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SITTING DAYS—2009

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FORTY-SECOND PARLIAMENT
FIRST SESSION—FOURTH PERIOD

Governor-General
Her Excellency Ms Quentin Bryce, Companion of the Order of Australia

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 Georganas 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. Christopher Maurice Pyne 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. Malcolm Bligh Turnbull 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
## Members of the House of Representatives

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## Members of the House of Representatives

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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 Climate Change
Parliamentary Secretary for Defence Support and Parliamentary Secretary for Water
Parliamentary Secretary for Regional Development and Northern Australia
Parliamentary Secretary for Disabilities and Children’s Services and Parliamentary Secretary for Victorian Bushfire Reconstruction
Parliamentary Secretary for International Development Assistance
Parliamentary Secretary for Pacific Island Affairs
Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Trade
Parliamentary Secretary for Social Inclusion and Parliamentary Secretary for the Voluntary Sector
Parliamentary Secretary to the Minister for Health and Ageing
Parliamentary Secretary for Multicultural Affairs and Settlement Services
Parliamentary Secretary for Government Service Delivery

Hon. Bob Debus 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
Senator Hon. Jan McLucas
Hon. Laurie Ferguson MP
Senator Hon. Mark Arbib
SHADOW MINISTRY

Leader of the Opposition
The Hon Malcolm Turnbull MP

Shadow Minister for Foreign Affairs and Deputy Leader of the Opposition
The Hon Julie Bishop MP

Shadow Minister for Trade, Transport, Regional Development and Local Government and Leader of The Nationals
The Hon Warren Truss MP

Shadow Minister for Broadband, Communications and the Digital Economy and Leader of the Opposition in the Senate
Senator the Hon Nick Minchin

Shadow Minister for Innovation, Industry, Science and Research and Deputy Leader of the Opposition in the Senate
Senator the Hon Eric Abetz

Shadow Treasurer
The Hon Joe Hockey MP

Shadow Minister for Education, Apprenticeships and Training and Manager of Opposition Business in the House
The Hon Christopher Pyne MP

Shadow Minister for Infrastructure and COAG and Shadow Minister Assisting the Leader on Emissions Trading Design
The Hon Andrew Robb AO, MP

Shadow Minister for Finance, Competition Policy and Deregulation
Senator the Hon Helen Coonan

Shadow Minister for Human Services and Deputy Leader of The Nationals
Senator the Hon Nigel Scullion

Shadow Minister for Energy and Resources
The Hon Ian Macfarlane MP

Shadow Minister for Families, Housing, Community Services and Indigenous Affairs
The Hon Tony Abbott MP

Shadow Special Minister of State and Shadow Cabinet Secretary
Senator the Hon Michael Ronaldson

Shadow Minister for Climate Change, Environment and Water
The Hon Greg Hunt MP

Shadow Minister for Health and Ageing
The Hon Peter Dutton MP

Shadow Minister for Defence
Senator the Hon David Johnston

Shadow Attorney-General
Senator the Hon George Brandis SC

Shadow Minister for Agriculture, Fisheries and Forestry
The Hon John Cobb MP

Shadow Minister for Employment and Workplace Relations
Mr Michael Keenan MP

Shadow Minister for Immigration and Citizenship
The Hon Dr Sharman Stone

Shadow Minister for Small Business, Independent Contractors, Tourism and the Arts
Mr Steven Ciobo

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

Shadow Minister for Financial Services, Superannuation and Corporate Law
The Hon Chris Pearce MP

Shadow Assistant Treasurer
The Hon Tony Smith MP

Shadow Minister for Sustainable Development and Cities
The Hon Bruce Billson MP

Shadow Minister for Competition Policy and Consumer Affairs and Deputy Manager of Opposition Business in the House
Mr Luke Hartsuyker MP

Shadow Minister for Housing and Local Government
Mr Scott Morrison

Shadow Minister for Ageing
Mrs Margaret May MP

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

Shadow Minister for Veterans’ Affairs
Mrs Louise Markus MP

Shadow Minister for Early Childhood Education, Childcare, Status of Women and Youth
Mrs Sophie Mirabella MP

Shadow Minister for Justice and Customs
The Hon Sussan Ley MP

Shadow Minister for Employment Participation, Training and Sport
Dr Andrew Southcott MP

Shadow Parliamentary Secretary for Northern Australia
Senator the Hon Ian Macdonald

Shadow Parliamentary Secretary for Roads and Transport
Mr Don Randall MP

Shadow Parliamentary Secretary for Regional Development
Mr John Forrest MP

Shadow Parliamentary Secretary for International Development Assistance and Shadow Parliamentary Secretary for Indigenous Affairs
Senator Marise Payne

Shadow Parliamentary Secretary for Energy and Resources
Mr Barry Haase MP

Shadow Parliamentary Secretary for Disabilities, Carers and the Voluntary Sector
Senator Mitch Fifield

Shadow Parliamentary Secretary for Water Resources and Conservation
Mr Mark Coulton MP

Shadow Parliamentary Secretary for Health Administration
Senator Mathias Cormann

Shadow Parliamentary Secretary for Defence
The Hon Peter Lindsay MP

Shadow Parliamentary Secretary for Education
Senator the Hon Brett Mason

Shadow Parliamentary Secretary for Justice and Public Security
Mr Jason Wood MP

Shadow Parliamentary Secretary for Agriculture, Fisheries and Forestry
Senator the Hon Richard Colbeck

Shadow Parliamentary Secretary for Immigration and Citizenship and Shadow Parliamentary Secretary Assisting the Leader in the Senate
Senator Concetta Fierravanti-Wells
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Monday, 16 March 2009

The SPEAKER (Mr Harry Jenkins) took the chair at 12 pm and read prayers.

MAIN COMMITTEE
Private Members’ Motions

The SPEAKER—In accordance with standing order 41(h), and the recommendations of the whips adopted by the House on 11 March 2009, I present copies of the terms of motions for which notice has been given by the members for Mallee, Lyons, Mayo and Dobell. These matters will be considered by the Main Committee later today.

TAX LAWS AMENDMENT (2008 MEASURES No. 6) BILL 2009
TAX AGENT SERVICES BILL 2008
FEDERAL FINANCIAL RELATIONS BILL 2009
FEDERAL FINANCIAL RELATIONS (CONSEQUENTIAL AMENDMENTS AND TRANSITIONAL PROVISIONS) BILL 2009

Returned from the Senate

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

COMMITTEES

Corporations and Financial Services Committee

Foreign Affairs, Defence and Trade Committee

Membership

The SPEAKER (12.01 pm)—I have received a message from the Senate informing the House that Senator Arbib has been discharged from attendance on the Parliamentary Joint Committee on Corporations and Financial Services and the Joint Standing Committee on Foreign Affairs, Defence and Trade.

Climate Change, Water, Environment and the Arts Committee

Membership

The SPEAKER—I have received advice from the Chief Government Whip that he has nominated Mr Murphy to be a member of the Standing Committee on Climate Change, Water, Environment and the Arts in place of Mrs D’Ath.

Mr COMBET (Charlton—Parliamentary Secretary for Climate Change) (12.02 pm)—by leave—I move:

That Mrs D’Ath be discharged from the Standing Committee on Climate Change, Water, Environment and the Arts and that, in her place, Mr Murphy be appointed a member of the committee.

Question agreed to.

COMMONWEALTH ELECTORAL AMENDMENT (POLITICAL DONATIONS AND OTHER MEASURES) BILL 2009

Second Reading

Debate resumed from 12 March, on motion by Mr Tanner:

That this bill be now read a second time.

Mr PYNE (Sturt) (12.03 pm)—In speaking on the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009 this morning, there are several general comments that I wish to begin with. The coalition strongly support comprehensive reform of the Commonwealth Electoral Act and, in our time in government, introduced many reforms to the Commonwealth Electoral Act which improved its operation and which tightened up issues to do with transparency, accountability and deductibility. But we do not support piecemeal reforms which only serve to entrench Labor’s strong position with regard to donations. It is a sad day when I have to rise in the House to say that the coalition cannot vote for this bill, even though we do believe
in reform of the Commonwealth Electoral Act, because of its content and because we can see that it is simply another measure that the Labor Party has introduced to try and entrench its political dominance. It is not a genuine attempt by the Labor Party to address any of the issues that the public are concerned about involving electoral transparency and the potential for fraud under the Electoral Act—a matter of which I have intimate knowledge given that I handled the inquiry into the Queensland Labor Party and New South Wales Labor Party rorting of the Electoral Act in the last government. It is not an attempt to address third-party donations, particularly from groups like the union movement or through the activities of third-party organisations such as GetUp! which support one particular side of politics. It is not an attempt to genuinely trace down and find the sources of donations that are given in bulk rather than separately. It does not address in a comprehensive way the issue of overseas donations, from which the Labor Party has received great benefit and advantage over the years—famously, from the Philippines when it received donations from people who had been charged with murder or, going right back to the time of the Whitlam government, when it received donations from the Ba’ath party in Iraq.

This bill represents a partisan and piecemeal approach to a serious issue. If the government were serious about electoral reform, they would have done a great deal more than simply cherry-picking the ideas that serve Labor’s own political advantage. Of course, I do not expect any better from the Labor Party, because they usually mouth platitudes and rhetoric about what they think the Australian public want to hear but, when it actually comes to delivering on the ground in the area of real reforms that would create a level playing field for political parties, they are short on substance and long on spin. Where are the provisions in this bill that deal, for example, with the way the unions operate—with the donations that come from the union movement—or with the control of third-party politicking for one party at the expense of the other? Where are the provisions that deal with the operations of an organisation like GetUp!, which very effectively campaigned against the Howard government? I certainly give them full marks for political effectiveness, but there is no provision in this piecemeal act for dealing with the transparent and open operation of third-party activity. Such activity is much more regulated in a country like the United States than it is in Australia. I am sure that the Labor Party have many criticisms of the United States’ model of government, yet the reforms that they have proposed are not nearly as strict as those that already operate in the United States with respect to third-party activity.

The process for coming to this bill has been counterintuitive and politically driven. The coalition have consistently maintained our position that we will await the outcomes of the government’s electoral reform green paper before committing to specific electoral reforms. The government have only just in the last fortnight even released the public submissions to their green paper, yet this bill is allegedly so urgent that they felt the need to rush it back into the House last Thursday and to bring on for debate today. On the one hand we have a process of public consultation with a view to implementing serious and considered reform, which the coalition supports. But that is not important or urgent for the government; what is urgent for the government is to bring in a piecemeal piece of legislation that suits one party’s interests over those of another—and that does not represent an addition to the process of comprehensive reform. Yet apparently this piece of partisan legislation is the No. 1 priority of the House of Representatives today. In fact,
it is such a priority that it has forced other aspects of the government’s legislative agenda out of the way for this partisan, piecemeal piece of legislation. We regard that as ridiculous and farcical. We are not forced, required or obligated to vote for pieces of legislation that entrench partisan politics in the Commonwealth Electoral Act. The Commonwealth Electoral Act should be above such partisan attempts by political parties to entrench their dominance in a political world where they are already dominant. We all know that the Labor Party are dominant in Australia at the state and federal level in terms of electoral success, yet there is an attempt in this act to crush even more the democratic freedoms that we, at least on this side of the House, hold dear.

In March last year it was the coalition which initiated comprehensive terms of reference to go to the Joint Standing Committee on Electoral Matters. This was supported by the Democrats, the Greens, Family First and the coalition and was opposed by the Labor Party. This reference to the Joint Standing Committee on Electoral Matters, which I used to chair, was opposed by the Labor Party because it was a comprehensive reference about long-term reform of the Electoral Act which did not entrench partisan politics but in fact opened the act to more accountability, more transparency and greater fairness. As my colleague and friend Senator Ronaldson said in the other place:

… it was a comprehensive proposal which addressed all the matters which we believe need to be included in a comprehensive campaign finance reform.

As I said, the coalition are committed to electoral and campaign finance reform, and that is why the coalition parties initiated this process by reference to the joint standing committee in the first place. We are happy to take the government at face value when they say that they are also committed to campaign finance reform, but the real question is: where is the beef in the Labor Party’s commitment—because it appears on the face of this bill that their commitment goes only so far as to entrench their dominant political position? There is no commitment to campaign finance reform that actually creates a level playing field and gives all political parties a fair chance to win an election. There is no beef in the Labor Party’s attempt to don the clothes of the party that represent campaign finance reform; they simply mouth the words, the platitudes and the rhetoric. At the end of the day they cannot come to real campaign finance reform.

This bill is partisan. It is cherry-picking those aspects that suit the Labor Party. This bill is not the answer to campaign finance reform. For example, the tax deductibility part of the bill was introduced as part of another package and then withdrawn and introduced on its own. The tax deductibility question and the disclosure question are two issues that the government has chosen to pull out of comprehensive campaign finance reform simply for its own purposes. If the government were genuinely committed to comprehensive electoral finance reform then why were we debating the tax deductibility bill previously and why would we be debating this bill today? These measures should clearly be part of a comprehensive bill that deals with campaign finance reform rather than a piecemeal approach.

Again, as Senator Ronaldson pointed out:

… it begs the question, when every commentator in this country has talked about the level of influence of unions, third parties and large corporate donors, of why those issues were not also a part of these measures. The reason that was not done was that the Labor Party views these two isolated pieces of campaign finance reform as good for them and bad for everyone else in the political process—
that is, bad for the Liberal Party, the National Party, the Australian Democrats—or what is left of the Australian Democrats—the Australian Greens, Family First and all those other political parties that might not be represented in legislatures federally or around the country but which are still an important part of our democratic process and give people a choice on election day about who they wish to place their preference with on their ballot. He also said:

We also believe that there should be stronger penalties for infringements of the Commonwealth Electoral Act but we note that most of these electoral abuses are actually committed by the Australian Labor Party itself—

Mr Perrett interjecting—

Mr PYNE—I understand that the member interjecting actually comes from the great state of Queensland, which has produced most of the—

Mr Bidgood—Hear, hear!

Mr PYNE—I would not be saying ‘hear, hear’ too quickly, because unfortunately Queensland has produced the majority of cases of electoral fraud that have been investigated by this House; for example, the Shepherdson inquiry, in which we are talking about electoral fraud which cost the Deputy Premier of Queensland his job. It cost that rising star of the Queensland parliament—who now, I think, works for the federal secretariat of the Labor Party in Canberra—his job. It cost Mike Kaiser his job. It saw members of the Queensland Labor Party put in jail. I will not name them, because the poor woman, Karen Ehrmann, was the victim of bullying and thuggish behaviour by her factional warlords in Queensland—which we investigated in the Joint Standing Committee on Electoral Matters. I am not surprised that members of the Queensland Labor Party might be interested to know. To have a vote in your internal preselections you needed to be on the electoral roll in the seat in which you were voting, so there was a tremendous motivation amongst the warlords in Brisbane to insist that their minions throughout Queensland rent flats and houses and, in doing so, be able to enrol in the seats in which they were voting. And when you were dealing with a place like Townsville—

Mr Lindsay—They had them enrolled at vacant pieces of land.

Mr PYNE—‘Vacant pieces of land,’ my honourable friend the member for Herbert points out. When you had small numbers of people in the Labor Party itself in Townsville, you could actually have five or six enrolments at the same address and, in doing so, dominate the preselection process, and unfortunately that is why Queensland wears the crown as the state that has been investigated the most in this House for electoral fraud. Of course, it does not just stop in
Queensland, with the Shepherdson inquiry and with my own inquiry. Unfortunately, it spread to New South Wales. The most recent case has been the Wollongong council sex and bribery scandal, which has dogged the Wollongong council and the Australian Labor Party in that state in recent months.

The Liberal Party want to work with the government to make sure that we get something decent out of this reform process. Some members of the Labor Party might not think so after my excoriation of the Queensland Labor Party for electoral fraud, but I can tell you that we are prepared to put that aside and work with the Australian Labor Party for real reform of the Electoral Act. If only they were as genuine as the coalition! This is the chance to make real improvements to our system of electoral funding, to improve transparency and credibility and to improve the public perception of politics and politicians in general. If this were a serious and comprehensive campaign finance reform bill, it would do something to account for or limit the influence of trade unions and other rich third parties, which provide overwhelming support for the Labor Party. The Electoral Act should be politically blind and non-partisan, open and neutral. The coalition say, ‘Let’s tackle campaign reform seriously and with consideration of the whole process, not just those parts that assist the Labor Party.’ So, while we can see the need for the content of this bill, we do not support a piecemeal approach to campaign finance reform. We believe that the report of the green paper into campaign finance reform should be awaited, and so should the reports being done by those committees of the parliament that are meeting to discuss this very important issue. I thank the House.

Mr PERRETT (Moreton) (12.18 pm)—Mr Speaker, I need a little bit of indulgence on your part or, more importantly, on the Clerk’s part because I am going to refer to an article by Harry Evans, the Clerk of the Senate, in this chamber. I hope you will be tolerant, Mr Speaker. It is an article called ‘The life of a state: Australia’s longevity’, in which he talks about democracy around the world. Basically, he refers to the fact that Australia is the country that has functioned continuously under the same constitution for the sixth longest amount of time. That is quite amazing when you think of the countries and nationstates that have operated around the world for the last 3,000, 4,000 or 5,000 years. We are the country that has functioned continuously under the same constitution for the sixth longest amount of time. The United States is the first; then come the United Kingdom, Switzerland, New Zealand, Canada and Australia. It is quite amazing to think that our democracy ranks up there with the rest of the world in terms of being continuous.

I move from that to the fact that this chamber is all about democracy. I am a relatively new member of parliament. My first day in this House was the day when the Prime Minister, Kevin Rudd, made the apology. That was an incredible way to start my political life, and I thought: ‘This is fantastic. It’s so wonderful to be here in this chamber.’ When I became a lawyer I thought law would be all about being someone like Atticus Finch; well, politics started like that for me. Obviously, not every moment in the chamber since then has been quite as lofty. All sorts of debates about legislation take place, and we certainly saw that in the previous speech from the member for Sturt. I have never heard anything like it. Metaphorically speaking, the whole way through that speech he was wiping his shoe as if he had stepped in something. That is what it was like. We have a great piece of legislation before the House that is all about protecting democracy, and he stood up there with a hollow voice—a hollow man—making a hollow speech. As I
said, the whole way through his speech it sounded as if he had stepped in something and was trying to wipe it off his foot.

I rise to support the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009 before the House. The bill is about ensuring greater transparency and accountability in our political process. It delivers on a Rudd Labor government election commitment to do away with John Howard’s and Peter Costello’s ideological assault on open government. The previous government arrogantly used their control of the Senate to increase the declarable limit for disclosure of political donations, which was at a low of $1,500. They ramped it up to $10,000—and, with the CPI, it is equivalent to $10,900 today. This represented a huge jump in the limit required before donation details must be made public and ensured that massive sums of money had gone into party coffers without the public knowing. So, whilst the member for Sturt gave a historical rant about what might have gone on in Queensland—mistakes that have been long remedied—he could have gone back only a few years to see how people in his own party had abused things. Instead, he stood behind the facade of voting against this piece of legislation in the other house because it might have been better. That is, as I said, incredibly hollow.

The Howard government created a system that was much more open to corruption and allowed the possibility for conflicts of interest to go unnoticed. The Labor Party opposed these measures in opposition, and we are now following through with our election commitment to repeal these laws in government. It was wrong law when John Howard and Peter Costello controlled the public purse, and it remains wrong now when they do not. As a Queenslander, I remember the Fitzgerald inquiry; I remember the horrible years, and I can go back beyond that as well—back to the Bjelke-Petersen government and those horrible times when old National Party politics consisted of secret backroom deals, nods and winks, and money passing under the table in brown paper bags. That is right. That was used to influence political process.

Thankfully, I learnt about my political views from my grandfather. One of his proudest stories was standing up to a National Party politician, Russ Hinze, who was called the ‘Colossus of Roads’. My grandfather was able to say: ‘Look, I took a shovel to him because he was trying to rort a road-making process.’ I remember Russ Hinze well and those bad old days of the way political processes were carried out. Thankfully, now we are in a more modern Australia, where Australians want and deserve to know where the money is coming from that is used to fund political parties and candidates. But the opposition are opposed to this bill and they should hang their heads in shame.

The Liberals say they want transparency in the process but, every chance they get, they move to block this bill. It is the old Turnbull three-step: initially you say you support it, then as the next step you undermine it, and the third step is that you oppose it—you vote against it. They have already delayed this bill in the Senate by referring it to the parliament’s Joint Standing Committee on Electoral Matters for inquiry, and then they voted against it last week in the Senate. Apparently the opposition are not interested in political accountability. This bill will amend the Commonwealth Electoral Act 1918 to reduce the current threshold of donations from the current $10,900 down to $1,000. It will also remove the CPI indexing and prohibit foreign and anonymous donations below $50. I assure people that this does not mean that, when they buy a couple of raffle tickets at their local branch,
they will have to disclose their donations—it is only below $50.

This will bring Australia into line with other countries, including the United States, which is the longest continuous democracy under the one constitution. I cannot speak for those opposite, but I do know that we on this side of the House have nothing to fear from greater transparency in the process. In my experience, donors to the Labor Party are not ashamed of their association, are not trying to hide and would be proud to have their details recorded. The Labor Party, as the political arm of the trade union movement, know about our connections. I am always amazed when those opposite suddenly say, ‘You are connected with the union movement,’ like it is a great discovery. I am not sure why they are so scared of the collective. We have had some significant political leaders from the Right that have been of the trade union movement. Ronald Reagan was a trade union representative for the equivalent of the Media Entertainment and Arts Alliance. I think even Brendan Nelson was head of a collective—I am not sure if you would call it a union movement—at one stage.

Ms Jackson—The oldest union in Australia.

Mr PERRETT—That is right. I am always amazed when those opposite call out such things. However, I can understand why some donors to the Liberal Party might be ashamed, given that party’s political legacy. I think I am operating under parliamentary privilege, but I will be certain not to mention anything bad about Clive Palmer—the guy who is suing Anna Bligh and Andrew Fraser. I do have two young children I need to support, so I do not want him coming after me for $1 million! Nevertheless, modern political campaigns are an expensive exercise. The United States chewed through more than US$1.5 billion for their presidential campaign and another US$1.3 billion on their house and Senate campaign. I would hate to think that we would ever spend anything like that in Australia, but I have no doubt that political parties will continue to face significant costs to get their message across to voters in this ever more complicated world.

Political donors are, therefore, key participants in the political process. Their contributions, including donations and gifts, should be open and transparent. I, like everyone on this side of the House, have nothing to hide. This bill will also overcome the practice of donation splitting. Under the coalition’s changes, corporations were able to use donation splitting to donate up to $90,000 spread across state and national branches without public disclosure of that funding. This will be removed by ensuring that donations made to related political parties are treated as donations made to the single political party for disclosure purposes.

This bill also reforms the electorate funding entitlements to eliminate the potential for candidates to profit under the current system. When the Hawke Labor government introduced public funding for political parties and candidates way back in 1984, it was never intended that it would be rorted by individuals for profit. Under election funding laws, candidates are reimbursed $2.10 for each vote they earn, provided they get at least four per cent of the vote—this is a fair system. However, unfortunately it is left open to abuse by pseudocelebrity candidates, who spend little actual money on their campaign and muster four per cent of the vote but have no realistic chance of election. In 2007, a failed businesswoman from Ipswich contested a Queensland Senate spot. I recall that her one policy was calling for a ban on Islamic immigration to Australia. It was a familiar line from the former member for Oxley and failed candidate for Blair.
Most Australians are fed up with that kind of intolerance, and that is why Queensland’s Mark Furner was elected to the Senate, and not Queensland’s biggest hypocrite. Senator Furner is someone who cares about all people, regardless of their background, and is someone who is making a great contribution to this country as a senator. This failed businesswoman is lining up again, this time contesting the South-East Queensland seat of Beaudesert, a place where I unfortunately have lots of family connections. One of them even had the joy of meeting her the other day!

Back in 2004 the serial candidate received about $200,000 in electoral funding after getting just over 100,000 votes, yet she spent only $35,000 on her campaign. In 2007 this professional leech came back for more, collecting $213,000. There is something sick about a system that allows candidates or political parties to profit personally from the electoral funding when they have no intention of actually being elected. Our democracy is precious, as I said at the start, and to think that some candidates would choose to rort the system for their own gain is particularly offensive and a slight on the integrity of our electoral process. That is why I am very, very surprised and disappointed that Malcolm Turnbull and the Liberals would not agree with such a proposition and instead voted against the bill.

This bill makes no major changes to the amount of funding that candidates can receive for electoral expenses, but, by introducing a claims based approach, it will put an end to candidates exploiting the system. There will be no more blank cheques for candidates. Instead, it will introduce a new electoral funding entitlement for registered political parties, unendorsed candidates, Senate groups and joint Senate groups. The funding rate will be calculated as the electoral expenditure claimed and accepted by the Australian Electoral Commission or $2.1894, CPI indexed, per first preference vote, whichever is the lesser.

Funding will still be conditional on candidates or Senate groups receiving at least four per cent of first preference votes. To receive the funding entitlement, candidates or groups will be required to submit a claim. The types of expenses candidates are able to claim under this bill include advertising—obviously, that is very important—polling, signs and printing. The government amendments also include three further categories: rental of campaign premises, employing campaign staff and the costs of certain equipment used during the election period. This equipment is limited to computer, communication and photocopying equipment. So this amendment bill benefits all parties and all candidates rather than just the bigger parties that will do the lion’s share of advertising. We support a healthy democracy, not just the two major parties.

This bill has teeth and introduces a range of powers and increased penalties for the Australian Electoral Commission to enforce these new policies. These powers cover a range of offences, including failing to lodge, lodging incomplete claims or providing false or misleading claims regarding electoral expenditure. The unlawful receipt of foreign or anonymous donations will have a penalty of 12 months in prison, 240 penalty units or both.

The Rudd Labor government is committed to restoring integrity in our election process. Those opposite can bay all they like about what happened 10 years ago, 20 years ago or 30 years ago; that is irrelevant. The only history that counts is the history that occurred last week when those opposite voted against this bill and the amendments before the House. The Labor Party is attempting to restore public confidence in the system and
provide greater accountability for all candidates and political parties. It was an election promise and we are carrying through with it. I commend the bill to the House.

Mr MORRISON (Cook) (12.32 pm)—This is a very serious issue. As the deputy chair of the Joint Standing Committee on Electoral Matters and as someone who has spent an enormous amount of time working in party organisations and dealing with the matters that the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009 addresses, I think I come to this debate with some experience of the things that are on the table. It is an incredibly serious issue, because right now, as I look around the country, I would say that the politics of money either has overtaken or is at serious risk of overtaking our democracy at both state and local levels. We have seen, I think, all the worst abuses and all the worst examples of the sorts of issues that this bill touches on come to bear. We have seen the events in Wollongong. They have been spoken of many times in this place and they have been the subject of many reviews. When we see things like what happened in Wollongong, I think our first thoughts must be for those who actually live in Wollongong and have had to put up with this nonsense. They are now seeking support for their current administrator, and hopefully they will have another elected council sometime in the future—the sooner the better, I would say. It is our constituents, the people who live in our electorates, who are the ones who ultimately pay the price for these issues that are the subject of this bill—and more generally that are the subject of this broader debate—when they are not addressed. But address them we must, because this is getting out of control.

I often make reference to this in speaking on these matters in this place, but we do have a political arms race which is now well and truly out of control. In New South Wales, my home state, the spending by the Labor Party at the last three elections went from $6 million to $12 million to $15 million. And the next one in 2011 is anyone’s guess. It is an absolutely absurd situation, because the demand for so much money is, at the end of the day, what prompts the collection of so much of it. When we get our democracy so significantly affected by elections effectively being bought at a state level, as we have seen in New South Wales, then I think that sounds the bell for some serious reform of political donations in this country.

