would be a shameful position to be in. Had the Labor Party, when they were in opposition over the last 11 years, been given their way when they voted against each of our measures to reduce that debt, then today they would themselves be saddled with a figure probably in excess of $96 billion.

So when this government goes around suggesting that the coalition opposition is irresponsible in relation to some measures which are before the other place at the moment, those claims ring completely hollow. They are completely hollow because we were the government of surplus budgets. Why did we have surplus budgets? We had surplus budgets to create excess funds to pay down that $96 billion Labor debt. We paid down that debt by 2006. Our position has always been, and remains to this day, that once the government has met its demands, once we have provided services to the constituents around this country, once we have been able to service all of our responsibilities, then surplus moneys should be given back to the Australian people because they represent an excess in what should have been collected from people in the first place.

This is a fundamental difference between this side of the House and the Labor government in this country. This is an opposition which believes in no new net taxes. This is a government which believes in new taxes; this is a government which introduced new taxes in the last budget in May this year. They introduced taxes which they did not have a mandate for but which they decided to introduce nonetheless. Some were introduced for ideological reasons and some were introduced because they were particularly concerned about where this economy was headed. They have demonstrated to the Australian people—particularly to a younger generation, who have never seen Labor manage the Australian economy before—in nine short months that this is a government, and that Labor are a party, that is incapable of managing this $1 trillion economy.

We as a coalition want to continue to provide support for small business because we
believe that small business is the engine room of the Australian economy. Small business employs young people. Small business continues—mum and dad operations, micro-businesses, small businesses that are running local shops and cafes. They are what this Australian economy is about, and, if you have got a government that is out there sluggging them at every opportunity, that is a bad outcome not just for them and for their families but for the Australian economy as well.

It is why we took the position we did in relation to this particular bill before the House.

An amendment to this bill has been circulated in my name. We believe very strongly in continuing to support small business, which is doing it tough at the moment. Therefore, I move:

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

“while not declining to give the bill a second reading, the House recognises the impact on small business of the Government’s proposed changes to the ‘Birdsville Amendment’, and recognises that the Federal Court is the more appropriate Court to hear cases under section 46 of the Trade Practices Act, and the House calls on the Government to abandon its proposed changes to the ‘Birdsville Amendment’ and to similarly abandon its plans to allow the Federal Magistrates Court to hear section 46 cases”.

The DEPUTY SPEAKER (Hon. BC Scott)—Is the amendment seconded?

Mrs Hull—I second the amendment and reserve my right to speak.

Mr ZAPPIA (Makin) (1.38 pm)—I certainly welcome the opportunity to speak on the Trade Practices Legislation Amendment Bill 2008. Can I say from the outset that this is a matter that is indeed very important because it affects the lives of so many people in this country, in particular the lives of people on low incomes and on pensions.

Before I get to the specifics of the bill, can I respond to some of the comments made by the shadow minister in respect of small business in this country. Let me assure him that I am one of the over two million people in this country who come from a small business background. I have been in small business pretty much since I left school. I think that it would be fair to say that I understand the difficulties, the hardships, the commitment and the risks that small business people take on in this country on a daily basis and their importance to the wellbeing of the economy of this country. The comments made about the support for small business by the previous government, when contrasted to the Rudd Labor government, I find almost laughable. As a person who was in small business, I was very much the recipient of all of the policies which the member opposite believes were good for small business.

Let me highlight one particular difference that I have noticed in the short time since the Rudd Labor government was elected—that is, the commitment of millions of dollars around Australia to support local business enterprise centres. This is the first time that a federal government has in fact invested money into the support of business enterprise centres, which in turn have been established for the sole purpose of supporting small businesses in local communities. I certainly welcome the commitment of the federal government and in particular I welcome the commitment of the federal Rudd Labor government of $1 million each to the Tea Tree Gully business enterprise centre and the Salisbury business enterprise centre, both of which support the local businesses in my electorate. I will go further: not only do they support those businesses but also, having been personally involved with both of them and with that small business sector, they are very much welcomed by the small businesses in my community because of the support that they provide. So, when members opposite talk about their support for small
businesses, where were they in supporting the very organisation that was established for the very purpose of supporting small business? They were nowhere to be seen. Sometimes if you want to make a stand, you need to match your rhetoric with real commitments and in this case with real dollars.

I will turn to the bill itself. It is an important piece of legislation because, as the member opposite quite rightly pointed out, Australians are indeed struggling in many cases. Cost of living pressures are certainly issues that this government are very conscious of and they are matters that we will be addressing as a result of a number of policies that the Rudd Labor government have introduced. This is in fact one of those policies. This bill will assist in keeping down costs for consumers by ensuring healthy market competition, and healthy market competition in turn means the following: firstly, lower prices for consumers; secondly, more product choice for consumers; and, thirdly, the survival and even growth of small and medium sized business and the consequential employment and economic benefits that come with it. As I said from the outset, the importance of this bill flows right through Australian society.

Not surprisingly, amendments proposed in this bill have been welcomed by the Motor Trades Association of Australia, the Australian Retailers Association, the Council of Small Business Organisations of Australia and the Australian Competition and Consumer Commission. I would have thought that all of those bodies, which represent a lot of the small businesses in this country, would have an interest in what the government does and that they would express that interest honestly. For them to come out and support this bill gives me an incredible amount of faith that we as a government are indeed heading in the right direction in supporting business in this country.

It is interesting that Australia has for years espoused and encouraged free markets and deregulation of business. But free markets can have opposing effects. Professor Allan Fels has said this about free markets:

So long as there are markets there will be the challenge of competition for market players, and so long as human nature remains unchanged, some participants will be tempted to act in anti-competitive or misleading and deceptive ways. Hence, there will always be a need for competitive law. Indeed, as more markets become deregulated, the greater is the need for it in these markets since the desire to undo the pro-competitive effects of deregulation can be high. That is why these days the Act—

he is referring to the Trade Practices Act—and the ACCC are of importance in preventing outbreaks of anticompetitive behaviours, whether through collusion, anticompetitive mergers, abuse of monopoly power, or unfair trading, in every sector, whether it be agriculture, manufacturing, construction, mining, distribution, transport, energy, communications or services. Without a firmly applied law, the competitive thrust of the economy would be quickly lost, and much harm done to its performance; public harm would replace public value.

That statement sums up some of the concerns about the deregulation process and how it needs to be managed.

We have on one hand a situation where prices are sometimes brought down, while on the other hand we deal with the predatory pricing and monopolies which ultimately drive prices up. We have examples of that in our petrol market, in banking and in grocery prices. There are, of course, other sectors which have equally been engaged in similar activities, but the banking, fuel and grocery sectors have in recent times been the subject of considerable public disquiet and angst amongst Australians. That is because we all rely on their services and their products. As I said in my first speech in this place, those three sectors in the financial year ending
June 2007 made a combined profit of almost $22 billion. Not surprisingly, Australians are calling for government intervention to control the very markets we have deregulated.

One of the responses by the government, both state and federal, has been the appointment of a growing number of ombudsmen, commissioners and other government-regulating bodies. We now have at the national level the Telecommunications Industry Ombudsman, the Private Health Insurance Ombudsman, the Banking and Financial Services Ombudsman, the Produce and Grocery Industry Ombudsman, the Workplace Ombudsman and perhaps others that I have missed out. These are all in addition to the ombudsmen and regulating bodies established by all of the state governments throughout Australia. So I hope I make my case clear that, whilst on one hand deregulation can have a beneficial effect, it can also have a detrimental effect which requires government intervention.

Of all of those regulating bodies, the one regulator that is most relied upon to ensure fair standards of business conduct is, of course, the Australian Competition and Consumer Commission, which has brought together the now superseded Trade Practices Commission and the Prices Surveillance Authority. The Trade Practices Act, in its modern form, was introduced in 1974 and it has certainly had influence in regulating business practices in this country. But its content has clearly been constrained by court interpretation of the act. In recognition of that, in June 2003 the Senate Economics References Committee established a review into the effectiveness of the Trade Practices Act. The committee completed its review in 2004 and recommended amendments to the act which I believe would have assisted in defining the term ‘taking advantage’ of the market power. It is my understanding that the Howard government rejected the Senate committee recommendation to amend the act but, in a last-minute desperate attempt to be seen to be protecting consumers, the Howard government supported what has since been referred to as the Birdsville amendment.

The problem with the Birdsville amendment is, as I understand it, twofold. Firstly, terms such as ‘substantial market share’, ‘sustained period’ and ‘relevant cost’ have not been defined in the act and, therefore, are open to interpretation. I would have thought that, if you were going to amend an act and rely on a specific term, the first thing you would have done is define what that term is in the interpretation of the act so that there would not be any ambiguity or confusion. Without having done that, it seems to me that the argument that those terms are difficult to define and are open to interpretation by the court is valid. In fact, I would like to quote one of the submissions which came from Office Choice Ltd when it submitted to that Senate Economics References Committee back in 2004 on the question of market share. Office Choice Ltd said:

OCL has a further concern regarding the failure of Section 46 or indeed the entire Act to adequately define ‘market share’. The ACCC’s present methodology for determining a company’s market share is to review the total value of the market in relation to the share the company holds in that market.

For instance, if the total value of a market is estimated at $4 billion and a company holds a $800 million share in that market, the ACCC would determine the company’s market share to be 20 per cent.

However, OCL believes that this measurement is too general and fails to take into account geographical factors. OCL members are widely dispersed throughout metropolitan and regional areas. In many cases, one of the larger industry players holds 100 per cent market share in some areas, resulting in a monopoly situation and higher prices for consumers.
That is a very clear example of how attempting to define a term which the act would otherwise rely on can cause all sorts of problems. Let me just take that point one step further. When these matters ultimately go to court, they are matters that affect millions and millions of dollars and, in some cases, billions of dollars. Not surprisingly, therefore, they will be matters for which both the ACCC and the defendant are going to employ the best possible lawyers available in this country. Clearly, you will end up with (a) a case which will take months and months, if not years, to determine and (b) a case in which you need to ensure that the original legislation is absolutely clear if it is going to be effective. In this case, the Birdsville amendment certainly was not clear.

So we do not know if the Birdsville amendment, as well intentioned as it was—and I certainly give credit to those who proposed it that their intention was good—would have the desired effect. There is a substantial body of opinion which says that the Birdsville amendment will in fact cause problems in the courts and it needs to be tested in order to find out whether or not it is effective. My view is that, given the advice that has been provided, when the final test comes it will not stand up and will be dismissed. The Liberal Party talk about being supporters of small and medium sized businesses in this country. It was in 2003 that the Boral case, which precipitated the Senate reference group looking into the effectiveness of the Trade Practices Act, was determined, and it is now 2008. It has taken five years to get from one point to another, to try and provide certainty for consumers and small businesses in this country. They say we now have an act and we should give it time to see if it works. We know full well that, as soon as the ACCC or any other party goes to court, it will be caught up in the court system, and it is likely that consumers will have to wait another five years before we make the proper decision to introduce the appropriate legislation. So I find it absolutely absurd to be arguing the case that we need time to see whether or not this Birdsville amendment ought to be supported. It makes more sense to acknowledge the problems that are likely to arise as a result of it and respond to them, which is exactly what the government is doing so that consumers and business continue to have a fair degree of certainty into the future.

I want to comment briefly on another point that the Liberal Party made in their press release. They said:

Birdsville was only enacted at the end of 2007. It needs time to work and to be tested in the judicial system …

I give them credit for acknowledging that it needs time to be tested. They are in fact supporting the very point I am making, and that is that the amendment has never been tested in the court and it needs to be tested in order to find out whether it is effective. My view is that, given the advice that has been provided, when the final test comes it will not stand up and will be dismissed. The Liberal Party talk about being supporters of small and medium sized businesses in this country. It was in 2003 that the Boral case, which precipitated the Senate reference group looking into the effectiveness of the Trade Practices Act, was determined, and it is now 2008. It has taken five years to get from one point to another, to try and provide certainty for consumers and small businesses in this country. They say we now have an act and we should give it time to see if it works. We know full well that, as soon as the ACCC or any other party goes to court, it will be caught up in the court system, and it is likely that consumers will have to wait another five years before we make the proper decision to introduce the appropriate legislation. So I find it absolutely absurd to be arguing the case that we need time to see whether or not this Birdsville amendment ought to be supported. It makes more sense to acknowledge the problems that are likely to arise as a result of it and respond to them, which is exactly what the government is doing so that consumers and business continue to have a fair degree of certainty into the future.

I want to comment briefly on another point that the Liberal Party made in their press release. They said:

The only businesses that will get caught by Birdsville will be those who are ‘predatory pricing’, or in other words, selling goods below cost with the intent to substantially damage or eliminate their competition.

Mr Deputy Speaker, as a small business person, I can tell you that if any business sells...
goods at a lower than normal cost, other than when there is a clearance sale or something like that on, it is quite logical that they are doing that to increase their market share. As soon as you increase your market share, aren’t you substantially damaging your competition? Again, I cannot understand the logic of that particular line, because, frankly, there is no logic to it.

Let me return to the issue of the basic cost of living, which I was speaking on earlier. I point out that in the 10 years from 1996, according to an OECD survey, grocery prices in Australia increased by 43.6 per cent compared with 25 per cent in the US and Canada, 11.6 per cent in the UK and between 10 and 20 per cent in other European countries. The noticeable differences between Australia and other OECD countries, including the USA, is that in Australia the two major grocery retailers together control around 80 per cent of the market. That is a much higher market share than by the dominant retailers in any other OECD country.

A recent survey that was carried out by the National Seniors Association showed that, in my own home state of South Australia, grocery prices in the last 12 months have increased by 5.57 per cent compared to a national average of 4.23 per cent. Of course, there will be a whole range of reasons as to why that is so. One of the underlying reasons grocery prices in South Australia have increased above and beyond those of the rest of Australia is a lack of, or restriction on, real competition. Interestingly, in South Australia we do not have the grocery retailer Aldi, which, in a recent Choice survey, was reported to have costed a basket of 33 essential grocery items at $55.70, compared with $105.43 for the same goods at Woolworths. That highlights the difference it makes when you have real competition in the marketplace.

Just as important is that increased grocery prices are linked to increases in fuel prices and increases in interest rates and bank fees. So consumers not only pay increased petrol prices at the bowser and increased interest rates on their own loans but add to fuel company and bank profits every time they purchase their groceries. Both the large banks and the oil companies warrant special attention when it comes to consumer protection legislation. The banks, for example, were quick to increase interest rates as soon as the Reserve Bank gave them the green light. In fact, they went further and increased interest rates even when the Reserve Bank did not give them the green light. Now they are saying that they may not pass on the full reductions if the Reserve Bank cuts the official bank rate. Not only should they reduce rates in line with the Reserve Bank rates but they should reduce them by any additional amount that they previously increased them above the official Reserve Bank rate. They have the capacity to do that, as the latest end-of-financial-year profits show. Perhaps they are cashing up in preparation for losses they might incur as the global financial crisis permeates through Australia over the years ahead. Banking is typically an example of where government intervention is necessary to protect consumers. Banks should not have the right to make consumers pay for the banks’ own mismanagement of their affairs or make obscene profits for their shareholders just because they can.

The fuel companies are an equally interesting sector. When crude oil prices were increasing on a daily basis, so too were petrol prices increasing at the bowser for consumers on almost a daily basis. When crude oil prices started to fall there appeared to be—(Time expired)

Mrs MOYLAN (Pearce) (1.58 pm)—If those here wish to cast their minds back some nine months ago, they will remember
how the Prime Minister rode into Canberra, supposedly as the white knight that was going to save Australia. He painted himself as a hero for everyman and someone who was going to look after the economy, especially small business. As we sit here debating changes to this act in the Trade Practices Legislation Amendment Bill 2008 and in relation to the Birdsville amendment, in a bill the coalition introduced less than a year ago, the Prime Minister seems to be living proof of the saying: ‘You either die a hero or you live long enough to see yourself become a villain.’ Changing the Birdsville amendment will certainly make him an enemy of Australia’s small business operators.

The provisions of part IV of the Trade Practices Act, which include section 46, prohibit various trade practices that tend to prevent or lessen competition in an Australian market for goods and services. They lay down rules which, as interpreted by the courts from time to time, restrain anticompetitive behaviour and promote competition in the marketplace. Section 46 has been the subject of a number of formal inquiries and resultant amendments. As it stands, section 46(1) provides:

(1) A corporation that has a substantial degree of power in a market shall not take advantage of that power in that or any other market for the purpose of:

(a) eliminating or substantially damaging a competitor of the corporation …
(b) preventing the entry of a person into that or any other market; or
(c) deterring or preventing a person from engaging in competitive conduct in that or any other market.

The SPEAKER—Order! It being 2 pm, the debate is interrupted in accordance with standing order 97. The debate may be resumed at a later hour and the member will have leave to continue speaking when the debate is resumed.
country inherited from those opposite. But, thirdly, looking at the future and the impact of the economy on individual working families, let no-one in this parliament and no-one in this country forget precisely what set of industrial relations working conditions those in Australia had to live under with those opposite. That is why this government has, through its first instrument of legislation, sought to begin the process of rolling back exactly the set of industrial relations arrangements they had in this country: unfair, unacceptable and un-Australian.

**Education**

**Mr CRAIG THOMSON (2.03 pm)—** My question is to the Prime Minister. Will the Prime Minister outline the importance of the government’s education revolution to Australia’s future?

**Mr RUDD—** What is interesting when the word ‘education’ is raised in this chamber is that it brings about peals of laughter from those opposite. They regard this as somehow secondary or irrelevant to the country’s future. I would suggest to those opposite that, if there is to be a serious debate about the future direction of the economy, that should in turn focus on how you go about setting up long-term productivity growth in this economy. If you look at the productivity growth numbers which have been generated in recent years, we have seen them go down from plus three to plus two to plus one, with no strategy on the part of those opposite to turn around labour productivity growth. We know that non-inflationary growth in the economy can only be effectively generated by productivity growth. That is what it is all about. But, in response to repeated warnings from the Reserve Bank, some 20 warnings about problems with infrastructure bottlenecks and skills constraints across the economy, we had no action from those opposite.

What we have done instead is said that our government is committed to an education revolution and proudly so. It is not only an instrument to advance the educational opportunities of kids right across the country but also a long-term investment in our country’s economic future. Yesterday I announced a further chapter in the education revolution concerning the quality of our education system. If there is one single quote which I would ask those opposite to reflect on if they are serious about their engagement on education and the economy into the future, it is this: ‘The quality of an education system cannot exceed the quality of its teachers.’

Research clearly demonstrates that the quality of instruction is the single greatest influence within schools on student performance. Countries like Korea, Finland and Singapore all recruit their teachers from the top-performing university graduates. It is no surprise, therefore, that, when we go to the international performance benchmarking, their students get the best results when it comes to international testing.

We also know that right across Australia some schools are struggling to recruit motivated, highly qualified, highly effective teachers, particularly those in the areas of greatest disadvantage. Those opposite talked long and hard for 12 years about this but did practically nothing in this area—talking about quality education; doing nothing of substance about quality education. During their period in office they commissioned a total of 24 reports on teaching alone, some 220 sets of recommendations. You have to ask yourself: where did that all end up at the end of the day in terms of real changes on the ground in classrooms and with teachers?

We are working through the Council of Australian Governments on a practical program of reform to make sure that our kids in the classroom have a decent pathway to the future. One of the areas of reform we are
looking at is: how do we ensure that we get the best quality teachers deployed into those schools of greatest disadvantage? How do you do that?

We have looked around the world for other examples. We have looked in America. Teach For America is an example of such an innovative approach. Since 1990, more than 14,000 young Americans have completed Teach For America placements in US schools, and it is now highly sought after, with more than 19,000 applications for 1,500 places a year. Recruits to Teach For America receive five weeks of intensive training and are then placed in disadvantaged schools. Research shows that Teach For America members have a positive effect on the performance of individual students within those schools. The incremental impact of having a Teach For America corps member has been three times the incremental impact of having a teacher with three or more years experience. The objective here is to get your most highly trained, highest qualified tertiary graduates into the classroom.

Teach First in the United Kingdom has a similar approach. It takes top new graduates from universities such as Cambridge and Oxford, provides them with six weeks training, then places them in hard-to-staff schools in disadvantaged areas. The graduates typically teach for a couple of years only before embarking subsequently on careers as lawyers, doctors or professionals. This program has also been highly sought after, not only because it allows graduates to have a more direct contribution to the community but also because it enables blue-chip companies in the United Kingdom to be engaged in the active encouragement of these young professionals to pursue a career in teaching and then to move off into the professions—but critically a significant proportion remain in teaching.

It is this sort of partnership between schools and government and corporations that we wish to embrace here as part of our response for the quality teaching revolution which we believe now needs to occur in Australia. In Australia also, corporates have taken a big interest in their possible contribution. I recognise publicly the contribution of the Australian Business and Community Network. It has a membership of some 29 leading Australian companies, including companies like KPMG, the Commonwealth Bank, UBS and Channel 10. Through this network, employees of these firms help with mentoring students, mentoring teachers and principals and helping kids with their reading. The Australian Industry Group is also an important contributor in this area through its Adopt a School program, where companies and schools work together to provide opportunities which broaden the experience of students and help them prepare for the world of work.

The government’s agenda is clear-cut. An education revolution is necessary in order to bring about long-term productivity growth in the Australian economy. Those opposite had 12 years to act on this—report after report after report gathering dust, more dust and more dust again on the shelves, recommendations not resulting in concrete action. This government intends to get on with the job of reforming the nation’s education system and reforming the quality of teaching within our schools, and we therefore will be prosecuting this bold agenda of reform—in contrast to the 12 lost years which those opposite presided over.

**Economy**

Mr DUTTON (2.10 pm)—My question is to the Prime Minister. Prime Minister, why has the cost of petrol and groceries increased since the Rudd government came to office?
Mr RUDD—The question of petrol and grocery prices and their impact on working families, pensioners and carers is of continuing concern for all Australians. It is of continuing concern to all those in government in Australia.

Mr Dutton—What are you doing about it?

The SPEAKER—Order! The member for Dickson has asked his question.

Mr RUDD—That is the first principle. The second thing is to recognise that there are practical things which governments can do in response, in our case beginning with, through the budget, ensuring that we can implement a $55 billion Working Families Support Package, which we legislated. Secondly, we have a $7.5 billion additional set of payments for pensioners, carers and those on the disability support pension. These are practical steps forward. In terms of the factors impacting on oil prices, let us simply be realistic about the fact that global oil prices are out there affecting all economies across the world. If those opposite have a particular solution as to how to quarantine this economy from the roll-on impact of changes in the global price of oil, I am all ears.

Opposition members interjecting—

Mr RUDD—I hear lots of opportunistic political pointscoring; I do not see a practical plan of action on this. We have one when it comes to providing consumers with a real opportunity to choose where they purchase their petrol. Those opposite have chosen to side with big oil against the consumers. When it comes to the range of other measures which are before us, they have consistently chosen to take sides with the big supermarket chains, with the big oil companies, with the private health insurance companies, against the interests of individual consumers. We stand for giving more power to consumers. They stand for denying consumers that power. We stand for a principle of responsible budget management which delivers a significant package of tax relief measures as well as additional payments for pensioners, carers and DSP recipients and beyond that.

For 12 years, those opposite sat there and did nothing about any fundamental reform to the pension. They sat there and did nothing. The pretence line and the hypocrisy line from those opposite is that, mysteriously, cost-of-living pressures emerged in the last six to eight months affecting pensioners. That is just unsustainable and unbelievable and they stand condemned for their 12 years of inaction.

Education

Mr SYMON (2.12 pm)—My question is to the Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion. Will the minister detail the government’s progress in driving prosperity and opportunity as part of its education revolution?

Ms GILLARD—I thank the member for Deakin for his question. I know he has a deep interest in our education revolution and in making sure that every Australian student gets the best possible start in life. It was my pleasure earlier today—with the Prime Minister; the member for Canberra, Annette Ellis; and the ACT Minister for Education and Training, Andrew Barr—to visit Gordon Primary School. There we saw some bright young people working hard on their numeracy, working hard on their maths, doing calculations in their head that I think many members of this House would find quite challenging. One of the things that was absolutely reinforced when we saw those young people at work was that every Australian child deserves to be in a great school, every Australian child should get a great education.
I was pleased that this morning, when visiting that school, the Prime Minister and I were able to announce a practical measure to make a difference on literacy and numeracy. That is a school which is going to benefit from $40 million of pilot programs, part of our $577 million dedicated to literacy and numeracy. And that school is particularly going to benefit through an allocation of $286,920 to help it further the numeracy program that it has there and which we saw in operation today.

The announcement that we made today is for $40 million for pilot programs around the country in 29 schools—schools in all states and territories and in all school systems. This is a first practical step in our $577 million literacy and numeracy plan. It was great to be at that school today. Seeing those children reinforces the message that the Prime Minister put yesterday, which is: we need a revolution in the quality of Australian schooling right throughout this nation. Whether we are talking about literacy or whether we are talking about numeracy, we know that there is more to do. If I could give the House one statistic which should cause it to reflect on the need to focus on quality in schooling, to focus on quality in teaching, and to focus on a new national arrangement for schools in disadvantaged communities, it would be this statistic. If we look at OECD information, in 2006 Australia was significantly outperformed in reading performance by five countries: Korea; Finland; Hong Kong, China; Canada and New Zealand. In 2000, only Finland outscored Australia. This is graphic proof that, when it comes to education standards, standing still is going backwards. It is graphic proof that, when it comes to the education standards of the world and of our competitors, unless we further invest this nation will go backwards.

As the Prime Minister outlined yesterday, we are committed to a new era of quality in Australian schools. We are committed to a new era of transparency. We are committed to a new era—an education revolution—that will ensure that, whether a child is from the most humble of backgrounds or the most advantaged, they will go to a great school. I have been amazed to see the reaction of the opposition to this. We saw the Leader of the Opposition leader go out and basically say, ‘I tried to do a bit of this and I failed.’ We did not need the opposition leader to confirm that he is a failure. Every Australian student and every Australian parent already knew that he was a failed education minister. And, in case there was any doubt, members of his backbench make sure that members of the media understand it every day. We are leaving that era of failure behind us to deliver an education revolution so that every child goes to a great school and every child gets a great education.

Economy

Ms JULIE BISHOP (2.17 pm)—My question is to the Prime Minister. Why has business confidence in government policies collapsed since the election of the Rudd government?

Mr RUDD—I note in one of the surveys released today about the state of confidence in general, particular reference is made to interest rates being too high. That is what it says. That is obviously a key factor here. On that score, I would draw the attention of honourable members opposite to the fact that interest rates did not start going up in November 2007. Interest rates went up 10 times under the member for Higgins. The member for Higgins delivered to this economy the second highest interest rates in the developed world and the highest inflation rate in 16 years.

Mr Costello interjecting—

Mr RUDD—I am glad that he has come to life in the chamber as, slowly but surely,
he moves his way from the back of the chamber to the front of the chamber—we think. The bottom line is: the cumulative effect of 10 interest rate rises has an effect on confidence. When you look more broadly at what is happening in the global economy, and you look at confidence levels in the global economy, in the US the most prominent measure of consumer confidence has fallen more than 50 per cent since the global turbulence began and it is around its lowest in 16 years. In the United Kingdom, consumer confidence has fallen to its lowest level in 16 years. In New Zealand, confidence has fallen to its lowest level in 17 years. When you look at all these factors combined, you see the impact of what is happening with the global financial crisis right across the developed economies of the world.

But here is the kicker for Australia—delivered by the member for Higgins when he was Treasurer. If you deliver a series of 10 interest rate rises in a row, it has an impact on confidence. That is what has happened. The key question is: what do you do about it? Do you bury your head in the sand or embark upon a course of action? We have embarked on a course of action anchored in a budget surplus of $22 billion, in a productivity reform agenda through a skills revolution, in dealing with infrastructure bottlenecks and in dealing with deregulation. This is a practical agenda of reform for the future, as opposed to the member for Higgins, who sits back, waiting for events to unfold, almost like a smiling predator—some said ‘assassin’; I would not go that far—almost bleakly anticipating the rollout of what happens across the global economy and forgetting the fact that, in the case of these domestic economic conditions, he is a principal contributor.

Ms Julie Bishop—Mr Speaker, because the Prime Minister was unable to answer the question about why business confidence collapsed under the Rudd government, I seek leave to table the chart from the Sensis business index.

Leave not granted.

Education

Mr BIDGOOD (2.21 pm)—My question is to the Treasurer. Will the Treasurer outline what opportunities the budget provides to help parents meet the everyday costs of their children’s education?

Mr SWAN—I welcome that question, because the government is delivering substantial assistance to families, first of all, through the tax cuts. But the government is committed to delivering an education revolution. In addition to providing extra resources for the education system, we are also committed to helping parents with the everyday costs of their children: $4.4 billion to create a new education tax refund—1.3 million families and 2.7 million students. Eligible families will be able to receive a 50 per cent refund every year for key education expenses—laptops, stationery, school textbooks. All of those families eligible for family tax benefit A will be eligible for the education tax refund: $375 for each child undertaking primary studies; $750 for each child at secondary school. Of course, what parents need to do is to keep their receipts because they will be able to provide those and have the money returned in their 2008-09 income tax return. This is a very important initiative for Australian families, particularly when they are under considerable financial pressure. We on this side of the House are getting on with the job of assisting parents with the cost of their children’s education, as well as providing additional assistance to the education system itself.

Economy

Mr TURNBULL (2.23 pm)—My question is addressed to the Prime Minister. I re-
fer the Prime Minister again to the latest Sensis survey showing that business confidence in his government has collapsed. I quote the survey, which states: ‘The federal government is now the least supported government by small and medium enterprises in Australia.’ Why is it, Prime Minister, that business now considers your government the worst in Australia, even worse than that of Morris Iemma?

Mr Rudd—The national government is responsible for fiscal policy and, through the agency of the Reserve Bank, for monetary policy. It follows as a logical consequence of that that, when you are going through difficult global and national economic times, the national government will be held accountable. We accept responsibility for that; there are no two ways about that.

But can I also draw the honourable member’s attention to some other data which he did not seem to want to emphasise today, and that is data on the private capital expenditure index. According to the ABS data today, the private capital expenditure capex rose by a stronger than expected 5.7 per cent in the June 2008 quarter to be 8.1 per cent higher than a year ago, following a revised one per cent increase in the March quarter. I would ask this question: why is it that, when there is positive economic data out there, those opposite find no reason to embrace that in their argument at all? They may have a passing interest in talking this economy down, a process begun early this year by the member for North Sydney and continued by the member for Wentworth, with the selective selection of ABS data which happens to be out.

There are challenges facing the international economy and there are challenges facing the domestic economy. I would draw honourable members’ attention to the fact that, internationally, six of the seven major economies in the OECD—those of the United Kingdom, Italy, Canada, Germany, France and Japan—have in the last six months generated either zero growth or negative growth in a particular economic quarter. That is actually what is happening in the global economy. Therefore, the roll-on consequences of contracting growth globally, and with our principal economic partners, is going to have an effect here. But, again, those opposite, apart from acting as political predators or, as some would say, as political vultures on the question of the current state of the global economy, should be asking the practical question, the real question, which is: what are you going to do about it?

The first discipline is responsible economic management through a $22 billion budget surplus to give us a buffer for the future. What is the response on the part of those opposite? ‘How do you tear that surplus apart?’ If they were to embrace that course of action through the Senate, it would do compound the problems left to us by the member for Higgins. It would compound the overall pressure on public demand to the extent that it would make it less likely that we would see interest rate reductions in the future—and that is what the economy needs.

Secondly, you deal with the substantial and continuing economic reform agenda with the government, which has one organising principle: boosting long-term productivity growth. The productivity growth agenda forms the core of this government’s economic reform agenda, anchored in an education revolution, anchored in an infrastructure revolution and anchored in a program of business deregulation. Those opposite allowed these three areas of reform to gather dust on the shelves. We have a plan for the future; those opposite simply have an excuse for the past.
Rail Infrastructure

Mr NEUMANN (2.27 pm)—My question is to the Minister for Infrastructure, Transport, Regional Development and Local Government. Will the minister inform the House about the government’s plan to support growth in the rail industry and about any risks to this plan?

Mr ALBANESE—I thank the member for Blair for his question and his ongoing interest in infrastructure issues. We do indeed face huge transport challenges in this country: a freight task that will double over the next decade, congestion costs that are increasing and greenhouse emissions that are growing. We need a comprehensive plan to tackle these challenges, and rail must be a part of the solution.

Last night I attended the Australasian Railway Association dinner. It was a great night, and I congratulate the industry on their presentation on the state of rail and its future challenges. I was pleased to see so many of my parliamentary colleagues there. Indeed, there were more than 30 members of the coalition there last night to hear the presentation about rail. That is almost half the party room. The member for Wentworth, unfortunately, was not there, but perhaps he should have been—to talk to his caucus colleagues. He did not have to resign from the economics committee to get extra time to talk to his caucus colleagues; he could just go to more functions on a Wednesday night. From their attendance last night, you would think that the coalition had a great interest in rail. But look at the legacy that we have inherited. The rail share of the freight market—

Mr Hockey—Mr Speaker, I rise on a point of order. The minister was asked a question by his own side about his own plans. He is not answering his own question about his own plans.

The SPEAKER—I am sure that the minister is going to use his answer to talk about plans for rail.

An opposition member—Do you have any plans for rail?

Mr ALBANESE—Absolutely. And I am talking about not just our plans but also the risk to our plans, which was part of the question. But at least they got the right question; that was better than the deputy leader the other day. At least they are somewhat on track.

The fact is that we inherited a real problem with the industry. The rail share of the freight market has fallen in every single corridor on the east coast. Trains spend up to 10 hours sitting in Sydney because there are no dedicated freight lines—none. That is their record. But worse than all their neglect in the past is their attitude towards the future. We have built a surplus with a purpose. We have put $20 billion into the Building Australia Fund. It will invest in infrastructure to lock in our future prosperity. Part of that has to be about our rail future. Yet, while we listened and ate last night, they were planning to starve the industry of funds by blocking budget measures. Every cent that they knock off the surplus is money that cannot be used to clear rail bottlenecks in Sydney.

Every time that they vote no in the Senate, they are saying no to providing solutions to deal with traffic congestion in our major cities. Every time they block a budget measure, that is less funds to deal with public transport. We know that they do not believe in public transport, but we on this side do. They should pass our budget to make sure that these funds can be available for long-term infrastructure spending. That is why they should pass our budget. It is not good enough to just go along to dinners on a Wednesday night in Canberra because you have nothing to do; you actually have to front up to the
policy challenges. They left a dreadful legacy when it comes to rail. This government is committed to turning that around, and we want the opportunity to have our Building Australia Fund left intact so that it can be spent on long-term infrastructure.

**Economy**

**Dr NELSON** (2.32 pm)—My question is to the Prime Minister. Given that the Prime Minister has accepted responsibility for Australians being worse off since the election of the Rudd government, does he stand by his statement that he has done all that he physically can for Australian families?

**Mr RUDD**—As I have said before at the dispatch box, as Prime Minister of Australia I accept responsibility for the good news and the bad news on the Australian economy. I accept responsibility for the good news in terms of other policy developments which we are embracing and for where we need to make improvements. That is just what I describe as a sensible exercise in levelling with the Australian people.

The truth of the matter is that we have big challenges ahead, partly compounded by what is going on globally and partly compounded by the inertia on the part of those opposite for 12 years. But the key thing, as I have said to those opposite before, is this: what is your plan of action for the future? We have a plan of action for the future based on responsible economic management. The Liberal Party oppose that. We have a plan of action for the future on a productivity revolution. The Liberal Party oppose that. We wish to implement a quality education reform program. The Liberal Party, it seems, now oppose that. I find that remarkable. We have a proposal for an infrastructure revolution in Australia, of which the minister has just spoken, based on a $20 billion infrastructure investment fund. Those opposite, it seems, oppose that because they describe it as a slush fund. We have a reform program in social policy as well—when it comes to homelessness, when it comes to closing the gap and when it comes to the fundamental reform of Australia’s pension system. I presume those opposite oppose that as well.

The key thing in all these challenges is whether you have a positive plan for the future. We have such a plan. We have such a bold reform plan. I would suggest to those opposite that the best thing they could do to help with the overall direction of inflation and the overall direction of interest rates is to tell their colleagues in the red chamber over in that direction to get behind the government’s program, to get behind the budget surplus and to deliver a responsible economic outcome for the country.

**Dental Health**

**Ms CAMPBELL** (2.34 pm)—My question is to the Minister for Health and Ageing. Will the minister outline to the House the impact of the opposition’s actions in the Senate on dental care?

**Ms ROXON**—I want to take this opportunity to remind the House about some commitments that were made during the election last year. We announced that, if we formed government, we would put $290 million into a new Commonwealth Dental Health Program to help reduce the public waiting lists that have grown to over 650,000 people across the country courtesy of the neglect of those opposite. We also announced that we would be delivering a Medicare Teen Dental Plan, providing over a million eligible teenagers with access to preventative dental checks.

At the same time, we made public—in fact, we made clear in this House—that we would abolish the Howard government’s poorly targeted and failing chronic disease dental scheme. This is a scheme that as of June this year, despite its four years of opera-
tion, had not helped a single child under the age of 14 in all of South Australia, Tasmania and the Northern Territory. This was a shameful, poorly targeted program under which a multimillionaire could get assistance but a pensioner with a toothache could not. We gave Australians a choice at the last election, and they chose our better targeted dental policies and an investment of $780 million into dental care. But the opposition’s economic vandalism—an affection, it seems, for more and more cheap and short-term politics in the Senate—is putting at risk these policies.

I would like to put on the table today the number of public dental services and the funding that was scheduled to go to each state and territory under the Commonwealth dental scheme that the opposition is putting in jeopardy: in New South Wales, over $90 million to pay for 327,000 extra services; in Victoria, over $72 million to pay for a quarter of a million extra services; in Queensland, more than $52 million to pay for nearly 200,000 services; in Western Australia, $23 million to pay for 82,000 services; in South Australia, $24 million to pay for more than 85,000 services; in Tasmania—including the electorate of the member for Bass, who asked the question—over $10 million for 30,000 services; in the Australian Capital Territory, nearly $5 million for 15,000 services; and in the Northern Territory, nearly $5 million for 10,000 services.

These very services that the public voted for are being put in jeopardy because some of the funds that were going to pay for them are being blocked by the opposition in the Senate. We made it clear that in funding our dental programs we would redirect some of the money from the Liberal scheme to the Labor program. We made a choice and so did the public. But it appears that it is impossible for those opposite to make that choice. I feel like we are back in the old days, with the Liberal Party opposing us putting money into public dental schemes. It is just like the old days—everything old is new; Brendan Nelson is on the same old bandwagon as John Howard and the Liberals are blocking money going into public dental services.

Initially they campaigned against our program, but now they are backing it. They are claiming that they can be economically responsible, but at the same time they want to continue with their old program. They just love to walk both sides of the street, but they cannot have it both ways. Their action is threatening our program. I say to them: when it comes to dental care, the Australian people were offered a choice. The Australian people made a choice. Why can’t the Liberals?

Workplace Relations

Mr ROBERT (2.39 pm)—My question is to the Minister for Employment and Workplace Relations. I refer the minister to the 257 jobs lost at Riviera Marine in my electorate of Fadden. Can the minister inform the House how many more Australians will lose their jobs over the next 12 months?

Ms GILLARD—I thank the member for his question. Can I express my concern for the individuals and the families caught up in that circumstance. I am sure that as the local member he too is very deeply concerned. On the question of jobs and employment generally, obviously, as the Prime Minister said earlier in question time, we are in a world of global economic uncertainty. We are in a domestic economy where we have had rising interest rates and, yes, that shows. That shows in the real economy and sometimes, tragically, it shows in the form of job losses.

But what I can certainly assure the member is this: one of the things we were elected to do and one of the things we are most certainly committed to doing is to make sure that Australians who find themselves in that situation get treated fairly and decently. I
accept that the member is a new member in this House and perhaps he may not know, but under the industrial relations policy of the former government, the Liberal government, under the Work Choices extremism that the Liberal Party brought to this country and still supports, it was always possible for an employee to have their entitlements to redundancy pay ripped away without a cent of compensation. That was the workplace relations policy the Liberal Party took to the last election. It is the one your political party supports.

Dr Nelson—Mr Speaker, I rise on a point of order. The question is: how many Australians are going to lose their job under this government?

The SPEAKER—Order! The Leader of the Opposition will resume his seat. The Deputy Prime Minister has responded to the question.

Housing Affordability

Ms JACKSON (2.41 pm)—My question is to the Minister for Housing and Minister for the Status of Women. Will the minister outline progress on measures to improve housing affordability for Australians and their families? Are there any risks to the implementation of policies designed to improve housing affordability?

Ms PLIBERSEK—I want to thank the member for Hasluck for her question. I was in Hasluck earlier this month and saw first-hand her extraordinary efforts on behalf of her constituents. She is a very strong advocate indeed and was lobbying very strongly for her local area to benefit from the Rudd Labor government’s housing affordability measures. The government made clear before the last election that housing affordability would be a key priority. We recognised that strong action was needed to overcome many years of neglect in the area of housing affordability. The May budget funded our commitments in full and delivered $2.2 billion worth of new investment in the area of housing affordability. It was the first budget in over a decade to deliver new spending in this area.

First home saver accounts, for example, will be available from October this year. The new accounts will provide a simple, tax-effective way for Australians to save a bigger deposit for their first home through a combination of government contribution and low taxes. The government is investing $1.2 billion in these new accounts and will provide a 17 per cent contribution on the first $5,000 of individual savings made each year. This means that anyone who is contributing $5,000 to their account will receive an $850 deposit from the government. As we get closer to October, I would urge people who are interested in these new accounts to contact their banks and talk about the availability of the accounts. I am particularly thinking of young people, perhaps starting in their first job. They should think very seriously about putting aside $10 or $20 a week and, as their wage increases over the years, putting more into those accounts so that by the time they reach the age of 25 or 30 and are thinking about buying their first house they will have a nice little nest egg ready.

Look at the National Rental Affordability Scheme, our $623 million scheme to help build 50,000 new, affordable rental properties around the country. These properties will rent for 20 per cent below the market rent for a particular area and residents will still be eligible for Commonwealth rent assistance, making the properties even more affordable. On 24 July the Treasurer and I launched the first round of expressions of interest for the National Rental Affordability Scheme, and the applications are coming in. There has been a strong interest from institutional investors and from community housing groups who want to build bigger portfolios of af-
fordable housing. These new homes will make a huge difference to people who are struggling in the private rental market.

I will also say something on our Housing Affordability Fund. Our $512 million Housing Affordability Fund will lower the cost of building new homes, particularly at the entry level of the market. Thirty million dollars of this new fund has already been distributed to advance electronic development assessment. Earlier this month I announced further funding for the states and territories to roll out new electronic development with councils in their areas. There are no overnight solutions to the housing affordability problems that we have inherited. The mayors from South-East Queensland who were in the gallery earlier today, and who are here lobbying, know as well as we do on this side of the chamber the pressures that working families are facing in terms of housing affordability.

Our agenda depends on a strong surplus, and the best thing the opposition could do would be to stop their attempts to block $6.2 billion worth of our surplus. We understand on this side of the chamber that many Australians are facing cost-of-living pressures, including in the area of housing affordability. We know how important it is to pass the budget in full so that we can continue our vital work helping Australian working families find an affordable place to buy or rent.

Mining

Mr WINDSOR (2.46 pm)—My question is to the Minister for the Environment, Heritage and the Arts and relates to coalmining exploration licences that have been granted on the Liverpool Plains region of northern New South Wales. Given that this region is underlaid with 20 interconnected groundwater systems covering 350 kilometres of the Namoi Valley, could the minister explain his understanding of the potential impacts of mining in such an environment? Does the minister believe that a localised state based planning process is an adequate approval process when there is no knowledge of the impacts of slashing these hydraulic systems and when the impact may occur many hundreds of kilometres away from the site of the mining project?

Mr GARRETT—I thank the honourable member for his question. The member would know that the responsibility for assessing those coalmining proposals lies with state governments. It is the responsibility—

Opposition members—Blame game!

Mr GARRETT—That is a fact. It is a responsibility of the relevant regulatory authorities to ensure that there are not any impacts on the environment, including impacts on things like groundwater, that are unacceptable.

Infrastructure

Mr TREVOR (2.47 pm)—My question is to the Minister for Finance and Deregulation. How is the government providing for Australia’s future needs? Are there any threats to the government’s approach?

Mr TANNER—I thank the member for Flynn for his question. One of the critical challenges facing the government is rebuilding Australia’s infrastructure, a task for which the previous government effectively denied any responsibility. As a result, the Rudd government has inherited a situation of congested cities, dilapidated university infrastructure and third-rate broadband infrastructure.

The government are committed to playing our part in renewing this infrastructure across the country, to rebuilding the sinews and arteries of our nation’s economy and to delivering the future economic prosperity that we all aspire to. Therefore, as a centrepiece of the budget—which we are still struggling to get through this parliament—
we have established three major infrastructure funds, with $41 billion to be funded from this year’s and next year’s surplus, to finance long-term infrastructure projects, to rebuild our dilapidated university infrastructure, to improve the transport efficiency of our cities, to lower business costs, to ensure that commuters can have shorter commutes and lower their petrol costs as a result of better transport infrastructure, to ensure that Australians will enjoy world-class, accessible, affordable broadband and to rebuild our public hospital system.

The opposition dismisses these funds as ‘slush funds’, in a complete denial of the facts and a complete denial of reality. The money in these funds will be managed by the Future Fund, with a board that was appointed by the then government and which we endorsed at the time. The moneys will be disbursed over the long term, and there will be options for future surpluses to be paid into the funds in due course. Decisions will be guided by expert, arms-length advice from independent bodies like Infrastructure Australia. They will be subject to the Council of Australian Governments and the Loan Council to ensure that state effort is maintained, that we do not allow the states to drop the ball in their efforts, and that the economy has the capacity to deliver.

I notice that over the last day or two the opposition have suddenly discovered an interest in jobs. It would be worth them noting that one of the key drivers of long-term employment opportunity is infrastructure. Infrastructure is central. If you want a small example, have a look at the beneficial impact that the Western Ring Road has had in the northern and western suburbs of Melbourne on employment opportunities in those regions. The Western Ring Road was constructed by the former Labor government—the Hawke and Keating government. I would also remind them that we live in a market economy, where employment goes up and down in individual companies. Some of us have long memories. Some of us remember things like the collapse of Ansett and the loss of 15,000 jobs because of the former Liberal government’s refusal to allow Singapore Airlines to take over Ansett. Some of us have long memories about some of the events that occurred under the former Liberal governments—National Textiles is another example. So, before you get too precious in pursuing these arguments, perhaps you should remember some of your own track records.

There has been a considerable amount of debate about the actions of the Liberal Party in the Senate in seeking to pursue their smash-and-grab raid on the government’s budget—particularly focused on the government’s efforts to ensure that the budget is putting downward pressure on interest rates. There is another crucially important dimension to this issue, and that is that they are raiding the infrastructure funds that the government is establishing to rebuild this nation’s infrastructure. The $6 billion or so that is in jeopardy as a result of the actions of the opposition in the Senate is $6 billion that cannot help to contribute to the building of the north-south bypass tunnel in Brisbane. It will not be available to contribute to the construction of the Footscray to Caulfield rail link in Melbourne. It will not be available to help in the construction of a world-class broadband network for regional Australia. It will not be available to help in the construction of new university facilities in this country.

This is the consequence of the actions of the Liberal Party in the Senate. These infrastructure funds, which are for long-term investment in infrastructure, will generate employment opportunities for Australians and generate long-term economic prosperity for our children. It is high time that the opposition rethought its approach and understood
that it, too, has responsibilities for the future of this country and the future of our children and their economic opportunities, which are so dependent on our ability to have world-class infrastructure.

**Employment**

**Mr CIOBO** (2.53 pm)—My question is to the Minister for Employment and Workplace Relations. Today’s Sensis Business Index states that four in 10 businesses are slashing full-time employment because of the government’s poor economic management. Will the minister advise the House if the government will be revising its current forecast of job losses?

**Ms GILLARD**—I thank the member for his question. As I made clear to the House yesterday, the projection in the budget papers is that unemployment will be at 4.75 per cent by the June quarter of 2009. That is the projection in the budget papers.

**Pharmaceutical Benefits Scheme**

**Mr CHAMPION** (2.54 pm)—My question is to the Minister for Health and Ageing. Will the minister update the House on the implementation of PBS cost recovery and its impact on the budget?

**Ms ROXON**—I am disappointed to have to report to the House that the government’s plans to introduce cost recovery for the PBS listing process has today been voted down in the other place. This is the latest act of economic vandalism by those opposite, and it will result in another $51 million in lost revenue over the forward estimates—blowing an even bigger hole in the budget surplus. I want to highlight to the House—because it is even more disappointing to have to report—that this is not just one of our policies that the opposition are opposing; this is actually one of the Liberal government’s policies that they are now voting against. In fact, when they were sitting on the other side of the House, they thought this was such a good idea that they actually banked the savings in their own budget last year. But now they are in opposition, now there is an opportunity to side with big industry, here they are opposing it.

This is a policy that the Liberal government was so fond of that it banked the savings in 2007-08 and never even introduced any legislation into the parliament. And now what do we find? We introduce the legislation into the parliament and you have voted against it. The one thing that we can say for sure is that the Liberal Party does not know what it stands for anymore. The Liberal Party does not know if it should vote for its own policies; it does not know if it should vote for our policies. It does not have any decent policy proposal. It is certainly not standing for economic responsibility. It seems to me that the only thing the Liberal Party knows is that, if there is a big industry involved, it is going to be on that side.

*Mr Hunt interjecting—*

The **SPEAKER**—The member for Flinders is warned!

**Ms ROXON**—It does not matter if it is the insurance industry against taxpayers or if it is the distillers against parents and the police. In this instance, it is lining up with an $18 billion pharmaceutical industry and blowing a $51 million hole in our budget.

**Fuel Prices**

**Mr HARTSUYKER** (2.56 pm)—My question is addressed to the Treasurer. I refer the Treasurer to recent statements by automobile clubs in Victoria, Queensland, South Australia, Tasmania and the Northern Territory who said that the Treasurer’s statement that Fuelwatch will save $10 a tank is blatantly misleading and that Fuelwatch will disadvantage motorists. Why won’t the Treasurer take the advice of the motoring groups and drop the Fuelwatch stunt?
Mr SWAN—I thank the member for his question. There is one thing that we on this side of the House will not do: we will not look down at people who want to save a few cents at the petrol bowser. We actually understand that people, when they can save a few cents at the petrol bowser, think it is worth while; they think it does make a difference. If you can save 20c on a litre of petrol, that is a terrific thing. Yesterday in Sydney you could have saved 27c a litre. I think in Sydney today it is about 22c. That is worth while, it makes a difference, and we will stand up for consumers every time.

Employment

Mr HALE (2.58 pm)—My question is to the Minister for Employment Participation. How is the government supporting the Australian Employment Covenant to employ 50,000 Indigenous Australians?

Mr BRENDAN O’CONNOR—May I thank the member for Solomon for his question. The member for Solomon of course has a passionate commitment towards Indigenous job seekers, not only in Darwin but also beyond Darwin, and I thank him for the question. On 13 February the Prime Minister stood in this place on this spot on behalf of the nation apologising to the Indigenous Australians for the grief, suffering and loss that they endured. That apology was a historic and healing moment in this country. But the government believes that this apology must be accompanied by even greater substance. In particular, the government is committed to closing the gap between Indigenous and non-Indigenous Australians in the areas of life expectancy, educational achievement and employment outcomes. That is why we welcome and commend Andrew Forrest and his initiative to work with corporate Australia to provide 50,000 employment opportunities for Indigenous Australians. In doing so, I thank and acknowledge the great work already undertaken by employers in this field. There are, of course, many employers working in this area, but there is a lot more to be done.

We are aware that the Australian Employment Covenant is a bold challenge. Let me say that it will be supported by the Rudd government. We will work very closely with the covenant group and its supporters in the private and philanthropic sectors in pursuit of this worthy goal. The government will provide relevant accredited training and ongoing mentoring to ensure that Indigenous job seekers are given the support and skills they need to get a job and to keep a job. It is crucial for those many highly disadvantaged job seekers—who may have limited literacy and numeracy skills, who may have confronted awful experiences of domestic violence, who may have experienced social dysfunction or, indeed, who may not even comprehend, in the true sense, what paid work is all about—including, unfortunately, Indigenous job-seekers, that they can see that they have a future. One of the most powerful ways we can convince job seekers that they have a genuine chance is to give them a clear path between where they stand now and where that job lies. Because the Australian Employment Covenant is asking for undertakings from the corporate sector, it provides that type of opportunity for Indigenous job-seekers. That provides a better life for those Indigenous people, and it is for that reason this government will support this noble endeavour.

Dr NELSON (Bradfield—Leader of the Opposition) (3.01 pm)—Mr Speaker, on indulgence, I strongly associate this side of the parliament with this particular initiative—in aspiration and in whatever we can do to support it in implementation.
Grocery Prices

Mr TUCKEY (3.01 pm)—My question is addressed to the Prime Minister. I refer the Prime Minister to his GROCERYchoice website, which he said will help to bring down the price of groceries for all Australian consumers. Does the Prime Minister expect a shopper in Port Hedland to drive 500 kilometres to Paraburdoo to get the best deal on a block of cheese? Does the Prime Minister also propose that person go to the Fuelwatch website to get the cheapest fuel for the thousand-kilometre round trip?

Mr RUDD—What we have always said is that we stand for any measure which gives consumers some more power. That means enabling consumers across the country to have access to information online which tells them which of the individual chains—Coles, Woolies, Aldi or others—offer the best deal over time against a given set of baskets of goods. There are, from memory, some 62 different regions sampling some 600 supermarkets on a regular basis and, again from memory, there are about six or seven baskets of goods. All this is designed to do is to provide a bit extra by way of consumer power and a bit more by way of consumer choice.

On the question that the honourable member raises about bringing down grocery prices, those opposite will well recall the ridicule heaped on the Labor Party, the Treasurer and I while in opposition by the member for Higgins when he specifically refused to provide such undertakings. They ridiculed us in opposition, and of course they have forgotten now that the tables have changed because it suits their political purpose to verbal us in a different direction. But if there is one key theme emerging from all of this—and I think the Minister for Health and Ageing got it absolutely right before—whether it is with the big pharmaceutical companies, whether it is with the very big private health insurance companies, whether it is with the big oil companies or whether it is with the big supermarket chains, we always know who is going to line up on behalf of the consumers and who is going to line up on behalf of big business. The Liberals cannot shake their age-old habit of lining up with big business, for which they stand.

The SPEAKER—Order! The Prime Minister will resume his seat. Has the Prime Minister concluded?

Mr RUDD—Yes.

Mr Dutton—It’s just more spin, Mr Speaker.

The SPEAKER—The member for Dickson will remove himself from the chamber for one hour.

An incident having occurred in the gallery—

The SPEAKER—The gallery will come to order!

Mr Robert—You’re a dud, Rudd!

The SPEAKER—The member for Fadden will remove himself from the chamber for one hour.

The member for Fadden then left the chamber.

Mr Abbott—Mr Speaker, on a point of order: the other day in this place you admitted that the word ‘dud’ was not unparliamentary—

The SPEAKER—No. The member for Warringah—

Mr Abbott—and I put it to you that it should not be described as unparliamentary just because ‘dud’ rhymes with ‘Rudd’. Just because ‘dud’ rhymes with ‘Rudd’ is no reason for it to become unparliamentary.

The SPEAKER—The member for Warringah will first resume his seat, but he is
going to—regrettably for my statistics—get punishment for that outburst. It was nothing to do with the word that was used. It was just the blatant interjection and disruptive behaviour by the member for Fadden that he was invited to leave. On the basis that the member for Warringah has actually abused his opportunity in the way that he could give a sensible point of order, I also invite him to leave the chamber for one hour.

The member for Warringah then left the chamber.

An incident having occurred in the gallery—

The SPEAKER—The gallery will come to order. The member for Kingston will resume her seat. The general warning to the galleries is that, for the privilege of being here, we expect them to remain silent, even though from time to time that is difficult because of the behaviour that they are observing. The member for Kingston has the call.

Indigenous Communities

Ms RISHWORTH (3.07 pm)—My question is to the Minister for Families, Housing, Community Services and Indigenous Affairs. Will the minister update the House on any breakthroughs in the government’s efforts to improve living conditions on the APY lands?

Ms MACKLIN—I thank the member for Kingston for her question and her very real interest in improving the living conditions of Indigenous people in Australia. Any of us who have been to the APY lands in remote South Australia would know that improving the living conditions is absolutely vital, particularly for the children living in those communities. Just two weeks ago I went to the APY lands with the South Australian Minister for Aboriginal Affairs and Reconciliation and met with a number of community members and the executive of the APY lands.

There is no question that the housing conditions on the APY lands are nothing short of appalling. The essential services are either nonexistent or in serious disrepair. There are very high levels of overcrowding and of transients putting significant pressure on families. Members of this House from the South Australian community in particular know that the recent Mullighan inquiry reported horrifying evidence of widespread child abuse on the APY lands and found that the appalling level of housing was a significant contributor to the levels of child abuse. This is a situation that the nation cannot accept and must act upon.

Since we were elected, I have been working closely with the South Australian government to secure leases over the lands for improved housing. After more than a year, negotiations between the South Australian government and the APY executive had almost broken down. But in a major breakthrough following our visit, the APY executive just last week agreed to 50-year leases for both new and improved housing on the APY lands. I am very pleased to announce today that the South Australian minister has signed off on the leases and that an official will fly to the APY lands for a final sign-off on the part of the APY executive. This is a major breakthrough, because the Commonwealth can now finally move forward on our $25 million commitment and start building and improving housing in these APY communities. It has been a very long time coming.

The housing will be managed as public housing with normal tenancy rights and obligations, and the leases, which are what we have been working on for so long, will provide the secure tenure to make it absolutely plain that the South Australian government is responsible for the regular maintenance of that housing. For the first time it will be absolutely plain where responsibility lies for
the management of the housing stock. There will now be new work and training opportunities available for Indigenous Australians on the APY lands and construction and maintenance will now take place for both new and upgraded houses.

One of the other important reforms as a result of this agreement is that it will be clear that rent will have to be collected and paid on a regular basis and, of course, tenants will have to look after their homes. Agreements like this are vital if we are to close the life expectancy gap that exists between Indigenous and non-Indigenous Australians. This agreement, which has now been secured on the APY lands, followed an earlier agreement we reached in June for the Alice Springs town camps. We will be seeking similar arrangements, similar leases, in other remote parts of Australia so that we can see these vital improvements to housing conditions take place.

I would like to take this opportunity in the chamber today to congratulate the leaders in the APY lands for taking this major step forward and also the South Australian Minister for Aboriginal Affairs and Reconciliation, Jay Weatherill, for his commitment to improving the lives and living conditions of Indigenous people in South Australia.

Broadband

Mr BILLSON (3.12 pm)—My question is to the Prime Minister. Can the Prime Minister explain why his government has failed to keep its election promise to complete a tender process for a national broadband network within six months of taking office?

Mr RUDD—The government welcomes questions on education and the government welcomes questions on infrastructure because in both of these areas we saw such a litany of inaction for 12 years. If you come to government, as we did in December last—and we have been in government for less than nine months—and you are confronted with the state of the broadband network in terms of speed and available bandwidth, then the requirement for government to act is huge. I constantly lost count of the number of attempts the previous government had at doing anything constructive about broadband. There were 18 separate proposals; 18 separate programs—it was impossible to follow them. All I know is that every community that I went to across regional Australia would say, in one of their first presentations to this government, ‘Will you please act to do something on broadband because the previous government has let us down.’

Because we have embarked on such a significant national program involving potentially billions of dollars of public funds, we will go through the most rigorous, comprehensive public tender process to ensure that probity is honoured so that we can get on with the business of rolling out this network. We are committed to a digital revolution in Australia. We are committed to a digital education revolution in Australia. It is the pathway to the future and we are confident of the progress we have made.

National Literacy and Numeracy Week

Mr MELHAM (3.15 pm)—My question is directed to the Deputy Prime Minister and Minister for Education. Will the Deputy Prime Minister update the House on events and reading opportunities during National Literacy and Numeracy Week?

Ms GILLARD—National Literacy and Numeracy Week, which starts on Monday and runs for a week, is an opportunity for all of us to celebrate reading and literature and to remind ourselves that there should always be opportunities in life to curl up with a good book. So I thought it was appropriate today, the last sitting day before we start National Literacy and Numeracy Week, to talk about...
some books that people might be contemplating reading.

I have been looking at some of the websites of our great publishing houses. My attention was drawn to the website of Melbourne University Press, which of course is going to be publishing the memoirs of the member for Higgins. When I looked at the website I found that the motto of Melbourne University Press is ‘books with spine’. Books with spine from a politician without one! We await this great entry into the literary world. Mr Speaker, you would be aware that some movies fail so badly that they go straight to DVD; well, I am betting this one goes straight to paperback! It will not be a very hard spine when that one is published.

I am sure that this book with the very soft spine—or perhaps without a spine at all—will be the subject of much discussion at tomorrow night’s testimonial dinner for the member for Higgins. Of course, on the question of reading there will be ‘what’s on the printed menu?’ Prawns for entree? No spine there. Chicken for main course? A good thought. And, of course, jelly for dessert—what else?

_Government members interjecting_

**The SPEAKER**—Order!

**Mr Hockey**—Mr Speaker, on a point of order: if this is the standard the government wants in the House, we can accommodate it. My point of order goes to relevance. The Deputy Prime Minister was asked a question about literacy week and she assured us it goes for one week—which gives us no confidence in the minister’s own skills. Now we hear the minister, without any opportunity arising from the question, digress to another issue. I ask you to bring her back to the question. If she does not have a proper answer she should sit down.

**The SPEAKER**—The Deputy Prime Minister will go to the question.

**Mr Rudd**—Mr Speaker, I ask that further questions be placed on the _Notice Paper._

**Mr Tuckey**—Mr Speaker, I rise on a point of order. I have raised with you previously the standing orders relating to disorder. I put it to you that the Deputy Prime Minister’s recent contribution was disorderly and, further, contributed to disorder. If the word ‘dud’ is now unparliamentary, personal insults and sleazy presentations are also in that category, and I ask that you deal with them accordingly.

**Mr Adams**—You’re a hypocrite!

**Mr Tuckey**—Don’t worry about me, Dick.

**The SPEAKER**—Order! The member for Lyons will withdraw that remark.

**Mr Adams**—I withdraw, Mr Speaker.

**The SPEAKER**—The member for Mackellar on a point of order. Is this on the same point of order?

**Mrs Bronwyn Bishop**—Mr Speaker, it is of the genre but it is a different point.

**The SPEAKER**—The member for Mackellar will resume her seat. I have not dealt with the member for O’Connor. I am not going to argue about the word that has become the word of the week. I explained—

**Fran Bailey**—It rhymes with Rudd!

**The SPEAKER**—The member for McEwen is reminded that the time when the Speaker is trying to make a response to a point of order is not the best time to try the chair’s patience. As far as I am concerned, I dealt with the unparliamentary or otherwise use of words in response to the member for Warringah’s point of order on the day. The member for O’Connor—who has some expertise in the area, I am tempted to say—has made the point about disruptive behaviour and I have some sympathy on this occasion, but I believe the fact that the matter finished at the point it did finishes it. I see a lot of
movement in the chamber. I wonder if those people would remember events of the last parliament?

Mrs Bronwyn Bishop—Mr Speaker, I rise on a point of order. I was truly quite shocked this afternoon to see you ask three members of the opposition to remove themselves for one hour when we had the last two being removed to the organised cheering of the Liquor, Hospitality and Miscellaneous Workers Union—cheering your action in removing members who are elected representatives—with no action being taken against them at all. I find that totally unacceptable and I wonder if you could reflect upon how we can prevent this happening a second time.

The SPEAKER—First of all—for transparency because some staffer will go off and discover it—in my pecuniary interests register it will be noted that I am a member of the Liquor, Hospitality and Miscellaneous Workers Union. I think if someone reviews the tape of proceedings, as I was invited to, then they would see that, as soon as I had dealt with the member for Dickson and there was noise from the gallery, I asked the gallery to come to order. I then took action against another member who made a comment. I then was trying to deal with a point of order that I had felt was likely to be a proper point of order but which degenerated to an opportunity to debate. On all occasions, I did not condone the actions of the gallery and I believe my actions were consistent with the way in which I have dealt with similar disorderly actions in the gallery before. There is only one comparable occasion this year, and there was a great deal of tolerance shown on that occasion.