Equally, we see the level of support from particular groups within our community increasing. Where there is no restraint on what can be done, we see that particular sections of the community can really have an enormous influence. Even though they represent a diminishing level of the workforce, they can have an enormous influence on electoral outcomes. The most recent figures released by the Australian Electoral Commission, released back in February, showed that in the year in the lead-up to the election the union movement across Australia gave $9.2 million in cash to the Labor Party. That was $9.2 million in cold, hard cash straight from the union movement into the coffers of the ALP to fund their orange-placard-fuelled campaign all around the country. But, in addition to that, if $9.2 million in cash were not enough, you could not move around most of Australia without being run over by a Your Rights at Work truck. These were provided to Labor Party candidates in the field and on the ground—these were seconded resources from the union movement. It was also people, resources, fax machines, office equipment, paper—you name it, this was provided to the ALP by the union movement. If you think $9.2 million is a lot for one part of the community to shout with their voice at an election through the provision of funding
then the in-kind contribution was $26.8 million. So, all up, well over $35 million was spent by the union movement—the largest ever from any one constituency group in the country spent on one election, I would argue.

It was from a range of unions: the Shop, Distributive and Allied Employees Association, $1.5 million; the Construction, Forestry, Mining and Energy Union, $1.3 million; the Communications, Electrical and Plumbing Union, $1 million; the famous liquor, hospitality and ‘miscos’ union, $765,000 in direct cash; the Electrical Trades Union—the member for Deakin started in the Electrical Trades Union, and our friend Dean Mighell is there—$674,000; the Australian Manufacturing Workers Union, $650,000; the Maritime Union of Australia, $581,000; the Australian Workers Union, $568,000; the Health Services Union, $366,000; the Transport Workers Union, $304,000; the Australian Services Union, $244,000; and the National Union of Workers, $236,000. We had an avalanche of money being poured into an election campaign from one specific section of our community.

In addition, beyond that, there has been a campaign from the ALP over many years to intimidate the business sector with its own views on political donations. There are the AGMs where the ALP moves people into various meetings and places to ask questions of directors to create some sense of guilt in a company that would clearly be more advantaged by a process, a set of laws and a set of economic policies that would grow our economy as opposed to contracting it, as is occurring under this government, and to intimidate them about where they will be putting their money.

At the state level, it is even worse. At the state level the level of intimidation and bullying that goes on is much worse for small businesses and for others in the business community who know what is best to create jobs, what is best for the economy and what policies are best going to suit these things. Yet they are intimidated by those who now, under the workplace changes which are being looked at in the other place at the moment, will provide an unfettered right of entry to those unions to come in and parade themselves around these small business enterprises and look at people’s individual records. That is what $36 million gets you in this country: $36 million gets you a package of laws that go beyond what the now government said before the election. That is what $36 million gets you. This is a very serious issue when we have spending, donations and levels of influence, I would stress, which are emerging and creeping up. This has, sadly, always been a fairly unpleasant feature of state governments, as we have seen writ large in local governments. We now see it emerging on the federal scene.

This is a major opportunity for change. There should be some major changes. They should not be piecemeal changes. They should not be changes that have trickled down through this place in no context and that suit the political persuasion of those on the other side of this House yet fail to confront the big ticket items that are relevant to the issue of political donations reform. This is a major opportunity for change. I fear that if this parliament does not grasp the nettle on this and take the opportunity to make major changes systematically and holistically across the board—not piecemeal and trickle-down changes but a complete and unified package—then in years to come we will see the damage that inflicts on how this place operates and the pressures put on members in this place in their ability to do their jobs for their constituents. It will seriously compromise and undermine our electoral process in this country, as we have seen it do at a state
and local level. This is our opportunity to get this right.

How do we do that? I refer to an article by the former federal secretary of the Labor Party, Mr Tim Gartrell. He makes mention of a number of types of reforms, which I will touch on in a minute. He says:

A limit on campaign spending is the best option—something I tend to agree with him on, but that is not my point—

but it too requires a lot of work.

It would need a watchdog with real teeth and resources. It would need a similar cap on third parties—so the funds aren’t redirected to front campaigns …

But he says:

Most importantly, it requires the major parties to take a long-term view of the problem and the consequences of letting the arms race continue at the next election.

The former federal secretary of the ALP is arguing, like those on this side of the House, for comprehensive reform—not piecemeal or trickle-down reform and not saying, ‘This is what suits us at the moment, so we’ll ram it through.’ He is arguing for comprehensive reform, and I think those on the other side of the House should take a careful interest in what the former federal secretary of the Labor Party is saying, because I think he has a better idea of its direction than those currently driving the boat.

This actually requires a genuine bipartisan approach. I pay tribute to the member for Banks, who is in the chamber and who I work with on the Joint Standing Committee on Electoral Matters. That process, I must say, has been a genuine, consultative and engaging bipartisan process. There are no surprises in that process. It is a very open process, as joint committees of this House and the other place should be. When we gathered together at our first meeting at the start of this year, there were Senate terms of reference for the electoral matters committee that were provided and put forward by the coalition. Those terms of reference were rejected by the Labor Party in the other place. The terms of reference proposed a comprehensive review of donation reform measures by the joint standing committee in addition to the normal inquiry that the committee undertakes each year. After an election the committee normally undertakes a review of that election, and we have been doing that. Later today in this place the first interim report of that committee on some of those matters will be tabled and we will touch on it at that time. But the coalition thought that, after the last election, one of the most important things that the electoral matters committee should be addressing was this matter of donations reform. I can only go by the way the Labor Party voted in the other place as to what their view was, but they opposed these terms of reference:

That the following matter be referred to the Joint Standing Committee on Electoral Matters for inquiry and report:

All aspects of the 2007 Federal Election and matters related thereto, with particular reference to:

(a) the level of donations, income and expenditure received by political parties, associated entities and third parties at recent local, state and federal elections;

(b) the extent to which political fundraising and expenditure by third parties is conducted in concert with registered political parties is;

(c) the take up, by whom and by what groups, of current provisions for tax deductibility for political donations as well as other groups with tax deductibility that involve themselves in the political process without disclosing that tax deductible funds are being used;

(d) the provisions of the Act that relate to disclosure and the activities of associated entities, and third parties not covered by the disclosure provisions;
(e) the appropriateness of current levels of public funding provided for political parties and candidates contesting federal elections;

(f) the availability and efficacy of ‘free time’ provided to political parties in relation to federal elections in print and electronic media at local, state and national levels;

(g) the public funding of candidates whose eligibility is questionable before, during and after an election with the view to ensuring public confidence in the public funding system;

(h) the relationship between public funding and campaign expenditure; and

(i) the harmonisation of state and federal laws that relate to political donations, gifts and expenditure.

That is a comprehensive list of things that need to be addressed as part of this debate—and there are other things, as our committee is learning. But the government has not taken this view. Once again, when it comes to bipartisanship, what is put to us is a take it or leave it proposition. Whether it is workplace laws, ETS laws or any other laws that are before this parliament at the moment, the government says: ‘Our way or the highway. There is no room for any real engagement. We are just going to sing the song of bipartisanship.’ But, when it comes to the practicalities, we have a bill that is pushing a Labor Party agenda ahead of what should be a comprehensive reform package.

So the coalition has said: ‘No. If you want to have a genuine discussion about this then let’s have a genuine discussion. But enough of these high jinks, enough of this bringing bills into this place which seek a partisan advantage.’ You cannot bring a bill into this place seeking partisan advantage and then pretend to be engaging in a bipartisan approach to this problem. It is a complete joke. You cannot do both. You are either going to have a genuine bipartisan conversation, and put aside your partisan advantage positions, or you are not. What we have here is a bill that seeks partisan advantage. We are going to say no because we want the bigger deal of reform and because we believe the people of Australia want the bigger deal of political reform in this area. They do not want something piecemeal. They do not want something hashed together to advantage one political party over another—or other candidates, for that matter. They want a deal that is going to see the political funding arms race come to an end. They want to see sense reign and they want measured propositions put on the table that stand aside from partisan interests and genuinely improve our democracy.

A range of things have been talked about, and I am happy to touch on a few of them. The issue of expenditure caps has received a lot of treatment. There are many different views on it. Our committee, the parliament and others will continue to look at these things in detail, as they will do through the green paper process. But, from my experience, this is a demand problem. So long as the sky is the limit on how much you can spend at an election then so will be the appetite for funds through political fundraising. That is the bottom line. You can craft all sorts of definitions of those whom you do not like or whom you do not want to providing funds to political parties, but the fact is that they just do not work; the definitions can always be got around. Frankly, who are we to be saying, ‘You’re worthy, you can donate, but you can’t’? That seems to be somewhat undemocratic, in my view. If it is a legal business and it is legally undertaking its affairs in this country, then how could it be viewed differently from anyone else in this country as an actor in the economic process in this country—and the individuals, more specifically, whose livelihoods depend on the operation of that business? We cannot go around picking and choosing winners and losers in this process in terms of who is fit to donate and who is not. What we can do,
though, is say something about how much we think is a realistic amount that can be spent on elections, and thereby realistically quench the appetite for so much money.

Then there is the issue of thresholds. Thresholds have been around for some time now. There will always be a debate about the level at which they should be set. I think thresholds present a far more democratic way of addressing the issue of disclosure and transparency. The idea of capping—saying how much one individual can contribute—runs contrary to the principle of people’s freedom to participate. I note how much support the union movement gave the government at the last election. They have every right to do that, but the point I am making about that level of contribution is that, because there is the opportunity to spend so much money, that is where these areas can be abused. By limiting the amount we can spend, I think we can have a much more sensible discussion about disclosure thresholds.

There is the issue of third parties. It is simply not sustainable, I think, in this debate to apply different rules to businesses and unions. You cannot say that unions can continue to contribute but business donations should be banned. There are some who make that argument, but it is a ridiculous argument. If we are going to limit donations to individuals then it should apply to individuals directly donating. If we are going to broaden it out then unions and businesses sit in the same camp—and anyone who seeks to provide a special deal for union donations, as opposed to business donations, is clearly seeking a ridiculous partisan advantage.

The last two points I would make relate to compliance and harmonisation. This bill, in particular, raises the issue of additional penalties. The vast majority of people who are involved in politics in this country, as we all know, are those who are not involved in it on a day to day professional basis as we are in this place. They are ordinary members of branches of political parties and supporters of candidates all around the country. We have to make the job of compliance as amenable for them as possible. We want to achieve the goals of transparency and all of these sorts of things, but at the same time we must be careful not to impose such a burden that the only people we are catching in the net are those who cannot do paperwork, as opposed to those who are seriously seeking some form of improper advantage. So we need to be careful when it comes to compliance. We need to make sure it is simple and easy for people to comply with.

The final point I would make is on harmonisation. We have significant variations in state and federal laws, particularly when it comes to donations. Ensuring that we have some harmonisation of those laws is another part of the big picture reforms which this bill should be addressing but does not.

Mr MELHAM (Banks) (12.52 pm)—I rise to support the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009. This is a bill that is worthy of support by both sides of the House and worthy of support now. This is a reintroduced bill, so it is not the first time it has been in the House. It is a bill that the Joint Standing Committee on Electoral Matters, of which I am chair, examined. The committee made certain recommendations for amendments that should take place, and the government picked up most of those recommendations.

The member for Cook, who preceded me in the debate, is the Deputy Chair of the Joint Standing Committee on Electoral Matters. He talks about bipartisanship. Words are cheap. Actions speak louder than words. I want to go to the report of the Joint Standing Committee on Electoral Matters and read the
two recommendations of the dissenting members, of whom the member for Cook was one. Recommendation 1 was:
Coalition Members believe that further debate in the Senate on this Bill should be deferred until proper public scrutiny and discussion of the Green Paper and the report of the Joint Standing Committee into Electoral Matters into the reference made by the Senate on 11 March 2008.
That has been the mantra of the opposition: ‘Do them all together; do not do them a little bit at a time.’ That is something that I think can be dismantled with very little debate. Let us have a look at the merits of each of the propositions. The second recommendation of the minority report was to amend clause 40—proposed section 306AE of the bill—in relation to anonymous donations, to increase the threshold from $50, which we recommended, to $250. So when it came to making recommendations in relation to the substantive provisions of the bill, the only difference between the government and the opposition is that the government members of the committee recommended $50—because it was at a $0 level—and opposition members recommended $250.

Mr Morrison—Read the first one again!

Mr MELHAM—I have read the first one, but the first one was in general terms. In relation to specific provisions, we have nothing from the opposition.

The sad fact of the matter is that we have a modern-day Albert Field in the parliament, in the Senate. People might remember Albert Patrick Field from the seventies. He was put into the Senate by Joh Bjelke-Petersen to, in effect, frustrate the then Labor government. In the Senate now we have Senator Steve Fielding. I think it is worthwhile quoting a few statistics in relation to him. He is well intentioned but not consistent. The last time this sort of legislation was before the parliament, when thresholds were increased, Senator Fielding opposed the lack of transparency and accountability. He voted against the measure that the coalition was introducing. But the coalition had a majority in the Senate and it passed into law. But now his vote counts and the whole measure that is before the House—and will go back before the Senate—is about transparency and accountability. In effect, it says: ‘If you want to buy a politician, we want to see how much you are paying to buy him.’ The coalition increased the thresholds for donations so that much less is now disclosed.

What mandate does Senator Fielding have? Senator Fielding in 2004 got 55,551 votes out of a state-wide vote in Victoria of 2,996,594 votes. He had 1.8 per cent of the vote. He got himself elected on the back of the Labor Party’s preferences. The remaining three candidates were from Family First, the Australian Greens and the Australian Labor Party. Senator Fielding was sitting on 309,740 votes, or 0.7236 of a quota. He got 219,934 preferences from the Labor Party and, overall, 230,272 preferences. The Greens got 9,647. So he got elected off the back of the Labor Party. I am using those figures to show that 219,000 of his final 540,000 votes came from the Labor Party. I am saying to you, Madam Deputy Speaker, that he does not have a mandate to frustrate the Labor Party at every opportunity in relation to every piece of legislation. A large percentage of the vote that he got elected on came from the Labor Party. He should look at these matters on their merits.

I understand that he has a problem in relation to the amount of money that goes to political parties and he wants to have a serious cap on what the major political parties can get—which was all he talked about when he voted against this legislation in the Senate. But I say to you, Madam Deputy Speaker, that that is a separate issue. Let us deal with that. We propose to deal with it. It is on the
political agenda, through the green paper. The green paper has been released. Submissions have been made in relation to the green paper. The Joint Standing Committee on Electoral Matters proposes to have a round-table conference in relation to those submissions. So it is not as if Senator Fielding’s objections to the system as it currently operates are in the ether and are not going to have an opportunity to be aired. But what do we have? We have the opposition siding with Senator Fielding to block this legislation once, and probably twice, again. What is it all about? They do not want a start-up date of 1 July this year and they do not want a lead-in time so that the Electoral Commission can start implementing the new systems. We have already missed one deadline in relation to this bill.

I repeat that the only objection—and it addressed a substantive matter—was to say, ‘We don’t like a $50 cap on anonymous donations; we want a $250 cap.’ So that actually went into the substantive nature of the bill. Indeed, we picked up some suggestions within the committee that opposition members wanted—as did Senator Bob Brown. I do take the view that you look at these matters on the merits. If something has merit, you pick it up. This is the second committee I have chaired. I chaired one in the former Keating government—the House of Representatives Legal and Constitutional Affairs Committee. I have always believed in committees acting on material in front of them, acting in good faith and trying to achieve consensus. Notwithstanding the first recommendation of the minority members, which is let us do it altogether, I say that is not practical. We would then get the criticism, ‘We have got an omnibus bill that is too big; we cannot look at it in a discrete manner.’

The question is, where do they stand on each of the matters that are currently before the House? We have had no objection from them even though they did change the law.

That is where I get a little annoyed when I hear the words, ‘We want bipartisanship, we want to do this and we want to do that when it comes to electoral matters.’ On the 24th of this month I will have been in this place for 19 years. For over 11 years I have been on the Joint Standing Committee on Electoral Matters. I have yet to see proposals brought forward by the Liberal and National parties that have involved decent transparency and a cleaning-up of the electoral act. It has all been about hiding money that went to them through the Millennium Foundation and it has all been about disenfranchisement, running fear agendas about multiple voting, proof of identity and a whole range of things, knocking out votes where there was a safety net previously for people who made a mistake on their ballot paper. It has cost hundreds of thousands of voters their vote. I appreciate the comments of the member for Cook because I think actions speak louder than words. I want to work with members of the opposition on these matters because I actually take the view, and I know the minister takes the view, that we need the opposition as part of the reforms so that we can have long-term reforms. The time for partisanship is over.

But what I do not agree with is having a gun held to my head or the government’s head in saying, ‘Unless we deal with everything at the one time, we are going to keep rejecting these proposals.’ Tell us about each of the particular proposals in the legislation that you do not agree with, that you think you can improve in terms of caps, in terms of transparency. We have not heard any of those arguments. Sadly, we got a letter as a submission from the Liberal Party national secretariat to the green paper with the same mantra, in effect not making any contributions or suggestions as to the way forward.
other than, ‘We don’t want to talk about this unless we deal with everything together.’

Forgive me for being a cynic, Madam Deputy Speaker. I think it is an attempt by the opposition to frustrate electoral reform, electoral transparency, and to not in effect be fair dinkum in relation to this matter. That is the only conclusion I can draw. If they want to get up and say: ‘This is bad. We have this proposal,’ they should do it in relation to each of these matters, because they are discrete. What we are putting to you is not reliant on the green paper. The way the minister has progressed his proposals is in a discrete way that can be dealt with on the merits.

So that is why I get a bit frustrated by Senator Fielding. I think he is well-intentioned. He has got a lot on his plate. But I do not cop the argument, ‘Just because we are not going to put a cap in this legislation, which I think would be wrong, I am going to bomb your legislation, and I am going to allow another year or another two years till I get defeated at the next election to go by before we have lower thresholds, before we have shorter reporting periods.’ I say to the opposition: if you are fair dinkum about bipartisanship, if you are fair dinkum about being involved in this process in a genuine way, abandon this fanciful argument that we have to deal with everything together and let us sit down and deal with each of these matters on their merits. As I say, on the merits, the only objection that the minority report has is that they thought that an anonymous donation should have a cap of $250, not $50. And I applaud them for putting that in there as their view.

I do not want to speak the full length of time because I know there are a few speakers. This is the second time the matter has been before the House, because it is a reintroduced bill. But I say in all sincerity that I do not think that the government should be left in a situation where it has to necessarily haggle with one Independent senator on very important legislation. The Liberal and National parties should come to the table in relation to some of this, as a sign of good faith that they actually want to engage in the process and in the debate on political reform. This is an opportunity to put up further substantive amendments, if they have any, or to support the legislation as has been brought before the House, which has been amended by the government, taking into account a lot of the recommendations of the Joint Standing Committee on Electoral Matters. That says something about the minister, Senator Faulkner. He is prepared to sit down and look at stuff on the merits and take on board the work of the committee.

I do commend the bill to the House and I ask the opposition to rethink what I think is a wrong attitude, a wrong stance that they are taking at the moment. I understand the problems within the coalition at this point in time but particularly in the Liberal Party. I do not think it relates to this. It might relate more to other pieces of legislation. The matters in relation to this have actually been throughout the life of this parliament, but I think it is a nonsense they are arguing.

Mr ROBERT (Fadden) (1.07 pm)—I think we all agree that what is needed is comprehensive electoral reform. Unfortunately, the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2008 does not deliver it. It does not come anywhere close to delivering it. I hear the member for Banks and his impassioned plea for us to take the government, the Labor Party, on good faith—that this bill is one step in the journey, one piece of the jigsaw puzzle—and that we should not seek to solve the whole issue of electoral reform in one bold bill but should take one giant step for man, perhaps one leap for mankind. That argument would be understandable if the Labor Party and the government could be
taken on good faith. We took this government on good faith that its $10 billion cash splash would be well targeted and that economic modelling was in place—Heaven forbid that the Reserve Bank Governor was actually in the same room as Prime Minister and Cabinet when it was discussed—and we took it on good faith that it had sought advice on the bank guarantee and the unlimited guarantee. Every time we have taken this government on good faith, it has fallen into an abyss. To the member for Banks: my good faith has run out—and, I suggest, outside of politics the good-faith barrel is somewhat empty.

There is enormous goodwill on our side for electoral reform. If this government had the courage of its convictions and put up a bill that actually addressed comprehensive electoral reform, we would gladly sit down and work towards a unanimous decision and vote on the bill. If this government had the courage of its convictions—if it truly believed in the merits of electoral reform, including addressing the federal system; looking at public funding, donation amounts and disclosure; addressing caps on donations from individuals and business entities; looking at caps on third-party donations in kind, dollars and advertising; and addressing threshold disclosures and appropriate enforcements—and sought a bill of that magnitude and that depth of reform, I think the nation would applaud, and we would join with the government to negotiate it through.

This bill is partisan—it cherry-picks the bits and pieces that the Labor government wants. It has nothing to do with ‘one step forward on the journey towards electoral reform’. In March last year, it was the coalition which initiated comprehensive terms of reference to go to the Joint Standing Committee on Electoral Matters. This was supported by the Greens, the then Democrats and Family First but unilaterally opposed by the Labor Party. So spare me your mantra on good faith. Our proposal was comprehensive and addressed all matters which we believed needed to be included in any comprehensive campaign finance reform bill. We are strongly supportive of comprehensive reform. We are not supportive of the partisan approach this government is taking to cherry-pick the bits that will aid and abet them.

I would like to take the government at face value. I would like to say that they are committed to campaign finance reform—and I assume they are. I assume that they will acknowledge that we, on the other side, are also committed. But as the minister knows—and as we know—we have objected over the last 12 months to the government’s cherry-picking campaign on finance reform. This bill seeks to simply address the tax deductibility and disclosure question primarily, which the government have chosen to pull out for their own political purposes. Every campaigner and commentator in the country has talked about the significant levels of interest of the union movement, other third parties, large corporate donors and industry groups, yet none of this is touched on in this bill. The member for Banks and the government would have us believe that this is ‘the first step on the journey towards reform’ and that, in good faith, we should trust the Labor government that the subsequent steps will follow in short succession. May I suggest an alternative view, and forgive me for my degree of cynicism: this is all about the Labor Party’s views, and these two isolated pieces of campaign finance reform are good for them and bad for everyone else.

The opposition further believe that there should be stronger penalties for infringements under the Commonwealth Electoral Act. But we note—out of interest and out of historical fact—that the majority of electoral
abuses are actually committed by the Australian Labor Party itself: the multiple cases of fraud in Queensland resulting in the Shephardson inquiry, the Gino Mandarino fraudulent enrolment, the Christian Zahra fraudulent enrolment, and the Wollongong Council sex and bribery scandal. There is no doubt, when you look at the facts, as to where the majority of cases of electoral fraud have come from. We see the frenetic media attention to this long overdue requirement for campaign finance reform as being driven out of that Wollongong sex and bribery scandal—one of the most perverse abuses of responsibility, of principles and of values that have been witnessed. The Wollongong sex and bribery scandal is certainly up there with all that is wrong with the current system and all that needs to be changed, yet this government comes in here with two cherry-picked pieces of reform rather than addressing reform in totality. Even though the government’s green paper specifies the very areas of reform that are needed, the bill handpicks a few. That is the response we get following on from the Wollongong sex and bribery scandal. The Australian public can be excused for thinking that perhaps the Labor Party does not take it seriously.

Do we see anything in this bill with respect to the excessive influence of the trade union movement on the political process? No, we do not. It is common knowledge that the Australian Labor Party received in excess of $30 million from the trade union movement in the run-up to the last election. One could be forgiven for thinking that the elements of the Fair Work Bill that are now allowing trade unions unfettered access to businesses, even though there are no union members in that business, to demand and review all records—all pay slips, all medical records; anything with respect to employees—is a simple payback, a $30 million worth of thanks.

Interestingly, when looking at the impact of the union movement and its dominance and sway over the Australian Labor Party, Senator Ronaldson outlined some details that he had received from the financial statements of the New South Wales branch of the AMWU. He said that under the heading ‘National Council Political Fund’, on page 3, it had affiliation fees of $401,846. I think we can safely assume that the fees were not for the Liberal Party but were for the Labor Party, being affiliated with the union. It had donations of $209,591. I think we can assume that the money was not donated to the Liberal Party. And there was election advertising of $8,120. That brings in total, for one year, for one union, overtly political expenditure to the Australian Labor Party of $620,000. And this government does not believe that is worthy of some attention within the political process!

There is also a specific line in these accounts of the AMWU which says ‘marginal seat campaign, $150,352’. That is $150,352, from the AMWU, for marginal seat campaigning, on top of their $620,000. And this government does not believe we should be addressing, at the first instance, the rampant influence of the trade union movement and indeed their $30 million influence on the last election! It is so overt in such an admission as to be unimaginable.

The question is: why is this not part of the cherry-picking legislation before the House today. Why, in addressing comprehensive campaign finance reform were some of these issues not front and centre? No-one believes that the status quo is appropriate. Everyone believes something needs to be done. But I think the Australian people know that the argument of one short step on the journey towards reform is not entirely the truth. The fact that this matter was sparked by an incident, such as the Wollongong sex and bribery scandal, needs to be understood. We have an
unprecedented opportunity this time, this day, to make significant improvements to the electoral funding system in this country. There is enormous goodwill for comprehensive reform on this side of the House. There is broad consensus across the political spectrum that our electoral finance system requires serious reform. It requires enhancements to transparency and improvements to the credibility of the entire system. Yet the great sadness is that this bill does very little to address anything. It does not limit the influence of trade unions or indeed third-party associations, advocacy groups or other well-funded third-party entities. It does nothing to limit their influence. Regardless of who is in power and who is in opposition, who sits on which side of the benches, the Electoral Act must be fair and it must be neutral. It must be open and it must outlast governments and indeed outlast our time in political office. It must be above political process. It should serve the nation; it should respond to the requirements and needs of people. It should be better than us all. This issue is too serious to be debased by this piece of cherry-picked legislation.

Mr SIDEBOTTOM (Braddon) (1.19 pm)—I will just comment on some of the comments of the previous speaker, the member for Fadden. Apart from the hyperbole that he specialises in in this place, I would remind him of something before he leaves the chamber. There you go, he walks out, because he can never discuss an argument. First and foremost, people talk about electoral reform, particularly the political donations side of it, and we just heard 15 minutes of it. But we are asked to walk the journey to do something about it and, as the member for Banks rightly pointed out, this bill was not meant to be, nor is it, a comprehensive reform of the system. It is part reform and sensible reform of that system. There was an opportunity for bipartisanship—as the member for Cook well knew; he is personally, no doubt, somewhat embarrassed by his stance—and it is a sense of bipartisanship on which I think we should have been able to arrive at some consensus.

I would also point out that the other side bang on about the union movement’s contribution to the election of a Labor government, or certainly the change of government in 2007, and rightly so. It is not news. Of course, the coalition go on to say that the union are trying to influence policy, for instance, on industrial relations from this side of the House. Well, there is news! But what they do not point out is that the business lobby groups made such a substantial contribution to those on the other side during the last election and still do. And you do not think they are trying to influence industrial relations policy of this government or the position on the other side or have any influence on the climate change debate and the introduction of an emissions trading scheme? So let us not have this silliness that the member for Fadden specialises in, this hyperbole that he constantly spits out so that he can be the leading speech maker on the other side. Indeed, he boasts at his barbecues that he will make the most speeches on the other side.

I rise to speak in support of the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009. While some on the other side discount its importance, the integrity of the funding of our electoral system cannot be underestimated. This legislation is a fundamental part of restoring the trust of the Australian people in our electoral system, which I believe was undermined when the former government increased the levels of donations and failed to tighten the loopholes that exist. This lack of action allowed more questions over where the money was coming from.
The bill is about taking the Australian system of electoral funding to best practice and making sure people, lobby groups and corporations cannot dance around the regulations to achieve their own aims or seek to influence the system just from the sheer depth of their pockets rather than with their arguments. Almost daily we hear about the lack of trust in politicians. Here we have a chance to restore some of the trust by making the majority of political donations open and upfront—as simple as that. Perhaps the most significant change proposes to reverse the massive increase in the level of disclosure which was allowed by the previous government. To reduce this from the current indexed level of $10,900 to a fixed level of $1,000 will be an important first step on that journey—as the member for Banks so rightly pointed out in his very good contribution to this debate. This will be coupled with a secondary move to eliminate the practice of splitting these gifts between related branches and divisions of political parties to avoid the necessary disclosure. There is a simple way to fix this, and it is something there should be bipartisan support on, but there is no comment at all from the other side. I am sure some people out there will be frantically looking for a loophole and a way around this, which is why we need to head down this path. But, if the donations were made in an upfront way, there should be no need to spread them around branches in a way that avoids reporting and disclosure to the Australian people.