NATIONAL LITERACY AND NUMERACY WEEK

Dr Nelson (Bradfield—Leader of the Opposition) (3.24 pm)—Mr Speaker, on indulgence, I rise in relation to the answer given by the Deputy Prime Minister to the last question. I regard the member for Higgins as a great Australian who made an enormous contribution to make this a great country.

Honourable members interjecting—

The SPEAKER—Order! Those on my right are not assisting.

Dr Nelson—The Deputy Prime Minister’s response demeans both herself and the parliament by those remarks.

QUESTIONS TO THE SPEAKER

Standing Committee on Communications

Mr Lindsay (3.25 pm)—Mr Speaker, as a member of the House of Representatives Standing Committee on Communications I ask that you take action on the less than satisfactory performance of this committee. It is not doing the work expected of it. This year the committee has only met for four short housekeeping meetings and one departmental briefing. Two other scheduled meetings were cancelled and no meetings have yet been held to take evidence on the committee’s current inquiry. The House is well served by committees that work hard, have meaningful inquiries and produce useful reports. I believe this committee is not currently fulfilling its obligations to the House.

The SPEAKER—I think the member for Herbert might appreciate that I am not in a position to give an answer directly. I will take advice from the Clerk and I will get back to him as appropriate.

MATTERS OF PUBLIC IMPORTANCE

Australian Competition and Consumer Commission

The SPEAKER—I have received a letter from the honourable member for Kennedy proposing that a definite matter of public importance be submitted to the House for discussion, namely:
The failures of the current executive of the Australian Competition and Consumer Commission to discharge their statutory responsibilities. 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 KATTER (Kennedy) (3.27 pm)—The head of the Australian Competition and Consumer Commission, Mr Graeme Samuel, was in the paper recently saying—if he was correctly reported—that he would have to question the takeover of Rio Tinto by BHP Billiton. We were talking about spine before. Marius Kloppers, the head of BHP, has shown considerable courage and resolution in standing up to the Chinese over the issue of iron ore prices. On the subject of iron ore prices, he would be in a much more powerful position to deal with China and a position much more beneficial to the people of Australia if he were able to proceed with the takeover of Rio Tinto.

Mr Samuel never made a peep when the seven major mining companies in this country were taken over by foreign corporations. So whilst minerals have risen 300 per cent in value, all of that benefit has floated overseas. The people on both sides of this House have an awful lot to answer for, but Mr Samuel and his officers at the ACCC are being paid big money to do a job they are not doing. They never made a peep when all those Australian mining companies were being taken over, but when an Australian managed company—it may not be an Australian owned company, but it is an Australian managed company; it is managed by Marius Kloppers, an Australian—attempts to take over a foreign company, suddenly we are getting loud economic rationalism lectures from this man. He is acting to the detriment of the Australian people and should be removed from office. This is no cause for shaking your head here, Mr Acting Speaker—I mean Madam Acting Speaker.

The DEPUTY SPEAKER (Ms AE Burke)—That is what I am getting at!

Mr KATTER—It might be a laughing matter for you—

The DEPUTY SPEAKER—No, I am not laughing—

Mr KATTER—but it is not for the union members in my electorate who are trying to get decent pay. I am talking and you are laughing.

The DEPUTY SPEAKER—The member for Kennedy will wait to be heard. I am not laughing and I will not have my comments associated with laughing at this matter. I am laughing at your inability to get my gender right and I ask you to respect the people in the chair and use the proper title of Deputy Speaker.

Mr KATTER—Let me now be very specific on the issue of the report that came down the week before last, Madam Deputy Speaker. I quote from page xx of the report:

The ACCC has not found any evidence ... In particular, there is no across-the-board evidence to suggest that retail prices for fresh products are going up by a greater percentage than farm-gate prices.

Milk pre deregulation was 53c a litre to the farmer and it is now 43c a litre, so that price has gone down. The price was 115c to the consumer. It is now 184c. So that is a lie with respect to milk. Let me move on to sugar. It was pre deregulation $350 a tonne. For the last six years it has been $274 a tonne. It is now $344 a tonne. So the price to the farmer has gone down considerably. The price to the consumer has gone up from $1,115 a tonne to $1,300 a tonne, so the margin has certainly widened dramatically there. Potatoes were $1,100 a tonne. They are now
$1,500 a tonne. The price to the farmer was $500 a tonne. The price of eggs to the farmer was 117c a dozen 15 years ago. It is now 120c a dozen. It was 185c a dozen to the consumer. It is now 394c a dozen to the consumer. These are not my figures; they are in ABS catalogue 6403—just to help out Mr Samuel and his officers.

We keep talking in figures and statistics and I do not think that people really understand that, so I purchased a kilogram of potatoes and took them along to the tribunal. Today I purchased them for $2.46 a kilogram. I rang up my farmers and found out what today’s price was. It was 62c a kilogram—so 62c a kilogram to the farmers and $2.45 a kilogram to the consumers for potatoes, the most prolific thing that we eat. Today I went and purchased a litre of milk, something that every Australian has every day. It was $1.99. The farmers got 51c, the packagers got 15c—so 66c—while Woolworths and Coles took $1.99. This milk and all of the other items I have here with me will be very valuable to Mr Samuel. In fact, I will give them to him for free.

Today I bought eggs. The farmers get $1.40 a dozen and consumers are charged $4.85 a dozen. This is shameful. This is unbelievable. I note these are not items that perish, unlike the bananas or mangoes that I could bring along which might perish in some cases. Sugar does not perish and, if you wished, you could keep it for 10 years. The farmers and the refiners get 39c a kilogram. Today I bought sugar. I and the consumers are paying $1.35. These are 300-plus per cent mark-ups.

Once upon a time, in the case of sugar, eggs and milk, we went along, as did the trade union movement in Australia, to a tribunal and that tribunal said what was a fair price to pay farmers—for milk in this case—what was a fair price that consumers should pay for it and what was a fair price for retailers to get. The minute that tribunal was taken away the price of milk paid to the farmers went down by 20c a litre—one-third of their money was taken off them. The price to the consumers went up by 42c a litre. So when the tribunal was taken away and the fairness test removed we went to the free market, suddenly the price went through the roof. I will not continue on with that, but it was the same with eggs and sugar, and I could quote the figures. I present those cases to indicate that what Mr Samuel has said is totally incorrect.

I refer to the second thing that he has said, and once again there is no excuse for this as these things are all catalogued, and I have already referred to catalogue 6403. I again quote from the report:

Statistics analysed by the ACCC suggest that Coles and Woolworths account for approximately 70 per cent of packaged grocery sales in Australia ...

That was repeated by Mr Samuel to the national media. That 70 per cent in itself is disgraceful. I think for other countries the closest to Australia’s figure was 40 per cent and there were four or five people in Great Britain who held that. There is no country on earth that has anything like the concentration of market power that Australian has, and it was a committee of this place that decided that and then recommended doing nothing.

Let me come back to his statement of 70 per cent. Surely he in his position must know, given he has made that national statement of this nature, that in 1991 Woolworths and Coles had 50.5 per cent of the market and by 1998, according to the government of the time and their committee of inquiry, the big two had 64 per cent of the market. If you want to take the AC Nielsen series, which probably has the more accurate figures, then it was 68 per cent in 1998—but I do not care...
whether it is 64 or 74 or whatever. In 2002, according to the AC Nielsen series and according to Retail World, the bible as far as this goes, it was 76.7 per cent. Woolworths have claimed that they have had a 10 per cent market share growth almost every year since—and I hold up, as document No. 3, a press release from Woolworths saying this year they expect a ‘10 per cent market share growth’. In 2002 they claimed an 11 per cent market growth.

I want to be very fair here: you must take out CPI and GDP growth to get a fair figure for their market growth. But, no matter how you configure this, they now have well over 80 per cent of the market. That means they can charge whatever they please. That is why all those items carry a 300 per cent mark-up. In retailing we have very high mark-ups. My family were in retailing but we could not dream of a mark-up of 300 per cent. There is a terrible name for that—and everybody here knows what the name for a 300 per cent mark-up is.

Why are they doing it? Because they can do it. It is because, unlike in any other country on earth, they have 80 per cent of the marketplace. We ask the government: when will this situation be assailed?

Every four days a farmer in this country commits suicide. Isn’t that something for us to be proud of as a race of people!

Last time I did the figures, I found that in nine years time this country will become a net importer of food. That prediction varies up and down. There is another set of figures that would indicate it will be in 26 years. But, whichever way you configure it, this country will not be able to feed itself in the near future. That is simply because the farmers are getting no money.

Let me return to Mr Samuel and his comments. Further on in this report, he says that ‘the ACCC finds that the increase in domestic fertiliser prices’—the ACCC have done a separate inquiry into fertiliser—‘reflects international prices’. This is a most extraordinary statement, as it is indicated in the ACCC’s own report that there is DAP, or diammonium phosphate, which is a phosphatic fertiliser, and urea, which is a nitrogenous fertiliser. The usage in Australia is divided about fifty-fifty. Mr Samuel’s comment would be fair if he was referring to DAP, but he takes both DAP and urea into account. In 2005 we were getting nearly $400 a tonne for urea—that was the world price—and the price today is still around $400 a tonne. Since 2005, the international price for urea has stayed at around $400 a tonne. But, according to Mr Samuel’s own reports, it has gone to $800 a tonne in Australia. Mr Samuel said the domestic prices have moved in sympathy with the international prices. But his own graph in his own report makes a lie of his statements. Either he did not read this document or he is deceiving the people of Australia and once again speaking on behalf of the corporate interest.

The poor farmers are being ripped off by a similar situation in the fertiliser industry, because there are only two people from whom you can buy fertiliser in Australia. Governments on both sides have told people like me and the honourable member for New England that the National Competition Policy was going to be a good thing for us. I do not know where it has been a good thing for us. It certainly has not been good for us in mining with no infrastructure and it certainly has not been good for us in the area of farming. Where the hell has it been an advantage for us?

The people’s watchdog, the ACCC, does not bark; it is a watchdog that bites not the burglar but its master—or its supposed master—the Australian people.
It has been going on and on and on. The farmers out there are committing suicide. The great songwriter Graeme Connors can write a song about the politicians and the bankers looking up at the glow in the sky as we burn ourselves in our cane fields. We have had three cases where people have effectively just walked out into the cane field and put a fire around themselves and incinerated themselves to death. That is what is happening in our country. Why? Because we have allowed monopolists to take control of the economy of Australia and we have done nothing about it.

Up on Mount Rushmore there is a very famous man called Teddy Roosevelt. Do you know why he is up on Mount Rushmore? Because he confronted Rockefeller. He showed guts. We talked about spine before. He was a man with the backbone to stand up for what is right. But the only person the ACCC stands on is an Australian BHP, which has been doing a good job for this country—and a good job that needed to be done. This malodorous smell in the nostrils of every decent Australian has to be removed! (Time expired)

Mr BOWEN (Prospect—Minister for Competition Policy and Consumer Affairs, and Assistant Treasurer) (3.42 pm)—The ACCC plays a very important role in the Australian economy. Competition provides benefits for consumers. Ordinary Australians, as the member for Kennedy rightly points out, rely on their watchdog to ensure competition. It was Adam Smith who said that businessmen, when they get together, will in many cases turn their minds to collusion. It is necessary to ensure that that does not occur. That is why the ACCC is such an important institution. People rely on it to promote competition and a fair deal.

In relation to the member for Kennedy’s opening remarks, I must say that one thing which is not in the ACCC’s remit is foreign investment. They do not regulate foreign investment. They have no role in foreign investment. That is a matter for the Foreign Investment Review Board. In fairness to the ACCC, they cannot play any role in foreign investment and it is not accurate to say they have ignored other foreign takeovers—that is the responsibility of a different organisation.

In relation to the member for Kennedy’s comments on the grocery inquiry report which was recently handed down, the most important thing is that the ACCC recommended a series of changes to the Horticultural Code. I do not want to put words in the member for Kennedy’s mouth, but I think I am right in saying that these are changes which the member for New England and the member for Kennedy have been calling for in the past. They have been calling for these changes for some time, and the previous government ignored them. I know that the National Farmers Federation has welcomed the changes recommended by the ACCC to the Horticultural Code.

What is important is the action that arises out of the report. I know that the member for Kennedy is disappointed that the ACCC did not find anticompetitive conduct, unconscionable conduct, on the part of Coles, Woolworths and other retailers. In fairness to the ACCC, what they said is this: ‘Come and give us evidence in camera, come and give us evidence confidentially, and we will make recommendations accordingly.’

The ACCC makes recommendations based on the evidence in front of them. What they have said is that they think the situation can be improved, and that the horticultural code of conduct can be improved and farmers can get a better go. That is what counts: that farmers do get a fairer chance. The minister for agriculture and I have agreed that the horticultural code of conduct will be re-
viewed with a view to implementing the recommenda-
tions of the ACCC.

Mr Katter interjecting—

The DEPUTY SPEAKER (Ms AE Burke)—Order! The member for Kennedy.

Mr BOWEN—As the member for Ken-
nedy has said, the ACCC found that Coles
and Woolworths are dominant. We can argue
about whether it is 70 per cent, 80 per cent or
50 per cent; at the end of the day we all agree
that they are dominant in Australia. But what
we have to do is say this: if there were to be
a forced divestiture of Coles and Wool-
worths, if the ACCC were to recommend to
the government that they be broken up and
the government were to legislate accord-
ingly, you would need very clear evidence
that that was in the best interests of the Aus-
tralian people. You would need very clear
and researched evidence that the Australian
consumer would be better off by the break-
down of those economies of
scale—and that evidence simply is not there.
When you look at the margins of Coles and
Woolworths, they are no greater than—

Mr Katter—Oh, please! Mr Minister—I
mean, honestly!

The DEPUTY SPEAKER—Order! The
member for Kennedy was heard in silence. I
am loath to ask him to leave the chamber in
his own MPI but, if he insists on behaving
this way, I may have to.

Mr BOWEN—other markets which are
even more concentrated. But again the im-
portant point is: what is the recommendation
of the ACCC? That the competition in the
grocery market is not good enough—that we
need more competition. This is something
that the government has been saying for
some time: that we need more competition
for the grocers in Australia. That is why we
have freed up the foreign investment laws—
to get more competition into the Australian
grocery market. That is why we have the
COAG process freeing up the planning laws
so that planning cannot be used to stop com-
petition in the grocery market. That is why,
as a direct result of this inquiry, the ACCC is
going to go after restrictive covenants which
stop supermarkets being opened in shopping
centres where a supermarket is already in
operation. That is the direct result of this
inquiry; those are the actions that result out
of this inquiry—more competition. Consum-
ers benefit from more competition and farm-
ers would benefit from more retailers being
in the Australian market, particularly in the
smaller states. In the larger eastern states we
have the competition provided by Aldi, for
example, which does not exist in the other
states. We need to see that spread, whether it
is Aldi or others, throughout the country.

The ACCC’s job is to promote competi-
tion. The ACCC’s job is to enforce competi-
tion. The ACCC’s job is to advise govern-
ment on how competition can be improved.
The ACCC has been doing that for a long
time. The previous government froze them
out. The ACCC has been calling for years for
section 46, the predatory pricing clause of
the Trade Practices Act, to be considerably
strengthened to give them the tools to do
their job. The previous government for 12
years refused to do it. Next week it will pass
this House. After the 2003 Boral case, which
watered down the Trade Practices Act so
much that the ACCC brought no more cases,
finally that situation will be fixed.

I noted the remarks of the shadow minis-
ter for competition in opening the debate. He
could not even refer to the bill—that is their
commitment to competition. He did not even
talk about the bill! He did not even appear to
know what was in the bill! Any competition
expert in the country would be shaking their
head at the contribution of the shadow minis-
ter for competition. The previous govern-
ment refused to criminalise cartels, to put in
a jail term for cartels, despite 15 pleas from the ACCC that, if we are going to crack down on cartels in this country, we need a jail term. The previous government ignored it. We will pass it and we will have a significant jail term for cartels in Australia for the first time.

We now have the situation where the ACCC has said of the petrol market in Australia that we have as close to collusion as you can get while still being legal. The ACCC has said that. In the petrol market we have collusion. It is not illegal but it is as close to collusion as you can get while still being legal. The government says that is not good enough. We have asked the ACCC what we need to do to fix that, and the ACCC has come back with Fuelwatch.

When you ask those opposite what they think about a situation where the competition watchdog says that we have as close to collusion as it can be while still being legal, their official policy position is, ‘No worries; it does not worry us—that is fine; we will just let it continue.’ I have had so many taxi drivers and constituents say to me—and I am sure that all honourable members have—‘Don’t you think there is collusion in the petrol market? Don’t you think they are ganging up against us?’ And I say, ‘No, I don’t think they are, because they do not need to. All the cards are stacked in their favour. The information is shared by retailers, and consumers just don’t get a go.’ That is what Fuelwatch is about, and the Liberal Party stands opposed to it—well, part of the Liberal Party; there has been a development.

We hear from the Liberal Party just how terrible Fuelwatch is. The people of Western Australia have had the benefits of Fuelwatch for eight years, and what has the Leader of the Opposition in Western Australia just announced? Fuelwatch is going to stay in Western Australia—no changes at all. They fume and they carry on that Fuelwatch is terrible. Then they get put to the first test by the people and they say, ‘It’s not that bad actually; we’ll keep it, thank you very much, if we’re elected.’ What a bunch of hypocrites! They fume against Fuelwatch and, when they get put to the test by the Australian people, they say it is not that bad and they will keep it.

In relation to the ACCC and the views of those opposite, there is something in all seriousness which concerns me—and I am glad the member for Cowper is in the House. My attention was drawn to some comments by the member for Cowper in the Daily Telegraph on 9 August 2008. In relation to GROCERYchoice he said that it ‘calls into question the competence and integrity of the ACCC’. Can I say that members of the government are fair game—I am fair game; all ministers are fair game. Feel free to criticise us. But for a member of the alternative ministry of Australia to attack the integrity of public servants is quite inappropriate, and he should reflect on that. He should apologise to the over-600 staff of the ACCC. If he does not, the Leader of the Opposition should pull him into line, because he is the alternative minister for consumer affairs. He is the man who, should they be elected, would be partly responsible for the ACCC, and he attacks the credibility and integrity of its 683 staff. He should apologise.

Mr Katter—Madam Deputy Speaker, I rise on a point of order. I claim to have been misrepresented. The minister said that the member for Cowper was questioning their integrity. I also am questioning their integrity—and about 90 per cent of Australia is as well.

Mr Bowen—I make the point that public servants do their job, without fear or favour, for the government of the day, and their
integrity should not be questioned by anybody.

In relation to GROCERYchoice, let me use this opportunity to put some things on the record. We have seen 3.3 million hits on the GROCERYchoice website. What does that mean? It means that people are craving more information about grocery prices. One side of the House wants to give people more information and one side of the House wants to take it away. It does not mean that all those responsible for the 3.3 million hits think that the website is perfect and there is enough information on it. I said, on the day that we launched the website, that we want to put more information on it as we go and that this is just the first step. We want to work with consumer groups and retailers to get much more information on it as we go—and that is what we are doing. But one side of the House wants to give people more information and one side of the House wants to take it away. The opposition says that a website giving people information about grocery prices is a waste of time, even though there are 3.3 million hits to show that people are interested in having more information. People want more guidance as to where the cheapest groceries are in their area, and we want to give it to them.

Comments have been made about the Chairman of the ACCC, Mr Samuel. I need to put on the record that the ACCC is not one man; the ACCC is seven commissioners and 683 staff who implement, administer and enforce the Trade Practices Act. They play a very important role. The chair, Mr Samuel, is not somebody who has been associated traditionally with this side of politics. He has been active in politics in the past but not on this side of politics. But he has served the Australian people professionally and appropriately through governments of both sides, and I think that some members opposite resent it. I think some members resent the fact that somebody who has traditionally been associated with Liberal politics feels it appropriate to professionally serve a Labor government and to advise it on how to improve competition in Australia. That seems to drive those opposite crazy—and shame on them. Whether you agree or disagree with him, whether you think he has done a good job or a bad job, he has done the best job he can for the Australian people. He has served the Australian people and promoted competition as best he can and as best the ACCC can. It seems to me that members opposite resent the role that he has played. He continues to argue for improvements to the competition law—improvements that the previous government refused to make for the ACCC.

We take the view that, when the ACCC—the regulator—says, ‘These are the tools that we need to do the job,’ you need to have a very good reason not to give it those tools. You need to have a very good reason to say, ‘No, we’re not going to give you those tools.’ If it calls for the criminalisation of cartels, you should seriously consider it. You should examine the issues and weigh them up, but you need to have a good reason to say no. If it calls for the Trade Practices Act to be strengthened, likewise you should seriously consider it and weigh it up, but you need a good reason to say no. If it calls for something like Fuelwatch, the same process should apply. When it says, ‘We have the closest thing to collusion that we can get in the Australian economy without it being illegal and here’s a mechanism that we think can fix it,’ you need to have very serious reasons for saying no.

The ACCC does not have an easy job in times of heightened inflation. It is very easy to get up and say, ‘Inflation is high and the cost of living is going up; therefore, the competition watchdog is not doing its job.’ We could all say that, but it is not going to help consumers one jot, when around the
world you have high inflation, and cabinets and governments grappling with cost of living pressures. When inflation in Australia is at a 16-year high and there are issues around the world in relation to cost of living pressures on families, the job of the ACCC is not an easy one. But we on this side of the House back the regulator to do that job and are giving it the tools it needs to do it.

Members opposite, after 12 years of inaction, can sit around and laugh and mock and say, ‘You’re watching this and you’re watching that and it doesn’t do any good.’ We are in there having a go, while those opposite ignored the problems. We are in there having a go, dealing with competition. We are in there having a go, saying, ‘Well, if we’ve got as close as it can get to collusion while still being legal, we’d better do something about it,’ because we are pro-competition. Competition helps Australian battlers. Consumers benefit from competition, which was ignored by those opposite. (Time expired)

Mr HARTSUYKER (Cowper) (3.57 pm)—I certainly welcome the opportunity to speak on this matter of public importance. The issue of Fuelwatch and GROCERYchoice does raise important questions about the way in which the ACCC has conducted its affairs under the Rudd Labor government. Is it an organisation acting in the public good, or is it acting at the whim of the hollow men who lurk in the backrooms of the Prime Minister’s office? Has the ACCC attempted to provide a quick political fix for the Prime Minister in relation to his promises on fuel prices, grocery prices and the cost of living?

History has shown that the ACCC has spoken out repeatedly against the Fuelwatch scheme. But with the election of the Rudd Labor government there commenced a miraculous transformation. The ACCC apparently had found its road to Damascus, and that road was going to be financed by the Australian families and battlers who struggle to make ends meet, as they would be the ones who would be paying more for their petrol as a result of Fuelwatch. Forget the fact that Fuelwatch involved price fixing. Forget the fact that the independent sector has been saying repeatedly to the members opposite that Fuelwatch will work against the best interests of independent retailers and that it is competition and not watching fuel prices that will deliver better deals for motorists. The Prime Minister said, ‘Jump,’ and the ACCC said, ‘How high?’

Of course, the members opposite will rally to the defence of the ACCC. They will tell us that the ACCC is independent. They will tell us that the ACCC has been working in the public interest. But let us ask some simple questions. Firstly, if the arguments for the introduction of the Fuelwatch scheme are so compelling, why did the ACCC not include Fuelwatch as its first recommendation in the inquiry into the price of unleaded petrol? In fact, it did not even have Fuelwatch as its last recommendation. The ACCC inquiry into the price of unleaded petrol failed to recommend Fuelwatch at all. Why was that? Did the ACCC forget to put in a recommendation about Fuelwatch? Was it a lapse of memory, perhaps? You would expect to see Fuelwatch figuring prominently in the body of the report. A reasonable person would expect to see a large chapter detailing the benefits of and totally devoted to Fuelwatch, as it forms the basis of the government’s response in relation to fuel prices. But, in fact, when you look at the report, you have to wait until the last chapter to find material on Fuelwatch. It can be found in chapter 15 at 1.3, in
the last pages of the report—hardly front and centre.

How then has the ACCC come to recommend Fuelwatch? Where is this new and compelling evidence that has come to hand which can justify this change in position by the ACCC with regard to Fuelwatch? The reality is that there is no such evidence. The modelling conducted by the ACCC has been criticised as being flawed not by members on this side of the House in isolation but by organisations such as Access Economics, Concept Economics, Professor Sinclair Davidson, Professor Frank Zumbo and Professor Don Harding. Professor Harding said of Fuelwatch:

I find that the ACCC applied the wrong tests to the wrong variable. Specifically, they studied the nominal retail margin when economic theory suggests that the analysis of anything but the real retail margin to producers creates a mis-specified model inconsistent with the econometric assumptions used.

Mr Henry Ergas, Chairman of Concept Economics, said in relation to the ACCC modelling—

**Mr Bowen interjecting**—

**Mr HARTSUyKER**—I listened to you, as painful as that might be. Mr Ergas said:

I have not come across another instance in Australian public policy since the 1970s where a significant issue such as this has been said to be determined on the basis of modelling and the results of that modelling have not been available to the public.

We also note that the ACCC failed to correct for changes in transport costs over the period. These are likely to have increased prices on the east coast relative to those in Perth. We are surprised that the internal peer review and the peer review by Treasury did not uncover and correct these points.

Given these changes in price structures, we do not see how the ACCC could have objectively concluded that Fuelwatch did not have potential adverse effects, possibly significant for numbers of consumers.

These criticisms are cause for concern. In Senate estimates our good friend Mr Samuel said:

The purpose of the 2007 inquiry was to conduct, as I have described at the time, the most rigorous, the most analytical and the most robust analysis of petrol prices.

Based on the criticism of the econometric analysis of Fuelwatch, there appears to be some significant doubt as to the robustness and the rigour of that modelling. Why did the modelling use a simple average rather than a volumetric average? Why did the modelling ignore transport costs? It is a critical factor in the price of fuel to consumers.

In his introductory letter to the ACCC corporate plan, Mr Samuel stated ‘the ACCC is guided by five main principles’, one of which is transparency. But there has been no transparency in this process. The ACCC modelling is a black box. This box has been broken open by those such as Professor Harding, Access Economics, Concept Economics and Professor Frank Zumbo. Why did the ACCC go to such lengths to conceal the assumptions which underpin their analysis? What have they got to hide? What happened to the principle of transparency? It is clear for all to see that the position of the ACCC has evolved, as it were, since the report of the inquiry back in December 2007. It would be reasonable to assume that, if the ACCC had failed to recommend Fuelwatch, some new and compelling evidence would have come to light.

In the period since the report was released I have had discussions with Mr Brian Cassidy, who is the CEO of the ACCC. I asked Mr Cassidy, ‘Were the results of analysis done since the report more compelling, less compelling or consistent with the details in the report?’ He replied, ‘They were
consistent.’ So we have a report that failed to recommend Fuelwatch, and we have had further work done since the release of the report which is consistent with the work done in that report, but we see a dramatic change in the position of the ACCC. What has caused this dramatic change? What has caused the finding of the ‘Road to Damas-cus’? Could it be political interference perhaps? One can only speculate. Is it that the hollow men in the back office of Kevin Rudd are alive and well?

In the time I have left I would like to turn my attention to GROCERYchoice where, again, we witness a crisis in confidence with regard to the ACCC. The GROCERYchoice website is supposed to give consumers useful data to inform their purchase decisions, but it is nothing more than high-farce spin and a waste of taxpayers’ money. A report by the National Association of Retail Grocers of Australia is damning of the website. The title of the report is most interesting: ACCC’s GROCERYchoice—flawed concept, flawed model, flawed method, flawed conclusions. I think most consumers would agree that that is a perfect summary. NARGA says:

The ACCC GROCERYchoice survey model is irrelevant and deceptive. It provides consumers with not a single useful fact ...

You would get widespread agreement on that. NARGA says:

It is based on dead, month-old data (two months old by the time the following survey is posted on a website) in an industry where tens of thousands of specials change weekly.

Mr Katter—It concerns the independents as well.

Mr HARTSUYKER—It very much concerns the independents. It very much concerns the IGA. I thank the member for Kennedy for his contribution. NARGA go on to say that ‘the ACCC, through GROCERYchoice, are promoting the interests of the German niche retailer, Aldi, and working against those of Australian family grocery businesses’. Fuelwatch and GROCERYchoice are two glaring examples of the Rudd government’s spin over substance. They are prepared to spend taxpayers’ money on a useless website and on a Fuelwatch scheme which will generate higher petrol prices. The government should be condemned for their approach to these consumer issues. The ACCC should be condemned for their stance in supporting this farce. It is certainly a matter of public importance. (Time expired)

Ms ANNETTE ELLIS (Canberra) (4.07 pm)—At the very start, I have to say in passing that I find it quite amusing that the member for Cowper uses a term like ‘quick political fix’. Anything quicker than 12 years is quick! In terms of grocery prices and the general cost of living in this country, the government before us did not do very much. In fact, one could not be blamed for saying they did little, if anything. So, Member for Cowper—a quick political fix? Well, we are quick, if that is the measure that you use. But I digress slightly.

I saw a brief quote from the member for Kennedy today through AAP. Whilst it may not be the full quote, it says:

I officially call today, and I will in the parliament ... for the sacking of Mr Samuel ...

He has brought out a report saying there is no problem in Australia, he absolutely knows that food retailing in Australia, 82 per cent of it, is held by two people (Coles and Woolworths). Mr Samuel has got to go.

I really think it is important in this debate—which I think is a very important debate—on the MPI today, to reflect on what Mr Samuel actually said, in fuller terms than the member for Kennedy’s quote. At the press conference
at the release of the report into grocery pricing, Mr Samuel said in part:

Our inquiry found that overall the grocery market is, as the Minister has said, workably competitive. That term is used to describe a market in which competition exists but it is definitely not as competitive as it should be. In a working competitive market there is sufficient competition to protect consumers from monopolistic practises but there is a lack of the type of strong and vigorous competition—

Mr Katter interjecting—

The DEPUTY SPEAKER (Ms AE Burke)—The member for Kennedy!

Ms ANNETTE ELLIS—

that means consumers are getting the best deal possible.

Being workably competitive means that Coles, Woolworths and Metcash have little incentive to destroy the current balance through vigorous price competition. Some of the impediments to more vigorous competition are, first, high barriers to entry due to difficulties new or expanding players have in finding new sites. The behaviour of Coles and Woolworths with their restrictive agreements at shopping centres and gaming of planning objection processes has increased these barriers.

Secondly, we found limited incentives for Coles and Woolworths to alter the existing competitive balance through aggressive price competition.

Finally, we found that there is limited price competition from the independent supermarkets.

All of that led then to recommendations made by Mr Samuel and the ACCC in that report. I will describe three of the recommendations, very quickly. The first one was that we need to do something about planning laws, which the minister has addressed; the second one was in relation to the horticultural code, which has been addressed; and the third one was for the introduction of mandatory unit pricing for all significant supermarkets, which I think has been addressed in passing.

The point that I really want to make is that the report talked about Mr Samuel’s view on what else, beyond those recommendations, has to be done.

Mr Katter interjecting—

The DEPUTY SPEAKER—The Member for Kennedy: no!

Ms ANNETTE ELLIS—Despite the interjections, I will try really hard to draw attention to those additional pieces of work that he believes need to be done. One was the implementation of creeping acquisition law. I want to talk about that one specifically. Creeping acquisition is the practice whereby one large company buys up its smaller competitors one at a time, thereby surreptitiously, if you like, taking them over. For example, rather than buying a chain of fruit and vegetable stores all at once, it may buy ‘Fred’s Fruit and Vegetables’ one month, ‘Tom’s Fruit and Vegetables’ the next, and so on. It can also be used to lock out competition by buying out a store or a potential site in a particular area at an inflated price, if they are big enough—and they are big enough—in order to stop a competitor from buying out the site.