The bill will also outlaw overseas donations, bringing Australia into line with other countries, such as the United States. One may ask why this should be prohibited. But such donations are outside the jurisdiction of the Australian Electoral Commission and again allow another avenue for those who do not want to be part of an open, upfront and transparent system to find another way around the current regulations. Another important move is to reduce the time frame for reporting on donations. Prompt reporting will allow a quick response to any problems or patterns which are emerging in donations and funding and give the proper authorities a chance to investigate before it is too late—before the rats and the rat food head down the rat holes. This will reduce what I call major delays between reporting and the actual donations being received. At present, reports can be made 20 weeks after the end of the annual reporting period. That means that a donation in January is not required to be reported until June the following year. Surely, in these days of electronic records and up-to-the-second communications, we can do better than this.

Let us look a little more closely at why we need to improve the scrutiny and regulations surrounding political donations and, importantly, election funding—and I hope we go a lot further with this in the future as well. I think we can learn a lot from others, particularly from the Canadian system, and I hope that is where we will be heading into the future. But, anyway, we can deal with this now, and I would like those opposite and those following to say why they disagree with this bill, in terms of the points that we are making in it. Just this year, we heard of questions surrounding the well-known former MP Pauline Hanson—still in the news, for a variety of reasons—and her treatment of funds from the last election, following her ill-fated tilt at the Senate. It is not the first time Ms Hanson has been under speculation for the amount of funds which her political activities and others have generated. While this does not directly relate to a political donation—but more to funding received from the Australian Electoral Commission—it serves to highlight the level of public concern about our system. Ms Hanson was accused of siphoning off more than $200,000 in taxpay-
ers’ money, just through a bid for a seat in parliament. The ability to receive significant and multiple undisclosed donations and then benefit to this extent from the public purse is something we need to be wary of in any respect.

A question mark hanging over the funding of a candidate or party, regardless of the result, reflects badly on every one of us in this House and in our state parliaments around the country. It reinforces why we need to leave no shadow of a doubt that every cent which goes into the electoral system, at either end, is free from any question mark, free from taint. The change will not disadvantage candidates who are making genuine claims for electoral expenditure. Provided a party or candidate has incurred sufficient electoral expenditure and submits their claim, there is no substantial change to the amount of, or time frame for receiving, public funding. And that is the point: it is public funding. Taxpayers of this country pay for this, so it must be treated and administered with the highest of standards.

Closer to the bone for some, particularly those from my own state, will be the continuing questions about the influence of the group known as the Exclusive Brethren. While I would never seek to suggest any group—religious, business or otherwise—be restricted from making a donation or having its say in an open forum, it must all be above board and leave no room for questions. And questions still surround the actions of this church group and its affiliates—the belief that it was part of a planned campaign to influence the outcome of an election. While an AEC investigation concluded that the activities under scrutiny during the 2004 federal election were made by a third party, and not by the church or its leaders, the suspicion remains with some that it was not all above board. And we are not talking about a few dollars here and there. The figure in question was some $370,000, which is a significant amount in anybody’s language. This money funded a series of pro-Liberal and anti-Green advertising material and pamphlets. Again, I repeat, I am making no claims against this group. I am trying to highlight the fact that an unclear and ambiguous system can lead to confusion. It can leave room for a legitimate donation to become shrouded in mystery and controversy—lost down the rat hole. It is better that we remove any room for such suggestion and clear up the questions that may remain.

Our opponents opposite would say that this bill is about restricting their ability to fundraise. If they are serious about being open and honest, what concerns would they have about openly reporting significant donations to their parties and campaigns? To say that donors to any party could be intimidated if they are disclosed is a furphy and absolute nonsense. Oh, dear; they might find out! Oh, dear; recrimination! Oh, dear, intimidation! I would also note that other participants in this parliament, particularly in the Senate, are more supportive of the proposed reforms. The Greens have been calling for changes for many years, and a fellow Tasmanian, Senator Bob Brown, has been particularly active in relation to donations by groups and their influence on the political process. This is part of an election commitment from the Rudd government. Surely anyone who thinks about this seriously would realise that the opposition from the other side is just a smokescreen.

This is part of an election commitment from the Rudd government. It will form the basis of a broader package of reform of election funding, and I support it and commend it to the House. I will listen with interest to those who follow in this debate to see if they will explain, point by point, why they do not support the reforms in this legislation and why, instead, they dream about some com-
prehensive legislation that we were supposed to have brought forward to completely reform the system. If you want to talk about it, begin the walk on that journey.

Mr BRIGGS (Mayo) (1.30 pm)—It is with great pleasure that I follow the member for Braddon, who spoke before me on the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009. The member for Braddon made some points with which I agree, but the fact is that this country is in dire need of electoral funding reform. I think that one of the great shames of the previous government is that it did not undertake this reform. It did not undertake a holistic reform agenda on political donations and, to quote the member for Cook, we are now in a situation where we are headed down a funding arms race—which is not good for democracy and is not good for either side of this House.

It is in the best interests of both sides of this House and the people that we seek to represent that we reform the system of donations that operates now. The sums of money are becoming so large that the integrity of what we do in this place and what happens in the Senate can be called into question. That is why I think that this bill is a very big disappointment. It is the same as we saw last week with Senator Wong on the flawed ETS. It is saying: ‘You can’t have a Ferrari, but you can have a Datsun. If you want the best model, we are not going to be able to give you the best model. We can give you a very poor second choice instead.’ That is the same excuse that the government is using on this bill. It disappoints me that the member for Braddon has said: ‘We’ve got to do a little bit. We can’t do it all.’ I am not sure why we cannot do it all. There is a process going on at the moment through parliamentary committees to look at holistic reform, and I support it, many on this side of the House support it, and many on the other side support it as well. We can do this with a holistic approach, and we should.

I think this bill is a cop-out, because it favours those on the other side of the House. That is the disappointment about this bill. Rather than taking a holistic approach and looking at the benefit for both sides of the House, for the benefit of our democracy, we have a bill which seeks to benefit one side of the House over the other. That is why we are opposed to it. We do have a political arms race going on, and it poses a grave danger to our democracy.

The reason that this bill seeks to assist those on the other side of the House rather than to fix the system is that it gives the Labor Party a great opportunity to continue the great fiscal advantage they have in political campaigns. In the last election campaign they had a $37.6 million head start over any other party—$37.6 million given to them by the trade union movement, and these are direct donations. There was $9 million in cash and in kind from the union movement to the Labor Party. The only reason we know this is because of the Howard government reforms. There was $26 million in a completely dishonest political campaign. The parliamentary secretary at the table, Mr Shorten, knows it, because he was part of it. Of course, he was a beneficiary as well. That is why the Labor Party do not want to reform this system in a real hurry. They get a $37 million head start in every election campaign, and that adds up to the difference in what the party raised in the last election. If you look at the total campaign funding for both sides of parliament, you had $110 million for the Labor Party and $89 million for the coalition. These are enormous sums, and I am sure that most people out there in the electorates do not actually understand how much money it takes now to run an election campaign. To run TV ads alone—as the parliamentary secretary at the table knows—you are talking many tens
of millions of dollars. This is a danger for our democracy.

The problem with this bill is that it favours those who benefit from a $37 million head start. In the last campaign we saw completely fictional examples on a piece of public policy to make a political point. That is what the Labor Party and the union movement did in the last campaign: they ran ads which were not true. They ran ads which sought to mislead the Australian people, and they spent $37 million doing it—for the benefit of those who sit on the other side.

We know that most of those who sit on the other side come from the union movement. The parliamentary secretary at the table does, and he did a fine job as the National Secretary of the Australian Workers Union. I was always a fan of the job that the parliamentary secretary was doing—certainly in comparison with some of his contemporaries in other unions. The AWU is a much better union than the CFMEU, and the parliamentary secretary would agree with me on that matter.

If we look at the unions that gave the most money, consistently at the top of the list is the Shop Distributive and Allied Employees Association, which gave $1.5 million. Of course, they run the Labor Party in South Australia; they run the government. In recent times we have seen their factional war lord in the state parliament, Tom Koutsantonis, promoted to the state cabinet far and above his ability and against the wishes of the Premier. The Premier has seen the writing on the wall or the money in the bank, and Tom has been promoted. This is a man who welshes on bets, as my state colleagues will tell you. The SDA is an organisation run by the Labor Party in South Australia, controlled by Senator Farrell, whom the *Advertiser* calls—and these are not my words—the ‘godfather of the Right’ in South Australia. He runs the efficient operation of the machine. They pay a lot of money to operate this machine, and they run the government in South Australia.

We have a big problem with donations in Australia. We have an enormous problem with the system and it needs to be fixed, and the parliamentary secretary at the table knows it. But, of course, those on the other side do not want the system fixed because they benefit under the current system. The old saying ‘those who pay the piper pick the tune’ operates in the Australian Labor Party every day, and the money they receive—their $37 million advance on every other party in elections—is the reason you do not see a genuine attempt at reform with this bill; you see a half-baked attempt which seeks to give the Labor Party more advantage. Why does it give it more advantage? It seeks to reduce the disclosure limit from $10,000 to around $1,500. The reason they seek that is not for transparency. Rather, when they find the list of those small businesses who dare to donate to the Liberal Party, they visit those small businesses, through their affiliates, and make sure that those small businesses or individuals know—particularly at the state level where they control government—that, if they think the state government will ever deal with them again, they are kidding themselves.

Ms Collins interjecting—

Mr BRIGGS—It is true; it happened in the Queensland election. In recent days there have been reports of this behaviour. It is a system which the Labor Party have benefited from for a long time and it is a system that needs to be changed. We do have a problem in this area. This bill is disappointing. It sells the government short. They should wait for the parliamentary committee to finish its work. They should look at all the options.

I am on the record as saying that the Canadian option is well and truly worth considering. In fact, I made some comments about
this over Christmas when a hardworking reporter called me on Christmas Day. The story appeared in the *Age* on the day after Christmas, in which I dared to raise the issue about how much trade unions give and how much GetUp! spent on campaigns. I think the parliamentary secretary used to be on the board of GetUp!, from memory—not that they are a political association but, you know. The hate-filled emails that I received from some of the parliamentary secretary’s former colleagues were quite astounding.

We do have a problem and the figures from the last federal election campaign indicate that about $110 million was spent by the Australian Labor Party and around $89 million was spent by the coalition, or fundraised by the coalition and by Labor. That is a lot of money but it takes a lot of money to run election campaigns. Television advertising alone costs so much. The problem is that voters see this as dangerous and as raising integrity issues. In all fairness, I think this is a reasonable thing to be concerned about. I do not think anyone comes here seeking to misuse the system. However, the problem with the amount of money that we now have to raise is that questions will be asked on bills that we vote for, depending on who has donated.

A very good example of that happened in South Australia not long ago. For those familiar with North Adelaide, there has been a piece of land not developed for a long time because of disputes with getting approvals from councils and so forth. It is on the main street in North Adelaide—O’Connell Street—and it is called the Le Cornu site. It has sat there for many years not developed. In recent times, the state government moved legislation to give them powers to approve developments for what they call ‘specific need’. The state government has given approval to develop this site to the Makris Group, a well-known developer who has done much good for South Australia and for Adelaide. However, in the time leading up to the decision by the state government to give this major approval status, the Makris Group gave the Labor Party $180,000. This issue has been raised in South Australia by my good friend and colleague Rob Lucas. He has asked whether there is an issue with this donation. I am not suggesting for a moment that the Makris Group sought favour. However, is it right for people in the community to have to ask whether someone got a better deal from the state government because they donated this amount of money? It is a question well worth asking because it brings into question how we operate our electoral system and how we make public decisions, particularly when it comes to development. We have seen the problem with Wollongong council in New South Wales. It is a problem which has occurred in South Australia and it is still occurring in South Australia and across the states. Thankfully, the federal parliament does not make development decisions, because I think they do raise significant issues.

What it gets back to is that there is a problem with our donation system. It is something about which we will be attacked from the Left and the Right. You are attacked from the Right on the basis of free speech and that people should be able to do and say what they like. You are attacked from the Left because allegedly major corporations fund the Liberal Party. That is simply not true in modern politics. What happens is that major corporations give to both sides of politics equally, which left a funding gap between us and the other side of $37 million in the last campaign due to union donations. Unions give only to one side of politics. A couple of the rogue unions, the ETU for instance, I think gave some money to the Greens. But, in large part, the trade union movement in Australia give a large proportion of their money to the Labor Party, and alongside that
they run political campaigns to benefit the Labor Party.

Mr Shorten—Why would they donate to you?

Mr BRIGGS—They would donate to us on the basis that we created 2.2 million jobs for their workers in the last government, Parliamentary Secretary. We gave them more opportunities than this government seeks to give them. We hear much from the other side about protection from redundancy at the moment—‘We are going to protect people from redundancy.’ I hope so because there are a lot more Australians now who are going to need it than there were previously.

We also see an IR bill that seeks to reward the trade union movement for their loyal service, and the parliamentary secretary knows it. Good faith bargaining is a step back into the workplace for the unions, to give them control of the workplace again and to increase their membership. It is as pure and simple as that. And it will destroy jobs. Those opposite know that they are moving a terrible economic policy, but it is payback for the $26 million that the unions spent on their own campaign and the $9 million in cash donations to the Labor Party.

We have a problem with perceptions about donations in this country and, in some instances, we have a problem in reality. The member for Braddon referred to the candidate for Beaudesert in the Queensland state election and what she did previously in this place and in other campaigns. He makes a very good point. I notice that last week her former chief adviser gave some of us on this side a free character assessment in the Australian newspaper. He included me, which I take in good humour as it was delivered by the man who formerly advised Pauline Hanson, with the reputation that that brings with it. We do have a problem with donations, but this bill is a cop-out because it seeks to benefit those on the other side at our expense and because, rather than having a holistic approach to reform, it is limited to issues that benefit the Labor Party.

I will finish on this note: some of those on the other side—not so much the parliamentary secretary at the table, because he is above this sort of behaviour—seek to question the motives of members on this side of the House when we raise issues on this bill. They say we do it because we benefit from the current system and that it is all a stitch-up—and I noticed the member for Banks attacking Senator Fielding earlier, which I thought was an interesting approach to diplomacy given that the Labor Party are trying to get him to agree to bills this week. If the Labor Party want to raise inappropriate behaviour with regard to donations, we are happy to step back through the absolute scandal and disgrace that was Centenary House and the $4 million in above-market rents from which those on the other side benefited and which was the subject of two royal commissions. They were fleecing Australian taxpayers through a dodgy deal by—you guessed it—the very minister responsible for these reforms.

If the Labor Party—though not, as I said, the parliamentary secretary at the table—want to come into this House and bully and threaten over unions and workplace relations, as they generally do, they can go right ahead. We are more than happy to step back through the $4 million that you people fleeced from Australian taxpayers with the rort over Centenary House, that nondescript piece of real estate in Barton that had a higher rental value than real estate in Manhattan. Can you imagine the rent in Barton in the ACT being the same as that in Manhattan? It is quite extraordinary. Hong Kong, Seoul, Washington, Geneva, Barton—the names just roll off the tongue, don’t they? We are not going to sit here and listen to the
Mr Neumann (Blair) (1.48 pm)—In the last few days I have had a look at what the coalition have said about the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009, including what the shadow special minister of state, Senator Ronaldson, had to say about it in his speech on 11 March. I wanted to see what ideas the coalition might have with respect to the comprehensive reform they so eloquently talk about. I went through his speech in detail. He put on record their very, very strong support for comprehensive reform. We heard the member for Mayo say the same thing today. But where are their ideas for the kind of reform they are talking about? You cannot find them in the speech, you cannot find them in the two pages the Liberal Party submitted to the green paper and you cannot find them in anything that the member for Mayo had to say. Those opposite mouth the words but do not offer ideas.

I grew up in Queensland, so do not come into this place and talk about electoral reform and political donations. In Queensland, where we had a National Party government, they delivered brown paper bags to the executive building in George Street. We had an inquiry into it—the Fitzgerald inquiry. We had a gerrymander electoral system through which Joh Bjelke-Petersen was voted in with 18 per cent of the vote. Do not come to this place and give us lectures about electoral reform and political donations, because the Queensland LNP, or the National Party—whatever political characterisation it wants to use these days—has form. For years we had a Queensland Premier who did not have a clue about conflict of interest, did not have a clue about the separation of powers. One of his most disgraceful performances was his testimony before the Fitzgerald inquiry in relation to that. So do not come in here and give us lectures about electoral reform and political donations as if you are the high priests of virtue, because you have form too. There is vice over there, not just virtue. Do not come here and talk to us as if somehow you are lily white and pure.

The Deputy Speaker (Hon. BC Scott)—The member for Blair might restrain himself from referring to the Deputy Speaker as ‘you’ in those comments. I would not like to be associated in that way. You might refer to the people on the other side of the House.

Mr Neumann—The Deputy Speaker would know that I hold him in high regard. It is quite sad that he happens to be a member of the National Party, but that is another matter entirely.

We strongly support public transparency, we strongly support integrity in the electoral system and we strongly support change and reform. So we introduced legislation to amend the electoral system to improve the situation, and it was voted down in the Senate. Senator Faulkner, point by point, characterised what we sought to do. We responded to the report of the Joint Standing Committee on Electoral Matters by making a number of amendments. We listened to what the committee had to say, took on board what they suggested, spoke to the minor parties and made changes. But the coalition has entirely vacated the field. It has left it to us entirely to do this.

I would like to see a bipartisan approach because I think that reform to political donations should be like constitutional reform—
we should have a bipartisan approach to it because that improves the confidence of the Australian people in the integrity of the system. But we cannot get it when those opposite criticise, do not offer any ideas and then just defend their position.

We had the member for Mayo in here defending Work Choices again—he just cannot help himself. He says it is dead, but he wants to keep defending it all the time—defending, now, the advertising campaign as if it were some public information thing that was divorced from political reality.

They did not do that advertising just because they happen to like putting ads on Channel 9 or Channel 10 or Channel 7. It was not just because they want to line the pockets of the producers. They were in there advertising their political agenda. They were spending tens of millions of dollars of taxpayers’ funds on a political campaign to convince the Australian public of the virtues of Work Choices. So do not give us lectures about that particular point in time and that particular campaign.

A strong and healthy democracy means that we must support the integrity of the Australian electoral system. One of the great things about this legislation is that it introduces a claims-based system for electoral funding. It ties funding to electoral expenditure.

I happened to live in the federal electorate of Oxley. I lived in that area until it became Blair when my residence was redistributed to the federal seat of Blair before the 2004 federal election campaign. I also happened to be the Labor Party’s campaign director at the height of Hansonism, so I know something about campaigning against Ms Hanson. I have been doing it for most of the last couple of weeks—trying to defeat this woman in Beaudesert. I have been doorknocking and working as hard as I can to ensure that a Labor candidate gets up for the people of Beaudesert so we can have jobs in the area and protect our rural lifestyle.

You are the people that, all that time, allowed the likes of Ms Hanson to rort the system when standing for the Senate but doing nothing—doing nothing! I know because she lives in my area and I saw her great contribution in the 2007 campaign: a few signs up in a few trees; no real campaigning in the electorate. Then she stands there at Silkstone State School and hands out one how-to-vote card, walks away, and that is it. She was there just in time for the QT—the Queensland Times—to take a picture of it. That is her contribution. Then she pockets the money—‘Thank you very much on and off I go.’

That is why we need to change the law in this area, and that is why the reforms in this particular legislation will do that. It is a disgrace that the coalition is opposing reform in this area. We support public transparency. We opposed the Howard government’s 2006 changes where they raised the disclosure threshold for political donations from $1,500 to more than $10,000—CPI indexed—and raised the limit for anonymous donations from $1,000 to donations exceeding $10,000. We opposed that. We stood against it when we were in opposition. We fought against it. We put our position in our national platform in Constitution 2007. I was a national conference delegate and proudly voted for it.

It was our pre-election policy that we intended to make further changes to the electoral system. These included reversing the increase in the donation threshold established by the Howard government and removing its tax deductibility for donations. I would contend that we have a mandate to do this. We took this to the Australian public. They voted on 24 November 2007 to oust the coalition government and Mr Howard and to bring in
a Labor government which campaigned on this platform. I campaigned on it with every person on this side of the House and all our candidates.

We sought reform. We put it to the Australian public and they voted for it. They voted for it, just like they voted to get rid of WorkChoices. We supported changes. A simple fact is those opposite do not want to be embarrassed. They claim that somehow the legislation that we have before the House today favours our side of politics.

I have gone through it. Show me a provision in there that supports the Australian Labor Party. It does not support the Labor Party. It does not. There are no pro-Labor Party provisions in the legislation. It is just a fiction. It is a myth. It is an urban myth from those opposite. They claim that is the case because they are worried.

They are not genuinely in favour of political donation and electoral reform. They will not do it. They have never supported it. They did not support it all through my infancy and my adolescence. After I became a voter, back in 1979, and I got on the electoral roll and voted, all through that time, we never saw it from the National Party of Queensland and we do not see it from those opposite.

When they had the chance in 2006 to bring about electoral reform, they made it more difficult. They made it more secretive and more furtive and made it in such a way that transparency was not there. They made it so that big donors could rort the system. They could give bits and pieces, get up close to $100,000 across different states and territories and in that way effectively suppress what contribution they were making to the various state and territory parties—or branches of the Australian Labor Party, Liberal Party or whatever. The coalition claim that, somehow, they are in favour of transparency and openness. But in my submission, I do not believe they are credible at all on this particular matter—because they have form. For a starter, donors could split the donations, and we have seen it happen time and time again.

We are the ones who brought forward legislation to improve the integrity of the system and these amendments do that. They do that for a variety of reasons. But the reforms reducing the disclosure threshold to $1,000—a flat rate—are good reforms, because I think that the Australian public thinks that those people who put more than $1,000 in should have their names disclosed.

The reduction in the current time frames for lodging returns—from 15, 16 and 20 weeks to a period of eight weeks—is, again, appropriate. You should be able to organise your affairs to do this. The obligation to lodge every six months returns that were previously required to be provided to the Australian Electoral Commission once every 12 months is good, because the Australian public can then get access to that information.

Requiring donors to disclose total amounts above $1,000 related to political entities is again a good way to avoid the kinds of arrangements that the coalition, for one, have used in the past. And I do not think that the Australian public believes that we should have overseas donations given to political parties here in Australia. So a ban on the acceptance of overseas donations is, again, a worthy reform in these circumstances.

Extending the ban on the acceptance of anonymous donations to include other key players in the political process is, again, an important reform. Preventing attempts to obtain a windfall payment of election funding—as Ms Hanson achieved in two Senate campaigns, which I can hardly call campaigns at all—is another important reform.
Updating current offences and introducing additional penalties are also worthy reforms.

I submit that what we should be doing is bringing forward this legislation and having it passed through this place and then through the Senate as well. If those opposite had any integrity on this particular issue—any credibility, any fortitude and any common sense—they would support it. This is an important reform. It has been supported by the Democratic Audit of Australia. They have supported the kind of reforms we are talking about. It has the support of the Greens as well, and it is important legislative reform.

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.

MINISTERIAL ARRANGEMENTS

Mr RUDD (Griffith—Prime Minister) (2.00 pm)—I inform the House that the Treasurer will be absent from question time today as he is returning from the G20 finance ministers meeting in the United Kingdom. The Minister for Finance and Deregulation will answer questions on his behalf.

QUESTIONS WITHOUT NOTICE

Emissions Trading Scheme

Mr TURNBULL (2.00 pm)—My question is to the Prime Minister. I refer the Prime Minister to Xstrata, the world’s largest exporter of thermal coal and an employer of 6,000 Australians, which estimates the government’s bungled emissions trading scheme will lead to the loss of 1,000 existing jobs and 4,000 future jobs—almost all of which are in the state of Queensland—as well as the loss of up to $7 billion of future investment. What does the Prime Minister say to the 1,000 working families he is turning into redundancy families?

Mr RUDD—I thank the Leader of the Opposition for his question, because it goes to the future of the Carbon Pollution Reduction Scheme and in particular to the provisions which are contained within that scheme to get the balance right between the economy, its strength in the long term, and jobs—to reduce carbon pollution in Australia in order to act effectively on climate change. The government’s guiding principle throughout the debate on emissions trading and climate change more generally is that, because Australia is the hottest and the driest continent on earth, the Australian economy and jobs will be hit hardest and earliest among all countries in the world through climate change; therefore, the government has resolved that it is much better for Australia to act in the manner which we have outlined in order to reduce the impact on jobs over time as well as acting effectively nationally and in concert with partners around the world on this matter as well.

The government’s core argument is—and it goes to the question of Xstrata as well as the emissions intensive trade exposed sector of the economy—that the economic costs of inaction on climate change are far greater than the economic costs of action. This has been reflected in Treasury modelling that we released in October 2008, which indicated that the long-term costs of inaction would be 15 per cent higher than if action were taken earlier on this.

Mr Turnbull—Mr Speaker, I rise on a point of order: relevance. The question was: what will the Prime Minister say to a thousand working families whose wage earners will become redundant.

The SPEAKER—The Leader of the Opposition will resume his seat. The Prime Minister is responding to the question. The Prime Minister has the call.
Mr Rudd—The honourable member asked me a question about a company which is in the emissions intensive, trade exposed sector and about the consequences of the implementation of the Carbon Pollution Reduction Scheme for companies in that sector and unemployment. That is the response that I am providing to him. I also draw the honourable member’s attention to the government’s core rationale again: that the costs of not acting now are far greater than would otherwise be the case.

I would draw the honourable member’s attention to this question and to a point which he himself made last year on the matter of the Carbon Pollution Reduction Scheme or more broadly on emissions trading. This is on the question of when you should take action and when you should not. When he was asked by Laurie Oakes, in July of last year, about the Shergold report, he said—and he quotes, therefore, the position of the opposition at the time:

It is our view that the costs that are clearly there for taking action now are probably more than offset by the potential risks of not taking action.

Mr Pyne—Mr Speaker, I rise on a point of order on relevance. The Prime Minister was asked about the government’s emissions trading scheme not—

The Speaker—The member for Sturt will resume his seat. The question was asked of the Prime Minister. What does the Prime Minister say?

Mr Rudd—It goes to the question of the implementation of emissions trading and the official position of the Liberal Party, as reflected by the current leader of the Liberal Party, is as follows:

It is our view that the costs that are clearly there for taking action now are probably more than offset by the potential risks of not taking action.

That is a quote in a question from Laurie Oakes to Mr Turnbull. Mr Turnbull replied: Well Laurie, the Shergold report, as picked up in the Howard government’s policy last year, remains our policy.

Opposition members interjecting—

The Speaker—Order! The Prime Minister will resume his seat. There is no point of order. The Leader of the Opposition does not have the call and that is not a point of order.

Honourable members interjecting—

The Speaker—Order! The question was asked. It is being answered.

Mr Rudd—The question was put to Mr Turnbull by Laurie Oakes. When Mr Turnbull replied: ‘Well Laurie,’ I presume that was a response to Laurie Oakes—unless there was some other Laurie in the room—the point of it being:

Well Laurie, the Shergold report…remains our policy.

The Shergold report says:

It is our view that the costs that are clearly there for taking action now are probably more than offset from the potential risks of not taking action.

What we have again is simply this: whether it is on economic stimulus, whether it is on Work Choices, whether it is on carbon pollution reduction, the Leader of the Opposition changes his policy by the day and by the week. Is it any wonder that people in this nation ask where the Liberal Party stand on any matter of policy today when this Leader of the Opposition changes his policy by the minute, by the hour, by the month or least every six months?

This government’s approach to the challenge of climate change is consistent. We believe we must get the balance right between dealing with the challenge of climate change for the future and doing it responsibly to support jobs and the economy and to engender the job creation which will come out of the renewable energy sector of the
economy. We have been consistent throughout. Less than nine months ago the Leader of the Opposition had precisely the policy I have just described. Nine months later, under pressure from elsewhere in his party, he has flip-flopped yet again.

DISTINGUISHED VISITORS

The Speaker (2.07 pm)—I inform the House that we have present in the gallery this afternoon members of a parliamentary delegation from the Russian Federation led by the Chairman of the Federation Council of the Federal Assembly, His Excellency Mr Sergey Mironov. On behalf of the House I extend a very warm welcome to our visitors.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Climate Change

Mr ZAPPIA (2.08 pm)—My question is to the Minister for the Environment, Heritage and the Arts. Will the minister outline the government’s consistent and comprehensive approach to tackling dangerous climate change?