This brings me to a local issue which I have been involved in and know about and which was the subject of ACCC work during the grocery inquiry process. Just over the border from me, in Queanbeyan—where Woolworths owned a number of supermarkets—a small, insignificant store came up for sale. I think I am correct in saying that the owners of that store made it known to Woolworths that it was going to come on the market and Woolworths said, ‘No, thank you; we’re not interested.’ So an independent who operates here and in New South Wales said to the owner of that store, ‘I’d like to buy it.’ That would have given them an opportunity to bring in a full-line supermarket in direct competition to Woolworths in a lo-
cal community. As soon as Woolworths heard about that, they said, ‘Hang on; maybe we’d like it after all.’ The ACCC looked into this and they brought out a press release in June of this year saying that they were in fact going to oppose the proposed acquisition of that supermarket in Queanbeyan by Woolworths. They said:

“The ACCC concluded that the acquisition by Woolworths would be likely to substantially lessen competition in the local retail supermarket market surrounding the store,” ACCC Chairman, Mr Graeme Samuel, said today.

“The ACCC had strong evidence to suggest that in the absence of the acquisition by Woolworths, the supermarket would instead be acquired by an independent operator … which has intentions to expand the supermarket to operate as a full-line supermarket in strong competition with Woolworths and other supermarket operators. The ACCC found that—

the independent—
supermarkets offer a different proposition to existing operators in the local market … And so on.

I applaud that decision by the ACCC. It is the sort of work that we should be seeing. While I know that that is not a direct recommendation within the report of the ACCC, when you read the report you will realise very quickly that, whilst also recommending three or more direct actions to government, the ACCC has a very strong interest in looking at other issues—including one of the most important, from my perspective, and that is the creeping acquisition law. It took me a little time to understand what it really meant. It means, as I have outlined, that a big company like Woolworths—Coles could do it as well, but Woolworths seem very good at it—can go in and pick the opposition off one at a time, but they can also try and do what they tried to do in Queanbeyan, and that is to find a site that is up for sale and buy it only because they know that someone else wants it, that someone else is not Coles and they want to come in in competition. So, when we are criticising the ACCC and the process, I think we need to slow down and have a very careful look at what the ACCC actually have in their target sight. I am going to applaud them every time I know that they are trying to stop this type of behaviour.

I can also talk about a small greengrocer in my electorate. A few short years ago, but in the life of the previous government, he had a greengrocer shop in a small local group centre which he operated across the corridor from Woolworths—how dare he! Woolworths used to send their staff out a few times a day to note down the prices this bloke was selling his goods for and Woolworths would then mark their goods down below his prices. It drove him out of business. A TV current affairs program put that story to air but it did not save him. He was put out of business. I am very pleased that there is now concentrated interest in this area. This little bloke is now back in the same shop—though twice the size—knowing that he can get protection from that sort of behaviour, that Woolworths cannot do that to him again and get away with it. A lot of us now shop there and he has a very strong customer base. If you look at that Woolworths store, very rarely will you see people walking out with lettuces and celery; they buy those things from him. They feel very strongly about the fact that the little bloke is having a go. He is not even a supermarket; he is just a greengrocer.

In conclusion, can I say I appreciate very much the passion displayed by the member for Kennedy and I appreciate very much the argument he has put on behalf of the primary producer. I understand that argument; we all do. However, in this discussion and in this argument, it is really important that we do not lose perspective in what this government actually want the ACCC to do. We should
stand with them and support them and give them all the power they need to carry out the sort of work that I know we all believe they should be able to do.

Mr WINDSOR (New England) (4.17 pm)—Firstly, I congratulate the member for Kennedy and agree with the member for Canberra in appreciating the passion he has displayed on this issue. The member for Canberra mentioned at the end of her speech something to do with primary production and those who produce the food. The Minister for Competition Policy and Consumer Affairs and many others have talked about the consumer of the food. One of the underlying problems in the area of competition is that the argument is about the consumer, not about whether the food can be produced at a competitive price. It is very much aimed at the consumer.

Members might remember that, when Telstra was sold, competition was going to deliver into the smaller ends of the market—that competition would provide. Public ownership was not required; competition would provide in rural areas. That is not happening. The weakness of the ACCC, in my view, and the problem with national competition policy and the way those words are thrown around is that competition does not provide in the smaller markets because of the size of Australia. Competition did not provide when our region wanted a gas pipeline because there was only one person that wanted to provide it. There were no competitors. Telstra tells us now that some parts of the market are not viable, so it will not provide a service. Competition was going to provide. It is all very well for the current government to blame it on the former government and say, ‘They said that, they did that; therefore nothing happens.’ Competition was the way in which that was driven.

One of the things that I think the government needs to look at very closely is the confidence people have in some of these so-called independent bodies. In rural Australia there is very little confidence, whether it be in the horticultural area, the grain production area or the fuel production area. The minister himself talked about collusion in the fuel area. Of course there is collusion in the fuel area. Has the ACCC been able to prove that? Has it been able to do that within its ambit? Everybody including the minister says that there is a degree of collusion.

But, when agriculture wants to value add to a product, in a sense, by moving into the biofuels area, this government is very quiet and the previous government was very quiet. They are very quiet on access to the marketplace and those who control the bowsers. The fuel companies just turn their backs and do not allow entry into the marketplace. That is where competition should start. Instead of farmers being captive in the way that they are now, not only domestically but globally, farmers should be able to move into value-adding markets. What saved the sugar industry on the sugar coast had nothing to do with the ACCC and nothing to do with domestic arrangements; it had a lot to do with Brazil moving into biofuels. The same is happening with biofuels in the grains sector. Biofuels are helping to drive up prices and at least give some profit margin to the farm sector.

What is the government doing? Very little. It supports renewable fuels but does not do a lot about them. Let us hope the wind and the sun can assist them. The government does not do much to encourage biofuels. It runs off this other gambit, saying, ‘We’ve got to be the food bowl for the world; there are millions of starving people who have to be fed by our farmers.’ There are 100 million acres in the Sudan. It can produce six times that which Australia can produce. Sudan has magnificent soils, yet its people are starving.
And we are withdrawing support in terms of teaching them how to grow food using the new technological systems that can help them solve their problems.

Then we move into the carbon debate. We are still going to shuffle all this food all over the world, bring other fossil fuels back and have all these carbon footprints. This is the hypocrisy of policy that is going on at the moment—and I am not just saying that in terms of the current government. There are mixed messages out there. Do we want food? Do we want people to make a profit from growing food? Or do we want the consumer to have the food for nothing so that 'grocery watch' will work? Do we want a smaller carbon footprint? If so, why would we be sending this food overseas when we can produce our own energy from it which is renewable and has a smaller carbon footprint? No wonder the farm sector and others are confused about the emissions trading arrangements.

And then we return to a very simplistic debate about 'competition will provide'. It has not provided for the little people in the past and it will not now. (Time expired)

Mr SHORTEN (Maribyrnong—Parliamentary Secretary for Disabilities and Children’s Services) (4.23 pm)—I have listened with great interest to this matter of public importance debate and to the contributions. Whilst I think the intentions of the member for Kennedy are well conceived, I do not believe that the assault upon the ACCC is the best way to improve the rights of the consumer. In fact, the best improvement that has happened for the rights of consumers—be they small farmers, consumers or people who have to deal in the grocery industry—happened on 24 November with the election of the Rudd Labor government.

The previous government—and I will not labour their failures too much because they are well recorded—were anti consumer, anti worker and anti farmer. The National Party are collaborationists with their city based Liberal friends, and in Queensland, in fact, they are now the Liberal Party or the National Party; I get confused. It has been left to the member for New England and the member for Kennedy to at least fly the flag for the constituency and the way they see it. I will watch with interest if Mr Oakeshott is successful in Lyne. Perhaps then there will be further, more independent voices in the bush, as opposed to the Liberal-National Party—the National Party of course being the Liberal embassy or branch office in the bush.

I will return to what I think is the key focus in this debate: the adequacy of the ACCC. I think that we need to understand and use as the key debating point in this issue of assessing the adequacy of the ACCC their most recent report into the competitiveness of retail prices for standard groceries. In fact, the report revealed—and it did reveal this, despite perhaps some of the sound and fury of the address of the very impassioned member for Kennedy—that there is real reform to be had in Australia’s grocery sector. The report found that grocery retailing is ‘workably competitive’, but it also highlighted a number of factors that currently limit the level of competition, including the complexity of planning applications, which provide the opportunity for Coles and Woolworths to ‘game’ the planning system to delay or prevent potential competitors entering local areas. According to the report the biggest impediments to improved competition include the high barriers to entry for large supermarkets, a lack of incentives for the major supermarkets to compete strongly on price and the limited price competition from independent retailers.

The Rudd government, the consumer’s best friend, ably led in this area by the Assistant Treasurer in advancing these reforms, is
going to move in the following areas as a matter of urgency. It is going to refer the anticompetitive impacts of state and local zoning and planning laws to the Council of Australian Governments. One may ask: why didn’t the previous government act in its 12 years? Furthermore, the Rudd government is going to consider the best way to introduce a mandatory, nationally consistent, unit-pricing regime. Issues such as the product range that is captured and store size will need to be worked through in consultation with industry to ensure compliance costs are kept to a minimum. Unit pricing has proven to be a transparent and popular tool for overseas consumers, and one has to ask the question: why did the political party of noddies—I of course refer to the former government—fail to look at this issue?

Most importantly for the interests of the member for Kennedy and the member for New England and indeed all of the members of the government is that the Minister for Agriculture, Fisheries and Forestry will work together with the horticultural industry through the Horticulture Code Committee to carefully consider the ACCC’s 13 recommendations to enhance the operation of the Horticultural Code of Conduct. This hopefully will improve the regulation of trade in horticultural produce between growers and traders and provide dispute resolution procedures, which are very important. Indeed, the member for Kennedy will recollect that in my previous life both he and I appeared on platforms to try and confound and push the previous government to stand up for the small growers.

The government will implement a law on creeping acquisition, releasing a discussion paper by the end of the month to gauge the best way forward. The matter of public importance perhaps does not capture that the interests of the consumer have been advanced by the Rudd government very strongly, working with the ACCC, and in fact we have even picked some of the low-hanging fruit—to conclude my contribution in a vaguely orchard-like manner. At least this government has a Minister for Competition Policy and Consumer Affairs, an accomplishment which the previous government could not seem to get around to in their 12 years. *(Time expired)*

**The SPEAKER**—Order! The discussion has concluded.

**COMMITTEES**

**Public Works Committee**

**Membership**

**The SPEAKER**—I have received advice from the Chief Government Whip that he, Mr Price, is nominated to be a member of the Parliamentary Standing Committee on Public Works in place of Mr Hale.

**Mr DEBUS** (Macquarie—Minister for Home Affairs) *(4.28 pm)*—by leave—I move:

That Mr Hale be discharged from the Parliamentary Standing Committee on Public Works and that, in his place, Mr Price be appointed a member of the committee.

Question agreed to.

**PROTECTION OF THE SEA LEGISLATION AMENDMENT BILL 2008**

**THERAPEUTIC GOODS LEGISLATION AMENDMENT (ANNUAL CHARGES) BILL 2008**

**TELECOMMUNICATIONS INTERCEPTION LEGISLATION AMENDMENT BILL 2008**

Returned from the Senate

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

**ADJOURNMENT**

**The SPEAKER**—Order! It being approximately 4.30 pm, I propose the question:
That the House do now adjourn.

Nuclear Energy

Mr IAN MACFARLANE (Groom) (4.29 pm)—Yesterday, I drew attention to significant flaws in the Rudd-Wong emissions trading scheme and the danger it poses to our economy and jobs. I would like to add to that comments by Geoff Carmody, the co-founder of Access Economics, who said that the Rudd-Wong ETS was simply ‘an exercise in cosmetics’. He asked us to ‘imagine the uproar if John Howard had proposed a GST that hit exports and exempted imports’, which is essentially the concept at the heart of the Rudd government’s ETS proposal. This is only one of the many concerns now being expressed in relation to the job losses and economic impact that will come from the implementation of the Rudd government’s ETS.

It is essential that Australia has a careful and well thought out approach to lowering greenhouse gas emissions that does not drive our economy into the ground or make our exports less competitive. In pursuing clean energy options and safeguarding the Australian economy through the biggest economic reform in history, we must consider all clean energy options. We need more clean energy capacity than can be reasonably expected to come from wind, solar, biomass, geothermal and wave technology in the next five years. These energy sources, while important, have not progressed far enough to deliver soon enough the reductions needed to bring about dramatic cuts in greenhouse gas emissions by 2010. Clean and zero-emission coal is definitely a long-term solution, although I note the resources minister is pessimistic about a breakthrough in clean coal technology within the next decade or perhaps two decades. Remember that a 10 per cent cut in 2000 emissions by 2020 means that gas generation must triple and wind generation must increase sixfold, and of course there are calls from the green movement for cuts of double that. This creates a problem. To implement the Rudd-Wong emissions trading scheme without the technology and the replacement installed, clean energy generation capacity is both foolish and reckless, but it is even more reckless to do it without the one proven zero-emissions baseload technology—nuclear power.

Nuclear power accounts for 16 per cent of global energy generation and will save 25 billion tonnes of CO2 globally over the three decades to 2030. Labor is being hypocritical by allowing sales of our uranium to overseas nuclear power stations, saving 395 million tonnes of CO2 every year, yet refusing to consider nuclear power in Australia under any circumstances. Yvo de Boer, Executive Secretary of the United Nation’s Intergovernmental Panel on Climate Change, stated: I have never seen a credible scenario for reducing emissions that did not include nuclear energy.

The next generation of nuclear reactors also has the ability to produce hydrogen, the future clean transport fuel for cars and trucks.

The nuclear route will not be easy, but it is a path I am comfortable to walk, openly and honestly. Nuclear opponents regularly cite high-profile incidents such as Chernobyl in an attempt to make a connection between danger and nuclear energy, but it is an association that does not hold up under closer scrutiny, particularly in the 21st century. A report published in 1998 shows that in generating electricity there were 342 deaths per terawatt year from coal, while from nuclear there were just eight. The House of Representatives Standing Committee on Primary Industries and Resources stated that since 1997 there have been 6,500 deaths from coal-fired power stations, 1,200 deaths from natural gas, 4,000 from hydro power and 31 from the nuclear industry.
For nuclear power to be part of Australia’s low-emissions future there needs to be a bi-partisan approach. But, if it takes the Labor Party 50 years to agree on an impotent, contradictory and chaotic uranium policy that still bans uranium mining in five states, do Labor have the courage and leadership to face this inconvenient nuclear truth? What contortions will the Labor Party inflict upon Australia by the implementation of their ETS without nuclear in the mix and what irreparable damage will they do to Australia’s economy and the future of our children?

I know that those who sit opposite do not want a debate. I do not have time to do it tonight, but I seek leave to present the JK Lecture I gave to the AusIMM group in Brisbane last week.

Leave granted.

**Port Adelaide Electorate**

**Mr Butler** (Port Adelaide) (4.34 pm)—I rise to talk about a couple of recent initiatives by the Rudd government, particularly by our outstanding Minister for Veterans’ Affairs. These initiatives are resonating in my electorate of Port Adelaide, particularly among those who have served our country in past wars. The first one I want to talk about quickly is Merchant Navy Day.

Former and serving merchant seamen, RSL members from, among many others, the Semaphore and Largs Bay RSLs, the Merchant Navy Association SA, the Vindicatrix Association SA and the Maritime Union of South Australia will join many members of the Port Adelaide community to take to the streets of Port Adelaide next week on 3 September. They will be marching to celebrate Australia’s inaugural Merchant Navy Day.

The Port Adelaide march begins at Fisherman’s Wharf markets and will wind its way down Queen’s Wharf to the old Ports Corporation building, concluding with a commemoration service at the Navigator Memorial. That memorial commemorates the sinking of the *SS Admella* some 149 years ago at one of the worst maritime losses in South Australian history. So participating in the march along with those who support the rich merchant navy history of our community will be some 160 people representing 44 survivors, victims and rescuers from the tragic loss of that ship.

The second initiative I want to talk about briefly is the recognition, finally, of the Battle of Long Tan. As members of this House know, in 1966 the Battle of Long Tan in Vietnam saw Australia lose 18 men, 17 from
D Company—including the young commander of 11 Platoon—and one from 1st APC Squadron. Twenty-four men were also wounded.

The Rudd government recently announced changes to military awards in response to the independent review of Battle of Long Tan recognition. Harry Smith, the commander of D Company 6RAR, will be offered the Star of Gallantry, which is the equivalent to the Distinguished Service Order. Platoon commanders Dave Sabben and Geoff Kendall will be offered the Medal for Gallantry, which is equivalent to the Military Cross. The strength of D Company 6RAR in Vietnam on 18 August 1966 will receive approval to wear the former Republic of Vietnam's Gallantry Cross, with Palm Unit Citation emblem. Any other unresolved concerns regarding individual awards for Long Tan will be referred to the independent Defence Honours and Awards Tribunal, and the government has indicated it will be bound by the tribunal’s recommendations on such matters.

On 18 August this year I attended the Long Tan Day commemoration at Henderson Reserve in the Montague Farm Estate at Pooraka. The estate is dedicated to those who served, suffered and died in Vietnam, and all 50 streets on the estate are named after South Australian service personnel killed in action in that conflict. The initiative was undertaken as part of a Vietnam veterans’ awareness project, which also involved the erection of various memorials in the local reserve. A community garden has also been created by students of Mawson Lakes Primary School, who have long had a relationship with the local veterans’ community.

On a personal note, my father served in Vietnam shortly after the Battle of Long Tan, during the period around the Tet offensive in 1968, and I got an SMS message from him, while he was having lunch with his Vietnam colleagues, saying how pleased they were about this initiative. (Time expired)

**Parkes Electorate: Mining**

Mr COULTON (Parkes) (4.40 pm)—I rise tonight to speak about a matter of great importance in my electorate, which is the need for an independent hydrological study into the impact of mining on the Liverpool Plains, particularly in the Caroona and Breeza areas. This issue is of real concern to many of my constituents living in the region, and I believe that it is very important for this topic to be raised here in the federal parliament.

The farming country around Caroona has some of the most productive, resilient and moisture-rich soils in the country. Even during times of prolonged drought, the underground aquifer systems under the plains allow local farmers to produce substantial crops using state-of-the-art irrigation techniques. Many properties in the area have been owned by the same family for several generations, and there is a very strong sense of community spirit. The granting of a mining exploration license for the area by the New South Wales state Labor government has caused a great deal of legitimate concern among many local landholders. There is a very real fear that mining in the area could cause irreparable damage to the high-quality underground alluvial aquifers, which not only provide a source of irrigation for the local farmers but are also the main water supply for some 20,000 households in the region. There are also concerns over what effect subsidence from mining activity will have on the surface water flows given that this area is a natural floodplain.

The Caroona Coal Action Group, which is the representative group for local landholders, has called for an independent study to be undertaken to ensure that mining in the area would not compromise the long-term value
of the surface and ground water resources of the region. I, along with several of my NSW Nationals colleagues, have met with members of the Caroona Coal Action Group to discuss this issue. The Nationals' position in relation to the independent hydrological study has always been clear and unequivocal. The Nationals fully support the call for an independent study into the impact of mining on the Liverpool Plains. The Nationals also feel that the study, which should be paid for by the NSW government given that they have pocketed $100 million for mining exploration licences, must begin immediately.

It is my understanding that any previous studies that have been undertaken in relation to mining and underground water have been focused on the effects of water in relation to mining and not the effects of mining on water supply. The study model that has been put forward by the Caroona Coal Action Group will ensure that any mining development will adequately value and safeguard existing natural resource assets, such as soil and water, the community and the ability to maintain productivity in the long term when mining has ceased.

The other factor which must be considered in relation to this issue is whether the relatively short-term benefits of mining should be placed ahead of the long-term benefits of agriculture. The Liverpool Plains are often described as the ‘food bowl’ of Australia given their long history of providing high-yielding crops of exceptional quality. The reality is that we are now at a time in history where global food security is becoming a major issue. More and more people across the globe will be relying on Australia’s agricultural producers for food security, and areas such as the Liverpool Plains will become even more important in the years ahead. This floodplain has the potential to be feeding this world in 1,000 years time, and we do not want to risk the long-term productivity and sustainability of agriculture for the short-term gains of mining.

I am not opposed to mining as such. Indeed, mining is very important to the local economy of my electorate and to the nation as a whole. But we must remember that the issue here is the effect of mining on this particularly fertile and fragile floodplain. It is well known that mining and underground water do not mix, and therefore it is vitally important that we obtain a clear picture as to the extent of this very important aquifer because any mishap, intentional or otherwise, will have a permanent detrimental effect on the productivity of this country.

I strongly believe that we need to make sure the future of the fertile agricultural land of the Liverpool Plains is not placed in jeopardy, and I feel that an independent study is the best way to determine, in detail, any potential risks to the region. I am pleased to place my support for the Caroona Coal Action Group, and the independent hydrological study, on the public record.

Dobell Electorate: Longwall Coalmining in Wyong Shire

Mr CRAIG THOMSON (Dobell) (4.44 pm)—I did not work this out in advance with the member for Parkes, but a general theme is emerging. I wish to bring to the attention of the House a serious issue in my electorate, which is the plan for a large longwall coalmine under the valleys of the Wyong shire, some of the most pristine rural areas on the New South Wales Central Coast. This mine, made up of 46 underground longwall shafts, is planned over a large area of the region’s water catchment. Half of the Central Coast’s water supply is drawn from the rivers and creeks where the mine is planned. Independent research shows that much of the catchment would be at risk if the mine is allowed to go ahead. Similar mines in water catchment areas south-west of Sydney have
caused major, irreversible damage and environmental harm to rivers and streams in those areas. In some cases, water flows have dried up altogether or have suffered pollution. During mining for coal under the riverbed of the Cataract River, the mining company cracked the rock in the riverbed, allowing thermal gases to vent into the river and water to drain away. There is no guarantee that this will not happen again in the valleys of Wyong shire in my electorate.

Of course, the mining company will brush aside all of this. They will say that they can guarantee the water catchment will not come to any harm and that they have ways and means of preventing damage to the sensitive environment. Yet there is nowhere that such longwall underground mining has not caused subsidence and other environmental damage, including the loss of groundwater and surface water. Kores, the proponent of the coalmine, acknowledges that subsidence will occur. Subsidence has, in past and current mines, caused underground aquifers and the flood plains situated above the coal seams to fracture. New drainage channels which arise from these fractures and natural drainage flow lines can intercept contaminated coal seam waters before their final discharge into the Wyong River. Polluted river waters would destroy aquatic life in the estuarine areas of Tuggerah Lakes, the feeding habitat of some 19 international migratory birds recorded in these areas and listed under agreements between Australia, China and Japan known as the CAMBA and JAMBA agreements. Thirty-three threatened species of flora and fauna have been documented by the National Parks and Wildlife Service for both valleys. Mine subsidence also causes soil poisoning from leaking methane or carbon dioxide gases. Contamination can also occur from acid drainage and deterioration of water quality due to a reduction in dissolved oxygen within the coal seam aquifers.

Water is precious to the Central Coast, as it is to many other regions. Our water supply was down to 13 per cent. The Rudd government is providing $80 million to the Gosford/Wyong Councils Water Authority to help drought proof the region. The funding will go towards building a new water pipeline between two dams to allow the region’s largest dam to be stocked, ensuring the water supply for over 300,000 people is secure. The irony is that the valleys through which the pipeline will be built could also be where water is lost forever because of mine subsidence. If there is subsidence, there is real danger that the pipeline itself could collapse.

Incidentally, the company behind the mining plan is owned by the Korean government. The profits generated from this mine will go offshore. Job opportunities for people from the Central Coast will be limited for two reasons: firstly, because the skill base required to fill vacancies already exists in the nearby Hunter Valley and Lake Macquarie and, secondly, because more jobs will be lost by this coalmine going ahead. Seventy-five thousand people are expected to move into this region in the next few decades. Companies have already said that they will not invest in building plants and creating employment in this area if this coalmine goes ahead. Part of the plan is to build a gigantic coal loader right next-door to the largest urban growth area on the Central Coast. This will create noise, dust and air pollution.

I commend the stand taken against this planned coalmine by Alan Hayes and the Australian Coal Alliance, who have fought very hard to make sure that this coalmine does not go ahead. I also put on record my congratulations to the state Labor member for Wyong, David Harris, for the fight he is taking up on this issue to make sure that the pristine valleys of Yarramalong and Dooralong are not damaged by the coalmine going ahead. I call on the state government
to listen to what the Central Coast community are saying about this coalmine and to consider it when they are deciding whether or not to let this coalmine go ahead.

**Flynn Electorate: Aramac Community**

Mr DUTTON (Dickson) (4.49 pm)—I rise to speak about the declining quality of life in rural communities with the diminishing availability of infrastructure and everyday services to ordinary Australians. My electorate of Dickson encompasses many rural communities, including those in the old Esk and Pine River shires, who are already beginning to feel the effects of this government’s broken promises. The lack of proper health services in the Esk region in particular is critical, and Mr Rudd is not proving to have the control over his state counterparts he promised he would at the time of the last election.

Tonight I draw the attention of the House to the announcement of the closure of the hospital in the western Queensland town of Aramac in the federal seat of Flynn. There had been no consultation with the community before 22 staff members were told on Tuesday that they would no longer be employed. The Queensland Labor Minister for Health, Stephen Robertson, proposes to replace the hospital with a smaller primary healthcare centre. Patients may travel from properties several hours outside Aramac to find that the paramedic is not available because they are kilometres away attending an emergency somewhere else in the shire. They will then have to travel another hour to seek medical assistance. What Mr Robertson fails to mention when he states that only 12 overnight admissions have been made over the past 12 months is that five permanent elderly patients who are cared for at Aramac Hospital will be left high and dry. One elderly patient who has spent her whole life in Aramac and has no remaining family relies on this caring community, who have become her family and network. If this lady is removed to Barcaldine or Longreach for aged care she will have no visitors. At the moment she has visitors every day. There is no public transport to Barcaldine and the drive is considerable. Patients, outpatients and visitors who live several hours outside their town centre of Aramac should not have to drive any further to this service. The federal government promised during the election to fix our hospitals and here they are standing aside while their state Labor government colleagues are closing them. What the Labor Party constantly fail to recognise is the domino effect of their off-the-cuff decisions. Everyone in this community will be affected by this decision.

When you have only 65 children in your school and you remove 22 families, the impact of this is obvious. Kevin Rudd is worrying about truancy while this community is facing the closure of its school. If you are the local baker, butcher or convenience store owner and 22 families move out of your community, the impact on your small business is of course detrimental. You have now 22 families who are unemployed and who, as a result, will need to relocate. With the current housing crisis that this government promised to fix, you now have 22 families joining the queue to get housing and financial support. The Queensland government logo appears on a publication by the Remote Area Planning and Development board encouraging people to move to outback Queensland, saying it ‘offers a healthy environment and all the services and infrastructure you expect to make your life comfortable’. On the flipside of this glossy brochure, Aramac sits at the top of a table of towns recommended as a place to relocate to. Listed are the services available, such as education, child care, financial services, employment and investment and, lastly, health services.
Again I quote: ‘The region is serviced by full-time doctors, as well as visiting specialists and a range of health professionals.’ While the Labor government spends $2.6 million on a monument to the tree of knowledge in the neighbouring town of Barcaldine and the Bligh government offers a $1 million reward a year to the town that can come up with the best idea to battle obesity, the town of Aramac has no doctor and now no hospital.

The coalition strongly opposed the amalgamation of Queensland councils, and this is a blatant example of why. The larger shire of Aramac and the shire of Jericho were amalgamated with Barcaldine. Services are gradually being relocated to Barcaldine, stripping Aramac of its livelihood and existence. The coalition will always support rural communities, who are the lifeblood of this country. If we expect families to continue to live and work in these areas and support our agricultural industry, we must provide them with the services they are entitled to. We have seen firsthand the attitude this government has to rural communities with the slashing of funding to regional development, and the coalition will continue to challenge it on this.

Tonight I also pay tribute to two former residents of the Aramac community, Peter and Sandy Landers, who are obviously very devastated by the closure of this hospital. They hold the community of Aramac near and dear to their hearts. They are now well entrenched in the Dickson electorate, to the betterment of our local community, and are sadly missed, I am sure, by the people of Aramac. But they share the pain of the people of Aramac and towns similar to it where this Labor government is closing the hospitals. (Time expired)
and the veteran community, particularly the members of the Adamstown RSL sub-branch, who have Private Phillips’s name on their cenotaph. I thank the minister for taking the time to make this very special gesture.

I also know that there are many Vietnam veterans in my community who would like me to thank the minister for recently moving to give proper recognition to those Australians who fought in the Battle of Long Tan. On 14 August the Australian government announced changes to military awards to properly recognise the individual and collective gallantry of those men on 18 August 1966, to provide an equitable mix of awards for the battle and to confer considerable honour on all the men of D Company 6RAR in Vietnam who fought in the Battle of Long Tan.

As I commemorated with my city’s Vietnam Veterans Day this year, I was very pleased to be part of a government that was able to give these men this long overdue recognition. The service in Newcastle, at Civic Park, was conducted by my constituent Steve Finney—I should now say Steve Finney OAM, because he was awarded the Order of Australia Medal this year because of his tireless work on behalf of our veteran community in Newcastle. Similarly, I acknowledge the wonderful service of Mrs Dalcy Giles, who also received the Order of Australia Medal this year for her tireless efforts representing women who served.

Steve Finney, though, during 1969 and 1970 was a national serviceman serving in Vietnam. In 1974, Stephen was a founding member of the Vietnam Legion, and his service with this organisation has been recognised with life membership. Steve has devoted a great deal of his time to the welfare of fellow ex-service men and women and continues to do so not least in his current role as Secretary/Treasurer of the Totally and Permanently Incapacitated Association in Newcastle.

TPI is one of the large number of ex-service organisations doing excellent work in Newcastle, many of which have shared in almost a quarter of a million dollars in government funding to support veteran services in Newcastle this year. These groups include Newcastle Legacy, the TPI Association, the Shortland RSL sub-branch, the Merewether RSL sub-branch, the National Service and Combined Forces Association, the Waratah-Mayfield RSL sub-branch, Alzheimer’s Australia and the Lambton RSL sub-branch. It has been a very special year for us.

I am particularly pleased and proud to announce to the parliament today that New Lambton Public School in my electorate is the New South Wales primary school category winner in the 2008 Anzac Day Schools Awards. It is a very exciting honour for them. They have won $1,000 and a commemorative plaque to display in their school. I congratulate all the students and their staff, particularly the principal, Mr Tony Negline, a former colleague and a mentor of mine in a former career. The New Lambton Public School entry showed the wonderful depth of the relationship they had formed with veterans from the local Lambton RSL club. The research they had done had embellished and identified the real people whom they had not known but so strongly wished to recognise. They researched and wrote essays about the soldiers’ experience on the Western Front, and their essays demonstrate sound historical research, empathy and understanding. They have created a very special record by preserving their heritage not only for themselves and their school but for the wider community.

The SPEAKER—Order! It being 5 pm, the debate is interrupted.

House adjourned at 5.00 pm
NOTICES

The following notice was given:

Mr Broadbent to move:

That the House:

(1) notes the release by the Victorian Government of details of its Environmental Effects Statement (EES) in relation to the proposed construction of a major water desalination plant at Wonthaggi, in the electorate of McMillan;

(2) recognises that:

(a) there has been considerable community opposition to the project on the grounds of its cost, the need for such a development, the lack of consultation with the local community and the serious threat to the coastal and marine environment;

(b) the operation of the plant will require considerable electric power, adding to greenhouse gas emissions;

(c) the proposed connection of the plant to the Victorian power grid will have a serious impact on properties along the route of the necessary power lines; and

(d) local government, community groups and individual objectors have not been given a reasonable period to respond to 80 technical reports that form the basis of the EES; and

(3) calls on the Australian Government to:

(a) withhold approval for the project as required under the Environmental Protection and Biodiversity Conservation Act 1999 until such time as the Victorian Government’s EES can be independently tested; and

(b) withhold any federal funding for the project until the Australian Government has made its own assessment of the environmental and economic viability of the project.
CONSTITUENCY STATEMENTS

Paterson Electorate: MRI Licence

Mr BALDWIN (Paterson) (9.30 am)—I rise today to raise the issue of an MRI licence for Maitland. An MRI scanner is an important piece of equipment in the evaluation of tissue in the body. Back in September 2007 Tony Abbott, the then Minister for Health and Ageing, put out a tender for an MRI licence covering the areas of Newcastle and the Hunter Valley. I want to establish right at the beginning that the town of Maitland is a part of the Hunter Valley. To think otherwise would show an ignorance of geography. During the election campaign, a statement was made in a Maitland Mercury article on 31 August by the then Labor candidate Jim Arneman, who said in relation to the MRI machine:

In this area in particular, I’m concerned that we don’t have the license for the MRI scanner in East Maitland, and that’s an issue Frank Terenzini—

the state member—

pursued vigorously in the State campaign.

It’s a federal issue, it comes down to the granting of the license, and that’s something I think there’s a real need for. If it’s good enough for Newcastle it’s good enough for Maitland and I think we’ve got the need for it here.

Those comments were supported by the member for Hunter. Geographically the member for Hunter would have about three-quarters of Maitland’s township, I hold just under a quarter and the remainder is represented by the member for Newcastle. In fact, a press release put out before the election by Nicola Roxon, the then shadow minister for health; Joel Fitzgibbon, the member for Newcastle; Sharon Grierson, the member for Shortland; Labor candidate Jim Arneman; and Greg Combet, the candidate for Charlton, outlined their health policies. They said of the MRI for Maitland:

… Labor supports the provision of Medicare funding for an MRI machine in Maitland.

What did we see after that? We saw the tender recalled and still not issued. That tender recall was to insert the word ‘Maitland’. If Labor had stayed out of the way and allowed that tender process to go through, Maitland would probably have its licence now. But instead they allowed the community to believe there would be a separate and stand-alone licence for Maitland, a licence which Labor have not delivered. There has been a lot of rhetoric and spin about issues coming from the Labor government, which is something we are becoming used to, but there has been absolutely no delivery on their promises. In fact, this was supported by a letter from Jan McLucas on 14 July responding to a representation I made on 28 March. She stated that they hoped to have it completed by mid-September 2008. That is 12 months longer than necessary that people have been without an MRI licence. (Time expired)

Wakefield Electorate: Car Tariffs

Mr CHAMPION (Wakefield) (9.33 am)—On 18 August I joined the Minister for Innovation, Industry, Science and Research, Senator Kim Carr, and the South Australian Premier, Mike Rann, in celebrating the seven millionth Holden produced in Australia. It was great to
see another Commodore roll off the line at Elizabeth with about 100 or so workers, many of whom reside in my electorate of Wakefield. It is a great company with a great workforce and it is committed to producing quality Australian-made cars for the export and domestic market. To produce seven million cars is a major achievement, and I have no doubt there will be millions more.

There are, however, great challenges to the car manufacturing industry in Australia, and some of those challenges are outlined in the Bracks review. They include things like the appreciation of the Australian dollar, higher fuel costs, the collapse of the WTO Doha Round of trade negotiations, a fragmenting domestic market with changing consumer preferences, competition for future investment from other car-producing countries and, importantly, the impact of climate change and the future of carbon reduction programs. The Bracks review has done a good job but, like all reviews, it does not get some things completely correct. In particular, its recommendation on the continued reduction of tariffs in 2010 should, I think, be rejected. The timetable is just far too short given the circumstances faced by the industry. As the review notes, Australian tariffs are already low by international standards and Australia has the fifth most open market in the world for automotive vehicles. I, like many of my electors, think there is no compelling economic reason to rush to reduce tariffs further and, if anything, the circumstances the industry and the country face compel a much longer timetable for tariff reduction. In a perfect world, we would have totally free trade between nations but, as we live in an imperfect world, we should be practical about such matters.

La Trobe Electorate: Australia Post

Mr WOOD (La Trobe) (9.35 am)—I rise today to discuss the urgent need for an Australia Post office in Parkhill Plaza in Berwick, which is part of the Timbarra Estate. The population of Berwick, especially in the Timbarra Estate, is growing each week, and it must be coming up to nearly 5,000 residents living in that vicinity. We have existing Australia Post offices in Berwick in the main street and also in Narre Warren.

People like Mr Terry Hornbuckle and Mr Ron Stevens are amongst Berwick residents from Timbarra who have been for some time campaigning to have a post office established at the Parkhill Plaza Shopping Centre. Unfortunately, these attempts have so far been unsuccessful. Many residents who have written to me about this issue, such as Mrs Shirley Cain and Mrs Noreen Winterton, are elderly and experience much discomfort when forced to stand for extended periods. Additional staff at the Berwick main street post office have not assuaged these service matters, meaning that Berwick residents continue to wait in lengthy queues to be served. Part of the problem is obviously that residents from the Timbarra Estate are coming down to the main street of Berwick.

I have raised this matter with both the former minister and the current Minister for Broadband, Communications and the Digital Economy, who have in turn approached Australia Post about this matter. Each time Australia Post has declined my request for an additional Australia Post office at the Parkhill Plaza, stating that its community service obligation is that 90 per cent of residents in the metropolitan area must be within 2.5 kilometres of an Australia Post office. This does not take into account the patronage of these existing post offices, which is at capacity, and ignores examples where Australia Post offices are less than 2.5 kilometres apart. What is more, the collapse of the national electronic payment company Bill Express means
that residents of Berwick have no option but to join the lengthy queues at Australia Post offices in the Berwick main street and Narre Warren to pay their bills.

Consider this: if a post office were located at Parkhill Plaza, many residents, and especially elderly residents, who currently drive to the facilities at Berwick and Narre Warren could instead have a leisurely stroll to the Parkhill Plaza. This would be good for their health and the environment. More importantly, Australia Post must do the right thing for the residents of Timbarra. It seems absolutely ridiculous that Australia Post ignores the wishes of the residents of the ever growing Timbarra Estate.

Lindsay Electorate: Vietnam Veterans Day

Mr BRADBURY (Lindsay) (9.37 am)—I rise to pay a special tribute to the Vietnam veterans in my electorate, whose service and sacrifice were honoured at a special Vietnam Veterans Day ceremony at St Marys on Monday, 18 August. This year’s service was organised jointly by the Vietnam Veterans Association St Marys outpost, the St Marys RSL Sub-Branch and the St Marys RSL Club, and I am pleased to say it was supported by a $3,000 grant from the federal government.

Vietnam Veterans Day began as a commemoration of the Battle of Long Tan but has in recent years broadened to honour all of those Australians who served throughout the conflict. This year marked the 40th anniversary of the Battle of Fire Support Bases Coral and Balmoral, which took place as part of the May 1968 North Vietnamese Tet Offensive. That battle claimed 25 Australian lives, all of whom were young and many of whom were sent to Vietnam as national servicemen.

Australia’s contribution to the Vietnam conflict spanned 10 years, with more than 60,000 service personnel deployed. Of those, more than 500 did not return home to their families, and many of those who did brought with them the nightmares and tragedy of their experiences. I would like to take this opportunity to pay tribute to our Vietnam veterans and to publicly acknowledge not only their important contribution but also their sacrifices. Regardless of the range of political views about a conflict, there should always be support for the efforts of our Defence Force personnel, wherever they may be deployed, and proper recognition of the service of veterans to our country.

I would like to read into Hansard some of the words spoken at my local Vietnam Veterans Day commemoration by Mr Gary Fizzell, President of the Vietnam Veterans Association St Marys Outpost Sub-Branch, words which I think speak to the memory that we should be honouring:

I believe it is important that we remember these young veterans today by their name and age so that they are not just a statistic. They never had the opportunity to realise their dreams, to pursue their civilian occupation. They will never see their children go to school, or see them grow up, marry and provide grandchildren; they will never enjoy the advances in technology we have today; they will never go to another football game or experience a Grand Final and enjoy a beer and a pie; or go to the cricket at the SCG; they missed the spectacle of the Sydney Olympic Games. That was all taken away from them on a battlefield in Vietnam during some of the worst fighting of the Vietnam conflict in May 1968. Their young faces are forever etched in their families’ and friends’ memories, and they ‘shall grow not old, as we that are left grow old’.
I would like to offer my congratulations to the Vietnam Veterans Association St Marys Outpost, the St Marys RSL Sub-Branch and the St Marys RSL Club for their commemorative service and for their ongoing contribution to our local community.

**Barker Electorate: Water**

**Mr SECKER** (Barker) (9.41 am)—July and August have certainly seen a lot of spin from the Rudd Labor government about the South Australian River Murray communities and, in particular, the lower lakes. It all seems to be words and no action. Earlier this month, Prime Minister Rudd came to Adelaide announcing an accelerated buyback. He misled the Australian public and perpetrated a fraud on South Australians. He continued his form of overstating what he would do. He promised 35 billion litres and delivered less than 10 swimming pools.

Penny Wong has waved the white flag on the future of the lower lakes. Senator Wong now says there are insufficient supplies that the government can compulsorily buy from interstate to reach the lower lakes. Senator Wong has this week confirmed that the Rudd Labor government will not offer any immediate assistance to the lower lakes communities whose livelihoods are dependent on the Murray. There are people in the lower lakes area who cannot even take a shower because they have not got access to the water, and this mean federal government will not do a thing for them.

Asked during question time in the Senate earlier this week whether the government would support the coalition’s plan for a $50 million emergency assistance fund, the minister ruled out supporting immediate relief for lower lakes communities. Minister Wong has shown absolutely no interest in immediately relieving the plight of South Australian communities. In June, Senator Penny Wong said, ‘In relation to this specific report I have asked my department for some urgent advice.’ What has happened to that urgent advice? The minister has refused to release the report’s findings. I call on the government to make this public so that all South Australians know the options the government are considering or whether they have merely abandoned the lower lakes communities to their fate.

We have seen nine months of intentional delay from Mr Rudd, Minister Wong and Mr Rann on action which would have delivered water by now. This is the Rudd government stuck on the spin cycle. Its time line for fixing the crisis in the Murray-Darling is far too slow and is certainly too late for the lower lakes and the Coorong area. The coalition has proposed a $50 million fund that would provide urgent assistance to the local people, their businesses, their communities and the wildlife of the lower lakes. Yet Labor in this country refuses to do a thing about it in the short term. There is nothing here for the lower lakes communities. They need access to water—just for showers and for drinking—and this government is not doing a thing about it.

**Charlton Electorate: Pensioners**

**Mr COMBET** (Charlton—Parliamentary Secretary for Defence Procurement) (9.44 am)—During the parliamentary break I had a number of sessions with senior citizens and pensioners in my electorate of Charlton. Of course, the adequacy of the pension is something very much on their minds, with rising costs of living—particularly for that basket of goods that pensioners depend upon, perhaps disproportionately to the rest of the population—including the cost of pharmaceuticals. It is an especially important issue in my electorate because there is a very large proportion—indeed, a higher than average proportion—of residents aged 65 years and
In Charlton, there are approximately 14,500 recipients of the aged pension, 24,400 holders of a pensioner concession card and 1,700 Commonwealth seniors card holders. That is a very large group of my constituents and one that is extremely vulnerable to rising costs of living. Also, from the government’s point of view and from my personal point of view as a local member, they are a group that deserve every possible level of support from government, something that has been acknowledged by the Prime Minister.

To help with the rising costs of living, the government has already announced a number of initiatives to help pensioners and older Australians, and, of course, the government is looking to do whatever else it can. A number of measures were included in the budget and, as is known, these included an increase in the utilities allowance from $107.20 to $500 per year, an increase in the seniors concession allowance from $218 to $500 per year, an increase in the telephone allowance from $88 to $132 per year for those with an internet connection and a $500 bonus payment to eligible seniors, which included all aged pensioners.

These are some significant measures which have certainly been well received within the electorate. However, in the consultation that I have been having throughout the electorate over the last couple of months people have been quite forceful about the need for consideration of more. That is why the government has announced an investigation into measures to help strengthen the financial security of seniors, including a review of the aged pension. My colleague the member for Shortland, who is in the chamber, would be aware, as I am, that there are public hearings due tomorrow in Newcastle concerning this issue, and we have endeavoured to make sure that people are aware of that. But I am very pleased that the government has taken that action and we look forward to the findings of the report. It is going to be extremely important that we look for every way we can to support pensioners with any improvement in their circumstances to deal with the rising costs of living and also look at ways to address other measures such as the cost of housing. To that extent, we were very pleased to hold, in conjunction with the Minister for Housing, a very large forum in my electorate to discuss affordable housing, and we will be reporting on what there is left to do.

**Flinders Electorate: Southern Peninsula Aquatic Centre**

Mr HUNT (Flinders) (9.47 am)—I rise to speak in support of the Southern Peninsula Aquatic Centre. This project is a proposal to provide the people of Rosebud, Rye, Dromana, McCrae, Tootgarook, Blairgowrie and Sorrento with a major public pool and aquatic centre, which will assist seniors, families and young people. It is a health project, it is a community development project, it is a seniors support project and it is, in my view, an outstanding project. It is modelled on the highly successful Hastings-Pelican Park swimming and aquatic centre on the other side of the Mornington Peninsula.

I want to make several points. Firstly, I declare my complete support for the project as it is proposed by the Mornington Peninsula Shire Council for the foreshore at Rosebud. Secondly, I voice my dismay that the state Department of Sustainability and Environment has delayed this project now for some years. The council has repeatedly sought approval for siting the aquatic centre on the foreshore. There used to be a swimming pool on this very site, so it is not as if it is pristine land; it is the site of a former swimming pool. It beggars belief that a bureaucratic entity has sat on the approval of the Southern Peninsula Aquatic Centre for some years now. My message to the Victorian minister for the environment, Gavin Jennings, is re-
spectful but forceful: please take action now to ensure the approval of the Southern Peninsula Aquatic Centre.

This is a great project. It is a fantastic project for seniors, for families, for teenagers and for toddlers. It is about water safety for young children and giving them the chance to learn. It is about activities for teenagers and for our seniors. In the electorate of Flinders, we have the highest concentration of seniors in Victoria and the fifth highest concentration of seniors in Australia, and I suspect that the Rosebud-Rye-Dromana area has one of the highest concentrations—if not the highest concentration—in all of Australia of seniors in a small demographic area.

So to the Victorian minister I say: please get your department out of the way and stop blocking the Southern Peninsula Aquatic Centre at Rosebud. We had primary approval for up to $2 million of federal funding prior to the election. After the election that was cancelled with the abolition of the Regional Partnerships program. I say to the federal government: put in place an alternative, do it now and let this project proceed.

Ms Kim Wilcher

Mr SHORTEN (Maribyrnong—Parliamentary Secretary for Disabilities and Children’s Services) (9.50 am) I would like to recognise the recent passing of Ms Kim Wilcher, who resided in my electorate of Maribyrnong. Kim’s story was brought to my attention by her husband, Mr Joe Palermo. They met during 1971, as young high school sweethearts in Keilor Heights. They were reunited 30 years later and, as Joe stated, ‘it was meant to be’. In 2002 they moved in together, and they were soon after joined by Joe’s children.

However, their happiness was suddenly interrupted in June 2005. For some time, Kim had been troubled by abnormal stomach and back pain. Her GP told her to change her dietary intake, but this did not relieve the symptoms. After being rushed to hospital with shortness of breath, doctors discovered fluid on Kim’s lungs and she was soon diagnosed with late stages of ovarian cancer. Ovarian cancer is known as the silent killer, claiming the lives of more than 800 Australian women each year. Early detection is difficult, as the symptoms are very vague—as they were in Kim’s case. A common misunderstanding is that a pap smear can detect ovarian cancer. However, it only screens for cervical cancer.

Joe’s experience with Kim set him on a new mission. Working with Ovarian Cancer Australia, Joe aims to increase awareness and raise funds to find a cure. Furthermore, Joe’s daughter Sarah recorded a song titled Be Strong inspired by Kim’s will to live. This CD is available from the Ovarian Cancer Australia website to help with funding and providing support for other women.

Kim’s story also highlights the need for compassion and understanding, a need that can sometimes be overlooked by institutions and departments. While Kim was fighting the silent killer, Joe was working and caring full time for Kim and the children. Trying to cope with the day-to-day grind can be difficult enough, let alone when it is compounded by the strain of a loved one’s terminal illness. Therefore, Kim applied for the disability support pension. Unfortunately, Kim’s claim was refused. Despite the fact that she was receiving intensive chemotherapy and confronting a terminal illness, she was assessed as not qualifying for the DSP as it was considered she was able to work for 30 hours a week and would not be ill for a further two years. Kim’s strength was demonstrated by her writing to Centrelink, voicing her disap-
pointment and acknowledging the fact that she might not survive for two years. However, the stress proved too great a burden and Kim did not submit an appeal.

After Kim’s passing Joe approached my office for assistance. One of my staff members, Annette Hibberd, persisted in a very professional manner in pursuing Joe’s case with Centrelink. I am pleased that Centrelink reconsidered the case and Joe received $19,000 in back payment, which has helped alleviate both the financial and emotional pressures for Joe and his family.

Kim battled a courageous fight against ovarian cancer, continuing with family life whilst facing financial difficulty. In Kim’s memory, I want to commend Joe for his determination and efforts to prevent, as he said, ‘the silent killer which stole my twin-flame soul mate from me’.

**Broadband**

Mr BILLSON (Dunkley) (9.53 am)—Despite the overblown rhetoric in opposition, Prime Minister Kevin Rudd and the Minister for Broadband, Communications and the Digital Economy, Stephen Conroy, have undoubtedly become the ‘net negatives’ on broadband. Their vague and deeply flawed national broadband tender process has stalled, and they are unable to point to a single broadband initiative of their own. We heard about the election promises. Now we are being told that they were not actually promises; they were ambitions. Clearly there is going to be some cobbling together of an outcome that will no doubt look very different from the election hype.

There is no clear articulation from the Rudd government or from Minister Conroy about just what kind of clear public policy outcomes they expect to achieve and what the must-haves are of the national broadband tender process. Minister Conroy seems to be in a witness protection program: not prepared to pop up and answer any questions or engage in any of the policy debate around broadband, claiming he is somehow involved in a commercial negotiation. How odd when the tender process has not even commenced and the stop-clock timetable has not even been started.

Instead, what we see is the current Rudd government claiming credit for the previous Howard government’s initiatives, to try and point out that they are doing something about broadband. How ironic to see Senator Conroy on the Yorke Peninsula claiming credit and associating himself with the WiMAX wireless network there—a platform and a technology he ridiculed mercilessly in opposition. The OPEL project that he cancelled was in part driven by and inclusive of the WiMAX wireless network, as well as many thousands of kilometres of fibre backbone. That OPEL project would have delivered benefit for some 800,000 to 900,000 underserviced premises in rural, remote and regional Australia. Instead, that has been cancelled, the plug has been pulled on those communities and there is no alternative plan available for them.

Also amid the confusion, the private sector has understandably frozen new fixed-line broadband investment. My office has been contacted by many communities across Australia illustrating how the confusion of the Rudd government’s broadband plans and the uncertainty about what it might look like into the future are standing in the way of them getting broadband services today. Springfield in Queensland could have had fibre to the home rolled out, but Senator Conroy is standing in the way of that initiative, as the confusion, the doubt and
the fog impede others from implementing much needed investment and infrastructure. High-growth areas like the city of Casey in Victoria, the Gold Coast, the city of Swan in Perth and Johns River on the New South Wales North Coast cannot get ADSL services. They are being told that is because of the national broadband network process, the confusion that surrounds it and the inability or unwillingness of the Labor government to articulate clearly what the public policy goals are, what the must-haves will be and what the future framework to facilitate this much needed investment and to deliver improved services now would look like.

Shortland Electorate: Belmont Hospital

Ms HALL (Shortland) (9.56 am)—On Friday, 15 August I attended the Belmont Hospital Auxiliary’s 40th anniversary, and it was a very special day. The Blue Ladies have worked tirelessly at Belmont Hospital for 40 years but, in actual fact, their contribution to the hospital started earlier than that. They fought and fundraised for the hospital before it was built, and they were leaders in the community to see that a hospital be built at Belmont. Since the hospital has been built, they have raised in excess of $1 million. Over the last year they raised $77,000. In 2006, the Blue Ladies were the Lake Macquarie community group of the year and they were honoured at the Australia Day ceremony at Lake Macquarie. June Chapman is the secretary of the Blue Ladies and Dot Butler is the new president. Dot replaced Olive Jackson, who was the president for some time.

One thing which impressed me on the day was that, when they were handing out their 10-year, 20-year and 30-year certificates, it was announced that Daisy Burrows had actually been a member of the Belmont Blue Ladies for the entire 40 years that they have been officially in existence. Another worker, Alice Wallace, who is now in her 90s and has been the buyer and a member for almost 40 years, goes to Belmont Hospital and works with the Blue Ladies.

Over the last couple of years there has been a change in the culture and the way the hospital works. The Blue Ladies at Belmont Hospital now make some of the best cappuccinos, flat whites and lattes in Belmont. They purchased a cappuccino machine when there were changes to the way they could serve and deliver food. They have shown their enterprise. Not only have they continued to operate but they have grown stronger.

I would like to put on the record of this parliament my gratitude to these fine women—I say ‘women’ but there are men as part of the group, which is welcomed. I really value their service and the community really values their service. They are role models for everyone within the community.

The DEPUTY SPEAKER (Ms AE Burke)—Order! In accordance with standing order 193 the time for constituency statements has concluded.

TELECOMMUNICATIONS INTERCEPTION LEGISLATION AMENDMENT BILL 2008

Second Reading

Debate resumed from 25 June, on motion by Mr McClelland:

That this bill be now read a second time.

Mr CIOBO (Moncrieff) (10.00 am)—I rise this morning on behalf of the shadow minister for justice and border protection, the member for Sturt, to talk about the Telecommunications Interception Legislation Amendment Bill 2008. I am pleased to indicate on behalf of the op-
position that we will be supporting this legislation. The bill is intended to amend the Telecommunications (Interception and Access) Act 1979 and the Surveillance Devices Act 2004 to ensure that officeholders can validly authorise officers to act on their behalf in performing functions under those acts. The full Federal Court in Hong Kong Bank of Australia Ltd v Australian Securities Commission 1992 held that a provision of the Corporations Law that defined a prescribed person to include a person authorised by the commission to perform certain functions could not be construed so as to confer the power to make the initial authorisation.

The acts to be amended include definitions of ‘certifying officer’, ‘certifying person’ and ‘member of the staff of a Commonwealth royal commission’ who may be authorised to perform functions under the acts. There is some uncertainty as to whether those definitions might fall foul of the rules of construction as propounded in the Hong Kong Bank case. The bill seeks to amend the acts to include specific powers to authorise the relevant persons to perform the defined functions. The bill also makes some technical amendments to maintain the currency of the telecommunications interception and access regime and to support the new Victorian Office of Police Integrity.

This bill seeks to maintain the status quo under the acts as currently understood and to make minor technical amendments. I am therefore able to indicate, as I mentioned, that the opposition will be supporting this legislation. Had I been the principal shadow minister, my remarks would have been much more comprehensive; but I note that the government member is now in the chamber, so I will leave the balance of the remarks to him.

Mr DREYFUS (Isaacs) (10.02 am)—I rise today to speak in favour of the Telecommunications Interception Legislation Amendment Bill 2008. This bill is a demonstration of the Rudd government’s commitment to the rule of law and accountable government, albeit that, on its face, the legislation is of a fairly technical nature. The bill clarifies the Telecommunications (Interception and Access) Act 1979 and the Surveillance Devices Act 2004 to address what could be described as legal uncertainties arising from the 1992 decision of the Federal Court, which is quite some time ago, in a case called Hong Kong Bank Australia Ltd v Australian Securities Commission.

The uncertainties emanate from definitions that are designed to confer delegation of power on designated officeholders to authorise others to act in a particular way and to carry out certain functions. In that case, the Federal Court, consisting of Justices Lockhart, Gummow and O’Connor, suggested that references to prescribed persons could not be read as conferring power on the relevant authority to make the authorisation that was the subject of that case, which was referred to in the Corporations Law. Instead, Their Honours suggested that there should be an expressed conferral of such power.

This decision has been the subject of consideration in the Attorney-General’s Department and by the Office of Parliamentary Counsel. While there was some thinking that the decision might be able to be distinguished, it was felt that, for the avoidance of doubt, legislation should be introduced to prevent any risk of courts adopting the interpretation that the Federal Court came to for the corporations legislation in respect of the Telecommunications (Interception and Access) Act 1979. As a consequence, this bill will provide certainty for actions that are taken under section 5(1) of the Telecommunications (Interception and Access) Act 1979. The bill, in essence, confirms the authorisation powers by inserting specific powers and treating previous authorisations as if they had been made under those powers. The amendments do
not alter or expand the powers of security or law enforcement agencies. Rather, they provide certainty for actions taken under existing provisions.

I should note that in addition to these amendments, which are designed to put beyond doubt the possible uncertainty created by that decision of the Federal Court to which I have referred, the legislation makes a few other technical amendments, including amending the Telecommunications (Interception and Access) Act to refer to a separate Victorian statute, the Police Integrity Act 2008. This is legislation that is presently before the Victorian parliament which seeks to put in place new legislation to regulate the Office of Police Integrity in my home state of Victoria. The Office of Police Integrity was introduced to ensure that the highest ethical and professional standards are maintained within the Victorian police. The Office of Police Integrity detects, investigates and prevents police corruption and serious misconduct. As the Victorian Minister for Police said in his second reading speech in the Victorian parliament in introducing the Police Integrity Bill 2008:

The OPI performs an invaluable service to the Victorian community by seeking to ensure that police officers conduct themselves properly in the performance of their significant duties. The unique powers entrusted to police necessitate appropriate oversight so that the public can have ongoing confidence in the police force.

I am particularly confident in the Office of Police Integrity because of the recently appointed director, former Judge Michael Strong of the County Court of Victoria, who was appointed earlier this year to carry forward the work of the Office of Police Integrity. Notwithstanding the rather technical nature of the amendments that are contained in this bill—which, as I have said, are designed to ensure that the Office of Police Integrity is able to continue to exercise powers and use the provisions of the Telecommunications (Interception and Access) Act—I would like to take this opportunity to express my gratitude and, I am sure, that of all Victorians for the tremendous work that the Office of Police Integrity has done up to this time and will continue to do. This bill, as I have indicated, introduces provisions which will help the Office of Police Integrity continue with the great work that it has done. I commend this bill to the House.

Mr McCLELLAND (Barton—Attorney-General) (10.08 am)—I would like to thank members for their contributions to the debate on the Telecommunications Interception Legislation Amendment Bill 2008. Initially, the member for Moncrieff commented that this bill seeks to maintain the status quo under the Telecommunications (Interception and Access) Act and make minor technical amendments. I can confirm that that is the case and I thank him for his support for the bill. I also note the support of the member for Isaacs for the bill and his very constructive comments in respect of the Victorian Office of Police Integrity.

Essentially the bill is important in maintaining the effectiveness of the legal framework that underpins the lawful interception of telecommunications and surveillance activities. Replicating the existing authorisation powers in stand-alone provisions does not alter or expand any powers for security or law enforcement agencies under the Telecommunications (Interception and Access) Act. The amendments referring to the Victorian Office of Police Integrity will ensure that the office can continue to exercise its existing interception powers following the establishment of the office as a stand-alone agency under the Victorian Police Integrity Act 2008. The bill also removes redundant references to provisions in relation to communications carriers’ reporting obligations that were repealed following the passage of the Telecommuni-
cations (Interception) Amendment Act 2006. These technical amendments to the interception regime will improve, clarify and simplify the operation of the Telecommunications (Interception and Access) Act. As such, this bill is a further step in the ongoing modernisation of Australia’s laws for accessing telecommunications information for law enforcement or national security purposes.

Question agreed to.

Bill read a second time.

Ordered that the bill be reported to the House without amendment.

ADJOURNMENT

Mrs GASH (Gilmore) (10.11 am)—I move:

That the Main Committee do now adjourn.

International Pregnancy and Infant Loss Remembrance Day

Mrs GASH (Gilmore) (10.11 am)—I would like to draw attention to the fact that International Pregnancy and Infant Loss Remembrance Day is observed across the USA and parts of Canada where the memory of lost babies can be honoured. Official observance helps women overcome their grief, whilst at the same time raising awareness of the shocking extent of this tragedy. Michelle Smith—not her real name, for obvious reasons—from my electorate of Gilmore, is the survivor of four miscarriages. She asks you today for your support and says:

I’m proud to be an Australian. Ours is a progressive, forward thinking nation so I ask you to officially declare 15th October as International Pregnancy and Infant Loss Remembrance Day across Australia. Official recognition raises social awareness, encouraging more research. And more research raises the possibility that more babies’ lives might be saved. The prevalence of pregnancy and infant loss is shocking, due to lack of awareness and social taboo. Theirs is a silent grief because they tend to avoid telling people about it. But more often than not, whenever they break their personal silence, they find that the person they’re speaking with has either lost a baby too, or knows someone who has.

So how prevalent is it? One out of every four Australian women has lost a baby. One out of every three pregnancies ends in loss. Each year across the developed world alone an estimated 500,000 miscarriages take place, one in every 148 babies is stillborn and three out of every 1,000 babies dies shortly after birth. That is an awful lot of grief.

In the vast majority of cases, the cause of loss is unknown and it could not have been prevented. Yet, most tragically of all, the deaths of many healthy babies could have been avoided through harmless prenatal testing. For example, vasa praevia is an obstetric complication that causes massive haemorrhaging. Catastrophically, this causes foetal death 95 per cent of the time. Yet vasa praevia can be detected via ultrasound as early as at 16 weeks gestation. And, when it has been detected, the infant survival rate is 100 per cent. To be frank, what if it was your child or grandchild who died due to undetected vasa praevia? Would not greater awareness of this condition lead to routine testing? Compare this with the commonplace amniocentesis used to detect birth defects at the 16-week mark. Could not an ultrasound test for vasa praevia be scheduled for the same doctor’s visit?

Official recognition of International Pregnancy and Infant Loss Remembrance Day could raise awareness of conditions like vasa praevia and its detection via ultrasound. Again, it just might be your future child’s or grandchild’s life that is saved. I am utterly convinced that this grief is prolonged because of a social taboo that stems from lack of awareness. Most choose
to suffer silently for the following reasons: (1) they do not want to make other people feel uncomfortable; (2) they do not want to trigger their grief; and (3) they fear others might think they harmed their babies. As a result, they tend to keep their grief to themselves.

They also suffer seemingly relentless triggers, which come in the unassuming form of visibly pregnant women and babies and families who pass by them countless times a day. In fact, they are acutely aware of their presence when they are in the throes of their grief. As the saying goes: when all you have is a hammer, everything starts to look like a nail.

Imagine for a moment what it would be like to experience what many leading psychologists consider to be the worst grief of all—that is, keeping it to yourself and having it triggered over and over, day after day, and yet you are expected to function as usual in home and work life because society tells you that you should. Is it tough? You bet it is, and it lasts a surprisingly long time. Michelle says that she honestly remembers thinking that she was never, ever going to get over her grief.

For a quick comparison, consider mental health, disability and child abuse—also formerly taboo subjects. They have all been brought to the fore, which has attracted research, development and impressive outcomes. These innocents are no longer shunned or institutionalised for life. Consider the impact of recognising 3 December as International Day for People with Disability. The time has come for pregnancy and infant loss to come out of the closet as well. Please declare 15 October as International Pregnancy and Infant Loss Awareness Day in Australia. English psychologist GH Lewes said:
The only cure for grief is action.

On behalf of the hundreds of thousands of Australians who have suffered pregnancy and infant loss, I ask for your support in taking action today.

Meals on Wheels

Mr GEORGANAS (Hindmarsh) (10.15 am)—I rise today to speak on a great Australian icon—that is, Meals on Wheels. Yesterday, 27 August, was National Meals on Wheels Day. There were many activities in this House, and I know that the Minister for Ageing delivered meals with the local Canberra branch yesterday to some residents. Amongst all the other activities, I launched the Meals on Wheels Parliamentary Friends Group in this parliament together with my co-convenor of the group, Mr Mark Coulton, the MP for Parkes. Many members of parliament attended, including my good friend and colleague the member for Shortland, who is in the House today. We hope that we can work together with Meals on Wheels so that they can access the federal parliament and have their views heard through this democratic system.

I thank Leon Holmes, the national president of Meals on Wheels, and Cam Pearce, the national secretary, as well as Paul, Kaye, Lauren and Kristine for attending yesterday and making the friendship group possible. I also acknowledge and thank some local people from the Meals on Wheels in my local electorate, including Leon Glastonbury, the former president of the West Torrens Meals on Wheels, who has just stood down from that position after many, many years of tireless work as a volunteer there.