Opposition members interjecting—

Mr GARRETT—I appreciate the applause I am getting from the other side of the House; I did not realise we had so many music fans! I thank the member for his question, because the Rudd government is taking an economically responsible approach to tackling climate change. It is building a low-pollution economy by introducing the Carbon Pollution Reduction Scheme—

Opposition members interjecting—

The SPEAKER—Order, those on my left! For fear of being misunderstood, the minister is here for his day job today. He will be listened to.

Mr GARRETT—It is a day job I relish, Mr Speaker. The government is bringing forward practical action on energy efficiency for households through insulation and solar hot water for around three million Australian homes. We know that the longer we wait to take action on climate change the more it will cost and the more jobs that will be lost as a result of the drastic impact climate change can bring.

As the Prime Minister just said to the House, as we are one of the hottest and driest continents on earth, Australian jobs will be hit hardest and fastest by climate change. So we need to act; we need to grow jobs in clean, low-pollution Australian industries. When he was my predecessor as the former environment minister, and most recently when he wanted the Liberal Party leadership, the Leader of the Opposition himself acknowledged the importance of climate change and said that he was all for an emissions trading scheme. In 2007 he noted that putting a price on carbon was ‘essential’. In May 2008 he said:

… the emissions trading scheme is the central mechanism to decarbonise our economy.

Mr Pyne—Mr Speaker, I rise on a point of order on relevance. The minister was asked about the emissions trading scheme and again they seem to be confusing the Shergold emissions trading scheme with the current government’s emissions trading scheme. He is not being relevant—

The SPEAKER—The member for Sturt will resume his seat. There is no point of order.

Mr GARRETT—as the Prime Minister noted, the Leader of the Opposition also spoke on this in an earlier interview with Laurie Oakes, and on Lateline on 9 July he said:

… the Howard Government’s policy last year, was that we would establish an emissions trading system not later than 2012. It was not conditional on international action.

He went on to say:
... John Howard decided and the Cabinet decided last year that we would move on an emissions trading scheme come what may.

That was the Howard government’s policy, and that was the opposition’s policy last year—moving on an emissions trading scheme ‘come what may’. What has happened is that we have had a phalanx of climate change deniers, we have had the member for Higgins suddenly speaking up and now the opposition leader has said this morning:

I would not support finalising the design this year.

The reason he has given is:

Even the best designed scheme in theory needs to have the input of the knowledge of what happens at Copenhagen and what the Americans will do.

So we have gone from ‘not conditional on international action’ and doing it ‘come what may’, with an ETS as the ‘essential mechanism’, to absolute delay. What has happened in the intervening period? We know what has happened. When he was environment minister the Leader of the Opposition was campaigning for an emissions trading scheme; now he is campaigning for his own position as leader and he is against emissions trading. The Leader of the Opposition is not waiting to see what America does on emissions trading; he is waiting to see what the member for Higgins actually says.

Regrettably on a matter as serious as this, the only job that is being protected by the Leader of the Opposition is his own. Those future jobs that Australians will get from taking decent and prudent action on climate change will now be delayed. Only sceptics believe that delaying action on climate change is good for jobs, because they do not believe that climate change actually poses a risk to jobs. But the Rudd government understands that failure to deliver the Carbon Pollution Reduction Scheme will result in jobs being lost in tourism, agriculture and food production as a result of climate change impacts. The opposition leader’s retreat on climate change puts at risk the future of our environment, economy and jobs. This government will continue to prudently and purposefully take responsible action on climate change because Australians expect nothing less.

Emissions Trading Scheme

Mr TURNBULL (2.13 pm)—My question is directed to the Prime Minister. I refer the Prime Minister to his previous answer when he claimed Xtrata was treated as an emissions intensive trade exposed industry under his emissions trading scheme. I note that Xtrata is not treated as an emissions intensive trade exposed industry under the CPRS, and nor is most of the rest of the coal industry, and therefore it will receive no free permits. If the Prime Minister does not understand his own ETS and claims a company is an emissions intensive trade exposed industry under the scheme when it is not, who does understand the scheme and when will he tell us what its impact on jobs will be?

Mr RUDD—The honourable member would be aware that the scheme which has been put forward by the government, for which the draft legislation has been already circulated, has elements within it which deal with the emissions intensive trade exposed sector. Also it deals with the household sector. On top of that it also deals with the electricity sector. On top of that we have also established a Climate Change Action Fund. The honourable member should be aware of the fact that the Climate Change Action Fund has within it a range of substreams for which various sectors of the economy are able to apply—one of which relates to parts of the coal industry as well. The honourable member would be familiar with that if he were familiar with the legislation. I would draw
his attention to it. I would also suggest to the honourable member that what the Australian people expect of the alternative government of this country is consistency on climate change, consistency on emissions trading, consistency on economic stimulus and consistency on Work Choices, rather than a party which makes it up every day as it goes along.

**Economy**

Ms CAMPBELL (2.15 pm)—My question is to the Prime Minister. Will the Prime Minister outline the latest international action to fight the global recession?

Mr RUDD—The government’s response to the global recession is to embark upon action here at home aimed at reducing the impact of the recession on Australia, as well as actions abroad to work in partnership with other governments to deal with the cause of the problem, which is the problem of the collapse of private credit flows through the global banking system. Our actions at home are well known to members of the House. They include the stabilisation of domestic financial markets; the provision of the government’s guarantee on bank deposits within Australia; the provision of a short-term stimulus by way of payments to pensioners, carers and veterans to support the 1½ million Australians who work in the retail sector; investment in longer term infrastructure through the biggest school modernisation program in the country’s history; and other investments as well. Furthermore, we are doing this in a fiscally responsible manner consistent with actions taken around the world—short-term deficits, short-term borrowing and short-term debt—in order to fund what is necessary to provide stimulus to the economy. Every government around the world is engaged in these actions at present. It is the responsible course of action.

These are the actions in which we are engaged on the home front to provide economic stimulus support to take up the slack, to the greatest extent possible, that is being left by a private economy in retreat because of the collapse of global credit flows—and that, in turn, goes on to impact on Australian jobs. This government is taking every form of domestic action necessary to continue to support jobs in the Australian economy when the private sector has been moving in the reverse direction.

That is one part of what the government is embracing. The other part is our actions abroad. Over the weekend the Treasurer, representing Australia, and the Governor of the Reserve Bank, representing the Reserve Bank of Australia, attended the G20 finance ministers meeting and central bank governors meeting in the United Kingdom. This is a necessary stepping stone towards the G20 heads of government meeting in London in a couple of weeks time. This is necessary in terms of international cooperation and coordination because of the starkest warnings recently by both the International Monetary Fund and the World Bank about the prospect of the global economy, for the first time, in 2009, actually contracting. This underlines the absolute importance of coordinated global action.

The finance ministers agreed, in their statement coming out of the meeting in London, upon a request to the IMF to monitor the implementation of existing fiscal policies and report on the need for further stimulus. What we do in Australia to provide stimulus is one thing, but what the rest of the G20 economies do is critical in terms of the overall health of the global economy and, underpinning that, the restoration to normality, over time, of global trade flows. Furthermore, finance ministers have agreed on a common framework of principles to deal with toxic assets that are poisoning some of the world’s major banks. This framework on toxic assets contains a common set of princi-
ples which underpin a common global approach on the valuation and restructuring of financial institutions. This is necessary if we are to deal with the poison which currently exists within the global financial system—namely, toxic assets sitting on the balance sheets of our globally significant banks. That is where the problem lies in terms of the restoration of normal credit flows to the global economy.

Also, finance ministers have discussed the need for important and decisive action on the future resources and governance arrangements for the International Monetary Fund. Toxic assets within global banks are one thing, but what flows through to the emerging economies, their financial institutions and their international capital flows is something else—and it represents a further future threat to the global economy. Therefore, finance ministers over the weekend also recognised the need to reform the governance of the IMF to give emerging economies a greater say in how these organisations are run and to give further consideration as to the long-term resources of the IMF. I have already mentioned in this House and elsewhere the emerging problems in various economies in the world. We are particularly concerned about the prognosis in Central Europe and Eastern Europe. Beyond that, the finance ministers have focused on the future rules for the governance of the international financial system. Ministers agreed to ensure that systemically important financial institutions, including hedge funds and including institutions which operate in more than a single jurisdiction are appropriately regulated—as well as strengthening their analysis of systemic risk. These are important building blocks going forward in terms of what must be an integrated global response to a global recession.

Furthermore, I report to the House that over the weekend Australia was also invited to join the 11 countries on the Basel committee—that is, the global body that sets standards for global banking. I would make note in this House of the fact that that represents an acknowledgement of the contribution that Australia is making to the reform of the global financial system and is a direct and personal tribute to the standing of, among others, the Governor of the Reserve Bank and the way in which he is regarded by his counterparts around the world.

There are still some weeks to go before the summit of heads of government in London for the G20, and much work is still to be done. What occurred over the weekend at the finance ministers meeting and the meeting of the central bank governors represents useful building blocks towards a positive outcome in London. But that outcome, at this stage, is by no means guaranteed. It is absolutely essential, if we are to see economic recovery in this country and across the world, that we have a restoration to health of the world’s leading financial institutions. Much, therefore, will hang upon the deliberations which occur between now and the events in London.

I thank the Treasurer, in his absence, for his contribution to the important meeting which occurred in London over the weekend, but I again emphasise to the House that, along the way in seeking to restore the global financial system to order, we have many, many bridges yet to cross. Many governments have different views on the way in which we need to get to the outcome which is necessary, but I assure the House that this government is actively engaged at every level with every government around the world to seek to bring about a necessary consensus across the G20 in order to underpin the long-term stability of the global financial system. That is fundamental to the restoration of long-term economic normality in this country as well. That is why the government
is as active internationally on these questions as we have sought to be in the decisive action we have taken domestically.

DISTINGUISHED VISITORS

The SPEAKER (2.22 pm)—I inform the House that we have present in the gallery this afternoon the Minister of Trade, Industry and Tourism of Colombia, His Excellency Mr Luis Plata. On behalf of the House I extend to him a very warm welcome.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Emissions Trading Scheme

Mr ROBB (2.23 pm)—My question is directed to the Prime Minister. I refer the Prime Minister to comments by Alcoa that the government’s emissions trading scheme could lead to 1,800 jobs in Portland and Geelong, in Victoria, being moved overseas. What does the Prime Minister say to the 1,800 working families who will become redundancy families as a result of the government’s deeply flawed emissions trading scheme?

Mr RUDD—I thank the honourable member for his question. The government’s overall approach to the deep question of climate change is—and I say again what the core principle of the government’s policy attitude is—that the economic costs of inaction on climate change are far greater than the economic costs of action. I also note for the record that that was the position of the Leader of the Liberal Party as recently as last year. What we have seen through the pirouettes in policy which have occurred over the course of the last weekend by the Liberal Party and its leader is again flip, flop, flap—on climate change policy as well. This goes directly to the honourable member’s question about the future of industries in this country and getting the balance right for jobs, including in the aluminium industry, and the structure of the scheme which we have put forward, as I described before. But what the people of this country expect is consistency of policy. What we have had from those opposite is flip, flop, flap, not just on the question—

Mr Pyne—Mr Speaker, I rise on a point of order. The Prime Minister was asked a specific question about jobs in Portland and Geelong. If these people are just Rudd job consequences—

The SPEAKER—The member for Sturt will resume his seat. The Prime Minister was asked what he would say. The Prime Minister is responding to the question.

Mr RUDD—What the people of this country—engaged in a debate about the economy, engaged in a debate about jobs, engaged in a debate about the future of emissions trading—want is for both sides of politics to have some consistency. What we have put forward through the green paper, through the white paper, through the draft legislation, is our approach of dealing with what is an economic problem for Australia—namely, how to deal with climate change. Again I say this is the hottest and driest continent on earth; therefore the jobs consequences and economic consequences will be felt in Australia hardest and earliest compared with other countries.

The honourable member also refers specifically to the aluminium industry. I draw his attention to the fact that it is listed in the CPRS white paper as one of the activities likely to receive 90 per cent free permits. I just draw that to his attention. I also draw the honourable member’s attention to the following—that, when it comes to consistency of policy, last year they were saying that action on climate change and emissions trading was necessary, irrespective of international action. This year they have changed again. Last year we had in fact the Leader of the Opposi-
tion saying that commencement could be in 2011-12. Now he says it is to be only in 2012.

Mr Robb—Mr Speaker, I rise on a point of order. Eighty thousand people who had jobs woke up this morning without a job.

The SPEAKER—The member for Goldstein will resume his seat.

Mr Robb—I want to know about the 1,800—

The SPEAKER—The member for Goldstein is warned! The only approach that a member can make is on a point of order. It is not an opportunity for argument. The Prime Minister is responding to the question.

Mr Rudd—Those opposite are arguing, in terms of their position—whatever it happens to be on climate change now—that they can only start, it seems, in 2012. In recent times it has been 2011-12. Before that it was 2011. But the next Leader of the Opposition, the member for Higgins, has actually said: We’re talking about getting it up and running by 2010.

That was Peter Costello on The 7.30 Report back in the year 2007.

Mr Hockey—Mr Speaker, I rise on a point of order. It was a specific question about jobs. I ask you to bring the Prime Minister back to the question that he was asked.

The SPEAKER—As I have said in the past, no matter how the framers of the question believe the question to be specific, the ministers can choose to answer in whatever way. I just add that, in the construction of this question, the question concluded with ‘What does the Prime Minister say to’—a group of people.

Mr Rudd—Again I draw the member for Goldstein’s attention to the fact that, when it comes to the aluminium smelting industry, it was listed in the CPRS white paper as one of the activities likely to receive 90 per cent free permits. We understand on this side of the House the challenges of transition. That is why we have embarked upon the scheme that we have, together with the other elements of the Carbon Pollution Reduction Scheme, which those opposite choose to ignore in their partisan presentation of the debate today.

Again, I go back to the whole question of consistency. Our approach, through the green paper, through the white paper, through the draft legislation, is about getting the balance right between what we do on climate change and how we support the economy and jobs. Again, the flip, flop, flap from those opposite, including the Leader of the Opposition, is about starting dates—whether it is 2010, 2011 or 2012, depending on the season—and should it be conditional international action or should it not? The answer changes all the way through.

But then we come to what I thought was a remarkable statement by the Leader of the Opposition over the weekend where he says this:

The emissions trading scheme is just one tool in the climate policy tool box. Well-designed it is a useful tool, but it is not a necessary tool at all.

That is the Leader of the Opposition, 16 March 2009. Roll the clock back to 21 May 2008. Mr Turnbull says:

The emissions trading scheme is the central mechanism to decarbonise our economy.

So nine months ago the emissions trading scheme is the central mechanism to decarbonise the economy and nine months later, because of some political pressures from the right wing of his party, he says, ‘Well, it is just one tool in climate policy and it is not a necessary tool.’ What rank inconsistency and hypocrisy.

Mr Turnbull—Mr Speaker, will the Prime Minister table the entirety of the transcript from which he was reading?
The SPEAKER—Was the Prime Minister reading from a document? Is the document confidential?

Mr RUD—Yes.

Mr Turnbull—Mr Speaker, I raise a point of order. How can the Prime Minister claim a transcript of an interview apparently is a confidential document?

The SPEAKER—There is no point of order. The matter was dealt with as it has been done in the past.

Migration

Ms VAMVAKINOU (2.31 pm)—My question is to the Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion. Minister, what steps is the government taking with respect to skilled migration in response to job losses due to the global financial crisis?

Ms GILLARD—I thank the member for Calwell for her question. The current skilled migration numbers, set in May 2008, address the critical skill shortages that Australia was confronted with after 11 years of disgraceful neglect of skills training by the former Liberal government. After an extraordinary period of growth Australia is now entering a new and challenging period, of course caused by international events from which Australia cannot be immune. As a result, the outlook for employment in this country has changed dramatically.

As a government, we believe in action in the face of this grim outlook. In addition to our stimulus packages, the government have also decided to reduce the number of skilled migrants places available in the 2008-09 intake. We have done this to protect local jobs while ensuring that employers can access skilled professionals in industries that are still experiencing shortages. In addition to cutting the number of skilled migration places, we have also removed building and metal manufacturing trades from the critical skills list. This decision has been made in response to the recent contraction in the mining and construction sectors. The list will now comprise mainly health and medical, engineering and IT professions. The government, business and industry all agree that Australia still needs to maintain a skilled migration program but one that is more targeted so that migrant workers are meeting skill shortages and not competing with locals for jobs. It is one step of many that we are taking to respond to the global financial crisis and to seek to cushion the effects on Australian families and the Australian economy.

This step comes on top of our investment in helping support Australian jobs from the worst impacts of the global recession and global financial crisis, including our $42 billion Nation Building and Jobs Plan, our $10.4 billion economic security strategy, our $6.3 billion New Car Plan for Australia, our $4.7 billion National Building Package, our $300 million to support local government infrastructure and our $15.1 billion COAG package which was predominantly focused on schools and hospitals. The government stands ready to take further action as necessary but has taken these actions to support Australians in these difficult times.

Employment

Mr CIOBO (2.34 pm)—I refer the Prime Minister to this letter from Tony Philbrick, who operates a newsagency in the Prime Minister’s electorate. Mr Philbrick says in his letter that he will have to retrench at least 10 per cent of his staff because of the government’s job-destroying industrial relations changes. Prime Minister, how many working families in your electorate will become redundancy families as a direct result of Labor’s job destroying changes?
Mr Rudd—I thank the honourable member for his question. Pardon me for getting it wrong, but I thought their position was that Work Choices was dead.

Government members interjecting—

Mr Rudd—It is part dead, is it? The parrot is not fully dead; it is only part dead.

Mr Pyne—Mr Speaker, I rise on a point of order on relevance. The Prime Minister was asked a specific question about job-destroying—

The Speaker—The member for Sturt will resume his seat.

Mr Pyne interjecting—

The Speaker—Order! The member for Sturt has stated his point of order. The Prime Minister will respond to the question.

Mr Rudd—In framing the government’s industrial relations policy for the future, we have done so in a manner entirely consistent with the package that we put to the Australian people prior to the last election. We have done so in a manner which is consultative with both business and with unions on a whole range of matters—

Mr Ciobo—Mr Speaker, my point of order is on relevance. My question was specific—

The Speaker—There were 17 seconds since the previous point of order. The Prime Minister is responding to the question. I will listen closely to the answer but in 50 seconds of the question being answered there have been two points of order.

Mr Rudd—The honourable member asked a question about the prospective impact of the industrial relations legislation on a small business operator. As honourable members in this House would be aware, the circumstances concerning any individual small business operator in the country are only ultimately known to that small business operator, and I respect entirely the point of view put forward by anyone in the business community. It is their democratic right to object to or to support any element of the government’s legislation.

What I would say is that, in framing the government’s legislation, the government have been absolutely consistent. We have said from the beginning that we will act on the basis of getting the balance right between employers and employees; that we will provide a guarantee for those employees out there who had, through Work Choices, their redundancies stripped away from them; that we would act in support of those employees who have had other basic working conditions, such as their overtime penalty rates and other basic safety net provisions, stripped away from them. That was our mandate from the last election. Also, that is what we have reflected throughout the legislation.

We have been consistent throughout on this matter. And I would say to those opposite, to those who have said most recently that Work Choices is dead—Leader of the Opposition—and to those who have said most recently that the government’s position on unfair dismissal is one for which we have a mandate and they understand it, that again we see the same pattern, as has already been evidenced today in the matter of climate change. As to what they said last year and what they said earlier this year, it is a completely different season now that the Leader of the Opposition is under attack from the member for Higgins. What the Australian people want at a time of global economic recession and crisis is consistency of policy from the government. They would have the same expectation of consistency of policy on the part of those opposite. Is it their position today that Work Choices is dead? I would like to hear from them on that.
Workplace Relations

Ms SAFFIN (2.39 pm)—My question is to the Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion. How did the government’s unfair dismissal laws get the balance right in providing greater job security for employees and flexibility for employers? Are there any obstacles to providing this greater job security for employees?

Ms GILLARD—I thank the member for Page for her question. She certainly would recall, as members on this side of the House do, that before the 2007 election the Labor Party did something that the Liberal Party would never have dreamt of doing—that is, we published a comprehensive workplace relations policy and sought a mandate for it. Of course, in 2004 the then Howard government went to the election and did not breathe a word of Work Choices to the Australian people—not one word—only to visit Work Choices on the Australian people after the election.

We took a different approach—an honest approach, a straightforward approach—with the Australian people, and we published our policies comprehensively. I refer most particularly to the policy implementation plan of Forward with Fairness published in August 2007, which sets out our comprehensive plan for unfair dismissal, including committing special arrangements for small businesses with fewer than 15 employees. In this document we got the balance right, the balance between making sure that good employees get protection at work and making sure employers, particularly small business employers, have a system that will work with them and for them.

What is amazing in moving through this debate is the many positions of the opposition. Of course, under Work Choices, they said to the Australian people: ‘It doesn’t matter if you are a good worker; it doesn’t matter if you are a great worker. If you work in a business with fewer than 100 employees then on any day your employer can terminate your employment and you will have no comeback.’ Ministers who are now sitting on the opposition front bench would come to this dispatch box every day and defend the rip-offs and rorts of Work Choices, including good workers being dismissed for no reason—every day.

When we were elected with our policy to create a system to deal with unfair dismissals, I was very intrigued to see that the Leader of the Opposition, when asked about it in December last year said this very clearly: Labor took a proposal to change the unfair dismissal laws to the election and won. So we must respect that.

Those were the words of the Leader of the Opposition. Now what we know is that, in an act of short-term political opportunism about his own job, the Leader of the Opposition is now repudiating his own words from last December. The Leader of the Opposition is a man who cannot hold a political position across three or four months. He will say or do anything in order to curry favour with those who sit behind him.

Interestingly, this morning the game was made absolutely clear by my very old friend the member for O’Connor, who, at the doors this morning was asked by journalists—and, I can see, there is the member for O’Connor, back in town—whether voting against the Fair Work Bill would damage the Liberal Party’s credibility with voters, seeing that the Leader of the Opposition had said that Work Choices was dead. Faced with this proposition—his leader had said Work Choices was dead but he obviously wanted to vote against...
the Fair Work Bill—what did the member for
O'Connor say? He said:
I think we've got to realise that the party went
through a period when decisions were being taken
outside of the party room.
Last week in this chamber I joked that the
member for O'Connor would get his turn as
Leader of the Opposition. Well, we do not
need to wait for it, because the member for
O'Connor is already calling the shots from
the back bench, causing the Leader of the
Opposition to backflip from his December
position in the interests of short-term politi-
cal opportunism and his own job.
As fond as I am of the member for
O'Connor, I actually think the true motiva-
ting force—

_An honourable member interjecting—

Ms GILLARD—He may have got that
right, actually. But as fond as I want to be of
the member for O'Connor, I think the true
motivating force behind this change in posi-
tion is not actually the member for
O'Connor; it is the member for Higgins. And
what do we know about the member for
Higgins's position on unfair dismissals?

Mr Pyne—Mr Speaker, I rise on a point
of order. There is an obvious point of rele-
vance here. The minister is now trying to
suppose what other people have in their
minds. She is not that clever. She likes to be
the class—

The SPEAKER—Order! The member for
Sturt will resume his seat. The question re-
ferred to obstacles. The Deputy Prime Min-
ister has the call. If the Manager of Opposition
Business wants that sort of protection he
would have not interjected 10 times in the
first two minutes of the answer. Ten interjec-
tions in the first two minutes of this answer
and then I get, not by a point of order but by
an interjection to me, something that indi-
cated that the Manager of Opposition Busi-
ness was wanting, to use my expression, arc
up. I think he has arced up enough and he
should be a little bit careful when he says
things like that.

Ms GILLARD—The member for Hig-
gins in late 2005 outlined his views on unfair
dismissals where in respect of the exemption
under Work Choices, the 100 limit, he said:
I can't tell you there is any magic in the number
100.
He went on—'If this were to work well and
people were to say:
... in the years to come it should be extended to
all companies ... I would be very open to the
idea.
There we have it. The real political position
of the Liberal Party, which will ultimately be
imposed on the Leader of the Opposition on
the question of unfair dismissals, is very
clear. In the middle of a global recession, the
Liberal Party's answer to that global reces-
sion is to make Australian workers easier to
sack.

Small Business

Mr JOHNSON (2.47 pm)—My question
is to the Prime Minister. I refer the Prime
Minister to comments made by his minister
for small business this morning on ABC
News, and I quote: 'We reckon we have the
balance right.' Does the Prime Minister agree
that the balance is right when small busi-
ness—

Dr Emerson interjecting—

Mr JOHNSON—What about those un-
employed people in your seat?

The SPEAKER—Order! Those on my
right will come to order. The member for
Ryan has the call.

Mr JOHNSON—I am happy to ask the
question in Chinese, if it is necessary. Does
the Prime Minister—

_Government members interjecting—
The SPEAKER—Order! We might come to order and allow the member for Ryan to ask his question. But to ask the question in Mandarin—if I have the pronunciation half right—it is ‘ni kai waxiao’.

Mr JOHNSON—Thank you, Mr Speaker. For the benefit of the House, I will start again. My question is to the Prime Minister, and I refer the Prime Minister to comments made by his minister for small business this morning on ABC News, where he said, ‘We reckon we have the balance right.’ Does the Prime Minister agree that the balance is right when small business people such as Rosemary in the electorate of Forde, Stuart and Penny in the electorate of Flynn, Chris in the electorate of Moreton, Jenny in the electorate of Leichhardt, John in the electorate of Bonner and Chris and Tiara in the electorate of Longman have all said, in letters, that Labor’s job-destroying industrial relations changes will force up business costs and lead to them cutting jobs?

Mr Albanese—Mr Speaker, I rise on a point of order as to whether the question is in order. The member for Ryan suggested that all of those people used exactly the same words in letters. Can he clarify that that is the case?

The SPEAKER—In the past there has been an assumption that the member is in the position to vouch that those comments were made. I assume that that is the case. Was the member for Ryan seeking leave to table?

Mr JOHNSON—I asked a question of the Prime Minister. I would like him to answer it.

The SPEAKER—In the past, it has been taken that if the member is willing to vouch that those comments were made that that is the end of the matter. I take it that the member for Ryan is in that position.

Mr RUDD—I thank the member for Ryan for his interesting question. The first part of his question was: do I agree with the minister for small business that he has the balance right? The answer is yes. The second part of my answer to the honourable member’s question is as follows. One of the reasons why the minister and the government have got the balance right is because we believe that all workers should have a right to redundancy. We believe that Work Choices should not be allowed to strip away redundancy entitlements. We believe we have the balance right because we believe that all workers should have the right to be properly compensated for and provided with public holidays, with overtime payments and penalty rates. These things were all stripped away by the legislation which the member for Ryan voted for in the last parliament. He stripped away protections for redundancy payments, overtime payments, penalty rates and public holidays when he voted for Work Choices in the previous parliament.

My point to the member for Ryan and the people he associates with on this matter is simply this: does he support the statement made by the Leader of the Opposition that Work Choices is dead? Does he support the Leader of the Opposition, who said that the government has a mandate to proceed with its implementation of unfair dismissal laws for small business? Does he support that or is he remaining mute and silent on this question? It seems that the position taken by the Leader of the Opposition increasingly swings in the breeze on this.

The member for O’Connor made a very interesting observation at the doors this morning. Basically, it was all about this: the Leader of the Opposition went out there—ahead of the party room, ahead of the member for Higgins—in making these proclamations that Work Choices was dead and that the government had a mandate to proceed with its proposed changes to unfair dismissal laws. That is it in a nutshell. What we have
seen, I think, is a very pathetic spectacle in
the parliament today: the Leader of the Op-
position being reined in not just on climate
change, not just on Work Choices and not
just, as we have already seen, on economic
stimulus strategies, but right across the
board. In fact, what we have seen on the part
of the opposition is policy development para-
lysed by the opportunism which arises from
its own internal leadership conflict.

Economy

Ms JACKSON (2.53 pm)—My question
is to the Minister for Finance and Deregula-
tion. Will the minister outline for the House
any recent endorsements of the government’s
economic stimulus plans?

Mr TANNER—I thank the member for
Hasluck for her question. We are witnessing
the biggest global downturn in living mem-
ory. The major advanced economies are offi-
cially in recession, including the United
States, the United Kingdom, Japan and much
of the European area. The World Bank and
the IMF now expect that global growth will
fall below zero this year for the first time
since the Second World War. As the govern-
ment has consistently said, Australia is much
better placed to resist these overwhelmingly
negative economic forces coming from the
global economy, but we cannot resist these
forces completely. It is not good enough for
the Australian government to simply sit back
and allow the consequences of the global
economic slowdown to wash through the
Australian economy unresisted. That is why
there has been significant progress that we
can applaud at this weekend’s G20 finance
ministers meeting in London. Their commu-
nique stated:

We have taken decisive, coordinated and com-
prehensive action to boost demand and jobs, and are
prepared to take whatever action is necessary
until growth is restored.

Fiscal expansion is providing vital support for
growth and jobs. Acting together strengthens the
impact and the exceptional policy actions an-
nounced so far must be implemented without
delay. We are committed to deliver the scale of
sustained effort necessary to restore growth ...

As members will already know, the govern-
ment has taken decisive action, both through
its Economic Security Strategy towards the
end of last year and, at the beginning of this
year, the Nation Building and Jobs Plan. We
have made it plain and we have been quite
honest with the Australian people that these
strategies cannot resist all of the impacts of
the global recession, but we are committed to
doing everything possible in order to mini-
mise those impacts on Australian working
people and Australian businesses.

I would like to quote a few effective en-
dorsements for this strategy from a variety of
sources. The IMF on 6 March said, ‘Given
the depth of the crisis, avoiding or postpon-
ing action is not a viable option.’ The Chair-
man of the Board of Governors of the United
States Federal Reserve, Ben Bernanke, testi-
fying to the US Senate on 3 March, said:

We are better off moving aggressively today to
solve our economic problems: the alternative
could be a prolonged episode of economic stagna-
tion that would not only contribute to further de-
terioration in the fiscal situation, but would also
imply lower output, employment, and incomes for
an extended period.

Referring to the government’s stimulus
packages, the Governor of the Reserve Bank,
Glenn Stevens, said on 20 February:

Growth will be stronger than it would have been
without those actions. I do not think there is any
doubt about that.

I trust, hope and expect that the main ramification
is going to be that the path of the Australian
economy is going to be considerably better than it
would otherwise have been, and considerably
better than a number of other countries around the
world whom we can see contracting at a very large pace.

Yesterday, a very important voice was added to these voices indicating that the path of significant stimulus—to generate and sustain growth and jobs—is the right path. That is, of course, President Obama of the United States, who, according to AAP, at a press conference, supported the need for major stimulus actions throughout the major economies of the world and, in doing so, cited Australia as a specific example of a nation that was doing the right thing in stimulating economic activity, in supporting jobs and growth.

Unfortunately, there is one significant element of the picture that does not quite get it, and that, of course, is the opposition, who believes that we should just sit there and wait and see what happens. Clearly, one would have to speculate that there is something of a political consideration in the assessment by the Leader of the Opposition. His hope is that things deteriorate, and that changes the political calculus. He is choosing to gamble with the jobs and the livelihoods of Australian workers and Australian businesses. Unfortunately, that gamble has a serious set of implications for the Australian economy and for jobs and growth generally. It is a gamble that we as the Australian government cannot afford to take. We cannot afford to sit back and allow the consequences of the global recession to knock Australian businesses and Australian workers for six. We are committed as a government to stimulating economic activity, to supporting jobs, to supporting growth—as are other governments around the world, particularly the United States government and President Obama.

**Economy**

**Mr LAMING** (2.58 pm)—My question is to the Prime Minister. Does the Prime Minister agree with statements made by Queensland Premier Anna Bligh on the weekend that Queensland’s rising unemployment, now at 4.5 per cent, can be cut to 0.25 per cent with her four-point plan? If the Prime Minister does agree, could he explain what the Premier of Queensland knows about creating jobs that the Prime Minister does not?

**Mr RUDD**—I was with the Queensland Premier yesterday when she conducted the official launch of the Labor Party’s campaign for the Queensland state election. I fully support the Premier’s efforts to create jobs in the Queensland economy through an infrastructure package. She stands in stark contrast to Mr Springborg, the Leader of the Opposition, whose policy is to cut 12,000 jobs in Queensland by a $1 billion reduction in outlays in the state budget. Queensland Labor is standing for what you do to support jobs in the Queensland economy; the state opposition stands for a policy of cutting another 12,000 jobs. The contrast could not be clearer.

**Economy**

**Mr RAGUSE** (2.59 pm)—My question is to the Minister for Housing. Will the minister inform the House of the impact and progress of the government’s efforts to stimulate activity in the housing sector?

**Ms PLIBERSEK**—This government understands that the housing and construction sector is critical to our economy; indeed, it employs about nine per cent of all employed Australians. That is why, as part of our economic stimulus measures, we have taken two very important policy steps to support activity in this area. The first is through the first home owner boost in the economic stimulus strategy, and the second is the increased spending on social housing in the Nation Building and Jobs Plan. The member for Forde has told me, because he is very much in touch with builders, developers, real estate agents and others who have their fingers on the pulse in
his electorate of Forde, that the measures are already having a clear effect in his area. Indeed, one of the principals of Dixon Realty in Jimboomba, Jeff Dixon, told the member for Forde that he estimates that upwards of 80 per cent of home sales under $400,000 in the Forde electorate are directly related to the government’s first home owners grant. Mr Jason Luckhardt from AVP Realty in Beenleigh told the member for Forde that, having experienced a 60 per cent drop in sales, the first home owner boost has seen first home buyers returning to the market in the same sort of numbers that were present before the global financial crisis. Mr David Manfield from Heritage Realty Queensland told the member for Forde that he believes the first home owner boost:

... has turned the market around. The flow-on travels throughout the whole market and building game.

Commentators from around Australia are saying that the first home owner boost has been successful. Last week, Westpac Senior Economist, Andrew Hanlon told ABC Radio:

Lending to that segment has jumped sharply—up 60 per cent in five months. Finance approvals for the construction of new dwellings has also lifted sharply in the last couple of months, and that will certainly be a positive for housing construction.

Mr Morrison—Mr Speaker, I rise on a point of order. If the minister is to be relevant to the question, she should explain the purpose of extending the grant and how she is going to pay for it.

The SPEAKER—The member is warned! There is no point of order. The minister is responding to the question.

Ms PLIBERSEK—it is interesting to hear the government talking about a first home owner boost and the opposition talking about extending something. I thought they were now opposed to the Economic Security Strategy. They are opposed to it now. They want to extend something that they are out in the community trashing, saying that it is having no practical effect on employment. It is absolutely extraordinary. After 10 years of no action in housing, they are now talking about extending our measures at the same time as they are out in the community trashing those same measures. To get back to Andrew Hanlon, he said on the ABC:

It is certainly clear that demand for housing finance has been in recovery for five months. And it comes as no surprise, given the change in interest rates and the federal government’s incentive for first home buyers.

Of course, that is leading to strong employment outcomes in the building sector and, we heard last week, in the banking sector. But as the Adelaide Advertiser said in its editorial on Saturday:

Helping first-home buyers into the market has a multiplier effect. Homeowners are more likely than renters to spend money on gardening, furniture, hardware, white goods, carpets, paints, security systems and a myriad of other products.

Of course, our action does not end with the first home owner boost. We are building 20,000 new social housing dwellings and we are doing substantial repairs to 10,000 dwellings and minor repairs to almost 40,000 dwellings. All of those measures support building jobs. In coming weeks I expect to announce the first new construction projects under the Nation Building and Jobs Plan to build at least 2,300 new homes. By August this year, we will have completed the tender process for stage 3 of the funding for completely new homes to be built, with $5.3 billion worth of investment from the federal government.

Project bids are already coming in from around the country. Less than six weeks after the Nation Building and Jobs Plan was announced, the government have been working with the states and territories. We have started the ball rolling on the largest tender
and procurement process for social housing in the history of this nation. It is not business as usual. We have said to the states and territories that we expect them to work with builders and developers to look at what they have in the pipeline and proportions of new developments to be bought for social housing. We want to see 75 per cent of all of that work completed by the end of next year.

The first home owners boost, the new social housing initiative and all of these other programs support jobs for builders, carpenters, plumbers, electricians, architects, project managers, bricklayers, tilers, carpet layers, concreters and plasterers; and they also support the industries that supply the materials, including bricks, timber, carpet, windows and whitegoods. All of those employment outcomes are because of our spending, our first home owners boost and our social housing initiative.

Employment

Mr Turnbull (3.06 pm)—My question is to the Prime Minister. Does the Prime Minister agree with Heather Ridout of the Australian Industry Group when she said that the government has broken its word on the industrial relations changes and that these changes will destroy jobs? What further evidence does the Prime Minister need that his industrial relations changes will cut Australian jobs, turning working families into redundancy families?

Mr Rudd—I thank the Leader of the Opposition, he who says that WorkChoices is dead—but it seems not for today. In response to the honourable member’s question, which goes to comments from the Australian Industry Group, as the honourable member knows, the AiG and the government, through the Deputy Prime Minister, have been engaged in long-term negotiations over aspects of the industrial relations legislation. These have been important and substantive, and have produced good outcomes in terms of getting the balance right, in terms of what firms need and in terms of what employees need as well. Furthermore, on one of the matters to which AiG refers, I would simply say that on the question of arbitration—the resort to what is described by some as compulsory arbitration—our view is that the provisions and the protections contained in the legislation get the balance right, and the circumstances and the conditionalities are attached to them. That is important. We believe that is the right way to go.

Similarly, on the other question the AiG raised on the transfer of business, we are acutely conscious of the complexities which are alive in that and we are also acutely conscious of what happens when the ownership of a firm transfers from one to the other and what happens with the pre-existing industrial relations arrangements contained within a pre-existing enterprise agreement. There has been extensive consultation on these matters between the government and the AiG. We believe we have got the balance right. There is always room for disagreement. But we believe that when it comes to the overall balance, Australians want a government with legislation to protect the interests of working families on things like redundancy, penalty rates and overtime payments. That is where the balance lies.

Education

Mr Bradbury (3.08 pm)—My question is to the Deputy Prime Minister, the Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion. What is the government doing to ensure the Australian economy receives stimulus during these uncertain times? How will Australian schools and students benefit from these measures?

Ms Gillard—I thank the member for his question. I know that he is very interested
from the point of view of his electorate in these education developments, particularly including trade training centres. The government are in favour of supporting Australian jobs through economic stimulus. We always have been. Those on the other side have had so many positions I have lost count, but they voted against supporting Australian jobs when they voted against the Nation Building and Jobs Plan. Just on the question of consistency, on this side of the House, we have always been opposed to Work Choices. On that side of the House, they introduced Work Choices, and what we have learnt during question time today is that no-one should listen to the words of the Leader of the Opposition because they are without worth and without meaning. The Liberal Party today has said, once again through its questions, that they are the party of Work Choices and they always will be.

Ms GILLARD—It is interesting to me that it is the shadow Treasurer, the salesperson for Work Choices, who interjects. On this side of the House, we believe in an education revolution and quality schooling for Australian children. On the other side of the House, the Liberal Party are opposed to it and voted against it. They voted against an economic stimulus package to support jobs around the country. They voted against the single biggest school modernisation program this country has ever seen.

Ms Julie Bishop interjecting—

Ms GILLARD—The Deputy Leader of the Opposition is shouting out how opposed she is to this modernisation. But right around the country primary schools are looking forward to participating and being able to modernise their facilities with new multipurpose halls and 21st century libraries, and replacing demountable classrooms with permanent classrooms at last. Secondary schools around the country are looking forward to and are in the process of engaging with new science labs and language labs—500 of those to be built. Schools around the country are already working on getting their applications in for the National School Pride program—$1.3 billion of investment in small repairs and maintenance that every school needs.

In addition to these developments, through our economic stimulus package, in order to support jobs around the country and to have the single biggest modernisation of Australian schools ever done in this country, we have brought forward funding of $110 million for our $2.5 billion trades training centre scheme. This means that round 2 of the scheme, which is in progress now, is for a huge $387 million which will be available for building trade training centres in Australian schools. This is an important part of our stimulus package, an important part of building the careers and skills pathways for the future. I am excited about this development because I have had the opportunity to talk to schools around this country about how well received the first round of trade training centres was. I had the opportunity very recently to announce the successful schools for the second phase of round 1—336 schools around the country participated in this proposal with 104 projects.

Members opposite stand opposed to these developments and, in doing so, they stand opposed to developments like the Grand Junction Construction Industry Trade Training Centre, which, in order to give kids who want these vocational pathways, will provide training and support in construction and the property services industry. They are opposed to this development of $4 million. Which school is the lead school for that development? It is St Paul’s College in the electorate of Sturt—a school very excited with this development to which the Liberal Party are opposed. On this side of the House, no mat-
ter what inconsistencies we see from the Liberal Party, we will be there supporting economic stimulus, jobs around the country, the biggest school modernisation program the country has ever seen and the ability to participate in trades training around the country.

**Economy**

Mr Pearce (3.14 pm)—My question is to the Prime Minister. I refer to the Prime Minister’s series of announcements in the past few months on job creation: the $15 billion COAG agreement, where 130,000 jobs were promised; the $10 billion pre-Christmas ‘cash splash’, where it was said 75,000 jobs would be created; the $4.3 billion infrastructure announcement, where 32,000 jobs were promised; and the $42 billion stimulus package, which was said to support 90,000 jobs. Prime Minister, given that you have now spent $72 billion, which it was said would create 330,000 jobs, exactly how many jobs have been created by the measures?

Mr Rudd—The honourable member’s question goes to the impact of the stimulus measures on jobs, specifically within Australia. The alternative—and the dividing line between us in this parliament—is as clear as day. The Liberal Party stands for sitting, waiting and doing nothing; this government has a clear plan of action.

Mr Pearce—Mr Speaker, I rise on a point of order. My question asked how many of the 330,000 jobs have—

The Speaker—The member for Aston will resume his seat.

Mr Robert—You’ve waffled for 10 minutes about nothing, but on jobs we get—

The Speaker—The member for Fadden will leave the chamber for one hour under standing order 94(a).

The member for Fadden then left the chamber.

The Speaker—The Prime Minister is 17 seconds into the response. I will listen carefully to the Prime Minister.

Mr Rudd—In response to the honourable member for Aston’s question: jobs are the explicit focus of what we have done by way of support payments for pensioners, carers and veterans, because consumption is critical for the 1½ million Australians who are employed in the retail sector. He asked for evidence of its impact. Retail trade rose by 3.8 per cent in December 2008. It grew further, by 0.2 per cent, in January. In December, retail trade figures in Canada fell by 5.4 per cent. In the United States they fell by three per cent. In Japan they fell by 1.9 per cent. In Germany they fell by 0.9 per cent. In New Zealand they fell by one per cent. The clear contrast between retail sales in this economy and those in other economies in the December quarter and into January is clear for all to see. What, it seems, is very difficult for the member for Aston to see is that if retail sales are up then that supports employment in the retail sector. I know that is a difficult connection for him to make but, in terms of the 1½ million Australians who are employed in the Australian retail industry, if he were to reflect on the numbers that we saw in the collapse of retail in other economies around the world, he would have seen many more Australians out of work in the retail sector.

The second part of the stimulus package, which he draws to our attention in terms of the impact of the stimulus package on jobs, is in the housing sector. Again, I would draw the honourable member’s attention to the most recent housing figures out in Australia which are as a consequence of the first home owners boost. For the honourable member’s attention, in the scheme’s first 3½ months of
operation there were 10,000 applicants for the first home owners boost in New South Wales, 5,800 in Victoria, 6½ thousand in Queensland, 2,800 in Western Australia and 2,400 in South Australia. These figures are the direct result of government policy through the government’s stimulus package—altogether 30,000 homes being built as a result of government policy. So I say to the member for Aston: do 30,000 homes get built with anyone working on them? I know it is a hard question. Can you build 30,000 homes with pixies in the bottom of the garden saying, ‘Poof! There’s a house’—with nobody building it? It takes a lot of people to build a house. It takes brickies, it takes carpenters, it takes sparkies and it takes people in the transport industry to build 30,000 homes.

Mr Pearce—Mr Speaker, I raise a point of order on relevance. The question is: how many jobs, Kevin?

The SPEAKER—The member for Aston will resume his seat.

Mr Rudd—If the member for Aston would spend more time reading these statistics than he does acting as campaign director for the member for Higgins, he would be more familiar with what is actually going on in the Australian economy as a direct result of government policy.

Also on the housing policy and the first home owners boost, can I draw attention to the great intervention just before by the member for Cook. The member for Cook comes to the dispatch box obviously with a carefully thought out cunning plan to interject—

Mr Pyne—Mr Speaker, I rise on a point of order. This cannot be relevant to the question for him now to be commenting on the member for Cook’s previous point of order. I ask you to bring him back to the answer to the question.

The SPEAKER—The Prime Minister realises he has an obligation to relate the member for Cook’s actions to the question.

Mr Rudd—On the question of the stimulus package and its impact on jobs and housing—employment in the housing sector being so critical to overall employment in the Australian economy—here again we have had on display a wonderful flip-flop-flap on housing policy. First, those opposite originally said they supported the first home owners boost; second, they said they opposed the first home owners boost; and, third, today the member for Cook gets up and says he wants to extend the first home owners boost. What remarkable consistency! What I would say to those opposite is: work out the connection between boosted retail sales and jobs and between increased first home owners housing stats and jobs. The conclusions are there for all to see—that is, other than those who spend all their time on the internal leadership machinations of the Liberal Party.

Alcopops

Mrs D’Ath (3.21 pm)—My question is to Minister for Health and Ageing. Will the minister outline to the House the government’s legislative action on alcopops and any new obstacles to its implementation?

Ms Roxon—I thank the member for Petrie for her question—she, like many on this side of the House, is very determined to make sure that the action taken by the government is upheld in this parliament. Members would probably be aware that the Senate committee looking into the alcopops excise measure reported today to the Senate. The debate is being undertaken today in the Senate, and we anticipate that there will be a vote on this measure today or tomorrow. We hope that the Senate will be looking at the clear evidence that was presented to the Senate Standing Committee on Community Af-
fairs, which shows not only the sales data from the Australian Tax Office but also the very wide support for the government having taken action on this measure. This support has come from the AMA, the Public Health Association, the Alcohol and Other Drugs Council of Australia, the Royal Australasian College of Physicians and the Australian National Council on Drugs, as well as experts commissioned by the previous Howard government. They have all backed this measure.

If the Liberal Party really do care about binge drinking and about health policy, they should be making sure that Liberal senators vote for this bill. Of course we know that if the bill does not pass in the Senate it will only be a number of weeks before we have teenage girls back using their pocket money to pay those low prices for lolly water drinks that the Liberal Party have stood next to every step of the way.

The new development today, in addition to the Senate committee report, is that the Leader of the Opposition came out today and said that he is going to vote both for and against this measure. He has taken the extremely logical view that this is going to be, and should be, a tax that is good for 12 months—during which time it will be supported—but not good for the following 12 months, during which time it should not be supported. This is not a sustainable position for the Leader of the Opposition; however, it does seem to be quite consistent with what he has been doing on everything else; it is consistent with supporting the Economic Security Strategy and then opposing it, and it is consistent with saying that Work Choices is dead and then thinking that he is now going to vote to keep it in place. Today, we saw the latest one of those: the homeowners grant that the Liberal Party opposed and that they are now going to be back into. We have got the Leader of the Opposition faced with a choice of whether he will vote for or against, and he wants to do both.

Obviously, this is not a sustainable position, but, perhaps even more embarrassing for the Leader of the Opposition is that he has today done a Julie Bishop. He has come out and said that he has a new policy. The new policy is that they will vote for this legislation for 12 months and that they will vote against it for the following 12 months. People might think that the Leader of the Opposition promoted this as a new idea of his own. In fact, he stole it directly from the distillers—it is exactly the position the distillers put in their letter to the Senate inquiry only a week ago. This is plagiarism by the Leader of the Opposition, who is not even able to think of his own policy ideas.

But, in case anybody was not convinced that the Liberal Party had lost all credibility on this issue, we have to also go today to the member for Dickson. The member for Dickson went out today to the media and said that he had a really good idea. He went out this morning and said that he thought binge drinking was such a problem that we should have a national advertising campaign against it. And I thought: 'That’s a really good idea! That is such a good idea that we have actually already implemented it!' We have already—last year—had a $20 million advertising campaign on television, in magazines and in our newspapers, and the only person who has not noticed is the member for Dickson. I mean, this is completely ridiculous. Today or tomorrow, the Liberal Party will have the opportunity to vote for or against this measure—they will not be able to do both—and the weights are on them whether they want teenage girls to be able to buy these drinks for their pocket money prices.

Queensland Oil Spill

Mr NEVILLE (3.26 pm)—My question is addressed to the Minister for the Environ-
ment, Heritage and the Arts. Has the minister personally inspected the damage from the *Pacific Adventurer* oil slick off the Moreton Bay Islands and the Sunshine Coast? When did his state ministerial colleague Andrew McNamara first contact him? How many briefings has he had as federal environment minister? Have you or Mr McNamara requested that the Minister for Transport, Infrastructure, Regional Development and Local Government exercise his power—

*Government members interjecting—*

Mr NEVILLE—Could I read that last part again, Mr Speaker.

*Mr Dutton interjecting—*

The SPEAKER—The member for Dickson is warned! My concern is that nobody can hear the question. The member for Hinkler has the call.

Mr NEVILLE—Have you or Mr McNamara requested that the Minister for Transport, Infrastructure, Regional Development and Local Government exercise his considerable powers under the national marine oil contingency plan, and, if so, when?

Mr GARRETT—I thank the honourable member for his question, and I am pleased to be able to advise him, through you, Mr Speaker, that the National Plan to Combat Pollution of the Sea by Oil and Other Noxious and Hazardous Substances has been activated—it kicks in automatically. It was activated last week, and it is a matter of some concern to me that the member is so poorly informed about this issue and chooses to politicise it in the House. The fact of the matter is that Australia has a national plan to enable effective responses to marine pollution. It is a fact that the Australian Maritime Safety Authority—within my colleague Minister Albanese’s portfolio—manages that national plan. It is also a fact that the Rudd government announced today that it will immediately bring forward $2 million to help local community groups and natural resource management bodies to continue the clean-up of Moreton Bay following last week’s oil spill.

I want to go on and say to the member that I have been in contact not only with my department but also with the Queensland government on this particular issue and that we have looked very closely and carefully at the measures that have been put in place. The Commonwealth response was one which was immediate, constructive and comprehensive. I also want to point out that today my colleague the Attorney-General announced that we will deploy a Royal Australian Navy minehunting vessel to search for 31 fertiliser containers which were lost from the *Pacific Adventurer* during tropical Cyclone Hamish on 11 March. The Commonwealth’s response has been absolutely clear. We acted immediately and consistently with our responsibilities. I am surprised that a question of this kind would be asked in the House.

**Economy**

Ms NEAL (3.30 pm)—My question is to the Minister for Finance and Deregulation. How will the government support jobs in the commercial property sector? What has the community reaction been to recent announcements?

Mr TANNER—I thank the member for Robertson for her question. The Australian financial system does not have the same problem with toxic assets that the American and European financial systems do, but we are indirectly affected by that problem. In particular, there is a risk that foreign lenders in the Australian economy will withdraw their funding because of problems in their home markets, not because of problems with the businesses that they are lending to in Australia.

In order to protect the Australian economy and to protect jobs, the Australian govern-
ment is putting in place a mechanism that is designed to ensure against that risk, and that is the Australian Business Investment Partnership, which involves an investment on behalf of the taxpayer of $2 billion, matched by an equivalent amount from the four major Australian banks. That will be there to ensure that we can invest, if and when necessary, in order to provide for circumstances where foreign banks that in normal circumstances would continue lending to Australian enterprises take their money in order to return to their home front.

This will offer liquidity support for major commercial property projects that are in existence or underway. It does involve some exposure to risk on the part of the taxpayer—we have been quite upfront about that—but there are a number of things in place designed to minimise that risk. First, as I indicated, it is a fifty-fifty partnership with the four major banks and lending can only occur if there is a unanimous decision of all five parties—the four banks and the federal government. Second, there will be some provision made at the outset for bad and doubtful debts. Third, there will be an arrangement to ensure that, where any lending occurs, the existing investments of the major banks have to also stay in place. Fourth, detailed prudent lending requirements will be put in place. Fifth, and most importantly, this facility will only be available for a two-year period, so any lending decision must occur within the next two years.

The reason we have to do this is that, if this risk is not protected against, there is a serious risk of fire sales, of a wave of negative impacts rippling through the commercial property sector. In order that we can protect against that, it is necessary to provide this facility in case foreign lenders decide to withdraw funding for what would otherwise be commercially viable businesses. This is an extraordinary measure. That is clear. But it is an extraordinary measure in the face of extraordinary circumstances.

There is one central reason that the government is undertaking this extraordinary measure and that is to sustain and protect jobs. There are something like 150,000 Australian jobs connected to the commercial property sector—white-collar jobs and blue-collar jobs. If we see a pattern of withdrawal of financing and fire sales, those jobs will be seriously under threat. The financing of the commercial property sector and the pricing of commercial properties are connected to much of the Australian economy, and the contagion that might follow from a major collapse of pricing in that sector would have very serious ramifications indeed.

I am asked about the community response, the wider response, to the government’s initiative. I would like to mention a few examples of this. The first is from the Governor of the Reserve Bank, who told the House of Representatives Standing Committee on Economics only a few weeks ago:

I do not have any problem with there being a plan in the top drawer to do that should it be needed.

Opposition members interjecting—

Mr TANNER—That was the Governor of the Reserve Bank, who attracts mirth and general derision from the opposition benches. The second response is from the Property Council:

The Property Council urges bi-partisan support for this legislation to inject stability and confidence into the economy. ABIP is an essential mechanism to inject stability and confidence into commercial property lending.

This will protect the lending collateral for Australian small businesses, whose jobs and productivity will help lead us out of this economic slump.

Next is Master Builders Australia. Sneer at them as well, why don’t you, while you are on the way through. They said:
Master Builders Australia ... has called for bipartisan support for the early passing of the Australian Business Investment Partnership Limited Bill.

Ian Harper from Access Economics said:

In normal times, the Government ought have no business lending to property or to anything else, but these are extraordinary times.

... ... ...

If there is a major collapse in asset prices in the commercial property market, that could feed through into domestic housing.

Given the exposure of domestic banks to housing ... that is what we’re trying to avoid at all costs.

Predictably enough, there is one voice in the community reaction that does not go along with the Governor of the Reserve Bank, the Property Council, the Master Builders or indeed Access Economics. Once again, it is the Liberal and National opposition who have indicated their opposition to this very important measure to sustain employment and growth in the Australian economy. The Leader of the Opposition said in response to this:

The market should take its course.

In other words: ‘Let’s just take the risk that we will see widespread collapses in commercial property prices, that we’ll see thousands of jobs lost, that we’ll see a serious withdrawal of foreign funding from this sector and major negative ripple-on ramifications for the Australian economy.’ Yet again, that is the position of the opposition. The government does not believe that is the right approach. The right approach is to act. When the Australian economy is threatened, when jobs are threatened and when businesses are threatened, the Rudd government will take decisive action to protect those businesses and to protect those jobs.

**Employment**

Mr WOOD (3.37 pm)—My question is to the Minister for Home Affairs. Given that your government is determined to saddle Australia with $42 million of debt in an attempt to protect jobs, why has the Australian Crime Commission been forced to cut staff by 104 since July 2008, the AFP Air Security Officer Program reduced its air marshals by up to 40 per cent since July 2008, and the AFP cut 200 staff since November 2007?

Mr DEBUS—All of the figures that I have heard the honourable member quote are simply incorrect. They are just simply wrong. I can tell you that the Air Security Officer Program has not been cut significantly.

Opposition members interjecting—

The SPEAKER—Order! The question has been asked; it is being responded to.

Mr DEBUS—I can tell you that the Australian Federal Police have not cut staff significantly. Indeed, the staffing figures remain very similar now to what they were at this time last year. I can tell you that the Australian Crime Commission’s employment fluctuates according to the particular projects that are underway and according to whether the officers that are seconded from other police forces are appropriately employed at a particular time. The fact is that the figures quoted by the honourable member are simply incorrect and we are not losing any officials from these organisations at all.