I also thank Dean Allan, President of the Glenelg Meals on Wheels, for the great work that he does. I had the pleasure of attending both the West Torrens branch of Meals on Wheels and the Glenelg branch of Meals on Wheels earlier this month, and I saw firsthand the great work
that they do. Leon Glastonbury, the former president of the West Torrens Meals on Wheels, also arranged for me to take out some meals, and I do that with different branches around the electorate on a regular basis. It really gives you a great insight into the great work that these volunteers do and the lives that they touch.

Meal on Wheels is a great organisation. It is an organisation that should be thanked for the tireless work that it conducts to ensure that its meals reach people in my electorate and of course in electorates all over Australia. I believe that the commitment that Meals on Wheels makes in assisting the elderly and isolated in the community should be recognised by the federal parliament, as it was yesterday. We should continue to do all we can do for it and give it all the recognition and assistance that it needs. I hope the group that we formed yesterday will allow the views of Meals on Wheels volunteers and staff and the local community to be reflected in the federal parliament.

I know that all of us here, on both sides of the House, believe that volunteers should be recognised for the great work that they do. We know that they do fantastic work at all levels across our electorates. That is why we have made $21 million available through the Volunteer Grants Program. Community organisations are able to apply for funding to purchase small equipment items such as tools, computers, microwaves, sporting equipment and uniforms. In addition, organisations will be able to reimburse their volunteers for their fuel costs. This will assist volunteers in their important work, including those who use their cars to transport others to activities, deliver food and assist people in need.

We acknowledge the tireless contribution volunteers of Meals on Wheels make to the Australian community. I was honoured to host yesterday’s function, and all the other MPs that were there were honoured to attend. Most of us are also honoured to attend regular Meals on Wheels events throughout the electorates of Australia. The volunteers of Meals on Wheels provide a service which allows thousands of Australians to remain in their homes and live independently. The elderly, ill and disabled and those who are unable to cook for themselves all benefit from the goodwill of the volunteers of Meals on Wheels.

We know that volunteerism is the lifeblood of the community. It is no different for Meals on Wheels, as only some of its running costs are covered by the state and federal governments. Volunteers keep over 100 branches across South Australia running every day, delivering 5,000 meals across the state. There are 10,000 volunteers donating some 750,000 hours per year, operating through 100 branches and 40 kitchens within South Australia alone, serving meals to over 5,000 regular clients. Meals on Wheels provides high quality meals at affordable prices. These are highly impressive statistics and I congratulate all of the branches of Meals on Wheels within my electorate for sustaining such tremendous work on such a large scale. Without the incredible number of hours volunteers put in, many people would miss out each week. Not only would Meals on Wheels as an organisation cease to exist without the volunteers, but the lives of thousands of South Australians and the lives of hundreds of people within my electorate would be substantially diminished. (Time expired)

Defence: Leopard Tanks

Ms MARINO (Forrest) (10.20 am)—I am simply appalled at the delays by the Rudd government, in particular the Minister for Defence, and their failure to make a decision—a very simple decision and one that has already in fact been made for them. I am referring to the allocation of 30 decommissioned Leopard tanks to RSLs and veterans associations around Aus-
tralia. These Leopard tanks were replaced by the new Abrams tanks. All the minister has to do is to uphold the decision that was made by the previous coalition government and that was announced in early November 2007. That announcement also included the necessary funding to have the Leopard tanks delivered to the nominated organisations at government cost.

Two of those decommissioned Leopard tanks have been allocated to the RSLs in Collie and Bunbury in my electorate of Forrest. These two RSLs have been waiting very patiently since last November—some nine months—for the Rudd government to make a decision and officially notify all recipients regarding the delivery of their gifted and approved Leopard tank. Back in April 2008, Mr Gerry Tyrrell, the curator of the Bunbury RSL and Army Reserve military collection wrote to the Labor Minister for Defence, but the minister has not even had the courtesy to give a response to date.

I first started making inquiries with the minister’s office in January and was told then that a decision would be made in about two to three weeks time, following a review of the selection and allocation process to determine whether the Labor government would uphold the previous government’s allocation decision or whether it would call for resubmissions to consider applications all over again. But to date there has been only deafening silence. I also wrote to the minister on 16 June and yet now, some seven months on, there has still been no response. The Collie RSL has also been in contact with me because they know that I have been pursuing this with the Labor defence minister.

The Leopard tanks are of historical and cultural significance to many Australians, both within the armed services and across the broader community. The provision of a Leopard tank to the Bunbury and Collie RSLs would be symbolic of the link that many Australians have had with the Australian Defence Force and the great contributions that our men and women in uniform have made to Australia in many spheres of engagement around the world. RSLs and veterans associations have shown overwhelming interest in the decommissioned Leopard tanks. Indeed, Mr Tyrrell has said that they are questioned daily by the general community, schools and community groups on when their tank will be delivered. He also confirmed that the number of people making inquiries and waiting to see the tank up close and personal has been overwhelming. But Mr Tyrrell also believes that, should the Labor government not follow through on the decision to allocate the tanks, Australian RSLs and veterans associations, along with the general public, will feel considerably let down. It would be a slap in the face to all RSLs, veterans and the community as a whole. Both the Bunbury and Collie RSLs and the wider community are very excited about the Leopard tank allocations and look forward to being able to announce the impending arrival at the next Anzac Day service in 2009.

Surely this Labor government and, in particular, the Minister for Defence could have made a decision before now and respected the contributions made by veterans in defending Australia, its people, interests and values, and provided these decommissioned Leopard tanks to the RSLs already chosen. In fact, I seek a more urgent decision time frame and call on the minister to bring any speculation to an end. I urge the minister to uphold the allocation decision of the previous government and allow a Leopard tank to be provided to the well-deserving Bunbury and Collie RSL groups.

**Blair Electorate: Local Councils**

Mr NEUMANN (Blair) (10.24 am)—I rise to speak in relation to the record funding announced by the Rudd Labor government to help local councils maintain vital infrastructure in
my electorate. My electorate contains two-thirds of the city of Ipswich, all of the Lockyer Valley and the old Boonah shire and the Scenic Rim. The Scenic Rim is an amalgamated council taking in areas of Beaudesert and Mount Tamborine, so there are some challenges for Mayor John Brent and the new council. The Lockyer Valley takes in the old shires of Laidley and Gatton and the council is working hard under the good stewardship of Steve Jones to make the transition to one Lockyer Valley shire. I am pleased to see that the mayor and each councillor are wearing Lockyer Valley pride pins on their lapels—because it is important that the local councils have a sense of identity. For a long time, Ipswich has had that sense of identity, and it is important that the Lockyer Valley also has that.

I am pleased to announce that, in Blair, the three local councils—Ipswich City Council, the Lockyer Valley Regional Council and the Scenic Rim Regional Council—will receive record funding from the Rudd Labor government of $11,351,550. The announcement that the Hon. Anthony Albanese, the Minister for Infrastructure, Transport, Regional Development and Local Government, made on 27 August was part of $370 million in financial assistance that Queensland received and is in addition to the $85 million available to Queensland councils through the Australian government’s Roads to Recovery program.

As I drive around my electorate, I can see the upgrade of the Ipswich Motorway being undertaken. I recently accompanied the member for Oxley on a visit to the construction site of the Ipswich Motorway upgrade, and it is going ahead very well. It is only the Rudd Labor government that is delivering that. As I drive on Redbank Plains Road, I can see the federally funded upgrade of Redbank Plains Road and also the construction of the Swanbank-Enterprise Park link road. I am pleased to say that the much-maligned McGrath bridge near Mulgowie pub will also receive $360,000 from the Rudd Labor government.

All of this funding is a terrific spend for the electorate of Blair. Blair deserves this because it is an electorate of 5,300 square kilometres. It is over 90 per cent rural while over 40 per cent of my constituents live in rural communities or on farms. Travelling around the electorate on a regular basis, as I conduct my mobile offices, I can see the challenges that the local councils will have in terms of road funding. Some of our roads are not as good as they should be, and this funding will go a long way to improving local road infrastructure. I am sure that the Ipswich mayor, Paul Pisasale, will welcome the $5,557,257 which Ipswich City Council will receive under this funding announcement. The Lockyer Valley Regional Council will receive $2,767,373—I am sure that will put a smile on the face of Mayor Steve Jones. The Scenic Rim will receive $3,026,920, which I am sure will be much welcomed.

This funding is important because it will assist a range of local community projects, not just local roads but parks, pools, libraries, community centres, health and childcare services, and water and sewerage services. This record financial assistance and Roads to Recovery funding will help the local communities in my area and meet the challenges that people in rural and regional areas face. They do not face the same difficulties as those people who live in cities, but they face other difficulties. As their federal member, I am acutely aware of the need to maintain vibrant regional and rural communities because they make an important contribution to our nation’s infrastructure, its productivity and its wealth. For a long time under the previous government they were neglected and their votes were taken for granted. I am pleased to see that the Rudd Labor government is committed to funding rural and regional communities, because they are the heart and soul of our nation, and I am pleased that the elec-
torate of Blair will receive this funding. I warmly thank the minister for his commitment to the federal electorate of Blair.

Broadband

Mr JOHNSON (Ryan) (10.29 am)—I am pleased to speak in the parliament again on behalf of the people of Ryan. I will be speaking on a topic that I know the people of Ryan will be very interested in. I know that my friend here from South Australia, the member for Barker, will also be interested in this topic, which is broadband coverage. Labor continues to disappoint the Australian public and the people of Ryan. The Rudd government has been all about rhetoric—big, empty words—and in the end has not been able to deliver.

The people of the western suburbs of Brisbane know that the Rudd government was very good at spinning a solution to the broadband difficulties in their patch and that it promised to deliver coverage to some 98 per cent of households and businesses in this country. The election platform of the Rudd opposition in 2007 was to contribute some $4.7 billion to the building of an open access national broadband network. As part of this it said that some 98 per cent of households and businesses would be provided speeds of no less than 12 megabits per second. Labor promised that work on the network would commence before the end of 2008. Of course, we in this place know that the Labor government is all about big, fancy words; it is all spin and no substance, all talk and no action. I am sure the residents of the western suburbs of Brisbane—those who live in Bellbowrie, Moggill, Pullenvale, Karana Downs and even Kenmore Hills—my good friend and colleague the member for Barker and my Queensland colleague here the member for Herbert would share my view that the Rudd government continues to speak words but deliver absolutely nothing. I will quote a significant comment by Mr Malcolm Colless in the Australian of 12 August. He said:

The federal Government’s much-heralded plan to pump $4.7 billion of taxpayers’ money into a high-speed cable-based broadband network to all but 2 per cent of Australian homes and businesses is looking decidedly fuzzy.

That is right, and the people of Ryan would certainly know that everything this government seems to be doing is really all very fuzzy.

Yesterday the Prime Minister went to the National Press Club and delivered a speech about his thoughts on improving education and the future wellbeing of our children throughout the schools of this great country. He had to do that because, quite frankly, he has delivered nothing. His messages have been all about himself, about power and about micro management and not about the people of Australia, whom he gave high expectations to. I know that the people of the western suburbs of Brisbane will be fully aware of this, and I make it clear to the people whom I have the great pleasure of representing that Mr Rudd continues to disappoint the Australian people.

The bottom line is that Labor is now in government and Labor has to deliver. Labor policy has not come to the fore. At the moment the government has some vague plan for a national fibre-to-the-node network, but in some areas the fibre network will not be completed until 2014 at the earliest. That will not do anybody in the Ryan electorate in the western suburbs of Brisbane any good—that is, if they happen to be the victims of this Labor government’s spin.

The government’s scandalous decision to dishonour the agreement for the OPEL broadband network, which had $958 million—almost $1 billion—in federal funding, is a particular blow
to the people of rural, regional and remote Australia. Those in rural and regional Australia who supported Mr Rudd might want to question him about the authenticity of his policy, because quite frankly he is not delivering. Suburbs like Karana Downs in the Ryan electorate, which are almost classified semirural because of their distance from the centre of Brisbane, will certainly be very aware of Mr Rudd’s inability to put policy into action.

As the member for Ryan, I want to reassure the people of the western suburbs of Brisbane that I will be keeping the pressure on Mr Rudd. The bottom line is that Labor is now in government and has the treasury bench. It inherited a $22 billion surplus from the Howard government. It has the funds; it is time to deliver and to honour its commitment. (Time expired)

World Youth Day

Mr ZAPPIA (Makin) (10.34 am)—I rise to speak about World Youth Day. Along with my wife, Vicki, on 17 July I attended the public welcome for His Holiness Pope Benedict XVI at Barangaroo on Sydney Harbour. Being at Sydney Harbour with tens of thousands of people from around Australia and from all parts of the world for this special occasion has left my wife and me with one of our most memorable moments. The previous day I had represented the government at a World Youth Day event at Luna Park, where the young Christian people presented me, as the government representative, and Bishop Eugene Hurley, the Catholic Bishop of Darwin, representing the Catholic Church, with their vision statement for the world. They titled their statement ‘Act today, change tomorrow’. I want to now read the full text of that statement into Hansard and, in doing so, to say that, whilst I acknowledge that the statement has a Catholic religious relevance, it is just as relevant to all people, whether they are Christians or non-Christians.

A division having been called in the House of Representatives—

Sitting suspended from 10.35 am to 10.50 am

Mr ZAPPIA—Just before the interruption I was about to quote the statement that was prepared by the young Christians at the World Youth Day event, where I, representing the government, went to receive that statement. The statement is titled ‘Act today, change tomorrow’. I read:

On 16 July 2008 at World Youth Day in Sydney, 2000 young people gathered to discuss the joys and struggles that young people experience each day. In light of this reality, and our own Catholic faith, we affirm the following:

Each human being is created in God’s image and has fundamental dignity. We are entitled to a life lived “in abundance” according to God’s vision …

All young people have a right to health, shelter, employment and education. We should be free from the inequality created by social sins, such as unjust trade systems, corruption and unbridled consumerism.

All people need community. Our relationships, faith communities and societies must offer us support and help us to grow in ability and character. They should reflect Jesus’ selfless love and must be free from violence, prejudice and exploitation.

All young people need to be empowered to live with meaning and purpose. We must have opportunities to develop an active spirituality and to discover the deepest meaning of our lives.

This is the vision of God. It is the Christian vision for “fullness of life” … However, the real lives of young people, and the world in which they live, often contradict this vision.
Where this is the case, we believe that God calls us to be apostles. We must work for social and personal transformation, including a radical reevaluation of our priorities. In this we are inspired by Christ, who gave his whole self to bring freedom to captives and true life to the world.

We call upon young people to take action against situations and structures that prevent us all from living abundantly, free from poverty, violence, division and despair. It is the role of every Christian to change these situations in light of the Gospel.

We call upon young people to ask critical questions, to reject consumerism, to live authentically and engage others in the struggle for love and justice, by freely sharing their experiences and convictions.

We call upon Church leaders to collaborate with young people, to listen to them, and to proclaim the Gospel in a way that is relevant and inspires action.

We call upon Church leaders to stand with those denied abundance of life, and to call for change where it is needed.

We call upon governments and non-government institutions to hear and respond to young people’s issues and concerns, and to help young people meet their basic needs through policies that promote equity and sustainability.

We commit to working together, with the help of the Holy Spirit, to bring about a new world for this generation—one which reflects more fully our dream and the dream of God.

That statement, as I said earlier, perhaps reflects the Christian values of the young people who put it together, but it also reflects the values of so many other young people in this country. It is a statement that I believe is very well put together. I commend and congratulate the young people who prepared the statement for their leadership, their inspirational vision, their compassion, their faith and their concern for people and for the environment. I was impressed by these young people and I felt honoured to have accepted this statement on behalf of the government.

Recognition for Australian Prisoners of War

Mr ROBERT (Fadden) (10.54 am)—The Minister for Veterans’ Affairs recently announced that, subsequent to the findings of the inquiry initiated by the Howard government, Harry Smith, Commander, D Company 6RAR, will be offered the Star of Gallantry; platoon commanders Dave Sabben and Geoff Kendall will be offered the Medal for Gallantry; and D Company 6RAR will receive approval to wear the former Republic of Vietnam’s Gallantry Cross with Palm Unit Citation Emblem.

Citations, awards and medals do not praise war; they honour people. They honour the contribution of brave Australians who have served our nation in times of conflict and war. Notwithstanding the over 100,000 Australian service men and women whose graves are marked overseas, perhaps none are more deserving of recognition of their service to our nation than are Australian prisoners of war. For the first national memorial to service men and women built outside the ACT to be a memorial to the bravery and sacrifice of our POWs is certainly an acknowledgement of this.

Almost 35,000 Australian service men and women were held in POW camps between the Boer War, at the turn of the last century, and the Korean War, in the 1950s. This included over 8,000 Australian military personnel captured by German and Italian forces, predominantly in North Africa, Greece and Crete, and over 22,000 Australians captured in the Pacific during World War II. During the Korean War, 29 Australians were held as prisoners of war.
Well over a third of Australian POWs captured during World War II died in captivity, predominantly those captured in the Pacific theatre. It was in recognition of the unique ordeal of the POWs captured in the Pacific that the former Howard government made a one-off cash payment of $25,000 in 2001 to all living Australian prisoners of war, civil detainees and internees who were held by Japan during the war. Recently, the Military Memorials of National Significance Bill allowed the POW memorial in Ballarat to be a national memorial, finally honouring our service men and women captured on the field of battle serving our nation.

Yet, for all the honouring of our POWs, there remains I believe a fundamental injustice that surrounds a POW’s historical eligibility for the highest award in the land, the Imperial Victoria Cross. The VC was originally instituted in 1856 as a decoration to recognise gallantry in action by all ranks of the services. The VC was awarded to Australians under this imperial system of awards. Since its introduction, 96 worthy Australians have received the award.

Under the imperial system, POWs were not eligible for the VC or indeed for other medals, such as the imperial Defence Medal, as service as a POW was not acknowledged as appropriate service for these awards. Consequently, two Australians, Captain Matthews, who was a POW at the notorious Sandakan POW camp, and Private Madden, incarcerated in a Chinese POW camp, both received posthumous George Crosses, not the VC, as their actions were not deemed to be in the face of the enemy. I recently wrote to the Governor-General to seek representation to Her Majesty the Queen to address this historical grievance. It is unacceptable to say to an Australian digger who resisted the enemy during the horror of Sandakan or a Chinese POW camp that he did not endure in the face of the enemy, especially when you hear their stories firsthand.

The Victoria Cross for Australia was approved on 15 January 1991, replacing the imperial award, for the most conspicuous gallantry or a daring or pre-eminent act of valour or self-sacrifice or extreme devotion to duty in the face of the enemy. It is yet to be awarded. The Australian Defence instruction on gallantry and distinguished service decorations appears clear that POWs are eligible for decorations for gallantry and distinguished service. However, the conditions under which our highest military honour may be awarded to these service men and women remain a little unclear. Whilst I have sought clarification from the director of personnel at the Department of Defence and have been assured that POWs are eligible for the Australian VC under current rules, the Defence instruction should be clarified to make absolutely sure that no future worthy POWs are excluded on technical grounds.

Considering that our military history is littered with tales of heroism in the face of the enemy, any former POWs whom we now honour with a national monument and who performed such acts of heroism should be considered for the Imperial VC. The cases of Captain Matthews and Private Madden, who openly resisted the enemy in the bravest manner and in a manner that led to their deaths, are two obvious, immediate cases requiring redress to rectify the injustice that saw the contribution of these men not recognised in the manner which they deserve.

**Youth Homelessness**

**Mrs D’ATH** (Petrie) (10.59 am)—I rise to speak about the issues of homelessness and to acknowledge the wonderful work being done in my electorate. This week the parliament has heard many speakers from the opposition talking about cost-of-living pressures on Australians today under the current government, but very little has been said by members of the opposi-
tion, either since the election in November 2007 or prior to the election, about the crisis in our country in the area of homelessness. The Howard government failed to tackle in any way the issue of public housing and emergency shelter; neither did it make any attempt to develop strategies for long-term outcomes for people in emergency shelters in critical areas such as housing, employment, training and education.

After 17 years of economic growth, homelessness in Australia remains unacceptably high. Every night 100,000 Australians are homeless. Half are under 24 years of age and 10,000 are children. This brings me to the wonderful work being done in these trying times by two youth shelters in my electorate of Petrie.

Orana Youth Shelter, under the auspices of Queensland Baptist Care, provides emergency and short-term accommodation to homeless and at-risk young people, both male and female, between the ages of 14 and 18. It operates 24 hours a day, seven days a week. Each resident is given a set of goals, with staff providing the necessary assistance and support to meet these. Six young people are accommodated at any one time, with a maximum stay of three months, at the end of which most people will either be reunited with their families or have found more suitable permanent accommodation. Orana Youth Shelter runs an annual fundraising event called ‘Sponsor-a-bed’. This is a great event that not only raises important funds but lifts awareness in the community about homelessness and Orana’s work. I am proud to say I have sponsored a bed for the past two years.

The other youth shelter is Chameleon House on the Redcliffe Peninsula. This house provides emergency accommodation to young people between the ages of 15 and 18. In addition, Chameleon House has operated transitional housing for young families—young teenagers who have found themselves to now have their own young families. This great organisation has recently entered into arrangements to obtain another house, through the Moreton Bay Regional Council, which will be used as transitional housing for youth. The purpose is to assist people to become self-sufficient and to manage the normal costs of living that come with living in the community, such as paying for rent, groceries and electricity. This will assist these young people to get on their feet and to learn the skills necessary long term to become more self-sufficient and to be able to contribute as part of the broader community.

I am currently working with Chameleon House to engage with the community and develop an annual fundraising and awareness event. We will be calling together organisations, business leaders, community organisations and elected representatives from all levels of government to help establish an annual fundraising and awareness event. The funds will go towards maintaining whitegoods and other important facilities in the house on an ongoing basis and also to provide start-up packs for people going into the house, such as linen, towels and basic groceries and toiletries.

Although this great work is going on in my community, much more needs to be done. The Rudd Labor government understands the need to address homelessness and the need to have clear goals that are ambitious and achievable. That is why I applaud the Rudd Labor government on its release of the green paper entitled *Which way home? A new approach to homelessness*. In that paper it is acknowledged that to reduce homelessness over the long term we need a better functioning, more affordable housing market, increased social and economic participation by homeless people and more responsive and effective services. Crisis services and mainstream health, education, justice and employment services need to work better to-
together. We need to work harder to prevent homelessness and to stop its cycle. My community understands this need, as does the Rudd Labor government. That is why I, along with my community, eagerly await the release of the white paper, due for release next month.

**Dental Health**

Mr NEVILLE (Hinkler) (11.04 am)—In September last year the coalition government introduced the Medicare dental scheme—a program which gave people with chronic and complex health problems, with dental conditions being a contributing factor, access to $4,250 worth of private treatment, following a referral from their GP. It was a marvellous scheme, which saw almost 312,000 people receive services between November and April this year. In March, the Labor government axed the scheme and, in this year’s budget, tried to pull the funding entirely, preferring to prop up the state Labor governments, which have neglected public dental health year after year. Labor introduced a ‘scale, clean and assessment’ program. That was fair enough, as far as it went. But if the parents of those children could not afford ongoing dental treatment it was largely a lost cause.

Let us go back to 1995, when Prime Minister Rudd was Director-General of the Cabinet Office in Queensland and the Keating scheme had been in place for two years. Public dental waiting lists in Queensland were three years long. Might I suggest that, with up to one million people expected to opt out of private health insurance due to the proposed Medicare levy surcharge threshold changes, public waiting lists will now become worse, not better, adding to the accumulated waiting list.

One of my constituents will suffer because of the Rudd Labor government’s decision to get rid of the Medicare dental scheme. Eric James, age 78, lives in a nursing home in Bundaberg. He has had a deteriorating dental condition for some years. For the past six months he has been on the Bundaberg Base Hospital’s call-back waiting list. This call-back waiting list is insidious. Any public patient needing an urgent dental appointment must call the hospital every Monday—and only Mondays—and have their name added to the list for any cancellations which might occur. If you do not call every Monday then your name falls off the list. So every Monday morning in the nursing home Mr James goes through the routine of calling the dental clinic. Sometimes he has been left on the line for up to 30 minutes waiting to speak to an attendant, just to get his name added to that week’s list.

There are 5,000 people on the public dental waiting list in the Bundaberg region and, on average, they are waiting seven years to see a dentist. Back in the Keating days it was three years; now it is seven. And, as I said, if you add to that the removal of people with private health insurance then you get an even worse problem.

Mr James’s dentist is at the Burnett Dental Centre. It is so concerned about the scrapping of the dental scheme and the ramifications for people such as Mr James that it has spoken out, writing to me and to a number of senators who will hold the balance of power in the new Senate. The letter states:

If the Government reduces funding to this program, I dread to think of the impact this will have on the increasing numbers of people with chronic dental problems.

Although the Department of Health and Ageing has sent out a letter threatening to suspend payments, even midtreatment, under the coalition’s scheme, the facts are that the Dental Benefits (Consequential Amendments) Bill 2008, which was rejected in June, cannot be re-
considered until December, unless of course the government becomes totally duplicitous and introduces a new bill of some sort.

I would urge all dentists not to be intimidated by the department’s letter. Access referral forms are still available for GPs. What an appalling slight to people with chronic health conditions in the middle of treatment to be threatened with having that treatment cut off. I urge new senators, particularly Senators Xenophon and Fielding, to give serious thought to this perilous state in which many people like Mr James find themselves. Many thousands of vulnerable Australians—our elderly, sick and infirm—will be left languishing on dental waiting lists for years to come if Labor’s plans come to fruition.

**Moreton Electorate: Holland Park Mosque**

Mr PERRETT (Moreton) (11.09 am)—Holland Park Mosque on Brisbane’s south side will celebrate its centenary this weekend. I am pleased to recognise this significant event in the life of Queensland’s Muslim community. Holland Park is the oldest mosque in Queensland, and over the last 100 years the Muslim community has grown to become a vitalised part of Brisbane’s multicultural mix, particularly in my electorate of Moreton on Brisbane’s south side. From its modest beginnings as a wooden shack which opened back in 1908, the mosque has been transformed into the modern Brisbane landmark it is today.

But, of course, the mosque represents much more than just bricks and mortar. It is a community of friends, people of faith and people who aspire for a better world. Over those 100 years, Brisbane’s Muslim community has grown from about 20 people in 1908 to more than 20,000 in 2008. The mosque provides the focal point for social activities and is a place of worship and education. Despite some testing times, such as the fire-bombing of the mosque which took place in the weeks following the September 11 attacks, the Muslim community has remained committed to racial and religious harmony.

The leaders of the Islamic community have done much to foster great respect and understanding between Muslims and non-Muslims. I particularly want to recognise Mustafa Ally, who has compiled and published a comprehensive 100-year history of the Holland Park Mosque and the people who have helped shape it. Here is an example. It is available online. It is a wonderful document with forewords by the member for Griffith, the Hon Kevin Rudd MP, Prime Minister of Australia, and also by the new governor of Queensland, Ms Penelope Wensley. Obviously the former governor of Queensland is coming to another job here in Canberra.

Mustafa Ally is a dedicated community leader who was this year named Multicultural Citizen of the Year at the 2008 Australia Day Awards. Of course, the Holland Park Mosque centenary coincides with a very significant time of year on the Muslim calendar. Next week will see the start of the holy month of Ramadan. I wish all Muslims in Queensland and beyond, but particularly those in my electorate of Moreton, the very best during this 30-day period of fasting and prayer. As well as being a time of personal reflection, I recognise that, as a community, Muslims will also take time during Ramadan to focus on the needs of others, especially those facing hardship around the world. That is a particular tenet of the Muslim faith that is very commendable.

The right to religious freedom is a great strength of Australian society and one that we must all protect. I have said it before and I will continue to say it in this place: I am proud of the
diversity and strength of Brisbane’s multicultural communities, but we must all work to promote tolerance, understanding and mutual respect. I see the Courier Mail had a rather lengthy article about the centenary. I particularly want to mention Mr Gaffer Deen, one of the famous Deen brothers who have strong connections with the Liberal Party but who also work tirelessly for the community and have become good friends of mine.

Mr Ramsey—Sensible man!

Mr PERRETT—I will take that interjection. He obviously works hard for the community—irrespective of the political party that he is connected with. I wish all the people at the Holland Park Mosque well. I look forward to being there on Saturday.

Grey Electorate: Energy Resources

Mr RAMSEY (Grey) (11:13 am)—My electorate, Grey, is the home of some of Australia’s greatest natural resources. Enormous reserves of energy, particularly clean energy, will become increasingly important to the nation’s future. Not only do we have the world’s largest uranium deposits, destined to become increasingly important in a world that is focusing on trying to reduce carbon emissions, some of the best wind generation sites in the world and an abundance of sunshine; we also have some of the best geothermal rock formations in the world. It is about this resource that I wish to speak today.

I took the opportunity during the winter parliamentary recess to visit Geodynamics’ operation at Innamincka in far north-eastern South Australia. Innamincka, population 12, is by any measurement remote. It is over 600 kilometres from a population centre of more than 500 people, apart from the itinerant population working in the Moomba gas fields. Under the sandy ridges of the arid landscape lie beds of radiogenic granite, with uranium deposits embedded in the granite. The natural decomposition of this material provides a heat source which superheats the rock. This granite is located more than four kilometres underground. The company, Geodynamics, with some help from the previous federal government, has raised the capital to purchase a purpose-built drilling rig and has now successfully dug two wells and is currently working on a third. The costs and risks are enormous. This is venture capital of a special sort, investment in a future which will offer rewards for all. How much more expensive electricity is to become as a result of an emissions trading scheme is at this stage unknown, but we do know the world’s reserves of fossil energy are finite and we need new energy sources.

At Innamincka, Geodynamics have succeeded in moving water 550 metres underground at an operating depth of more than 4,200 metres. The water is pushed down one well to full depth and then forced through the natural structure of the rock at high pressures, causing the fissures to fracture, which allows the now superheated water to be retrieved at a paired well, in this case 550 metres away. Current testing indicates that that distance can be extended up to 1.25 kilometres. When the water is recovered at the surface, it is at a temperature of around 200 degrees Celsius. This energy will be harvested using a heat exchange system and the water will then be pumped back down the hole again. It is very early days in this process, but it is thought the fields will operate and supply energy for at least 25 years, after which they will be rested for around 100 years, by which time they will have reheated.

The best estimates for the price of this new source of energy indicate that electricity will be only marginally more expensive than the current generation costs of coal. This makes geo-
thermal one of the truly competitive alternative fuel sources and, even more importantly, it provides the ‘Holy Grail’ of clean generation—it generates baseload energy. It is almost unique and the reserves are in the hundreds of years. All this is incredibly positive; however, the risks and costs are very high. Five kilometres is a very deep hole by anyone’s standards and the rock is incredibly hard. The drilling rig, which, as I said, is purpose-built, can drill continuously for around 36 hours before it must be pulled back to the surface for the drilling head to be replaced. This operation takes up to 2½ days. It takes up to six months to dig one of these wells and, with drilling costs at well over $100,000 a day, all this amounts to very expensive holes indeed.

Geodynamics have invested over $100 million in this operation thus far and will have a pilot one-megawatt generator operating by early next year supplying the power to the operation and the town of Innamincka. The next step is a 50-megawatt generator and transmission lines linking the nearby Moomba gas production area. These steps will prove and refine the technology. From there, the plan is to build a 500-megawatt generator linking to the mainstream South Australian network through Roxby Downs and Port Augusta. The advances in modern high-voltage DC power transmissions, which can now deliver power with losses of less than five per cent per 1,000 kilometres, will make this all achievable.

The challenges for the project and others like it are the short-term investment mentality of our economy. Very few investors are willing to back the long cycle. Much of Australia’s investment capital is tied up in superannuation funds. It is a competitive market and consumers demand high annual returns. What we need to get right for Australia is not just how we finance the geothermal industry but how we encourage our financial institutions to invest in the longer term vision. Setting an investment framework so investors get the return they need but, more importantly, Australia gets the development in the visionary, nation-building projects that we need to maintain our position in the world in the face of increasing competition will present challenges to all of us—but we must get it right.