Mr Wood—Mr Speaker, I rise on a point of order. Can the minister then table the actual figures?

The SPEAKER—There is no point of order.

**Australian Security Intelligence Organisation**

Mr BEVIS (3.40 pm)—My question is to the Attorney-General. Will the Attorney-General update the House on the significance of today for the Australian Security Intelligence Organisation and also on the important role
which ASIO plays in safeguarding Australia’s national security interests?

Mr McCLELLAND—I thank the honourable member for Brisbane for his question, and I acknowledge his work on the Joint Committee on Intelligence and Security and that of other members as well. The Australian Security Intelligence Organisation today marks its 60th anniversary as Australia’s national intelligence agency. The 21st century security environment is extremely complex and the work of ASIO has never been more important. Since its creation in 1949 by the Chifley government, ASIO’s brief has changed markedly, traversing the entire Cold War period and dealing with the rise of transnational terrorism, the emergence of the threat of home-grown terrorism and more recent developments in espionage, including in modern technology and the threat of cyberespionage to government and also to industry.

Recent attacks in South Asia—one, of course, this month on the Sri Lankan cricket team—highlight the strategic character of the international campaign waged by violent extremists. Their targets of choice are innocent women and children and civilians. The arrest and conviction in Australia of would-be terrorists shows we are not isolated from those who would seek to perpetrate their horrendous acts of violence in this country, attacks that would obviously cause death and destruction but would also be enormously damaging to our tolerant multicultural society. The men and women of ASIO are working hard with other national security agencies to protect Australians and Australian interests. ASIO in fact has been at the forefront of efforts to ensure our national security agencies work as effectively as they possibly can and, in particular, work seamlessly together.

Today I was honoured to mark the 60th anniversary of ASIO by planting a tree at the sight of their future headquarters. The 60th anniversary marks the time to acknowledge and pay respect to the service of the men and women of ASIO over the past 60 years and also to commit to the future. Today ASIO is an organisation of some 1,650 officers and this will build to around 1,800 officers by the year 2011—a very substantial organisation, indeed—operating from that time from the state-of-the-art premises.

Obviously, much of the quiet work undertaken by ASIO is, of necessity, never recognised in the public domain. While the men and women of ASIO will be acknowledging and celebrating the past, I know the men and women of ASIO will continue to discharge their vital role in protecting the interests of Australians and Australia both at home and abroad. I know all members of the House will join with me today in congratulating the men and women of ASIO on their 60th anniversary.

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

PERSONAL EXPLANATIONS

Mr TURNBULL (Wentworth—Leader of the Opposition) (3.44 pm)—Mr Speaker, I wish to make a personal explanation.

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

Mr TURNBULL—Yes.

The SPEAKER—Please proceed.

Mr TURNBULL—The Prime Minister referred to an interview of mine with Mr Laurie Oakes on 27 July 2008 as being inconsistent with the remarks I made on Saturday at the Liberal Party’s federal council. In the course of that interview, I said emissions trading is not ‘an end in itself’:
The objective is to reduce your greenhouse gas emissions. There are many ways you can do it … different approaches will be taken by different countries … The ETS is a means to an end. It is not an end in itself.

I also said:

… the Emissions Trading Scheme that is on offer from Labor and the way Labor is constructing it—

The SPEAKER—Order! The Leader of the Opposition must go to where he has been misrepresented.

Mr Turnbull—Mr Speaker, I was misrepresented by the Prime Minister and I am demonstrating that what I have said is consistent with what I said on Saturday.

The SPEAKER—The Leader of the Opposition must go to the misrepresentation.

Mr Albanese interjecting—

Mr Turnbull—The misrepresentation was from the Prime Minister.

Mr Albanese interjecting—

Opposition members interjecting—

The SPEAKER—The Leader of the House will resume his seat and the Leader of the Opposition will go to the misrepresentation.

Mr Turnbull—In the answer to question No. 1 today the Prime Minister referred to an interview with me by Mr Laurie Oakes. He quoted it as evidence that my remarks were inconsistent with the speech I gave to the Liberal Party’s federal council on Saturday, and he said ‘the Leader of the Opposition changes his policy by the day and by the week’. That is a misrepresentation. In the interview with Mr Oakes, which the Prime Minister said was inconsistent with the remarks I made on Saturday, I said emissions trading is not ‘an end in itself’:

The objective is to reduce your greenhouse gas emissions. There are many ways you can do it … different approaches will be taken by different countries … The ETS is a means to an end. It is not an end in itself.

I also said:

… the emissions trading scheme that is on offer from Labor and the way Labor is constructing it, we can see now, is going to do real damage to our economy … because of a rushed, poor design.

… … …

They are already making mistakes and there are more to come and it puts our economy at risk.

Honourable members will note that that is entirely consistent with what I said on Saturday.

Mr Morrison (Cook) (3.49 pm)—Mr Speaker, I wish to make a personal explanation.
The SPEAKER—Does the honourable member claim to have been misrepresented?

Mr MORRISON—Yes.

The SPEAKER—Please proceed.

Mr MORRISON—Today in question time the Prime Minister indicated that I had made statements that were not supportive of the first home owners grant, and those sentiments were reflected also by the Minister for Housing and the Minister for Health and Ageing. I refer to my statement of 14 October 2008, which states:

Shadow Minister for Housing and Local Government, Scott Morrison, has welcomed the increase in the first home owners grant to $21,000 for buyers of new homes as part of the stimulus package announced by the Prime Minister today.

I also refer to my statement on Thursday, 5 March, in which I said:

We have already seen the positive impact for first home buyers from extending the first home owners grant. The fact that Labor failed to set aside any of the $6.4 billion they had devoted to public housing, to continue the boost for the first home owners grant for new residential constructions shows their lack of foresight.

DOCUMENTS

Mr ALBANESE (Grayndler—Leader of the House) (3.50 pm)—Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings and I move:

That the House take note of the following documents:


Debate (on motion by Mr Hartsuyker) adjourned.

MINISTERIAL STATEMENTS

ASEAN-Australia-New Zealand Free Trade Area

Mr CREAN (Hotham—Minister for Trade) (3.50 pm)—by leave—It gives me great pleasure today to table the Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) and accompanying national interest analysis. The AANZFTA agreement represents a historic milestone for Australian trade policy—coming as it does with the world in the grip of the global economic crisis. I signed the agreement on behalf of the Australian government on 27 February in Hua Hin, Thailand, along with ministers from the 10 member countries of ASEAN and New Zealand.

The FTA represents the culmination of diplomatic initiatives and efforts dating back to the Hawke-Keating Labor governments in the early 1990s to strengthen economic ties with ASEAN. The AANZFTA negotiations originated at a conference in Melbourne in November 1993, to explore the prospects for a link between the ASEAN Free Trade Area (AFTA) and the Australia-New Zealand Closer Economic Relations (CER) Trade Agreement. That original suggestion for AANZFTA came four years after the first formal meeting of the Asia-Pacific Economic Cooperation. APEC of course was championed by the Hawke-Keating Labor government and the first meeting of APEC economies took place here in Canberra in November 1989.

The tabling of this agreement is a demonstration of federal Labor’s commitment and drive to liberalising trade in the Asian region. AANZFTA will provide a strong platform and legal framework for our economic engagement with the region for years to come. I think all Australians should be proud of this agreement. In the midst of the global downturn, Australia and New Zealand and 10 na-
tions from South-East Asia have sent a powerful message to the rest of the world. That message is this:

- The ASEAN region remains committed to pursuing free trade.
- We are determined to pursue trade liberalisation as a way to boost exports and job opportunities.
- We acknowledge that keeping trade flows open represents the best chance of a quick exit from this global economic storm.

This agreement has come off the back of the stalled World Trade Organisation Doha Development Round talks. It shows that progress in trade can be made if the political will is there. The Rudd Labor government has shown the will to progress Australia’s interests despite these global challenges. I want to highlight briefly to parliament some of these achievements.

This is the largest free trade agreement Australia has ever signed and will reduce or eliminate tariffs across a region that is home to 600 million people and a region with a combined GDP of A$3.2 trillion. It will bind current low tariffs and over time eliminate tariffs on between 90 and 100 per cent of tariff lines, covering 96 per cent of Australian exports to the region.

Australia’s two-way trade with ASEAN countries is worth $80 billion a year and there are now new opportunities for Australian exporters. This means greater job opportunities here in Australia. Australia’s trade with ASEAN, as a bloc, exceeds our trade with Japan, China or the United States.

AANZFTA is the most comprehensive FTA that ASEAN has concluded. It is more comprehensive and deeper than ASEAN’s other FTAs with China, Japan and Korea.

Importantly, AANZFTA is also the first free trade agreement Australia has signed since the onset of the global financial crisis.

Resisting protectionist pressures

Last week there were new signs of just how pessimistic the economic future has become when International Monetary Fund managing director Dominique Strauss-Kahn warned of a looming ‘Great Recession’. We can expect global economic growth to keep falling and the number of unemployed people to keep increasing—and Australia cannot escape this. In this climate, we can expect there will be growing calls for new protectionist measures even though it is a misguided bid to try and prop up national economies and preserve local jobs. The Australian government argues strongly and consistently this is the wrong message. Going down the protectionist route does not save jobs. Quite the contrary, it sacrifices jobs.

Trade is the great stimulator of the world economy and what the world needs now more than anything is growth. History has shown us that since 1950 world trade has grown three times faster than world output. That is one of the key reasons why the Australian government has protested so strongly against the United States congress passing the Buy American provisions as part of its stimulus package and why we have protested so strongly against the European Union’s decision to re-introduce dairy export subsidies. Trade flows have suffered significantly in the global financial crisis, but trade is not the cause of the problem. Trade can be a big part of the solution.

New OECD data

There is new emerging evidence of the crucial role trade can play in stimulating global economic activity. The Organisation for Economic Cooperation and Development has revealed research suggesting that a 10 per cent increase in trade is associated with a four per cent rise in per capita income. This is new evidence showing that boosting trade will boost income. It means that with historic
agreements like AANZFTA, new opportunities will open up for people across the region which will ultimately increase living standards, both in Australia and in ASEAN countries.

The link between rising trade and rising income will be part of a major OECD analysis to be formally launched next month in Paris with the title ‘International Trade: Free, Fair and Open?’ This analysis will reinforce the message that trade liberalisation can stimulate world growth and raise living standards, around the globe. The detailed analysis finds:

• Full tariff liberalisation in agriculture and industrial goods but not services would improve global welfare by US$100 billion.

• Scrapping all tariffs on merchandise trade and reducing trade costs by one per cent of the value of worldwide trade would boost global welfare by more than US$170 billion a year—in some areas adding the equivalent of two per cent of GDP.

This is something we must aim for. The ‘International Trade: Free, Fair and Open?’ report also provides a powerful argument against reverting to protectionism. It finds:

• The more countries try to ‘protect’ themselves by isolating their economies both exports and imports decline, and more jobs are lost.

• That protectionist measures such as raising tariff barriers restrict availability of products and services and reduce domestic demand.

This OECD analysis shows that a sweeping agreement such as this AANZFTA agreement can be a major contributor to boosting economic activity and assisting the region.

**Specific benefits of AANZFTA**

AANZFTA represents a great opportunity for Australian companies and businesses. According to Austrade, there are around 18,500 Australian exporters already doing business in ASEAN countries. I have asked Austrade in the light of this agreement to develop and roll out a commercial strategy to take advantage of the market openings created by this agreement. There are new opportunities across many sectors, including exports of agricultural products, industrial goods and services.

The National Farmers Federation has recognised what has been achieved for agriculture with this agreement. The NFF President wrote to me today saying the FTA would be positive for the agriculture sector, become increasingly important over time, and prevent the ASEAN region sliding into protectionism. Australian farmers are now being guaranteed access to developing South-East Asian markets, many of which have a growing appetite for high quality Australian produce.

This is the second great benefit to the Australian economy from AANZFTA. What this agreement does is guarantee market access for Australian exporters into South-East Asian markets. When this agreement comes into force, which will be 1 January 2010 at the latest, the existing tariff rates will be locked in. This is a big win for Australian exporters and delivers new certainty. Before this agreement, Australian exporters selling into ASEAN had a threat hanging over them that their products would suddenly be hit with a major tariff increase to the maximum permitted under World Trade Organisation rules. With this agreement, however, Australian producers now know they cannot be locked out overnight with a major tariff rise.

Reduction and elimination of tariffs, plus the guarantee of market access into South-East Asia, are the two big benefits to Australian exporters from this agreement. AANZFTA will create greater certainty for
Australian investors in the region, with access to international arbitration extended to the whole region if there are disputes.

The full detail of the advantages offered by this agreement, sector by sector, is available on the Department of Foreign Affairs and Trade website. I urge Australian exporters and those looking to become exporters to go to that website, look at the new opportunities and, most importantly, work with Aus Trade to export more into the region.

The Australian government is highly satisfied with this agreement but I also make this point: the work in the region in terms of further liberalising markets there is not over. Negotiations on breaking down barriers for Australian exporters into the region do not stop for this government with this FTA.

**Moving forward with the AANZFTA platform**

Negotiating with so many countries with varying offensive and defensive interests has not been easy. All of the 10 with whom we have negotiated are at different stages of economic development and at times it was like playing a game of 10-dimensional chess dealing with countries at their different stages of development and trying to find the basis on which we could secure our collective agreement.

The federal Labor government is committed to pursuing the most ambitious trade agenda possible which will drive world trade but will also boost the Australian economy and create local jobs. That is why negotiations on breaking down barriers for Australian exports into the region do not stop with this FTA. We consider this as part of a larger plan—a platform for progressively advancing Australia’s interests.

We are extending the platform, for example, with the announcement recently of the entry of the pursuit of a free trade agreement with Indonesia, having previously announced an FTA approach with Malaysia. With Thailand, of course, we have an existing agreement negotiated by the previous government and which has a trigger mechanism for review. In my discussions in Thailand two weeks ago Cambodia and Vietnam have already indicated their preparedness to negotiate further with us, to develop a strategy further with us for strengthening the trade relationships with them.

The shadow minister at the table talked the other day about the concerns about the automotive sector in this agreement. When it comes to this sector, the Rudd Labor government are absolutely committed to not just preserving local jobs but securing an industry base that positions us to take advantage of the new direction of automotive manufacture that will be dependent on vehicles that are more fuel-efficient and impose less of a carbon footprint. That is why we have unveiled a car industry assistance package worth in excess of $6.2 billion over a number of years designed to help exporters—especially through the Green Car Initiative—and to assist Australian companies become part of the global supply chain for the automotive industry.

Negotiations in this sector of the agreement were particularly tough. In fact, they could have brought the agreement undone. We did fight for the best interests of the local Australian car industry. Reflecting offers they put forward, Australia will undertake a slower phase-out with those countries that did not come to the same liberalising end result as a number of other countries. So vehicle manufacture in Indonesia, Malaysia and Thailand compared with automotive tariff reduction with other ASEAN nations needs to be looked at by those who would seek to criticise.

We look forward to progress in this sector, particularly with Indonesia and Malaysia, in
upcoming bilateral negotiations. We have already put both of those countries on notice that we will be pursuing further trade liberalisation in this sector with them.

AANZFTA will enhance Australia’s participation in the region’s evolving economic architecture. As ministers of member countries noted, it will serve as a catalyst for enhanced and accelerated regional integration throughout the Asia-Pacific region. The AANZFTA treaty text expresses confidence that the FTA ‘will serve as an important building block towards regional economic integration’. From an Australian perspective, though, this is much more than a symbolic achievement. This is a treaty that furthers our integration with the Asia-Pacific, a region with which our nation’s economic future and our security are closely tied up. As such, AANZFTA represents a tangible and highly practical demonstration of this government’s commitment to deepen Australia’s engagement with the Asia-Pacific region.

Like any agreement there are sensitivities on a range of products including in agriculture. But overall there have been great gains for Australian producers—including, I might add, in the crucial commodity sector of sugar. For our trade in sugar with Malaysia, which is a major market for Australian sugar, we successfully negotiated that Malaysia will bind its sugar tariff at zero from AANZFTA’s entry into force. In addition, Vietnam will start reducing its 30 per cent tariff when the agreement starts. Four other ASEAN countries will bind their sugar tariffs at zero from the start of the agreement or reduce them to zero or very low levels over time.

This is a significant advance for the Australian sugar industry. I note that this should be contrasted with what the previous government were able to get out of their free trade agreement with the United States—not a series of developing countries, where there are particular sensitivities and we know them, but a developed country—when they negotiated it back in 2005. Under that agreement with just one country—developed, as I say—the coalition could not even get sugar in. They gave up completely with a sugar carve-out with the FTA with the United States.

I do acknowledge that on AANZFTA the previous government did some important work. I pointed out before that in Melbourne, when we were last in office, back in 1993, we were part of the exercise that initiated this agreement. It took the previous government some 11 years to commence formal negotiations. They did not commence until 2004. You will recall that I said that the initiation of this process occurred back in 1993. I think that is not because they did not have the desire to do this; they just do not have the same commitment and drive and political will as we have demonstrated in the times that we have been in office to really pursue these agreements to an effective conclusion. What they have not given us is the engagement or the leadership to keep pushing trade liberalisation rather than just paying their support to that cause.

I think that the Howard government failed to drive Australia’s interests with ASEAN countries. This was symptomatic of the Howard government’s neglect of our interests in the Asia-Pacific region and what I believe is our very strong need to engage with key institutions within our region. The previous government managed a process, rather than being a driver of ambitious goals and delivering real outcomes. They let the negotiations with ASEAN languish for some considerable time, just as they failed to deliver meaningful progress towards the Bogor goals that we drove with the establishment of APEC and on which this agreement involves some considerable advance on the objectives and the deadlines that those Bogor declara-
tions proposed. They did not require an objective of liberalisation in developing economies until 2020. This agreement involves trade liberalisation in all of the countries well in advance of that 2020 objective.

My point in all of this is that it was a previous Labor government that created the environment for AANZFTA back with the establishment of APEC and back with the position that we talked about in 1994. That was one book-end to this relationship. I think we should see the agreement signed a couple of weeks ago as something of another bookend in this exercise, but we want to keep adding the volumes in between as we continue to push for liberalisation. I make that point because the previous government presided over nearly 12 years of lost opportunity in world trade liberalisation. I think that they did fail to deliver real and meaningful outcomes in many of the areas where the basis was laid for them to really take up the mantle that was the follow-up to the Uruguay Round and that was the foundation built upon with APEC. These were all the building blocks established by a previous Labor government, because we did understand the importance of Asia as a region to our economic future.

AANZFTA is also an extension of TAFTA, the Thailand-Australia Free Trade Agreement. I do acknowledge that the previous government did obtain important gains in the Thai agreement, but AANZFTA takes those gains to a regional level and builds on them. What we have achieved, in addition to what was negotiated by the previous government, with the major markets of Indonesia and Malaysia in trade liberalisation, in many respects, goes beyond what was achieved in TAFTA.

I give you these examples. Within three years of AANZFTA’s entry into force, Indonesia will have tariff-free treatment of 73 per cent of tariff lines, Malaysia will be on 84 per cent and the Philippines on 80 per cent. This compares to just 55 per cent of tariff lines with tariff-free treatment in Thailand, three years after TAFTA’s entry into force. The Rudd government will address the Thailand agreement in the mid-term review, given our more ambitious approach to trade agreements. AANZFTA is a significant advancement of TAFTA and while there are still some inconsistencies and issues remaining in AANZFTA we are working to address them.

**Engagement with Asia and Conclusion**

Last month I had the pleasure of launching a new publication measuring for the first time in broad terms Australia’s engagement with Asia. Using seven criteria, the Asialink Index found that since 1990 our engagement with the rest of the world has increased three-fold. Over the same period, Australia’s engagement with Asia increased four-fold. And the intensity of our engagement with ASEAN is underpinned by the fact that, with ASEAN, it grew five-fold since 1990.

I have no doubt that in future historians will look back and see the ASEAN-Australia-New Zealand Free Trade Agreement as a key marker in accelerating our integration into the region. If we have been able to achieve $80 billion in two-way trade without the agreement, imagine the potential for growth with this agreement.

And while there are many gloomy outlooks, particularly about the economic future of a North Asian giant like Japan, there is still growth in the region. Developing Asia is the fastest-growing group of nations, with the IMF predicting growth of more than four per cent for this group in 2009.

The Australian government is committed to deeper engagement with the Asia-Pacific region. This has been and will continue to be one of the principal drivers of our nation’s prosperity. Trade and measures to facilitate
trade, like AANZFTA, are vital elements in our regional recovery road map. Through our commitment to a more liberal international trading system, including FTAs in our region, we are determined to harness the power of trade.

I ask leave of the House to move a motion to enable the Leader of the Nationals to speak for 27 minutes.

Leave granted.

Mr CREAN—I move:

That so much of the standing and sessional orders be suspended as would prevent Mr Truss (Leader of the Nationals) speaking for a period not exceeding 27 minutes.

Question agreed to.

Mr TRUSS (Wide Bay—Leader of the Nationals) (4.18 pm)—I am pleased to respond to this ministerial statement by the Minister for Trade, which is very similar in style and content to his statement at the beginning of last week where he dealt with a range of trade issues and referred also to the ASEAN-Australia-New Zealand Free Trade Agreement. Today that agreement has taken a step further, with the text, at long last, being made available for some degree of public scrutiny. I thought it was quite unusual for the text of this agreement to be kept secret for such a long time. Indeed, even after the minister had announced that he had signed this agreement, the text was not available. I do not think that that is an accountable and open way in which to deal with these sorts of agreements.

I appreciate that there will now be a time to look at the text and, presumably, there will be the usual inquiry from the Joint Standing Committee on Treaties, so people will have an opportunity to be involved. But the level of consultation about the detail of these particular discussions has not been of a similar nature to what occurred in the discussions, for instance, about the Doha Round or in other trade negotiations that have occurred over the years. It is widely believed that there were some very difficult issues—and I think the minister has confirmed this today—in relation to the motor vehicle industry, and probably the clothing, textile and footwear industry, which had not been agreed at the time when the initial signing actually occurred. Again, that seems to me to be a rather unusual way to do business, that critical issues are left unresolved and yet we have already agreed to the document. I think questions could reasonably be asked during the Joint Standing Committee on Treaties review of this particular agreement about some of the processes that were involved.

As I said last week, trade and trade policy is generally reasonably bipartisan. I welcome the fact that another step has been taken in Australia’s trade negotiations and that a further free trade agreement has been signed. As the minister said, this one is a plurilateral agreement in that it involves a number of countries and therefore is an important building block in a comprehensive program of free trade agreements involving Australia and our major trading partners.

However, it does grate a little when the minister, in discussing the history of this matter, chose to accentuate the role of Labor Party people—naturally, I suppose, coming from his side of politics—in the development of this process and to write out of the history some of what actually happened when Labor was not in office. It is important to note in this particular agreement that the informal consultations in 1995 in Brunei, to which the minister referred, between ministers from ASEAN, Australia and New Zealand agreed to region-to-region linkages between AFTA and CER. That was probably the first time that there was any kind of genuine willingness on behalf of the partners to actually talk about some kind of a free trade agreement. Prior to that, there had certainly been some
engagement and discussions and at one stage the Deputy Prime Minister of Thailand, Dr Supachai, made some supporting comments. But under the previous government it took many years—more than a decade—to get to a stage where there was some willingness to actually talk about region-to-region linkages.

It was in October 1999, under the coalition government, that ASEAN and Australia and New Zealand ministers established a high-level task force to examine the feasibility of an AFTA-CER free trade area. In October 2000, *The Angkor agenda: report of the high-level task force on the AFTA-CER free trade area* supported the establishment of an AFTA-CER free trade agreement. In September 2002, AFTA-CER Closer Economic Partnership was established. In November 2004, leaders from the 10 ASEAN countries, Australia and New Zealand agreed in Laos to launch negotiations on a comprehensive FTA covering goods and services as well as investment. In March 2005, the AANZFTA negotiations began in Manila. Since then, there have been 16 rounds of negotiations. Most were under the previous government but were taken up seamlessly by the incoming government.

I insert those parts of the history of this agreement so the record can be full and complete. I think any fair-minded observer would acknowledge that there was a very substantial contribution to the negotiation of this agreement by the previous government. The minister has come along at the right time to complete and sign the agreement. I cannot say that if the previous government had been in office we would have signed the same agreement, because I think we would have had different priorities. I would strongly dispute what the minister says about ambition and about Labor having greater ambition in trade. In fact, I think this example is a triumph of expediency over ambition. A mere achievement of preventing backsliding is now seen as worthy of honour. Rather than making new advances, we are supposed to be now thankful that the agreement is not going backwards. In fact, there has been a contribution from both sides, but I want to concentrate my remarks on the actual content of this agreement.

I want to make one final comment about something which, I have to say, does concern me. I am concerned in relation to the fair reporting of the history of events. The Department of Foreign Affairs and Trade seems to currently be going through a process of rewriting its country briefs, writing out references to the coalition government in these particular briefings. There is a 12-year gap starting to appear in the history of the arrangements between one country and another; that no minister has visited during that time. There were no discussions. Their ministers did not come to Australia. There is just a 12-year gap. I think that is unfortunate, because DFAT has tried very hard to give bipartisan service to the government of the day. History does not stop because there is a change of government; it goes on. The written record, therefore, should not be purged of references to the achievements of the previous government. I call on the government to stop this process and make sure that the records provided and the history in the department’s records remain honest, true and a fair assessment of what happens and that they do not just get rewritten because there is a change of government.

As I mentioned earlier, there are clearly some advances in the ASEAN-Australia-New Zealand Free Trade Agreement. But I think it falls well short of what could be considered a good deal for Australian industry. Indeed, I think Australia has given away more than it will receive in return. Under the agreement, Australia has agreed to reduce 96.4 per cent of its tariffs to zero at the beginning of next year. That compares with
47.6 per cent which were at zero in the base year. Of the 12 countries that are party to the agreement, only Singapore will have lower tariffs in 2010. Of course, Singapore has a range of other restrictions on trade with Australia, particularly in services—which is the main area of its economy and which will not be changed as a result of this agreement—which places barriers in the way of a free and proper exchange of trade and commerce between our two countries. Singapore does not have a range of sensitive industries, apart from services—and, as the minister said, the previous government negotiated a free trade agreement with Singapore which is exceptionally comprehensive. There are a lot of zero rates there. But, in some of the key areas, like services, Singapore does need to improve its record, and this agreement makes no progress in that regard.

Under the arrangements that have been negotiated, three countries will have less than five per cent of their tariffs reduced to zero by 2010. One country—I admit it is only a small country: Laos—will have none there even by 2013. Burma actually seems to slip back; it has less tariff-free treatment of items in 2013 than it had in the base year of 2005. Cambodia makes no headway. Vietnam makes no headway at all between now and 2013. And yet Australia moves 96.4 per cent of all of our tariff items to zero on day one. Even New Zealand will only reach 84.7 per cent of its items moving to zero by 2010. It is of interest to note that in 2013 around 10 per cent of the New Zealand items will still not have been reduced to zero. So we are making substantial concessions immediately, where other countries are trailing along at a much slower rate. Sometime between 2020 and 2025 most tariffs will be eliminated for some key Australian industry sectors; but, for others, they will never be removed. In some, they will not even be improved as a result of this agreement.

From the first day of AANZFTA, all Australian tariffs on agricultural imports will be reduced to zero permanently. All agricultural items coming into this country will have no tariff protection whatsoever, and that zero rating will be locked in permanently. On the other hand, Australian farmers will continue to face major tariff barriers when they seek to export agricultural products to ASEAN countries. So Australia’s very generous ultimate offer in relation to the full range of agricultural products—we have emptied the whole larder—on day one is not being reciprocated by other countries.

It is also interesting to note the double standards in this agreement. While agriculture has to have zero tariff rates from day one, certain other industries will have only tit-for-tat style tariff reductions—particularly motor vehicles, clothing, textiles and footwear, and a range of other manufactured goods. In many of these industries, Australia will reduce its tariff protection in a similar style to what is happening in other countries. I notice that the minister said in his address that negotiations in this sector—referring to the car industry sector—were tough and that he fought for the best interests of the local Australian car industry. He picks out the car industry as the one for which he fought tough and in the best interests of the local industry. I would have hoped he would have fought for industries other than the car industry. What fight did he put up for the agricultural industry? He immediately reduced all tariffs to zero.

He went on to say that, as a result of the negotiations, there will be a slower phase-out of arrangements for tariffs on vehicles manufactured in Indonesia, Malaysia and Thailand, as we demanded reciprocal arrangements with those countries. It is perfectly reasonable to demand reciprocal arrangements, but when it came to agriculture there were no such demands. He did not seek any
kind of reciprocal response from those countries at all. We just unilaterally disarmed—zero on day one.

In other areas, such as the services area, this will be a major disappointment for Australia’s growing services exporters. This is a very large proportion of the Australian economy—an area where we are making significant advances, and the ASEAN countries are key markets. Yet the gains in the services sector are paltry to say the least. I know that that reflects the position with the Doha Round and discussions in relation to services generally. It is very hard to make headway. But since we decided to unilaterally disarm in sectors where Australia is strong, like agriculture, it is disappointing that we are unable to achieve some gains for our services sector.

As I mentioned earlier, many key products will receive little or no improved access, especially in the agricultural sector. Rice has been excluded from any tariff reduction commitments or improved market access offers by Indonesia, Malaysia and the Philippines. Maize has been excluded from the tariff commitments by Indonesia. Indonesia and Malaysia have excluded wine and spirits. Vietnam has excluded 41 mineral lines from tariff commitments. Malaysia will continue to restrict access of Australian milk. There is one product I would like to mention in particular. The Australian fruit industry placed a high priority on the access of mandarines into Indonesia. Once much of the export mandarine industry was in my own electorate. The growing areas are not in my electorate anymore, but the exports have largely stopped anyway because of the high tariffs imposed by Indonesia on Australian mandarine imports. Even though this was probably the highest priority for the Australian fruit industry, there will be no reductions in citrus tariffs into Indonesia until at least 2025 and probably until 2028. At that time, there will be only a 6.4 per cent reduction in the existing tariff. So the barriers are going to remain in place for citrus into Indonesia for another generation.

Let us turn to sugar, which the minister spoke about at some length. ASEAN countries take about a third of Australia’s exports in the sugar industry, so it is particularly important for them. The minister was a constant critic when trade agreements negotiated by the previous government did not make enough advances in sugar. He referred to that again today. After the negotiation of the US-Australia FTA in March 2005, the minister said, ‘We cannot allow that sort of thing to happen again.’ The minister raised the issue again in May last year, when he said, ‘Unlike the previous government, we are not selling out Australian agriculture to pursue an FTA at any cost.’ In reality, the minister has failed on his own rhetoric in relation to sugar. There is little or nothing in this deal for sugar. Most of the signatories to AANZFTA have made no concessions at all on sugar. Some have got an existing zero tariff, and we are supposed to be thankful that they are going to keep it at zero. Where concessions have been made, they are from the smallest ASEAN countries and most of these improvements will have to wait until 2023 to be delivered.

Indonesia, the Philippines and Thailand have said that they will do absolutely nothing. In fact, Thailand has actually delivered much more for sugar under the Thailand-Australia FTA, negotiated by the previous government, than has been arranged in this deal negotiated by the minister. Thailand is actually offering less under this agreement than it previously agreed to provide. I think, therefore, that any achievements that the minister may boast about in relation to sugar are threadbare. He could not even keep in place an arrangement that was already negotiated and already signed. If we are supposed
to take credit for no retreat in relation to a free trade agreement, maybe we should be taking credit for the fact that there was no retreat on sugar in the AUSFTA. Let me say that I did not regard that as a good enough outcome. I wanted advances on sugar in the Australia-US Free Trade Agreement, but this minister, who was critical of that outcome, is asking us to be satisfied with a ‘no retreat’ type of solution concerning most of the countries involved in the agreement he has just completed. The reality is that this was not a good deal for sugar growers. There are virtually no advances whatsoever. There may be a little, if they can hang on until 2023, into some very small markets, but in reality sugar has proved to be too hard for this government to include in the negotiations.

If the minister had agreed to be tough and to fight for the best interests of the local industry, as he did for the car industry, he might have been able to achieve something worth while. Maybe if he had agreed to slower phase-out arrangements for some other tariffs in relation to other countries in return for reciprocal arrangements, he could have achieved something. But the priority for this government was with its mates in the car industry, not the Australian farm sector. I guess this really worries the agricultural sector when it comes to the Doha Round. I can hope that there is more ambition and more determination in the Doha Round and that we will not simply accept another argument that we should be satisfied with not going backwards. That is not good enough. Not going backwards is not a reason for us to celebrate. What we have to do, if we are going to have worthwhile negotiations, is to go forward and continue to go forward.

How ambition has fallen. The government regularly uses words like ‘ambitious’ around their trade agenda, but in reality the ambition has now retreated to a situation where all they expect to achieve is that we have not gone backwards. You do not create more jobs by not going backwards. You have to go forwards. You have to achieve greater gains, and these have not been achieved in far too many areas of this agreement.

Can I also raise some concerns I have about the new rules of origin that have been included in this FTA. Exporters are going to be able to choose whether they want a regional value content or a change of tariff classification content under the origin rule. This flexibility will enable a much wider range of products to be classified as coming from that country of origin and be allowed to be imported into Australia to take advantage of the new tariff concessions. Some products that are predominantly grown or made in other non-ASEAN countries will be able to get the benefit of this free trade agreement. The AANZFTA will certainly deliver some benefits to Australian industry and there will be some new market access opportunities, but it is also going to expose a number of Australian industries to much tougher Asian competition. In that regard, I turn to my concerns about the future of the Australian Export Market Development Grants Scheme, which is falling apart under this government. The scheme is unravelling; it has virtually collapsed. There are hundreds and hundreds of people who have undertaken negotiations to export products from Australia to around the world who are now finding...
that they are not going to have their EMD grants paid. At the last election, the Labor Party went to the people with a promise to expand the scheme to make a lot more people eligible—lower the thresholds, increase the number of grants and substantially extend the grants.

Mr Crean—Mr Deputy Speaker Thomson, I rise on a point of order. This is a ministerial statement about the ASEAN- Australia-New Zealand Free Trade Agreement. I fail to see what the EMDGS, which the previous government ran down under its reign, has to do with this debate. If you want a debate about the EMDGS, let us have it, but this is not the appropriate context in which to have it.

The DEPUTY SPEAKER (Mr KJ Thomson)—The Leader of the Nationals should address his remarks to the ministerial statement.

Mr Truss—This statement concerns a whole range of trade issues and I am happy to relate this to traders who would want to sell products to take advantage of the ASEAN- Australia-New Zealand Free Trade Agreement. There are many people working in those countries who are not going to get their current EMDGS claims paid, and there are going to be a lot more who are not going to get their claims paid in the period ahead. The government commissioned the Mortimer inquiry to look at these issues. The Mortimer report recommended unwinding most of the changes that the government made to the scheme.

Australian exporters are going to face increasing challenges in the ASEAN market, some of them as a result of this free trade agreement. They are going to need full cooperation, support and assistance from the government to not only take advantage of any new markets that might have been created but also protect the markets they have as a result of the increased competition in those markets that will be available under this FTA. So it is not good enough for the government now to be short-sheeting the funding for this program. You simply cannot make a lot more people eligible and then offer less money and expect it to go around. We funded it 100 per cent in each of these years and we would have funded it again in the year that you have short-funded it and left people short. You look at our record. We funded it. They did not go without when we were in government.

I know this is not the minister’s fault. I am not blaming the minister for this. He went to cabinet to get some money for it and they knocked him back. Unfortunately, when they knocked him back, the exporters whom we need to work hard and take advantage of trading opportunities were left without funding under the EMDG Scheme. They are hurting and they feel deeply aggrieved because they were used to getting 100 per cent payments and this year they did not get 100 per cent payments because this government refused to provide the top-up funding necessary to make sure that the payments were in fact made. I think that that is a significant issue in trying to take advantage of the new free trade agreement which will come into effect on 1 January next year. We will need to be able to provide the kind of assistance and support that our exporters will need to open up these new markets. Many of them will have to put in a great amount of effort and time to establish the clients and to work through the issues. But it will be very difficult for them to do that if they are not going to get proper reimbursement of their expenses, as they have expected under the EMDG Scheme over many years.

This agreement also talks about new opportunities in Asia for the Australian meat industry. I welcome any new markets that might be possible. However, the chances of
Australia opening up new markets for meat have also been dealt a savage blow by the government’s decision to axe the 40 per cent subsidy on export inspection charges. This will add 60 per cent to the cost of meat inspection services in Australian meatworks. It will add millions of dollars to their expenses, something like $40 million or $50 million. That is not the kind of encouragement that an industry would expect to receive if the government were really interested in opening up new trade opportunities. This subsidy has been in place for most of the last couple of decades. It was interrupted briefly by the previous Labor government, but it was reinstated in 2001 and has made a huge difference. No other country in the world expects their exporters to meet the full cost of export inspection services—the cost of a lot of the bureaucracy, the trade negotiations and all sorts of other things that will be added on.

Some of this is being hung on the Beale review, but it seems that only a small part of the Beale review is being adopted. The Beale review recommended significant changes to the way in which these charges are assessed and also that the government pick up the tab for the departmental expenses and a lot of the international negotiations. This government has decided to lump the full cost onto the industry, making exporting from Australia even harder.

We do need free trade agreements but we also need a government that is going to support our exporters to create jobs in Australia and not just see them transferred to other parts of the world. We are not the only people who can take advantage of this FTA; other exporters among the 12 partners can too. If we are going to be competitive in those markets then we will need to have a strong and effective Australian exporting sector that can count on the support of its government and not expect just to have more taxes, more difficult industrial relations and more penalties placed on its capacity to do its job.

COMMONWEALTH ELECTORAL AMENDMENT (POLITICAL DONATIONS AND OTHER MEASURES) BILL 2009

Second Reading

Debate resumed.

Mr NEUMANN (Blair) (4.45 pm)—It would surprise a lot of Australians to know that the current legislation in this area places no restriction on foreign donations. It is a fact that in Australia, unlike in America, foreign individuals or companies can contribute to political parties and candidates in such a way as to potentially influence the way they might vote, think or act. This came to prominence in 2006 when it was revealed in a number of newspapers, including the Australian and the Canberra Times, that a prominent British peer, Lord Ashcroft, in 2004 had donated $1 million to the Liberal Party of Australia. That sort of thing is simply outrageous and should not take place. I think most Australians would think it a matter of national sovereignty that large overseas companies were not in a position to exert influence in such a way. The legislation before the House, the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009, deals with such actions and will ensure that in future they cannot take place.

Also, there is the matter of anonymous donations. It is outrageous that a person can contribute up to $10,900, CPI indexed, and remain anonymous. That is a large sum of money by any stretch of the imagination. To think that you can remain anonymous in the circumstances is simply ridiculous. The initial bill proposed to prohibit all anonymous donations to registered political parties, candidates and members of a Senate group, but we have made some amendments to include
a $50 exception, in response to the JSCEM’s advisory report on the bill. Responding to concerns that were raised, the JSCEM report recommended that the definition of ‘electoral expenditure’ be broadened to cover a range of campaign costs. The government, through these amendments, proposes to add three further categories of electoral expenditure that can be reimbursed. These include the rental of dedicated campaign premises; the hiring and payment of dedicated campaign staff; and the purchase, lease, hire or hire purchase of specified office equipment used for or during an election period. There is also an expansion of the categories of electoral expenditure to ensure there is no potential to double dip, because we do not want members of parliament making claims that have already been met, through their entitlements, by the Commonwealth.

As I indicated, the report recommended that there be a $50 exception to the prohibition on the acceptance of anonymous gifts. The basis for this recommendation was simply to overcome onerous or burdensome record keeping in certain circumstances—for example, a trivia night or barbecue, which is a very small fundraiser. The legislation is not meant to cover those sorts of things, so the $50 exception is a sensible approach in those circumstances.

This legislation goes a long way to restoring the integrity of our electoral system and processes. It makes a big impact with respect to the transparency, openness and accountability of our system for political donations. It bans political parties and candidates making a profit from the public purse in circumstances where they get on the Senate ticket or other ticket simply to raise money for themselves or an institution they are affiliated with and not to strive to be elected. Not to treat the electoral process as fair dinkum is outrageous. We have seen it in the past, and I have seen it locally up my way. Providing that a candidate has sufficient proof of electoral expenditure in submitting their claim and provided they do it in the time frame set for public funding, I think the public, and certainly my electors in Blair, would think it reasonable and appropriate.

These amendments are sensible and reasonable, and I submit that the bill should be supported by both sides of the House. It is not contentious and, in my view, it should be accepted. It is really quite disgraceful and shameful that those opposite, who have not offered one idea about electoral reform in terms of political donations, have opposed this legislation. I look forward with interest to seeing those opposite make even one constructive suggestion in the future with respect to electoral reform rather than continue to delay the very important reformist agenda of the Rudd Labor government.

Mr Chester (Gippsland) (4.52 pm)—Thank you, Deputy Speaker. I fear the member for Blair is attending the same barber as me. I also join you in commending him for his involvement in the World’s Greatest Shave. I also take up the challenge of the member for Blair to make some constructive suggestions here this afternoon, in relation to electoral reform.

I rise to speak in relation to the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009. In doing so, I seek to highlight my view that campaign funding is one of the most critical challenges facing our democracy and we have an obligation to improve the current system. After having said that, I do not believe that this bill is the complete answer. It is more about tinkering around the edges and
entrenching some competitive advantages, I believe, for the Labor Party, than a genuine attempt at reform. There are elements of the bill which have some merit, and the member for Blair referred to theprofiting from public funding issue—and I think that is an important aspect of the bill. But the reform process, in my mind, must be a more comprehensive program and not just cherry-picking to suit one side of politics or the other.

The principles of election campaign funding and political donations and the overall conduct of elections are issues that—I agree with other members who have already spoken—should be above party politics. I believe there is also a genuine mood for reform in the community—an expectation that we will actually improve the current system as time moves forward. I take up the comments from the Special Minister of State, in his message to the electoral reform green paper released in December last year, where the minister wrote:

Australians want a healthy political system, with impartial umpires and processes underpinning our electoral system, keeping our campaigning fair and transparent and ensuring our systems are free from corruption and improper influences.

The minister went on to say:

The perception of undue influence can be as damaging to democracy as undue influence itself. It undermines confidence in our processes of government, making it difficult to untangle the motivation behind policy decisions. Electors are left wondering if decisions have been made on their merits.

I think they are important points that the Special Minister of State made. I highlight the comments because I believe they are the valid principles we should be following in relation to electoral reform. Despite the often expressed cynicism from the voting public about politics and politicians, Australians are proud of their democratic system and they want it protected from any threats.

One of the biggest threats to democracy is the spiralling cost of election campaigns—sometimes referred to as a campaigning arms race. The cost of participating in campaigns and having a realistic chance of winning has spiralled out of all proportion in the past decade. I know from my personal experience as a political staff member for four years and as a candidate at both state and federal level that the cost of participating in elections has escalated to the extent that it threatens the very principle of ensuring that our participatory democracy is open to all credible candidates. From direct experience, the first campaign I was involved in was, I think, in about 1999. It was a state campaign. The candidate had about $20,000 to spend and it was regarded as quite a significant campaign in its time. Then, in more recent times, I was the Chief of Staff for the Leader of the Nationals in Victoria. Any credible campaign in a state seat in Victoria was well over the $100,000 mark, and in some of the marginal areas it was closer to $200,000. I believe we are heading down a path which is fraught with dangers for our democracy. It is hardly a fair system when larger parties are in a position to spend hundreds of thousands of dollars on individual seats, while other candidates have significantly fewer resources at their disposal—even when you take into account where they achieved the four per cent benchmark for public funding.

I believe we need to implement a fairer system, a better system, where there is increased fairness among individual participants in the political process and the public can have increased confidence that decisions are made on their merits and without undue influence. It is my personal view—and I do stress it is my personal view and not necessarily a position shared by all within my own party—that we must head down the track of targeted, and possibly increased, public funding of candidates and registered parties,
along with stringent caps on actual campaign spending. I believe there needs to be a greater debate and commitment to wholesale reform, rather than a tinkering around the edges that the bill before the House represents.

In my preferred system, the credible candidates would be entitled to a fixed sum of public funding to spend on legitimate campaign expenses during the campaign. I take up the definition of ‘campaign expenses’ in the bill before the House. The amount of campaign spending would be capped and strictly enforced, and limitations would be placed on any third party contributions or advertising—whether by unions, industry, business or individuals. Some may argue that such a system would amount to a constraint on freedom of speech, and I do not think we should be afraid to have that debate here in Australia. Rather than restrain freedom of speech, I believe a system of capped campaign spending would encourage a diversity of views, as the opportunity to participate in elections would be available to a wider cohort of people.

If, for example, the total cap for a House of Representatives candidate was set about $100,000 in the specified campaign period and all of the credible candidates were guaranteed $50,000 in public funding, the possible candidates would be less likely to be excluded because of campaign cost considerations. In this example, to become a credible or recognised candidate—whatever term you would like to use—for the purpose of receiving public funding, benchmarks could be set, such as being the endorsed candidate for a registered political party or, in the case of independent candidates, there could be a statutory process of officially registering 500 or a thousand local voters who intend to support the individual. I think we can quibble about the details later, but the principle remains the same—that candidates would be on a level playing field, rather than the current situation we are faced with. Each of the credible or registered candidates has access to the same amount of public funding and a cap on how much extra money they are allowed to spend in addition to that public funding. It is there where some of the recommendations of the bill, I think, would come into their own in terms of the transparency of the process and the declaration being timely.

In the example that I am presenting, it would be a $100,000 cap with a maximum of $50,000 coming from fundraising activities. I would argue that, if you cannot get your message out to voters with $100,000, you really do not deserve to be elected in the first place. Keep in mind that the basis for the introduction of public funding was all about reducing the cost of participation in our democracy. The electoral reform green paper highlights the public funding system started with very noble aims indeed. On introducing the bill to amend the Electoral Act in 1984 into the parliament and in subsequent debate, the Special Minister of State at the time, the Hon. Kim Beazley, spoke of a number of purposes of the legislation. They summarise along the lines of fair elections: different parties offering themselves for election have an equal opportunity to present their policies to the electorate. Some of the other expressed aims of introducing public funding were to provide registered political parties and independent candidates with equal opportunity to contest elections, promote fairness in the electoral system between political parties and candidates contesting elections, and promote the integrity of the electoral system by reducing political parties’ and candidates’ reliance on donations, which could compromise their ability to represent their electorates properly.

I suggest that public funding in that regard has not worked; it has not happened. The
spiralling costs of campaign funding stand as a testimony to the issues we are facing now with electoral reform, and unfortunately those noble aims have not necessarily been fulfilled, despite the good intentions. At the moment the campaign arms race forces candidates and political parties to go bigger and better, and the campaign is often turned into a contest of marketing dollars rather than a contest of ideas. The Gippsland by-election campaign is a case in point. By my own estimations—and I stress that these are my estimations—the three main candidates representing Labor, the Liberals and the Nationals spent well in excess of $1 million in total on various marketing initiatives. We had the standard TV, radio, newspaper advertising, multiple mail-outs, websites, static signage and mobile signage, to the point where Gippslanders could not open their mailbox or turn on their TV without seeing one of our smiling faces. I can still recall the air of excitement in my own home when my children first saw the ads on telly. They were quick to rush around and find everyone to come and watch them, but by the end of the campaign they were so sick of seeing dad’s face on television they actually started switching channels. Such was the flooding of the media markets by candidates from all persuasions. It was marketing overload, but each campaign team was playing by the rules as they stand and getting its message out to the absolute best of its ability.

I am not criticising the Labor candidate, the Liberal candidate or my own team—which I commended for doing a great job. In fact, they did an extraordinary job in difficult circumstances to win the seat. As far as I am aware, everyone played the game by the existing rules; it is just that I believe the rules need fixing in the future. It was the first time that Gippslanders had experienced the extra attention that a by-election inevitably brings. When all the three parties were acting as if they had a strong chance of winning and spent money accordingly, the mountain of marketing material was difficult for people to come to grips with. The campaign spending really did take a lot of people by surprise as they were swamped with this material. I have received feedback from many constituents, both during that campaign and since, who believe there must be a better way—and I agree with them.

There are many options throughout the world, and the green paper canvases the arguments for capping expenditure in the manner that I have already outlined. The arguments for capping expenditure, apart from the ones that I have mentioned already, include that there is no real advantage for one candidate or party having access to greater financial resources. The caps do create a level of financial equality between candidates in the election—and heaven forbid that they would actually have to win the campaign based on the merits of their ideas rather than the strength of their marketing campaign! Caps reduce the level of election finance needed, meaning that more candidates, including some less wealthy candidates, may compete in elections—and I hasten to add that in our rural and regional areas, particularly through the difficult times we have experienced with drought, flood and now fires, the issue of wealth and the availability of candidates to participate in our democracy is becoming more and more important. Caps also help to contain overall election costs, which in turn reduces reliance on donations and the associated problems I have already referred to. The absence of caps encourages excessive television and other advertising. Many overseas jurisdictions place limits on election expenditure. Of course there are many contrary arguments, and I believe they are all manageable. On a national scene, limitations or caps could be put in place for the broader leadership cam-
campaigns which have become part of modern campaigning.

Whatever the cap, it must be stringently enforced, and any breaches would have to be heavily penalised, including the possibility of excluding candidates in the more extreme or deliberate cases of breaching any new regulations. I acknowledge that with such a system there would be difficulties in enforcing those regulations, particularly, I would imagine, in specifying a campaign period and keeping track of third-party spending. It would require further detailed analysis, and I believe that is a challenge for the House. The principle, though, is valid: if we are concerned about the spiralling campaign arms race, we must place caps on campaign spending in the future and nurture the development of a fairer participatory democracy. Part of such a scheme would necessarily entail the need to consider fixed terms, and I do not think we should shy away from that. Many jurisdictions in Australia have already taken that step.

Mr Danby interjecting—

Mr CHESTER—I am happy to take up the interjection. We are having a broad debate today about the opportunities to improve our electoral operations and I am prepared to argue the case that if you are going to go down this path of capped spending you would have to consider fixed terms; otherwise, the logistics of managing the campaign capping phase would be quite onerous. I present this proposition in an attempt to broaden the debate rather than restrict the discussion to the current proposed measures, which I believe are not intended to provide the major structural reform that Australians are looking for. The measures in this bill are largely an attempt by the Labor Party to cherry-pick for its own electoral benefit. It is not a genuine attempt to reform campaign donations and funding, and should be rejected by the House.

The electoral reform green paper also seeks to encourage public debate about options for improving and modernising Australia’s federal electoral system. I have referred to it several times because I believe it is a very worthwhile document. I note particularly the experiences of other nations, in particular the Canadian and New Zealand experiences. It is argued that Canada, for example, have the strictest regulations of selected countries. It is based on an approach of encouraging small donations from a large number of donors, which I believe would be a positive step. Their scheme aims to limit the funding going into political parties and also caps the expenditure by political parties. Bans apply to donations from corporations, unions, associations and groups, and caps apply to donations to and expenditure by political parties and candidates. At the 2006 Canadian election the expenditure limit averaged Can$81,000 across electorates. The outcome of the Canadian approach, quoted in the green paper, is that the amount of money flowing in, as well as being spent by political parties, has significantly reduced in Canada. New Zealand has adopted a model which utilises a variety of different regulatory tools. For example, to reduce the pressure on candidates and parties to raise money through donations, election expenditure is capped, with political parties able to spend up to NZ$1 million plus an additional NZ$20,000 per candidate. So there are other options throughout the world that I believe are well worth considering. I am sure neither of those nations believe that they have a perfect system. A perfect system probably does not exist, and they are probably tweaking their system as we speak. I think it is inevitable that there will need to be a level of compromise and balancing of the competing demands in
It is worth considering the ramifications if there is no major action on electoral reform in the short to medium term. We need only to look at the experience of the United States to get a glimpse of the future in terms of the extraordinary costs of campaigning. Such costs need to be funded. It is almost inevitable that there will be strings attached, or the perception of strings being attached, to huge donations from corporations, unions and wealthy individuals. We have seen some relatively small-scale scandals in Australia already, and I fear that the prospect of corruption, bribery and undue influence will only increase if the campaign arms race escalates in an uncontrolled manner in the future. There is also the very real prospect that political parties will choose candidates on their fundraising capacity rather than on their capacity to do the job on behalf of their constituents. In a world of uncapped campaign spending, political parties will look to the bottom line and we face the prospect of wealthy candidates effectively buying a seat in parliament in the future. In my view, these are just some of the risks of inaction on campaign funding reform on a broader scale rather than the piecemeal approach we are undertaking at the moment.

I refer briefly to the shadow minister of state in the other place, who has called for a broader approach to the issue. In his contribution to debate on amendments to the bill before the House, the shadow minister said:

Let us have a sensible discussion about where we are going to take the campaign finance reform agenda. Let us work together, which I think we are capable of doing, and let us get an outcome that is an appropriate legacy to restore some confidence in the system …

I am not suggesting for a second that the shadow minister endorses any of my personal views, but he does support the need for a proper debate and extensive reform process, not the cherry-picking or the self-serving changes that I believe we are pursuing at the moment. The green paper also notes:

The accelerating costs of political campaigning create pressures on our electoral system. Consideration needs to be given to how parties, candidates, and other participants in the electoral process, including associated entities and ‘third parties’, are funded and how best to ensure those methods of funding are transparent, open and accountable.

I believe that sums up the considerable challenge we face.

This may appear from the outside to be a dry topic, but I believe that members of our community are very concerned about the perception of inappropriate fundraising or donations to political parties. I think we need to consider the broader issues of how we want to take our democracy forward in the 21st century. Do we want a system where individual MPs spend a significant amount of their time involved in fundraising to secure their seat in future campaigns? Do we want to perpetuate the system where businesses pay thousands of dollars to sit down for a lunch with ministers or others, expecting the community to believe that there are no strings attached? Do we want a system where unions are able to splurge tens of millions of dollars on election advertising campaigns, regardless of the views of their members? Do we want to continue down the path of the campaign arms race, or are we going to get serious about the issue of electoral reform? I believe we must do everything in our power to protect and enhance the integrity of our electoral process, and I fear that this bill falls short of the mark.

Mr DANBY (Melbourne Ports) (5.09 pm)—The Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009 contains measures to address critical weaknesses in the Common-
wealth Electoral Act relating to the funding and disclosure regime. These weaknesses have been identified by the green paper and by reports of the Joint Standing Committee on Electoral Matters, which I have had the honour to be on since being elected to this House. While I appreciate the sincere and thoughtful remarks of the member for Gippsland and some of the ideas that he raised about capping and fixed terms, this bill is essential because it reverses the regressive amendments that were made very deliberately by the Howard government to the Electoral Act—changes made in my view for the partisan benefit of the coalition parties. The previous government's changes were motivated by a desire to help supporters who make large donations to the Liberal Party without disclosure.

Mr Ciobo—As opposed to your changes, which benefit you.

Mr DANBY—This breeds the suspicion of influence and other corrupt practices and damages the integrity of our electoral system. As the member for Moncrieff knows, one of the things that could be done under the previous system was that you could make a $10,000 donation to the Labor Party in Queensland, a $10,000 donation to the Labor Party in New South Wales and a $10,000 donation to the Labor Party in South Australia and it would only be revealed as one donation of $10,000 because they were allegedly separate entities. This was really not the clear intent of the legislation when it was framed in 1983, and we are setting about redressing what was done previously.

Moreover, I hope that further legislation will deal with the other regressive changes made by the previous government—issues that I have been raising over the last six years, particularly the early closing of the electoral roll and the requirement for photo ID to enrol or in the case of a declaration vote. I have spoken previously in this House about the disgraceful effect these small changes had on the electoral process at the last election. In my view, and I have spoken about it at other times, they crucially affected the results in four seats. This election was not that close, but to have these kinds of changes disenfranchise a sufficient number of Australians across the country so as to affect the results in four seats is not the kind of democratic Australia I believe in. Senator Faulkner, the Special Minister of State, has called this bill ‘a critically important first step in the electoral reform process’, and I am confident we will see further reform measures in this parliament.