Petition: Poverty

Petition: Reconciliation

Ms BURKE (Chisholm) (11.18 am)—Today it gives me great pleasure to speak to two petitions that were presented to me during the parliamentary recess. The first is from a group belonging to the Make Poverty History group and also associated with the Box Hill Salvation Army church. I had the pleasure of Cindy Quartel and Paul Hansen coming to my office with Cindy’s delightful daughter, who we corrupted with ABC Online. She did not want to leave until she had seen the end of the entertainment that we put on the computer for her. But Cindy and Paul are very passionate about making poverty history. They have been speaking a great deal within their faith groups and amongst other communities to bring attention to this issue, and they presented me with this petition. Unfortunately, I think it is going to be out of order but I will present it to the committee anyway:

Dear Anna

We, the undersigned are living in your electorate and are extremely concerned about the high number of maternal deaths (Millennium Development Goal 4) and child deaths (Millennium Development Goal 5) occurring in our neighbouring South East Asian and Pacific regions. For example, 1 in every 12 children in Cambodia dies before their 5th birthday, and the rate of maternal mortality in East Timor is 80 times that of Australia.

MAIN COMMITTEE
We acknowledge that Australia has improved its international health assistance program in recent years. However, we are not contributing our fair share to the global effort in achieving the health MDGs. To ensure maternal and child survival in these regions and to stop the spread of AIDS, Australia must:

- Increase aid for basic health to $1 billion per year by the 2010-11 budget.
- As part of this increase, it needs to contribute to effective international health bodies like the Global Fund to Fight AIDS, Tuberculosis and Malaria, Global Alliance on Vaccines and Immunisation, World Health Organisation, UNICEF and UNAIDS.
- Help improve international health coordination and ensure sufficient funding by donors and developing countries by actively contributing to the International Health Partnership.

As our federal local MP, we urge you to voice our concern in Parliament and strongly encourage the Australian government to fulfil its commitment to the Millennium Development Goals 4 and 5.

The petition was signed by 70 petitioners.

The second petition I want to speak about today is probably one of the most attractive petitions I have ever received. The girls at Avila College, a Catholic girls school in my electorate, went to enormous lengths in compiling it; one of the students has actually crafted on the front a beautiful picture. In it is written: ‘It's in the idea.’ Avila College has a very long tradition of working in the reconciliation movement. The school has ties with a community in Alice Springs, and for a number of years it has worked towards the ideal of reconciliation. It has been a joy to work with the school over a number of years, and I had the pleasure of going to their school assembly recently. The school has in excess of 1,000 girls, and I was delighted to see the passion and the commitment to reconciliation and a number of other issues that the school addressed at that assembly. Christine, a student, made this speech to the assembly:

What an amazing day the 13th of February was. I’m sure you all remember it. I’m sure you remember Caitlyn speaking for us as she expressed our happiness that an apology had finally been made to the Stolen Generations. I’m sure you remember the tears in some people’s eyes as we watched Kevin Rudd repeat that word, “sorry”.

It seemed right that Avila should say thank you to the government for taking this step towards putting right one element of the relationship between black and white Australia.

In the speech our Prime Minister promised to close the gap that exists between black and white Australians in life expectancy, educational achievement and economic opportunity. He acknowledged that the apology was only the first step.

Today we are pleased to present to Ms Anna Burke, the Federal member for the seat of Chisholm, with our statement of thanks and our petition requesting that the government give the Aboriginal community a voice in the decision making that lies ahead. 465 of us have signed this petition.

The petition read as follows—

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE HOUSE OF REPRESENTATIVES

This petition of Avila College draws to the attention of the House our concern that Indigenous Australians are not being given a voice.

We say “thank you” to the House for the apology to the “Stolen Generations” and the commitment to address the gap in life expectancy between Australians. Our College has a long tradition of working for reconciliation and believes there is a powerful and important process of healing in the act of saying sorry. We have yearned for this acknowledgment of past wrongs. However, this will mean nothing without reparation.

MAIN COMMITTEE
Those of us who are young believe that it is important to acknowledge what the House has achieved. You have given hope to a generation that will shape the future. We have been fortunate to have experienced this moment. We, the youth of our nation say, “thank you”.

Those who are older recognise this historic moment in the relationship between Aboriginal and Torres Strait Islander peoples and non Indigenous Australians. It was celebrated and wept over in our community, with hearts touched by the goodwill and sincerity of the apology. We say again, “thank you”.

In the spirit of the 13th February, 2008, we therefore ask the House to actively work with the leaders of the Aboriginal and Torres Strait peoples, listening to their wisdom, and understanding their needs, by giving them a voice as you implement the work that was outlined in the apology.

It is with thanks and hope that we now hand over this petition.

(Time expired)

The DEPUTY SPEAKER (Hon. JE Moylan)—The documents will be forwarded to the Standing Committee on Petitions for its consideration and will be accepted subject to confirmation by the committee that they conform to the standing orders.

Swan Electorate: Homelessness

Mr IRONS (Swan) (11.24 pm)—Two speeches ago the member for Petrie mentioned that no-one from the coalition was talking on homelessness. Well, I am here to talk on it. I have raced up just to talk about homelessness in my electorate of Swan.

Last Tuesday, a distressed lady called Linda came to my office seeking assistance. Linda had recently been made homeless after being forced to leave her rental property. She also has cancer. With no affordable rental accommodation in the area, Linda approached Homes West for help. With the chronic shortage in public housing, Linda was told that she would have to wait indefinitely for somewhere to live. Sadly, she is now one of the 17,000 Western Australians on a waiting list for Homes West accommodation and has to sleep in her car at night. Unfortunately Linda is just one of the many locals who have approached me recently for help. There are members of my local community that are being pushed to breaking point.

There are two aspects of this problem. First, there is a chronic shortage of affordable private rental accommodation in Perth. This has led to a median rent for houses and units in Perth going up by between 17 and 25 per cent respectively in the 12 months to June. Often, as in Linda’s case, rental properties are sold by owners, leaving the occupants nowhere to live. Second, the Carpenter government’s neglect has allowed Homes West’s waiting list to get out of control, leaving those who really need it no chance of obtaining accommodation. What do we define as ‘out of control’? Does the emergency housing waiting period of 18 months sound satisfactory? The normal waiting list is five years. What a sad indictment of the performance of the Gallop and then Carpenter governments, who have idly sat by and watched. The Carpenter government is giving us plenty of spin with no action or substance to their spin to solve these problems. Where have we heard this before? Labor, as they did under Brian Burke, are catering to the top end of the town and ignoring their traditional supporters, with poor or no solutions to grave problems within the community.

I recently had the pleasure of welcoming the member for Farrer, the shadow minister for housing, to my electorate. She witnessed the WA government’s attempted response to the housing crisis. The shadow minister, the local South Perth MLA, John McGrath, and I met with a very angry and frustrated local Rivervale action group to discuss uneven public housing development in Perth. Instead of a pragmatic long-term plan for housing shortages, the
response of Eric Ripper, the WA Treasurer, to the crisis has been to concentrate the few new public houses being built in WA in his own state electorate—homes where stock levels in 1999-2000 were roughly 35,000 and today that remains the same. That tells me that the Carpenter government has not addressed the issue. Some of these houses have taken three years to build, and the people of Swan and WA deserve better. There are plenty of empty state-owned blocks sitting vacant in other electorates, with no attempt by this uncaring state government to provide any sort of housing relief. The Homes West people do their best with limited resources and should be congratulated for the efforts they make.

This state inactivity has sparked great anticipation as to a federal response. This is why I am receiving numerous inquiries through my office, as the hopes for some of these people are now focusing on a federal solution. Unfortunately the Rudd government’s response gives them little hope at present. The Rudd government’s Housing Affordability Fund does little more than reward current state inefficiency by paying state and local government for what they should already be doing. The most innovative part of the fund is the $30 million for electronic development assessments, which—can you believe it, Madam Deputy Speaker?—will not speed up the process but only allow people to monitor the progress. It is a true ‘grocery watch’ style white elephant.

The National Rental Affordability Scheme is designed to deliver 50,000 new affordable rental properties over the next four years on a national basis. We have all received the glossy brochures telling us about this great scheme, but where is the legislation? If the government thinks that 50,000 new homes over four years will solve the total problem, they are dreaming. If they think they can build 50,000 houses in that time, they are dreaming. On a current timeline, that is 240 houses per week built and completed over four years.

How do any of these policies help people like Linda? Another problem is reduced land supply induced by restrictive land policy releases of the state government. It is often called land banking, and the developer mates of the Carpenter government sit on the land until its best financial option is to release it and make a profit. With no help from the government, the onus wrongly falls on local charitable organisations. These, as you can imagine, have been pushed to breaking point.

Recently I heard from a pastor of another large community centre who has many people living in cars and sleeping in parks near his centre. Previously, he could always find them accommodation. He advises them to use all their money for rent and provides them with food. Often when people are living in their cars—and there are many—he sends them up to Kings Park, on the west side, near the Vietnam Vets’ area to cook on the barbeques at about 3 or 4 in the afternoon. He gives them food and blankets to survive. This is not Iraq; this is happening in Australia. These invaluable organisations cannot keep covering up for the Rudd government’s shortfalls. I implore the Rudd government to abandon spin, embrace substance and avert looming disaster in Swan, Western Australia, by presenting a real and achievable housing action plan by the much-vaunted COAG. (Time expired)

Paralympics

Ms SAFFIN (Page) (11.29 am)—Last night I talked about Olympic silver medallist Jacqui Lawrence, and today I want to talk about a remarkable young man, Adam Sanders. Adam as-
pires to compete at the 2012 Paralympic Games. In April this year, Adam represented New South Wales at the Australian Athletes with Disabilities Table Tennis Championships in Scarborough, Western Australia. Adam is quoted in our local Grafton based *Daily Examiner* on 27 March this year as saying:

That’s everyone’s dream. I’ve got four years to get ready for the next one (Paralympics). If I put in the training, hopefully, I’ll get the reward.

Adam, you have already got the reward. Born without full-length arms, Adam has been playing table tennis from his early years. Adam trains hard, puts in the hard yards and works part time at a local successful company, Westlawn Finance, in Grafton. This organisation is a great community asset and gives support to many worthwhile causes and events. Adam is testament to what drive and determination can achieve. With his focus and use of his ability, he does not let his disability hold him back. I will leave the last word to Adam. He said in the same article cited above:

Don’t hold back. You never know where trying might lead you.

Adam, I hope it leads you to the 2012 Paralympics.

Over the past two months, I have conducted five income support forums, and I have two more planned. The purpose of the forums is to engage with local communities, seeking their direct input into the government’s income support pension review—a review that is long overdue and one that could have been undertaken by the previous government but they chose not to. It is a bit rich when some from the other side talk about pensioners doing it tough when they had a long time—12 years—to tackle it but did not. They talked about it but they did not act. We are acting.

In the government’s first 12 months, we will have completed a systematic review of income support, done within the purview of the comprehensive taxation review under Mr Henry, the head of Treasury. A discrete pensions review will also be done within that comprehensive review under Mr Harmer, the Secretary of FaHCSIA.

The Prime Minister first raised this issue in March 2008. The Treasurer cited the comprehensive review in the budget, and Minister Macklin made a ministerial statement on the matter on 15 May. I note that FaHCSIA is currently holding community consultations on the pensions review. By the time my seven forums have ended, I will have completed a submission that will go into the pensions review on behalf of income recipients and pensioners right across the electorate of Page. Approximately 1,000 people will have direct input through the forums, emails, meetings, letters et cetera.

Do some pensioners want the base level of the pension to be raised? Of course some do, and some say that they are okay. It depends on each person’s particular circumstances. However, we have to look at it in a general context. Are some doing it tough? You bet. We know that. But this situation did not just happen after November 2007. The problems are systemic and long term and have been a long time in the making. We all want a rise in income; that is normal. The review has to look at the need, how to fund it and how to fund it over the long term if that is what is decided at the end of the review.

My mum is a pensioner, she is married and she rents. She is in the category of someone doing it tough—not as tough as the single pensioners. She says that it is okay and that they are doing fine but that it would be nice to have a rise. Of course it would be nice to have a rise.
That is the message that I am getting from the community. A whole range of views are being put. But, basically, people say they welcome the opportunity to have their say at what I call the income support forums; they welcome that they are being listened to and that they can have direct input into the review. My role as a representative is to do precisely that: listen to the constituents and lead by representing them here. That is why I am choosing to do it via seven forums right across the seat of Page, and those forums have been appreciated by the wider community.

**Flinders Electorate: Mobile Intensive Care Ambulance Unit**

Mr Hunt (Flinders) (11.34 am)—I rise to raise concerns in this parliament about serious cuts to the mobile intensive care ambulance unit, based at Frankston, which serves the Mornington Peninsula. The MICA unit is fundamental to protecting people on the Mornington Peninsula. The population of Frankston has the highest concentration of seniors in Victoria, the electorate of Flinders has the fifth highest concentration of seniors in Australia, and the particular stretch from Dromana to McCrae to Rosebud to Tootgarook and to Rye on the Mornington Peninsula has perhaps the highest concentration of seniors in all of Australia.

What we see here are three things. Firstly, we have serious cuts to the MICA program. In particular, the Victorian state government has announced cuts to the two-person MICA ambulance based at Frankston. This covers the Mornington Peninsula. Instead of having a MICA unit, we will see the replacement of the two-person stretcher-bearing ambulance with one person in a sedan. This will be a consultation process rather than an emergency unit. For people facing cardiac issues or other forms of emergency, for children who are in dangerous situations and for parents who worry about their children and their own older parents, this is a real problem and a genuine risk. It is not a confected issue. It will have an impact on lives and on the perception of security and health, which are fundamental to people’s ability to live comfortably in their own areas.

Secondly, what will the impact of this fundamental cut be? What we see is the state government saying that it will provide greater flexibility and a greater ‘geographic spread’ of MICA paramedics. Yet it is local doctors, the paramedics themselves, the CFA—which has to deal as a fall-back with many of these emergencies—the SES and local residents who have all protested. These are the people on the front line who are facing the consequences of the cut to the MICA unit. What they have said—in numerous letters to the local papers, in approaches to the state government, in public statements and in meetings—is very simple: lives may be lost, people may suffer and personal insecurity will rise. These are not my words. These are the words of the SES, the CFA, the MICA paramedics themselves and local community members—people who simply want to know that they have medical and emergency security in their own town for their own families and for their own lives. This will have a real and significant impact.

Thirdly, this falls into a broader pattern of neglect by the state government in relation to health facilities on the Mornington Peninsula. Eighteen months ago, we saw the state government’s closure of Rosebud Hospital’s birthing unit. What that meant was very simple. Mums who needed emergency assistance through the birthing unit would not be able to receive it from the lower peninsula. They would have to travel—in many cases perhaps for 30 to 40 minutes, rather than for five or 10 minutes—to receive that support from Frankston. Having been born in Frankston, a newborn baby could be put in a car and sent with its mum...
within 12 hours of its birth all the way down the peninsula. This is one of the real impacts that will be borne by the most vulnerable in our society—newborns, but more specifically newborns on their first day of life being evicted by the health system. That is not what we believe in as a society, that is not what we raise taxes for and that is not how we should be approaching the most vulnerable in our society.

So we have a real issue here of cuts to the MICA program impacting on the local community, which falls within a broader pattern of neglect of the Mornington Peninsula by the state government in relation to health care and health facilities. I respectfully but categorically say: do not cut the MICA unit; restore the balance that was there; and stand up for the Mornington Peninsula.

Deakin Electorate: EastLink Tollway

Mr SYMON (Deakin) (11.39 am)—Recently, the EastLink tollway was officially opened by the Premier of Victoria, the Hon. John Brumby, in my electorate of Deakin. This massive $2.5 billion infrastructure project was opened five months ahead of schedule and is providing benefits to residents in my electorate and in many surrounding electorates. The complete length of the road, measuring 39 kilometres, was constructed in just 39 months—and the roadway includes 17 traffic interchanges, 88 bridges and two 1.6 kilometre-long tunnels. It has also opened up the toll-free Ringwood Bypass, directing many thousands of cars each day away from the busy shopping and transport precinct that is central Ringwood and significantly speeding up travelling times for local east-west journeys.

The Saturday morning traffic jam on Maroondah Highway is now greatly reduced, as many motorists now have an alternative to travelling through the retail precinct. This will be even more appreciated in the weekends just prior to Christmas, when there is so much more traffic and even longer delays. Similarly, peak hour travelling through Ringwood is greatly improved as more traffic uses the bypass. The large numbers of buses that operate out of the Ringwood station interchange are also able to get on their way with much fewer delays in the traffic around the station. Travelling times to the city have been reduced for many Deakin constituents with the opening of the Mullum Mullum tunnels, and this has taken some pressure off our existing road infrastructure.

Coming from the eastern end of the electorate, I have found a reduction in travelling times of 15 minutes or more in each direction when travelling to the airport or the city. And travel from Mitcham to Frankston, a journey that in the past has taken an hour or more, can now be completed in around 25 minutes. Even better is that you get to avoid 45 sets of traffic lights. Of course, not everyone wants to pay to use the tollway—very understandable—and many people continue to use the existing road infrastructure that surrounds EastLink. Very importantly, there have been no road closures or restrictions put in place to force traffic onto EastLink. The effect of this is that traffic flows on local arterial roads have improved, as traffic numbers have decreased due to the increased numbers of people using the alternative of EastLink.

Congestion at railway crossings such as Springvale Road in Nunawading, however, must still be addressed, with nearly 250 trains per day keeping the boom gates down for extended periods of time, causing extensive delays for motorists, buses and pedestrians in both peak and non-peak hours. The Rudd Labor government has committed to fixing this mess in Nun-
awading and is working cooperatively with the state government of Victoria to deliver a project that will fix the Springvale Road bottleneck.

In the coming days, the final federally funded report, as commissioned by the Whitehorse council, will be handed over to the Minister for Infrastructure, Transport, Regional Development and Local Government, the Hon. Anthony Albanese. The Rudd government has already committed the amount of $2 million in this year’s budget to fund the next stage of the planning process. This is part of a Rudd Labor government commitment of up to $80 million which, along with state government involvement, will free up transport in this vital eastern corridor.

As many locals are finding out, EastLink is much more than just a road. There is also the EastLink trail, a shared-use pathway that runs for a distance of 35 kilometres, with connections into many existing bicycle paths adjacent to the roadway. The trail provides excellent access to the many reserves and parklands along the EastLink corridor, including the 60 new wetland areas created during construction. These wetland areas are very important and are designed to treat drainage run-off from the roadway, but also have the added benefit of creating new habitats for birds, frogs and other native wildlife. At three metres wide, the concrete paved trail also has seating at appropriate points to provide users with places of rest and vantage points to enjoy the scenery. And every day, whether the sun is out or it is raining, or somewhere in between, you can see hundreds of people using the trail in all its guises.

There is also designated car parking areas near the reserves to provide access to the trail for visitors from outside the area or for local families who might want to undertake a family bike ride in safety, away from road traffic. Over 3.6 million native shrubs and trees have been planted along the corridor. In combination with the 60 new wetlands, the total area of landscapes and gardens is more than 480 hectares. I congratulate everyone involved in this project, in particular the workers and their unions, Theiss John Holland, Connect East and the state government of Victoria. Our community has waited many long years for an improvement in road infrastructure, and EastLink has delivered big time.

New England Electorate: Telecommunications

Mr WINDSOR (New England) (11.44 am)—I would like to bring to the attention of the House a situation that is common across many country areas of Australia, and I would like to use the example of the community of Wellingrove in my electorate. Wellingrove, for those who do not know—although I am sure most of you do—is situated between Glen Innes and Inverell. It is a lovely spot, but one of the difficulties that this lovely spot has is that it does not have mobile telephone communication. I think most of us would understand how that has come about. The full privatisation of Telstra took place a couple of years ago under the former government. Certain commitments were given, particularly to Senator Barnaby Joyce in the Senate, that there would be enshrined in legislation a guarantee of equity of access to telephone services and broadband services for all Australians. That was re-endorsed at the time by Peter Corish, who was the President of the National Farmers Federation. Subsequently, that guarantee was never sighted in the sale legislation.

The legislation went through the parliament. Certain commitments and guarantees that were given under the former government were not put in place or enshrined in legislation, as it was said at the time they would be. Wellingrove is a rural area, a very rich agricultural area, a highly productive area, and it is populated by about 1,600 people. Those people are now
suffering the legacy of that sale, in my view. The current government did not support that sale when in opposition, but we cannot undo the past.

I am now representing that community. A rally was held there a couple of weeks ago, asking what can be done for their particular circumstance. The circumstance would be common across many of these areas. We have a fully privatised major telco in Telstra whose main agenda now is to make money for its shareholders. It is not that interested in service delivery to communities that are not profitable, and the Wellingrove community falls into that category. Telstra say that they cannot make any money out of that number of people; therefore, they are not interested in putting up a mobile tower so that those people could receive reception.

As I said, the current government, although not responsible for what happened then, can always blame the previous government for the circumstances that these people and many others find themselves in. But I would like the new minister to look a bit further than that. I think there are certain obligations to provide what is now an essential service, not a luxury, to those communities that are not seen as viable options for the telcos. The former government also said that competition would prevail in those particular areas. That has been farcical. Obviously competition is not going to deliver for what is considered below viability in terms of shareholder return.

The concept that I and others have floated on a number of occasions is one that I believe could rectify this particular circumstance and would involve the government playing a role. Rather than their just blaming the previous government for making a stupid decision—which it did—I would like to see the new government actually try to address the circumstances of these people that have been left with this legacy of the former government. One way of doing that is under what I refer to as a ‘powered tower arrangement’, where the government provides the basic infrastructure for the tower—that of a road, obviously a site and electricity to the site—and then that tower becomes available to all competitors in the telco business. That can do a number of things. Obviously it can deliver a service to these people but it can also provide the basis for some degree of competition. I was delighted to receive a call from Optus, who had become aware of the situation at Wellingrove and were interested in having a look at that particular circumstance. (Time expired)

Petition: Pensions and Benefits
Forde Electorate: Telecommunications

Mr RAGUSE (Forde) (11.49 am)—I want to talk a little bit today about the issues that I spoke about on previous occasions—pensioners, their concerns and their inability to make ends meet. Those that I mentioned specifically on that occasion were single pensioners who were looking at increasing rents—and that pressure has certainly applied in my electorate of Forde. It is a huge growth corridor. These people are under a lot of pressure.

During the eight weeks away from parliament, I convened about 28 community meetings in my electorate looking at a whole range of issues, including the concerns of our older Australians and those people who are receiving certain benefits. As you can understand as members, we are all getting lots and lots of contact from people who are particularly hurting in our community. Also on that last occasion that I spoke I talked about an approach by a number of groups to petition this parliament, basically to put some information before the House to de-
tail their specific concerns. I seek leave to table what is a properly made petition in accordance with the standing orders.

Leave granted.

The petition read as follows—

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

This petition of the disability and senior pensioners of Logan, Bethania, Beenleigh.

Draws to the attention of the House that we are in need of a rise in our rate of payment of pension. Because of Price rises in Rent, Food, Fuel and Prescriptions. People who have many health issues are becoming more ill, because they cannot afford special food, fresh food or meat. (e.g. diabetics, coeliac, heart problems and many more, which can all kill if not managed properly.) Prescriptions now cost $5.00 each and the Government is only giving us $5.80 per fortnight, which still only buys one script per fortnight.

We therefore ask the House to increase our pension in two ways. One by increasing our Prescription money to $10 per week. Two give us a food voucher for $50 a week (which should be for Woolworths or Coles where most people shop). As either of the increases would not affect rent payments to increase from 219 citizens.

Petition received.

Mr RAGUSE—Further to that, that petition details some specific concerns of over 200 signatories and I would certainly like the tabling to be part of my attempt to bring some of those concerns to the attention of the House.

There are other issues for the electorate of Forde, and it was interesting to hear the member for New England talk about his issues when it comes to telecommunications. While I certainly have sympathy for the member for New England and his regional issues relating to that sort of infrastructure, in the electorate of Forde we are in the vicinity of a major capital city, being Brisbane. In fact, at the northern end we are less than 40 kilometres from the centre of Brisbane.

The furthest point south is probably around 100-odd kilometres south of Brisbane on the Border Ranges, an area called Running Creek. I spent some time in Running Creek fairly recently, looking at the lack of infrastructure that exists in that area. There are cables on the side of the road, cables that are tied up to fences and cables that have been chewed by some of the cattle that graze in that particular area. This says that, while as a government we have committed to a rollout of major broadband infrastructure, the fact is that we have some basic services that are still in need of immediate attention. I take the point of the member for New England, who talked about some of those specific issues, what we need to do and the fact that the privatisation of many of the telcos, or the opportunity for further privatisation, is a concern. As I said, Running Creek is an area to the far south, and we need to ensure that we have certain infrastructure provided prior to our broadband rollout.

However, a little further into the electorate, in an area only a little bit south of Beenleigh called Buccan, people have major issues with getting basic services. I will give the example of an application to get a service made back in April this year. This is a landline service, by the way, and the service will not be provided until 15 January next year. The current systems are just not good enough. It does beg the question of what our systems are currently doing. It
begs the question about our Telecommunications Industry Ombudsman and how well they are resourced to take these issues on board.

I have been an advocate for this for a long time. In fact, it got to a point where there were so many issues with broadband internet access in the electorate that we put together our own report on the seat of Forde. Only yesterday I presented that to our communications minister. I would also like to seek leave to table that report today.

Leave granted.

Mr RAGUSE—That report goes into a lot of detail. I would be happy if other members want to have access to that particular report because it details the issue and suggests responses on how we may be able to deal with the concerns that we have with our infrastructure as it currently exists, without the intended major rollout of infrastructure. So there are two major issues: pensions, of course—and we all understand that—but also the telecommunications industry, the lack of current facilities and services and our desire to have those fixed.

Miss Taya Gibson

Mr BALDWIN (Paterson) (11.54 am)—Yesterday I was shocked to learn of a tragic fire in the early hours at Nelson Bay which claimed the life of a young child and which injured her grandmother who heroically tried to save the toddler. That tragedy has further evolved for me in the realisation that it has occurred to an Austral Street family who have been personally known to me for about eight years.

It is beyond any doubt that our community is devastated by the death of two-year-old Taya Gibson. Julie Gibson, Taya’s grandmother, tried fighting the inferno to rescue her two-year-old granddaughter but was pushed back by the flames. As a result of her actions, Julie suffered smoke inhalation and minor burns across her face, hands and head. She was taken to the John Hunter Hospital.

I thank God that Julie was able to get her two other grandchildren and her two teenage children to safety. I have known Neil ‘Tubby’ Tarrant and Julie Gibson for about eight years. My son David played rugby alongside their young son Blaire in the Nelson Bay Junior Rugby League team. Tubby was the coach—an absolutely inspirational figure who always saw and brought out the best in young kids—and Julie was always in the canteen working for the kids and for their community. They are a couple committed to kids and to our community. I understand that 17-year-old Blaire also tried to courageously enter the house to rescue his niece, but the flames were so intense that nothing could be done. The flames were so fierce that even the trained fire crews were repelled from entering the building three times by the flames.

Life has not been kind to the family. Tubby is suffering from cancer and was recovering from his latest dose of chemotherapy for an advanced case of throat cancer. He also suffered smoke inhalation. Tubby underwent emergency surgery yesterday afternoon, and our prayers and best wishes are with him. The reason the three grandchildren were with Julie and Tubby is that Taya’s parents were at Westmead Children’s Hospital with their youngest daughter, aged 10 months, who is in intensive care after a liver transplant.

Ours is a very tight-knit community, and we are rallying around to support the family. Matt Bliss informed me this morning that an appeal has begun to help the family with clothes and furniture. The stuff from the Epitome of Hair salon and the Nelson Bay PCYC are collecting cash, furniture and other items to help out. I have spoken to a close mutual friend this morn-
ing. Alfie Patane, who was helping to coordinate a consolidated effort for the family. Offers of support are rapidly forthcoming. I am sure that in a very short period of time our community will help to ease the pain just a little.

As yet, the exact cause of the fire is unknown, but this tragedy is a clear reminder to our community that, during the winter period in particular, people need to take care of home fire hazards. I can only agree with NSW Fire Brigade Superintendent Greg Adams who has urged people to have an evacuation plan and to know what to do in case of a fire. It is important that we be proactive: that we do not cover heating appliances, that we make sure that electrical appliances are not overloaded and that we ensure that smoke alarms are not only installed but working.

Today I also praise the brave efforts of our firefighters who tried in vain to rescue young Taya. As the firefighters entered the burning building with breathing apparatus to look for her, the roof and walls began to collapse. The fire took almost an hour to contain.

To Tubby, Julie and the family, I offer my sincere condolences. Rest assured that our community’s prayers are with you at this time of need.

Women in Parliament

Ms JACKSON (Hasluck) (11.58 am)—I am proud to stand here today as someone who has always been an advocate for women and women’s rights and representation. While it is an amazing privilege and honour to be one of the 1,055 people who have been elected to the House of Representatives since Federation, it still disappoints me that only 77 of those 1,055 have been women. I am strongly of the view, and always have been, that the parliaments of Australia, the parliaments of our democracy, should reflect our community. Women make up over half of our community and should be duly represented. To that extent I want to welcome the new senators, especially the new women senators, to this parliament: Catryna Bilyk, Michaelia Cash, Sarah Hanson-Young, Helen Kroger, Louise Pratt and of course the returning Senator Jacinta Collins.

Whilst it is lovely to have that group of six women join us in the parliament, it disappoints me that there has been no change to the gender mix in the Senate as a result of the last federal election. I have to say that I think this is a significant lesson for political parties and I am proud that I believe my party has at least begun to address this issue. As many would know, in the 1980s we introduced affirmative action in organisational positions in the Labor Party and of course in the 1990s we introduced affirmative action for parliamentary representation. I am proud to say that, when one considers the latest statistics of the composition of Australian parliaments by party and gender as at 1 July 2008, my party’s representation has grown significantly, to the extent that it is at at least 30 per cent and in many cases closer to 40 per cent across Australian parliaments. Frankly, I stand here today and say there is a lesson in all of this for all political parties and especially for the opposition parties.

If you look at the particular case in Western Australia, where we have an election coming on 6 September, Saturday week, it is a significant example and an interesting comparison. In the case of the Labor Party, in contesting the 59 seats in the Legislative Assembly, some 19 of Labor’s candidates are women. In contrast, the Liberal Party have six women candidates in the 59 seats. When you examine these statistics more closely and look at those people who are candidates in what is usually described as winnable seats, you find that the Labor Party has
some 13 of its candidates in winnable seats in comparison to at best one Liberal candidate in the 59 seats of the Legislative Assembly.

In the federal electorate of Hasluck I have some seven state seats which impact upon my electorate. I am incredibly proud that in three of those seats we are seeing some wonderful women candidates. I wish them the best of luck for Saturday, 6 September: in particular, Juliana Plummer, who is contesting the seat of Kalamunda; Rita Saffioti, the seat of West Swan; and Lisa Griffiths, the seat of Darling Range.

The figures for our opponents in the Legislative Assembly are that only two women were elected at the 2005 election for the Liberal Party. One of those women has now left the party and is standing as an Independent candidate. Another retires at this election, largely due to the conduct of the Liberal Party members in Western Australia. I do not often agree with commentator Peter van Onselen but his article in the *Sunday Times* on 17 August is one with which I agree. He points out that there is great potential that the Liberal Party in Western Australia will not have a single female representative in the Legislative Assembly after the election on 6 September and at best it will have three. He also points out that the ‘great irony of the Liberal Party’s mistreatment of women is that the three people who have been best placed in recent years to do something about it, but have not, are all women’. He particularly cites the federal deputy Liberal leader, Julie Bishop, and Helen Morton, who ‘were two of Troy Buswell’s strongest defenders’. *(Time expired)*

**Gippsland Electorate: Drought Assistance**

Mr CHESTER (Gippsland) (12.03 pm)—I rise today to speak on behalf of Gippsland’s farmers, who are urging the federal government to continue to provide drought assistance in my electorate. I say at the outset that Gippsland relies heavily on its agricultural production. We are a world-class producer of dairy products and in normal circumstances our lamb and wool producers, along with our beef farmers and horticulturists, are strong and viable enterprises. Indeed, the combined value of agriculture to the Gippsland region is more than $1.1 billion per year. I must also say that, as a whole, Gippsland farmers are a remarkably resilient bunch and they are not prone to exaggeration, nor are they likely to put up their hands for help unless they really need it and genuinely believe they are entitled to assistance.

It is against this backdrop that I rise to give voice to their frustration with the government’s decision to end the drought declaration in my region. The Minister for Agriculture, Fisheries and Forestry announced last week that exceptional circumstances assistance for the central and east Gippsland regions would not be extended beyond 30 September this year. I understand that the minister’s decision was based on a recommendation by the National Rural Advisory Council, or NRAC. I also understand that NRAC failed to visit Gippsland to inspect conditions on the ground and, to the best of my knowledge, failed to consult local government representatives and farmer organisations in Gippsland. This lack of consultation with the local community would help to explain why the decision is completely out of touch with the reality of the situation in Gippsland.

I am very pleased to report that some parts of Gippsland are starting to emerge from the drought: the Macalister Irrigation District is showing very positive signs, and our farming families in the Maffra region are filled with hope for a very promising season. But, unfortunately, for many other farming families the recovery has been patchy, to say the least, and there are large parts of my electorate which have missed out on drought-breaking rain.
Since the announcement was made by the minister, my office has been contacted by farmers who are bewildered by the decision. They are still experiencing a significant rainfall deficit compared to normal years. They are reporting conditions which are as severe as anything they have experienced in decades on the land. There is no sign of recovery and they are still faced with the exceptional circumstance of a prolonged drought.

Farming families in the Tambo Valley, the Omeo and Benambra regions, the Buchan Valley through to Gelantipy and Tubbut; on the Red Gum Plains around Bengworden, Meerlieu, Hillside and Lindenow; on farms around Cowwarr and Seaton; and at Mount Taylor near Bairnsdale and further to the south around Yarram, Woodside, Giffard and Seaspray are all contacting my office and reporting the continuation of extremely dry conditions. I recently visited Buchan, and the drought has left the hillsides barren. Locals tell me it is the worst they have ever seen. Tomorrow I will visit Swifts Creek in the Tambo Valley and also inspect the Omeo and Benambra region, where local farmers have invited me onto their properties.

As much as I love this part of my electorate, I am not looking forward to the visit. Several farmers I have spoken to on the phone have described the hardship they are facing, and the stress and financial uncertainty it has brought to their families is already obvious in their voices. Indeed, a highly respected local GP, Dr David Monash, was reporting on Gippsland ABC radio today that the medical profession in Gippsland is concerned about the mental and physical health of farmers and their families. I share those concerns and bring them to the attention of the House today.

I am by no means an expert on agricultural conditions, but I can see that conditions are terribly dry and I trust the opinions of local farmers ahead of those who have not visited our region. I am very disappointed that no-one from the government has taken the time to meet Gippsland farmers and gain a firsthand understanding of their situation. I invite the Minister for Agriculture, Fisheries and Forestry and the experts from NRAC to come to Gippsland and take a closer look at the conditions in our region. I fear that there are no signs of recovery and, as we all know, even when it does rain it will not be raining money and there will still be a need to assist farming families as they get back on their feet.

Mail Contractors

Mr COULTON (Parkes) (12.08 pm)—I would like to use this opportunity today to inform the House about an issue which has been raised with me by several of my constituents, which is the increased costs faced by mail contractors, particularly those living in rural areas like my electorate of Parkes. The local mail contractor plays an important role in many local communities, particularly in remote rural towns. I have many small towns and villages in my electorate where the residents live long distances from their nearest post office and must rely on the services of their local mail contractor. I know from my own personal experience growing up in a rural area how important the local mail contractor can be. Indeed, except for the last two years, I have been served by mail contractors all my life. In the last place we lived we were 50 kilometres from the post office and the local mail contractor was a lifeline for my family.

There is no doubt that the mail is a critical service for all Australians, and this is especially true for those of us living in rural and remote areas. Unfortunately, like many Australians, local mail contractors in my electorate are being hit hard by rising fuel costs. This increase in fuel costs is putting many mail-contracting businesses in the Parkes electorate under enormous financial pressure. The increase in fuel costs also means that many of my constituents
who live on rural properties are having to limit their trips into their nearest service town because it simply costs them too much. As such, they are relying on their local contractors to bring them more than just mail. Often the local contractor will be the only way they can get essentials, such as groceries and spare parts for the machinery.

I have had several mail contractors in my electorate contact me in relation to this issue, and many have expressed to me their fears that escalating fuel prices are threatening the continuation of their services to people living in their local area. Indeed, it is important to note that most of the contracts are five-year contracts, so the price of fuel doubling in the last two years has severely impacted on a lot of the contractors. I have also met representatives from the local Post Office Agents association and they have raised with me some of their concerns, which are similar to those of my constituents. There is a very real chance that, without some intervention, there will be no mail services in some areas of Australia in the very near future. To leave any rural Australians without access to mail services would be a disaster. I believe it is extremely important that, as federal representatives, we do all we can to assist our local mail contractors so that they can stay afloat and continue to provide this essential service.

The mail contractors from Parkes electorate who have contacted me in relation to this issue have asked that the government consider extending the fuel tax credit scheme, and I strongly believe that this is something that needs to be considered. Another option may be to implement a simplified tax scheme or excise relief for mail contractors so that they can continue to keep their businesses in operation. Mail contractors must be given some assistance in order to meet their day-to-day fuel costs. I call on the government to act now to provide some financial relief to mail contractors, particularly those living in rural and regional areas. We need to ensure that this vital service is not lost.

**Sex Slavery and People Trafficking**

Mr HAWKE (Mitchell) (12.11 pm)—I rise today to speak about an issue of great importance: sex slavery and the trafficking of people within Australia. The High Court today is set to deliver a landmark judgement that will tell us a lot about the future of sex slavery cases in Australia. This case relates to the first successful prosecution of sex slave traders under federal prosecution laws. As we await this verdict, we need to continually focus on the adequacy of the law in protecting vulnerable people in our society, especially the victims of this despicable trade.

Recently I was visited by local church groups to highlight and raise this important matter with me and to speak for those in our society who have no voice. Starfish Ministries at St Paul’s Castle Hill is comprised of wonderful Christian people, who formed Starfish Ministries to reach out to those women and children who are trapped in the sex slave trade here and overseas. Later this year I will be speaking with members of our community who are participating in a walk against slavery and supporters of this growing ministry within my electorate. We are going to be speaking about what we can do to effect change in this vital area and see what kind of policy improvements we can make on this important matter.

I was also approached by the Baulkham Hills Baptist Church, which has highlighted this as part of the important work that the Catalyst group is doing in raising this concern. I will be working with these groups to seek greater recognition and, importantly, better designed government policy on this issue—looking after those people who need it the most. I want to
praise them for the work they are doing and for taking up a cause that is not popular or current in our society but which speaks out to help the victims of this despicable trade.

I want to congratulate the decision makers of the previous Australian government for their action plan to eradicate trafficking. I think it is important that action was taken. In 2004, the Australian government’s action plan to eradicate trafficking in human persons comprised many positive measures, including the appointment of an Australian Federal Police task force on trafficking, participation in the regional Bali process which combated trafficking, and revision of the protection measures for victims. While this was a positive move forward, there are some inadequacies now.

One of the immediate and major concerns that I find is the treatment of potential victims and victims of traffickers once they have been identified. We need a new class of visa to protect these very vulnerable people. It ought not to be the case that we look at them as being useful just as witnesses against people who have committed these horrendous acts; we should treat these victims with the care, compassion and support they deserve in the circumstances they have been put in through no fault of their own. I find it very compelling, and I strongly recommend that, in this place, we look at measures to identify new classes of visas once a person who has been a victim of trafficking has been identified.

I think Australia does have a regional leadership role to play in this area. If you look at the statistics of forced labour by region, the Asia and Pacific region has 79 per cent of the forced labour or slavery problems in the world. We do know that between about 13 million and 27 million people in the world today are trapped in slavery. The International Labour Organisation says that a conservative estimate is about 12.3 million, and other NGOs tell us that it could be up to 27 million. Indeed, it is estimated that in Australia today there are 100 people in such circumstances at any given time, although estimates vary—it could be up to 1,000, according to many organisations that I speak to. I take the view as do, I am sure, other members in this place, that it is unacceptable for even one person to be in this situation at any time. It is absolutely and utterly unacceptable.

I want to praise Starfish Ministries and St Paul’s Castle Hill and the members of my electorate who are working so hard on this issue. I am looking forward to speaking with them in coming weeks and to working in this place to see that we have better-designed legislation that will look after the victims, who deserve the most care and compassion that we can give them.

Mr BRUCE SCOTT (Maranoa) (12.15 pm)—I rise here in the Main Committee today to inform the House of an event I held in my electorate of Maranoa. Last month, I hosted the Meeting of Minds Forum in Dalby, on Queensland’s Darling Downs, to bring together representatives from the resource and agricultural industries.

Oil and gas companies have long had a presence in the western part of my electorate, and I applaud these companies for their efforts in supporting local communities. Often they will contribute financially to the upgrading of local roads as well as providing funding for important community infrastructure, alleviating some of the financial burden for local councils. Indeed, for the most part, the mining and agricultural industries in the west of my electorate have found a balance which allows them to work in partnership, with little negative impact on each other’s operations.
However, perhaps it is the sparsely populated geography of the western part of my electorate which allows this balance. In the east, the Western Downs and Darling Downs, in comparison, are much more densely populated areas. Farms are smaller and closer and the soil is far more arable. The Surat coal basin, which is tipped to be the next Bowen Basin, lies across the eastern part of my electorate, encompassing the towns of Roma, Chinchilla, Miles and Dalby, to name just a few. The fledgling development of the basin has seen a remarkable increase in activity and, in particular, a significant interest in the extraction of coal seam methane gas. Many farmers are confused with the sudden, almost overnight, changes and what seems to be a lack of owners’ rights when it comes to access to their land by mining companies for exploration. Aware that my electorate staff were receiving a number of calls from concerned constituents, I decided to host a forum to provide an opportunity for both sides to come together to alleviate some of these concerns and to discuss what needs to be done for the future of the Surat coal basin and its affected communities.

The forum was very successful. It was both inspiring and reassuring to see that the resource companies were enthusiastic in explaining their processes, particularly their efforts to limit their impact on the environment. I would like to take this opportunity to thank Xstrata Coal, Queensland Gas Company, Peabody Energy at Wilkie Creek and Arrow Energy for making presentations at the forum which explained in detail how their processes worked, what they were hoping to find and how they cooperate with farmers and communities.

Presentations were also made by AgForce, the Queensland Murray-Darling Committee, the Murray-Darling Basin Commission and by Dalby producer Paul McVeigh as well as dairy industry leader, Wes Judd. It was through them that the mining companies were able to get an idea of the concerns faced by farmers and how they and their operations are perceived by landholders. After a robust question and answer session, it became clear to all in attendance that Queensland legislation is in urgent need of change to ensure that the rights of farmers and landholders are strengthened. Another message from the day was a call for a clearer, more direct path of communication between mining companies, state departments and farmers. Indeed, one of my constituents suggested a hotline which would allow producers to call in and get succinct and quick advice on legal issues, exploratory permits, process and other important information.

The communique from the forum at the end of the day was agreed to by all in attendance. However, the Meeting of Minds Forum was not just a one-day talkfest. A working group has been established, with representatives from all sides: farmers, the mining industry and local government and community leaders. They are currently working on addressing the issues that arose from the forum, and I certainly look forward to meeting with them again to discuss the group’s progress.

The Darling Downs and Western Downs in my electorate contain some of the most valuable agricultural land in Australia. It is highly fertile, arable land and it has a real place in the future for the security of the food of this nation and for the food that it produces for other communities around the world. With global food shortage discussed on the world stage today, it is imperative that the future of this agricultural land is secure. I believe it is time that the state government in Queensland values just as much our prime agricultural sector land and the capacity it has to produce food as it does the resource sector. We need to make sure we get the balance right so that one will not restrict the other’s activities.
Mr ROBERT (Fadden) (12.20 pm)—I rise to acknowledge the sterling efforts made by young people of Fadden in the recent Beijing Olympics. Amidst the world’s best, these impressive young people from the northern Gold Coast achieved so much, not only for themselves but for the nation’s pride and for the children of this nation to admire and aspire to. Their hard work and sportsmanship are truly inspiring and should encourage us all to do more with our own personal gifts.

Meagen Nay made the 200-metre backstroke final with an impressive seventh place in the world. Ashley Callus earned a bronze medal as part of the four-by 100-metre freestyle relay and earned a fourth in the 50-metre freestyle final. Sara Carrigan was awarded a 38th place on the cycling road race. Samantha Stosur made the second round of the tennis doubles. And of course Sally McLellan earned a silver medal in the 100-metre hurdles. Before Sally travelled to Beijing in preparation for her competition in the hurdles, I had the opportunity to correspond with her. She expressed her natural strong desire for the Australian team to do well, but also the need for increased funding to support athletes.

Periodically arguments arise in the press against the support we as a nation give to our elite athletes. I would like to remind the chamber, however, of the words of the 26th President of the United States, Theodore Roosevelt. He said:

It is not the critic who counts; not the man who points out how the strong man stumbled, or where the doer of deeds could have done better. The credit belongs to the man who is actually in the arena; whose face is marred by dust and sweat and blood; who strives valiantly; who errs and comes short again and again; who knows the great enthusiasms, the great devotions and spends himself in a worthy cause, who at the best knows in the end the triumph of high achievement; and who at the worst, if he fails, at least fails while daring greatly; so that his place shall never be with those cold and timid souls who know neither victory nor defeat.

Some recently put a dollar value on Olympic gold through a major newspaper outlet in this country. I do not think this is helpful, nor do I think it is a valid method of gauging the value of our investment in elite sport or sport in general. While we may not be the most overweight nation in the world, despite what you might read or hear, we are perhaps getting close. It is undeniable that Australia has serious issues with lifestyle diseases arising from poor diet or lack of exercise. I firmly believe that the lifestyles that create these problems are rooted in influences placed upon children during their early development. To put a dollar value on a gold medal devalues the positive influence that our sporting people have on our young people, not only on the need for healthy diets and physical activity but on working hard to pursue a dream. How can you put a price on inspiring young people to strive to achieve great things? The skills kids learn from sport help them in all facets of life.

One of the better ways to avoid lifestyle diseases is an active lifestyle. The Australian Sports Commission, the body that supports our sporting elite, also funds programs such as the Active After-school Communities program, a national program that provides Australian primary school aged children with access to free, structured physical activity programs and is designed to engage traditionally inactive children in structured physical activities and build links with community based organisations to create ongoing opportunities for increased par-
participation. The program just reached the target of 150,000 kids participating, with 85 per cent of these kids previously classified as inactive.

I applaud the indomitable and determined efforts of all our Olympic competitors, especially the athletes who hail from the northern Gold Coast electorate of Fadden. I ask that we consider the return on investment of funding our determined athletes and look not just to the colour and volume of their medal haul but, at a greater depth, to the inspiration given to our children in their drive and dedication. Let us look to the wider opportunities that the inspiration of our athletes gives to our young people for an active lifestyle and to sports in general. That is a healthy debate, not a debate on the cost of a gold medal or the cost of funding elite athletes. There is no cost that inspiration cannot overcome.

Question agreed to.

Main Committee adjourned at 12.26 pm
QUESTIONS IN WRITING

Sleep Apnoea
(Question No. 134)

Mr Hartsuyker asked the Prime Minister, in writing, on 16 June 2008:

(1) Is he aware that a constituent in my electorate wrote to the Minister for Health and Ageing seeking Commonwealth assistance with the cost of disposable extras for a continuous positive airway pressure machine for Sleep Apnoea, and received a response from the Parliamentary Secretary for Health and Ageing advising her to redirect her request to the New South Wales Health Department.

(2) Why was my constituent referred to the State Health department for assistance, when he made an election promise that the buck would stop with him.

Mr Rudd—The answer to the honourable member’s question is as follows:

(1) The response from the Parliamentary Secretary for Health and Ageing explained that Medicare does not cover the costs of medical aids and appliances, and provided information about relevant State and Territory government programs and the capacity for private health funds to cover these items.

(2) The response was appropriate.

Fort Street High School
(Question No. 149)

Mr Truss asked the Minister for Infrastructure, Transport, Regional Development and Local Government, in writing, on 24 June 2008:

(1) Why was the Fort Street School not insulated under the Sydney Airport noise insulation scheme.

(2) How many schools and public buildings near Sydney Airport experience similar noise levels to Fort Street School.

(3) Why is Fort Street School being insulated and others not.

Mr Albanese—The answer to the honourable member’s question is as follows:

(1) (2) and (3) The insulation of Fort Street High School is a long-standing election commitment of the current Government.

Defence Land: Moorebank
(Question No. 175)

Mrs Vale asked the Minister for Defence, in writing, on 25 June 2008:

(1) Does the Government intend to move the School of Military engineering from Moorebank; if so, why.

(2) Does the Government intend to continue its lease of the National Storage and Distribution Centre at Moorebank; if not, why not; and if so, for how long.

Mr Fitzgibbon—The answer to the honourable member’s question is as follows:

(1) Yes. The Government is committed to development of an intermodal freight hub on Defence land at Moorebank and will invest $300 million in its development. To enable development of the intermodal, Defence units and functions currently on the Defence site at Moorebank will need to relocate. This includes the School of Military Engineering.
(2) Yes. Defence intends to continue the lease of the site at Moorebank occupied by the Defence National Storage and Distribution Centre, noting that this lease is due to expire in March 2013 and has two options for extension, each of five years duration.

**Employment Services**

(Question No. 180)

Dr Southcott asked the Minister for Employment Participation, in writing, on 26 June 2008:

In the 2007–08 financial year, how much funding was allocated to: (a) Job Network; (b) Personal Support Program; (c) Job Placement, Employment and Training; (d) Disability Employment Network; (e) Vocational Rehabilitation Services; (f) Harvest Trail; (g) Green Corps; (h) Work for the Dole; and (i) the New Enterprise Incentive Scheme.

Mr Brendan O’Connor—The answer to the honourable member’s question is as follows:

The funding allocated to the programs in the 2007–08 financial year is available on page 113 of the Portfolio Budget Statements 2008–09 Budget Related Paper No. 1.5 for Education, Employment and Workplace Relations Portfolio.

**Employment Services**

(Question No. 181)

Dr Southcott asked the Minister for Employment Participation, in writing, on 26 June 2008:

Under the proposed new Employment Services Contract 4 (2009-12), how much funding is allocated to: (a) Job Network; (b) Personal Support Program; (c) Job Placement, Employment and Training; (d) Harvest Trail; (e) Green Corps; (f) Work for the Dole; and (g) the New Enterprise Incentive Scheme.

Mr Brendan O’Connor—The answer to the honourable member’s question is as follows:

There is no individual funding allocation to Job Network, Personal Support Program, Harvest Labour Services, Green Corps, Work for the Dole, New Enterprise Incentive Scheme, and Job Placement, Employment and Training, as these funding arrangements will no longer exist in their current form under the new integrated employment services contract.

**Employment Services**

(Question No. 182)

Dr Southcott asked the Minister for Employment Participation, in writing, on 26 June 2008:

How much funding will be allocated to:

(a) Disability Employment Network; and

(b) Vocational Rehabilitation Services in (i) 2008–09, (ii) 2009–10 and (iii) 2010–11.

Mr Brendan O’Connor—The answer to the honourable member’s question is as follows:

(a) Funding for the Disability Employment Network (DEN) is through the Employment Assistance and Other Services appropriation. The DEN appropriation for 2008–09 is $334.239 million.

(b) The budgeted appropriation for Vocational Rehabilitation Services for 2008–09 is $266.017 million.

Appropriation for forward years is not publicly available.
Personal Support Program
(Question No. 183)

Dr Southcott asked the Minister for Employment Participation, in writing, on 26 June 2008:

In respect of the current Personal Support Programme: (a) how many participants are undertaking the program; and (b) what is the current expenditure per participant?

Mr Brendan O’Connor—The answer to the honourable member’s question is as follows:

(a) As at 31 March 2008, there were 49 552 participants active in the Personal Support Programme, with an additional 5006 participants referred to providers awaiting commencement in the program.

(b) The average expenditure per participant is $2640.

Job Placement, Employment and Training Program
(Question No. 184)

Dr Southcott asked the Minister for Employment Participation, in writing, on 26 June 2008:

In respect of the current Job Placement, Employment and Training program: (a) how many participants are undertaking the program; and (b) what is the current expenditure per participant.

Mr Brendan O’Connor—The answer to the honourable member’s question is as follows:

As at 20 June 2008, there were 10 418 participants currently commenced and receiving assistance in the JPET program.

In mainstream areas, JPET providers are paid a GST inclusive price of $1556 for a commencement. In remote areas, JPET providers are paid a GST inclusive price of $1650 per commencement.

Employment Services
(Question No. 185)

Dr Southcott asked the Minister for Employment Participation, in writing, on 26 June 2008:

Has any determination been made as to what Job Seeker Classification Instrument level a job seeker will need under the new Employment Services Contract 4 (2009-12) to be in: (a) Stream 1; (b) Stream 2; (c) Stream 3; and (d) Stream 4; if so, what Instrument level will be required for each stream.

Mr Brendan O’Connor—The answer to the honourable member’s question is as follows:

The web address: www.workplace.gov.au/ESpurchasing, provides a link to a range of information in relation to the Purchasing Arrangements of the New Employment Services 2009-12.

This includes the estimates that relate to the honourable member’s question.

Employment Services
(Question No. 186)

Dr Southcott asked the Minister for Employment Participation, in writing, on 26 June 2008:

How many job seekers undertook Intensive Support Job Search Training and Intensive Support Job Search Training ‘Refresher’ in the 2007-08 financial year and what was the average expenditure per participant for both of these programs.

Mr Brendan O’Connor—The answer to the honourable member’s question is as follows:
In the 2007/08 Financial Year 113,394 job seekers participated in Intensive Support Job Search Training (ISJst) and 17,861 participated in IS Job search Training Refresher (ISJstr). Job Network members receive a service fee for delivering Job Search Training on a per job seeker basis. These fees are $688 for ISJst or ISJstr in conjunction with Employment Preparation, and $229 for ISJstr.

**Job Network**

(Question No. 187)

Dr Southcott asked the Minister for Employment Participation, in writing, on 26 June 2008:

What percentage of the current Job Network caseload is regarded as being Highly Disadvantaged and how many job seekers fall into this category.

Mr Brendan O’Connor—The answer to the honourable member’s question is as follows: At the end of May 2008, there were over 199,500 job seekers classified as Highly Disadvantaged\(^1\) on the Job Network active caseload. This represents 29 percent of the total active caseload of more than 691,700.

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\(1\) A job seeker is classified as ‘highly disadvantaged’ on the basis of their Job Seeker Classification Instrument (JSCI) score. The JSCI is a series of questions that elicit information on the job seeker’s personal circumstances. The answers to these questions are assigned weights or points depending on the extent to which they contribute to the job seeker’s probability of becoming long term unemployed.

**Employment Services**

(Question No. 188)

Dr Southcott asked the Minister for Employment Participation, in writing, on 26 June 2008:

What percentage of the Highly Disadvantaged caseload of job seekers have gained and maintained employment for: (a) 13 weeks; and (b) 26 weeks?

Mr Brendan O’Connor—The answer to the honourable member’s question is as follows:

Based on a cohort between July 2006 and June 2007 of 244,800 Highly Disadvantaged\(^1\) job seekers who were eligible to achieve Intensive Support outcomes, by the end of May 2008, 20 percent (48,300) had achieved a 13 week employment outcome and 14 percent (35,100) had achieved a 26 week employment outcome.

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\(1\) A job seeker is classified as ‘highly disadvantaged’ on the basis of their Job Seeker Classification Instrument (JSCI) score. The JSCI is a series of questions that elicit information on the job seeker’s personal circumstances. The answers to these questions are assigned weights or points depending on the extent to which they contribute to the job seeker’s probability of becoming long term unemployed.

**Employment Services**

(Question No. 189)

Dr Southcott asked the Minister for Employment Participation, in writing, on 26 June 2008:

What percentage of the Employment Services Contract 4 (2009-12) will be spent on jobseekers in: (a) Stream 1; (b) Stream 2; (c) Stream 3; and (d) Stream 4.
Mr Brendan O’Connor—The answer to the honourable member’s question is as follows:
The percentage of the Employment Services Contract 4 (2009-12) forecasted to be spent on jobseekers in the various streams is:
(a) Stream 1 - 12.8%
(b) Stream 2 - 14.6%
(c) Stream 3 - 24.3%
(d) Stream 4 - 24.5%
There is a further 23.8% forecasted to be spent on Work Experience and other items such as transition outcomes from the last contract; harvest activities and job search facilities.

Personal Support Program
(Question No. 190)
Dr Southcott asked the Minister for Employment Participation, in writing, on 26 June 2008:
What proportion of participants in the Personal Support Programme gain employment?
Mr Brendan O’Connor—The answer to the honourable member’s question is as follows:
16.15 per cent of participants exiting the Personal Support Programme achieved an employment placement outcome in the 2007–08 financial year to 31 March 2008.

Job Placement, Employment and Training Program
(Question No. 191)
Dr Southcott the Minister for Employment Participation, in writing, on 26 June 2008:
What proportion of participants in the Job Placement, Employment and Training program gain employment.
Mr Brendan O’Connor—The answer to the honourable member’s question is as follows:
The proportion of Job Placement, Employment and Training program participants that gained employment between 1 July 2007 and 31 March 2008 is 13 per cent.

Employment Services
(Question No. 199)
Dr Southcott asked the Minister for Employment Participation, in writing, on 26 June 2008:
(1) What are the employment outcomes at the 3 month post program mark for: (a) Job Search Training; (b) Customised Assistance; and (c) Work for the Dole.
(2) Which comparable OECD Active Labour Market programs record higher employment outcomes than the programs in (1).
Mr Brendan O’Connor—The answer to the honourable member’s question is as follows:
(1) Post-assistance employment outcomes are measured through the Department’s Post-Program Monitoring (PPM) survey. Table 1, below, presents the results for job seekers who exited periods of Intensive Support job search training, Intensive Support customised assistance or Work for the Dole between 1 October 2006 and 30 September 2007, with their outcomes measured around three months later.
Table 1: Post-assistance employment outcomes

<table>
<thead>
<tr>
<th>Program</th>
<th>Full-Time Employed (%)</th>
<th>Part-Time Employed (%)</th>
<th>Total Employed (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intensive Support job search training</td>
<td>25.8</td>
<td>26.9</td>
<td>52.6</td>
</tr>
<tr>
<td>Intensive Support customised assistance</td>
<td>17.4</td>
<td>28.5</td>
<td>45.9</td>
</tr>
<tr>
<td>Work for the Dole</td>
<td>16.3</td>
<td>18.4</td>
<td>34.7</td>
</tr>
</tbody>
</table>

Post assistance outcomes are measured three months after job seekers cease assistance and relate to job seekers who left periods of Intensive Support job search training, Intensive Support customised assistance or Work for the Dole between 1 October 2006 and 30 September 2007.

The results from the PPM survey are published quarterly through the Labour Market Assistance Outcome reports that are available on the internet, www.workplace.gov.au.

(2) The OECD does not generally compare the performance of active labour market programs (ALMPs) across Member States because of the substantial cross-country differences in the levels of spending on, objectives and characteristics of participants in ALMPs. Australian ALMPs are not comparable with other OECD programs because of differences in the:
- eligibility requirements for access to assistance
- objectives and ways that the assistance is delivered
- characteristics of participants in the programs
- methods, definitions and timing of measurement of post-assistance outcomes (including employment).

The performance of employment services delivered in Australia are, however, generally accepted as being high by world standards in terms of net impact of the assistance (see A Net Impact Study of Job Network Programmes and Work for the Dole 2006), although it is recognised that the performance of such interventions can always be improved.

Employment Services

(Question No. 200)

Dr Southcott asked the Minister for Employment Participation, in writing, on 26 June 2008:

Under the Government’s proposed new Employment Services Contract, what are the modelled employment outcomes for the replacement programs for: (a) Job Search Training; (b) Customised Assistance; and (c) Work for the Dole.

Mr Brendan O’Connor—The answer to the honourable member’s question is as follows:

The Government is not proposing to replace Job Search Training; Customised Assistance or Work for the Dole.

Employment Services

(Question No. 201)

Dr Southcott asked the Minister for Employment Participation, in writing, on 26 June 2008:

What is the off-benefit employment net impact at: (a) 3 months; (b) 6 months; and (c) 12 months for (i) Job Search Training, (ii) Customised Assistance, (iii) Work for the Dole, and (iv) Mutual Obligation.
Mr Brendan O’Connor—The answer to the honourable member’s question is as follows:
The Department of Education, Employment and Workplace Relations periodically conducts net impact studies to complement the performance data it reports through other mechanisms, such as the Star Ratings and Labour Market Assistance Outcomes reports. The most recent publicly available study, A Net Impact Study of Job Network Programmes and Work for the Dole 2006, was published in April 2006.

Net impacts can be measured in terms of both employment and off-benefit outcomes. Employment net impacts, as in Table 1 below, measure the proportion of job seekers who were in employment following their participation in assistance compared to a control group of similar job seekers who were not assisted through the program, the difference in outcomes achieved being the net impacts of the various types of assistance. The off-benefit net impacts (also see Table 1) use the same methodology, and assess movements off activity-tested (that is Newstart Allowance and Youth Allowance (other)) income support types.

For the 2006 study, the net impacts at the three month point were not assessed. The employment net impacts were assessed twelve months after commencement in assistance. The off-benefit net impacts were measured six and twelve months after commencement in assistance.

Table 1: Net Impact Outcomes

<table>
<thead>
<tr>
<th>Program</th>
<th>Employment Net Impact</th>
<th>Off-Benefit Net Impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Twelve Month</td>
<td>Six Month</td>
</tr>
<tr>
<td>Intensive Support job search training</td>
<td>11.2</td>
<td>5.8</td>
</tr>
<tr>
<td>Intensive Support customised assistance</td>
<td>10.1</td>
<td>1.1</td>
</tr>
<tr>
<td>Work for the Dole</td>
<td>7.3</td>
<td>0.6</td>
</tr>
<tr>
<td>Mutual Obligation</td>
<td>8.2</td>
<td>1.2</td>
</tr>
</tbody>
</table>

Dr Southcott asked the Minister for Employment Participation, in writing, on 26 June 2008:

What has been the average duration of work experience undertaken by job seekers in the Work Experience Placement Program; and how many of these placements have resulted in employment with the host employer.

Mr Brendan O’Connor—The answer to the honourable member’s question is as follows:

(a) Statistics regarding the ‘average’ length of WEP placement have not been collected.
(b) As at 23 June 2008, providers had recorded that 330 job seekers had accepted employment with their host employer. Across Employment Service Providers there have been 816 recorded Job Placements for job seekers following their commencement in a WEP, 700 in Job Network services, 98 in disability Employment Network and 18 in Vocational Rehabilitation Services.

Boothby Electorate: South Road

Dr Southcott asked the Minister for Infrastructure, Transport, Regional Development and Local Government, in writing, on 26 June 2008:
(1) Has South Road between Sir Donald Bradman Drive and the entrance to the Southern Expressway been placed on the AusLink network; if so, on what date did this occur.

(2) Has any funding for the project been allocated in the forward estimates in 2009-10, 2010-11, and 2011-12 for the North-South Corridor Development Plan.

(3) Is the South Australian Government expected to match the funding from the Australian Government.

(4) What contribution will be expected of the South Australian Government in the: (a) Development Strategy phase; and (b) Concept Development phase.

(5) What are the five sub projects of the Development Strategy.

Mr Albanese—The answer to the honourable member’s question is as follows:

(1) South Road between Sir Donald Bradman Drive and the entrance to the Southern Expressway is not on the AusLink National Network as declared under Part 2 of the AusLink (National Land Transport) Act 2005. The Government will add this section of road to the National Network in accordance with its election commitment.

(2) (3), (4) and (5) Specific funding arrangements for the Australian Government’s land transport investment program for 2009-10 to 2013-14 are the subject of negotiations between the Australian Government and state and territory governments. However, the Government provided $12.6 million in 2008-09 to start planning on the South Road upgrade, as part of our $500 million commitment to this project.