Included in this bill is the area of the cash bonanzas that some people received because they got past the four per cent limit in the Senate and were able to claim the $2.10 per voter bonus—or cash bonanza, in the case of one person—without having to show any receipts. We are tackling this area of donations first because it is of immediate importance. People donate money to political parties all the time, not just at federal election times. Parties and donors need certainty, they need to know what the rules are and they need to know these things now.

The bill will reduce the disclosure threshold from the current CPI indexed amount of $10,900 to a non-indexed amount of $1,000. This will restore proper public scrutiny to donations of this size. The bill will improve transparency in the funding and disclosure regime by requiring participants in the electoral process to report every six months rather than every 12 months. The bill will provide consistency by reducing the deadline for lodging disclosure returns with the AEC to a consistent period of eight weeks. Currently, deadlines range from 15 to 20 weeks, depending on the person or the entity. The bill will treat donations to different branches of political parties as if the donations were
given to the same political party, as they always should have been, to prevent a person giving multiple amounts below the threshold to various branches or divisions of the same political party—an entirely fictitious process, which the previous government knew was not the intent of the original legislation and which the member for Gippsland correctly described as having the noble purpose of enabling political parties to compete on an equal basis.

This bill prohibits the receipt of a gift of foreign property or an anonymous gift outright for some people and entities, while for other people and entities it will be unlawful to give or receive a gift of foreign property or an anonymous gift if that gift is to be used for political expenditure. In response to a recommendation from the Joint Standing Committee on Electoral Matters, the government’s amendments will allow low-level anonymous donations of $50 or less to continue—and this is done, as several members have said, for quite sensible reasons—where they are received through fundraising activities such as raffles. In our desire to make the process transparent, it is silly to affect innocent activities such as this very grassroots fundraising by insisting that there be disclosure of individual donations in raffles.

The bill prevents candidates or groups obtaining a windfall payment of election funding by tying electoral funding to the actual electoral expenditure incurred. In response, again, to a recommendation from JSCEM, the government has expanded the definition of campaign expenditure to ensure that it does not favour one form of campaigning over another. In these days prior to the Queensland election, we have seen on Today Tonight the extraordinary performance of the candidate for Beaudesert—who, I really regret to say, has been attacked by some of the tabloid newspapers in this country with salacious stories about her personal life, as if that had anything to do with politics. If anything, I would say that it has enhanced her profile in the coming Queensland election. It has nothing to do with politics. It is a shame, and it enables her to portray herself as a victim again. She is not a victim. She is a person who should be judged on an equal footing with other candidates at elections. Today Tonight posed a question to her about what she had done with the $213,000 cash bonanza that she had won from the 2007 federal election when she stood as a candidate in Queensland, scored above the four per cent minimum and was therefore able to receive $2.10 for each of those Queensland voters without having to furnish any receipts. That is clearly something that was never intended by the original legislation.

I conclude by noting the remarks of my friend the member for Banks, the splendid chairman of JSCEM, who pointed to the blockage of this legislation in the Senate by Senator Fielding. Senator Fielding really ought to be very careful in blocking this and other electoral legislation. The current government made a point before the election of pointing out the changes that it was foreshadowing to donations in regard to the issues of identification and of the early closure of the roll. It is an undemocratic reflection on Australian society that a person who was elected to the Senate with such a low primary vote—and then principally on preferences that came from the Labor Party—could block this legislation. I urge that this legislation be passed. I commend the minister for his excellent green paper and for the raising of all these issues. I hope that the process of democratic reform in Australia will continue and will be extended. I am very interested that the member for Gippsland has thrown his weight behind fixed terms, and I call on the rest of the opposition to stand up with the member for Gippsland, to join the government and to support that great reform,
as originally envisaged by that great member for Werriwa, the former Prime Minister of Australia, Gough Whitlam. Let us pass this amendment and then go on to further reform in Australia, from the more obvious issues that grew out of the last election—such as revoking the measure of early closure of the roll, which was designed to prevent young people voting—to issues such as fixed four-year terms and ultimately a plebiscite and then a referendum on Australia having its own head of state.

Mr OAKESHOTT (Lyne) (5.19 pm)—I rise only very briefly to put on record my support for the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009 and, in fact, my surprise that we are seeing this for a second time. Surely, given all the debate that we are seeing in regard to a campaign arms race—and I think that everyone within this parliament concurs with the use of such a term to describe the huge costs incurred, at both state and federal levels, by candidates and the major parties to run election campaigns—there should be general agreement in regard to the urgent need for reform in this field. I am certainly surprised, therefore, that we are seeing this a second time. I do not think the argument that was given as a reason for rejecting the legislation in the other place was strong—that we need comprehensive reform rather than what I would hope is only the start of a reform process. I do not buy that argument, and I do not think most people in Australia buy it either.

In response, I would certainly hope that this is not the end of the process for the government but the start of a process of reform, and it is in that context that I give the government my support and the support of the people of the mid-North Coast. This is a huge concern to many people within the democratic process. In many ways, I think democracy hinges on accessibility. If it becomes unaffordable for anyone to put their hand up for the democratic processes of becoming a member of this chamber or other chambers throughout Australia—whether for a major political party, as an Independent candidate or for a minor party—then our democratic processes are weaker because of it. I certainly acknowledge the starting principle, which is one of the pillar principles behind this legislation appearing—that is, that the figures that have to be raised by those wanting to be elected are now getting to a level of absurdity and to the point where there is the concern, which is becoming more than just a perception, that it is a buying of the vote and that the vested interests are now really, in many ways, wanting to see a return on their substantial dollars invested.

How will that reform process take place in regard to trying to deliver on other pillars of this process, such as transparency and greater accountability? I hope this is the start of that process. Whilst there are many different arguments that can be presented in regard to a reform process for political donations, at least this is a start. Certainly the reduction of the threshold is a start. Having spent 12 years in a state parliament, I had my eyes nearly pop out of my head when, coming to the federal by-election in September, I saw that the threshold was over $10,000. Whilst it creates huge opportunities for various players to make donations, I think that morally the man on the street would in most cases see that threshold as simply way too high. So for me that is an important part of this legislation.

I would strongly urge those in the other place, both the coalition and the cross-bencher involved in blocking this legislation, to strongly consider the perceptions of the man on the street about the question of the accessibility of democracy for Independent candidates as well as for candidates from major political parties. I certainly hope that this is the start of a process that looks at the
cost of standing as a candidate. I am talking about standing as a genuine candidate—not someone who wants to put their hand up and have their voice heard for 12 weeks but rather someone who, without having to spend a huge amount of dollars, can actually stand on a good platform of policies and principles and has a very good chance of getting elected if they argue their case well and if they present well. I would hope that all of us in this place support that as a principle rather than continuing the outrageous figures that we have seen donated, particularly in the last couple of elections, both at a state level in New South Wales, where I come from, and in the more recent federal elections.

On a related issue that I would hope comes up in further rounds of reform, it was only last week that the declaration figures for the recent by-elections in Mayo and Lyne were released. I found it absolutely extraordinary that for the seat of Lyne I came out on top of the list in regard to the amount spent. I was clearly outspent by a major political party in that field by a ratio of five, six or seven to one. There is no question about that. The fact that the declaration of your expenditure happens separately for non-aligned candidates versus candidates who are members of major political parties is an issue that I would hope this government strongly considers. Surely it should be the same rule for all, and that includes the major political parties as well as Independent and unaligned candidates. The fact that the major parties can bury their figures in some sort of global expenditure at the end of the year, separate from by-election figures, which have to be declared by people such as me within a certain time frame, is an anomaly. I hope it can be corrected through what I hope is the start of a reform process.

The people on the mid-North Coast would love to see the figures for the expenditure of all the candidates put on the table. Unfortunately they do not have that right and privilege given to them. Maybe the figure will never be known but will be lost in some sort of overall annual figure from the political party in question. I say this not to isolate them but to reflect on a process which now has built into it rules for political parties that are separate to the rules for Independent and non-aligned candidates. If the principles are to be fair to all within a democratic process, if it is about being accessible for all within the democratic process and if it is about allowing absolutely anyone who comes in off the street to stand as a candidate in a representative process then surely the rules that apply to one should apply to all.

I speak in favour of this legislation. I do not think it is perfect at this stage as far as the full political reform process goes. I am taking it on good faith that this is the start of a process of reform and that we will see more to come throughout the coming term of this government. I think the arguments in the other place are weak in arguing that only comprehensive reform, in one package and in agreement between the two major political parties, should be presented to this House. I think that is a weak argument. I think we should start a reform process now. Hopefully we can see the other place support this the second time around and hopefully all of us can in good faith play by the spirit of the legislation that is before us rather than look for ways around it.

Ms COLLINS (Franklin) (5.28 pm)—I rise to speak in favour of the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009. I start by congratulating the member for Lyne on his valuable contribution. I too hope that this is the beginning of reform. Certainly this amendment bill was designed to improve accountability and transparency in our electoral system, and I hope that that continues also. What we are about is ensuring that po-
Political donations are not hidden, ensuring public scrutiny and ensuring the integrity of our democratic processes, something which we should all be aiming for. Labor have always believed in the values of fairness and transparency in the electoral system. We are the party that continue to reform the Electoral Act and that worked to make the system fairer in the past.

Our commitment to overturn the laws left to us by those opposite illustrates that our commitment to an open form of government where the public is able to scrutinise the actions of the government and of political parties is real. By introducing these amendments we will allow the Australian people to scrutinise donations and financial transactions of political parties. These changes are about being honest to the people who elect us. They also deliver on Labor’s election commitment to roll back the changes made by the former government in this area. This is also about bringing Australia’s electoral laws back into line with those of other countries.

This bill deals with many areas regarding political donations and forms an integral part of the government’s broader commitment to a robust electoral funding and disclosure system. We have heard today from other speakers about the fact that we have our green paper out there for discussion at the moment. This particular bill’s key areas include lowering the threshold for the disclosure of political donations and expenditure to a flat $1,000, down from the $10,900 currently linked to CPI; requiring a six-monthly time frame for disclosing donations and political expenditure, rather than just the current annual disclosure; no longer allowing donations to be made to separate branches of the same party but instead treating them as one entity; banning foreign donations; banning anonymous donations over $50; and tying public funding for elections to verified expenditure so that candidates will no longer be able to make a financial gain from public funding.

Reducing the disclosure threshold from $10,900 to $1,000 repeals the previous government’s increase. The aim of the measure is to provide transparency in donations. The current large disclosure limit of $10,900 allows huge amounts to be hidden from the public. It threatens the integrity of our system, as it can create a perception of large donors having a significant influence over political parties. In fact, when the existing threshold was introduced by those opposite, the then Special Minister of State, when introducing them, said:

Indeed, these measures are about making it more robust, fair and rigorous. As a result, people will be able to have even greater confidence in our electoral system

Talk about a load of rubbish! How does increasing a disclosure threshold to a relatively high level and hiding a number of donations made to political parties make them accountable? It does not. It shrouds our electoral system in secrecy. It seems to me that those opposite have increased the threshold in the belief that the public should not know who donated to political parties. I can only interpret their recent opposition to this bill as wanting to protect donors who donate to the coalition. My point about hiding donations is clearly illustrated when you compare the disclosure levels in the financial year 2004-05, when the threshold was $1,500. In that year there were 1,286 donor returns lodged with the AEC. For the financial year 2005-06, when the previous government raised the threshold, only 317 donor returns were launched and in the 2006-07 year—all when it went up again, indexed to CPI—the number of returns dropped again, this time to 194. So we have gone from over 1,200 donor returns to 194. How can that be transparent? How can that be accountable?
This bill will also no longer allow donations to separate branches of the same party but instead treat them as one entity. Under the current system it is possible for a political party to raise over $90,000 anonymously, without any trace of where the money came from. For example, different state and territory divisions of a party with a national structure could each receive $10,000 anonymously from the same donor, which would equal $90,000 of untraced money. Currently donors who do not wish to have their identity disclosed can make multiple donations just below the threshold to various branches and divisions of the same political party. This bill will put a stop to that and eliminate donation splitting. It will treat donations to different branches of the political party as a donation to the same party, as it should.

The ALP are on record as opposing the 2006 coalition amendments, and we vigorously opposed them in parliament. I want to quote Senator Faulkner, who was arguing about the coalition changes when he said:

"It is about money—dirty money and lots of it—in the coffers of the Liberal Party, and it is about making sure that no-one knows where that dirty money is coming from."

Clearly we have seen that here today with the Liberal Party’s ridiculous arguments: ‘It’s time for reform but not just yet; let’s do it later.’ I support the comments made by Senator Faulkner at that time, because the previous government was not—and is not now—in favour of open, transparent and accountable electoral and political processes. Their disclosure threshold changes removed the chance for the media and members of the public to scrutinise donations made to political parties.

This bill also allows for furnishing returns within eight weeks of polling day and will make it a much more timely reporting system. Candidates and members of Senate groups who have incurred campaign expenditure will be required to provide returns within eight weeks, instead of 15 weeks after the poll. It also requires donors, political parties and associated entities to lodge returns to the AEC within eight weeks of the six-monthly reporting period, instead of the current annual reporting, which can be provided up to 20 weeks after the end of each financial year. These changes will ensure that the AEC has details of gifts, revenues and political expenditure that are both timely and up to date.

This bill will also make it illegal for candidates and political parties to accept overseas donations. It will also make it illegal for other groups, such as associated entities, to accept overseas donations that are for the purpose of political expenditure. Making overseas donations unlawful will bring Australia into line with other countries that prevent foreign donations. Such donations are currently outside the jurisdiction of the AEC and can be impossible to trace. The United Kingdom, New Zealand and Canada place complete bans on foreign donations. The AEC previously supported a tightening of the law to address the issue. I want to quote the AEC in their advice to the Joint Standing Committee on Electoral Matters. It said:

… an obvious and easily exploitable vehicle for hiding the identity of donors through arrangements that narrowly observe the letter of the Australian law with a view to avoiding the intention of full public disclosure.

That is, people can clearly hide behind these laws. Under the current disclosure arrangements contained in the act it would be possible for political parties to channel money through untraceable overseas bodies and sources. This is not okay. There is no current requirement for overseas donors to disclose, making it impossible to determine whether they are the real source of the donation. There is also no adequate way to enforce
accurate disclosure of information from overseas entities under domestic law.

The final part of the bill is about tying public funding for elections to verified electoral expenditure so that candidates are not able to make a financial gain. This gives effect to our election commitment that funding will be provided only for expenditure directly incurred by a candidate or a party in an election to prevent any candidate or any party making a financial gain. It will ensure that people receive only the money that they have actually expended. It is about being responsible with the taxpayers’ money.

We have all heard about the evidence presented to the Joint Standing Committee on Electoral Matters in 2005 when there was an example from the 2004 election of a candidate making a profit from public funding. The candidate received almost $200,000 in public funding but spent only just over $35,000 and made quite a substantial profit. This bill will put a stop to candidates making a profit from public funding. I believe the measure brings the electoral laws into line with community standards. New claims processed under these changes will require candidates, registered political parties and Senate groups to lodge a claim specifying all or part of their expenditure if they wish to receive election funding.

This bill does what we said it would do. It will ensure fairness, transparency, integrity and accountability in our electoral system. It is the start of electoral reform. It is clear to me that those opposite do not believe in an open and transparent political system. This is why they changed the laws in the first place and that is why they made it harder to trace donations. We all have to ask: just what are they hiding?

I urge those opposite to change their position and to vote to bring fairness and accountability back into the electoral system, and I commend the bill to the House.

Mr DREYFUS (Isaacs) (5.38 pm)—This legislation, the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009, implements longstanding Australian Labor Party policy to clean up electoral donations and the electoral donations and funding system. It implements longstanding Labor Party policy to reduce the perception of undue influence from private donations to political parties, and it implements longstanding Australian Labor Party policy to introduce electoral laws which protect the integrity of the democratic process.

We have seen some extraordinary positions adopted on the other side of the House in opposing the reforms that are bound up in this legislation—opposing them on the pretext that those opposite would wish only to support a larger set of reforms. What we have is opposition to partial reform on the basis that it is not good enough to introduce anything less than a full set of reforms.

It is a curious strategy. It might be explainable if there were a genuine risk that, if these reforms were to pass, it would mean that no further reform of electoral laws would occur. But there is no likelihood of that occurring. There is no such risk, because Labor is committed to ongoing electoral reform.

The Liberal Party position of opposing this bill on the basis that they—as they have claimed—are supporting only a larger and
more comprehensive set of reforms is really accurately described as hollow, hypocritical and, indeed, duplicitous. It needs to be borne in mind that this is the party which increased the disclosure threshold during the last parliament from $1,500 to $10,000, indexed. This is the party which introduced not one electoral reform which could be said to have in any way improved transparency and accountability in the electoral system. This is the party, as other speakers on our side of the House have pointed out, which delayed the passage of this bill—introduced in May last year—through parliament by referring the bill to the Joint Standing Committee on Electoral Matters. And this is, of course, the party which voted against this bill in the Senate last week.

It might be worth just briefly examining some of the extraordinary statements that have been made by members of the coalition. We have this extraordinary statement from Senator Ronaldson, in the other place:

Again I put on the record that we are very, very strongly supportive of comprehensive reform …

He went on then to explain that, notwithstanding the support—the strong support, according to Senator Ronaldson—for electoral reform, the Liberal Party was going to vote, and did in fact vote, against this legislation.

We have had equally hollow statements made in the debate in this place from, for example, the member for Sturt, who also claimed to be a supporter of electoral reform—but apparently not these particular reforms. We had from the member for Sturt perhaps the most ridiculous—I think that is an appropriate term for it—statement that has been made in the debate in this House, which was to describe this bill as:

… an attempt … to crush even more the democratic freedoms that we, at least on this side of the House, hold dear.

How it could possibly be said that a bill which increases the requirements for disclosure, which removes the possibility of secrecy in relation to electoral donations, which improves transparency and which improves accountability is—and I will again use the alarmist words of the member for Sturt—‘an attempt to crush democratic freedoms’ is beyond me. I would suspect it is beyond every member of this House, including those opposite, to even begin to work out what the member for Sturt was actually talking about, in making the comment that he did.

We heard, too, from the member for Cook, who also adopted the position taken by those opposite that only a comprehensive set of electoral reforms would be supported by the coalition and that, because this was merely some reform and not a comprehensive set of reforms, it was going to be opposed. That is what has already occurred in the Senate, and that is the position that was taken by the member for Cook.

Perhaps one should not only listen to the words uttered in this debate but also look at what some of the members I have referred to, including Senator Ronaldson and the member for Cook, said in their dissenting report when the Joint Standing Committee on Electoral Matters reported on this bill in October of last year. They ran out their hollow proposition to this effect:

The view of the Coalition members of the Committee is that campaign finance reform is a complex issue that requires integrated reform, with no one measure considered in isolation to another.

It is hollow because—just to take one example—it did not seem to worry the coalition when they passed their change to the electoral laws increasing, effectively as a one-off measure, the disclosure threshold from $1,500 to $10,000 indexed. On no view was that introduced as part of an ‘integrated’ re-
form. It was an isolated change introduced because the Liberal Party in this parliament has always favoured measures which conceal the sources of the Liberal Party’s funding and which make it possible for very large donations to be made to political parties in this country without fear of disclosure.

When one looks at the actual measures that are bound up in this legislation, one is left to wonder why it is that members of the Liberal Party, members of the National Party and indeed Senator Fielding have chosen to oppose this legislation, because every single measure that one examines in this bill can be seen to be a measure which will improve the integrity of the electoral system, improve accountability and improve the necessary levels of trust that Australian voters should have in their electoral system. I mention Senator Fielding because there is, at the very least, curiosity in observing that, when the former government introduced its change to the electoral laws to increase the disclosure threshold from $1,500 to $10,000 indexed, Senator Fielding voted against the measure, saying that it was not a measure which he could support. One would have thought that this bill, a bill which would reverse the change brought about by the former government to take it back to an even lower disclosure limit of $1,000 not indexed, Senator Fielding voted against the measure, saying that it was not a measure which he could support. One would have thought that this bill, a bill which would reverse the change brought about by the former government to take it back to an even lower disclosure limit of $1,000 not indexed, would be a piece of legislation that would be supported by Senator Fielding. But apparently, as demonstrated in the Senate last week, that is not the case.

I want to mention some of the measures that we find in this bill. The first group of measures is the one that I have mainly been using as an example: the reduction to a much more appropriate level of the disclosure threshold at which donors, registered political parties and candidates need to state and identify donors. It had been increased to $10,000 indexed, which by this year had reached the high level of $10,900, and it was going to continue to increase annually with indexation. We now have in this bill a flat rate of $1,000, which is greatly to be preferred.

It is worth quoting just what was said very directly by the Joint Standing Committee on Electoral Matters in relation to this particular change. The committee concluded:

The proposals included in the bill to lower the disclosure threshold … to $1,000 (not adjusted for inflation) will lead to a significant increase in the transparency of financial support and expenditure by participants in the political process.

One could ask rhetorically: what could there possibly be to oppose in such a measure? How is it that those opposite or Senator Fielding could persist in opposition to this particular measure in the bill?

There are related provisions concerning the closing of an existing loophole which allows for donation splitting and which treats state and territory branches as separate entities. It allows donors to contribute—on the current disclosure threshold—up to $10,899.99 to nine separate branches of the same political party, which is almost $98,100 in total. That loophole is to be closed. As the Joint Standing Committee on Electoral Matters commented, that ‘will further improve transparency by limiting the opportunity to contribute large amounts of money to political parties and candidates and avoid disclosure’. Again one could ask rhetorically: how could anyone who was interested in the integrity of the electoral system or in increasing transparency possibly oppose such a measure?

The other measure to which I would refer is that which deals with changing the present possibility of a candidate in effect choosing to use standing for election as a means of earning money. We saw a dramatic example of that at both the last election and the election before that with the failed Senate candi-
dacies of the former member for Oxley in this House. She, of course, had reached the status of being something of a professional leech, sucking on public funding for campaigns. Thus we saw that, in her failed Senate candidacy in 2004, the former member for Oxley, Pauline Hanson, spent some $35,000 but received in public funding more than $200,000, and in the 2007 election she collected some $213,000 in public funding. This bill will introduce a provision which requires that those funds be accounted for and that, instead of standing for election being simply a means of earning large amounts of money, the amount of public funding be directly related to the amount of money that was expended on an actual campaign.

There are other measures in this bill, all of which are measures that will increase the integrity and transparency of the electoral system. There will be a closing of a loophole in existing donor disclosure laws in relation to gifts from foreign companies. Again, this is something that was commended by the Joint Standing Committee on Electoral Matters. In relation to the present possibility of very significant donations being made anonymously both domestically and from overseas, and in particular for extraordinarily large donations to be made from overseas, the bill would make it unlawful for other players in the political process, such as associated entities and third persons, to receive overseas gifts to be used solely or substantially to incur political expenditure. Again one could ask, as one could in respect of every single one of the measures in this legislation: what is there that could possibly be opposed by any political party that was genuinely interested in integrity measures and in increasing transparency in donations to political parties in this country?

I would urge the coalition parties and the Independent senators—in particular, Senator Fielding—to reconsider their present opposition to this legislation. It is not a matter of waiting forever for some comprehensive scheme of legislation; these are discrete measures, each of which will improve our electoral system. I would urge those opposite, as I say, to reconsider their position. I commend the bill to the House.

Mr SLIPPER (Fisher) (5.55 pm)—There are a number of measures included in the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009, as was indicated by the honourable member opposite. One could sum up the meaning of most of these amendments as essentially assisting the ongoing re-election of Australian Labor Party governments. One can have a debate on political funding in Australia, but I think most of us would agree that all political parties ought to have access to moneys to be able to put forward their points of view so that the public, at a state or federal level, as the case may be, have the opportunity of weighing what each of the parties has on offer, with a view to making a thoughtful decision which is well considered and in the interests of the country or the state.

The Australian Labor Party seems to have access to unlimited amounts of trade union dollars. These amendments will have little impact on the Australian Labor Party because many of the donations to the Labor Party come from the trade union movement. The Labor Party is the party of the unions. It is controlled in many respects by the unions and it governs for the unions, as we have seen in the industrial relations changes which have been introduced to the parliament by the Deputy Prime Minister. So it is not surprising that members opposite come in and quite enthusiastically support the provisions of the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009. I suppose that in a sense they are coming in here and voting not for personal
self-interest but for the political self-interest of the governing party, the Australian Labor Party. It is just ridiculous to suggest that the donations disclosure threshold in 2009 should be reduced from $10,900, the current rate when CPI indexed, to $1,000 with the removal of CPI indexation. Even if one could mount a valid argument, which I do not believe that one can, to reduce the disclosure threshold right back to $1,000, what on earth would be the moral justification for removing CPI indexation? After all, CPI indexation simply preserves the real value of the basic figure—that is, the $1,000.

I believe that we in Australia ought to have a debate about political reform. I believe we ought to have a debate about political funding. There are a range of views right across the political spectrum on the best means of guaranteeing political parties access to funds so that they are able to put forward democratically the policies that they have on offer. Our democracy would be crushed if this legislation became law and if political parties other than the Australian Labor Party were economically prevented from putting forward their case.

Given the fact that a lot of the policies introduced by the Labor government have been quite disastrous, it would be very sad for democracy in Australia if we had a situation where, come the next election, the conservative side of politics were starved of political donations because of the fear of retribution that some of those possible donors might feel were it necessary to disclose publicly the amount of their donations. No-one would support political corruption; I certainly do not. I do not believe that we have a high level of political corruption in Australia. We are fortunate that we have a system that is largely open and transparent. But the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009 undermines the integrity of the electoral system in Australia, and democracy in Australia would be the poorer were it to become law.

It is important to recognise that the union movement is the basic financing vehicle for the Australian Labor Party. Were this legislation to become law we would find that, because of the disclosure requirements, more companies would feel intimidated into making perhaps equal donations to both sides of politics. If companies wish to make equal donations to both sides of politics as a matter of free will, that is fine and I certainly would support that. But it would be wrong if companies or individuals were coerced into making equal donations because of the fear of economic penalties from the government of the day.

It is appropriate in a democracy to have a disclosure limit, but the changed disclosure limit, as introduced in 2006 by the former Howard government, is indeed the appropriate level. It is also important, given the fact that we have a degree of inflation—and under Labor Party policies we will have more inflation—that we have CPI indexation so that the true value of the disclosure limit is preserved. As an aside, I think it is a tragedy that, for many years, the eligibility limits for access to the Commonwealth seniors health card have not been indexed. I am getting a lot of complaints from constituents who are now losing access to the Pharmaceutical Benefits Scheme at the concessional rate because they are losing the Commonwealth seniors health card because the income limits are not being indexed. So people who are at a stage of their lives where they have increasing health needs are being tossed off the card because there has not been indexation and there has not been a preservation of the real value of the income limits.
And the principle is the same for this bill. If one does not index the disclosure limit then one distorts the value of the disclosure limit. With the level of inflation, the value of the amount of $1,000 will be diminished. In five or 10 years time, if the disclosure limit is not altered, $1,000 will be worth much less in real terms than it is today. The Liberal-National opposition is indeed supportive of the principle of ongoing political reform, because if there is not integrity in the electoral system—a situation where the people of Australia get the government they vote for on the day—and if people do not have confidence in our political system then Australia will not maintain its good reputation for democracy.

Part of guaranteeing democracy is to make sure that political parties and independent candidates are able to get access to appropriate levels of funding so that the Australian community is able to look at what is on offer and make an intelligent decision. If this bill is carried into law, it is possible that the overwhelming message that will get back to the Australian people will be that of the Labor side of politics because our side of politics will be starved of the capacity to put forward the other point of view.

Mr Windsor interjecting—

Mr SLIPPER—The honourable member for New England is a fair-minded person and he would believe that everyone should be given the opportunity of putting forward a case and of being able to finance a campaign. But, unfortunately, the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009 could be summed up as simply being a self-interested piece of legislation introduced by the Labor government to help guarantee the continuity of the Labor government in this country despite the appalling policies it is imposing in view of the international economic situation. I am not in favour of this bill. I think it is a retrograde measure, a regrettable measure. It is a trampling on democracy, and the government stands condemned for introducing it.

Mr WINDSOR (New England) (6.04 pm)—I rise to speak on the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009. I thank the member for Fisher for those complimentary remarks about me being a fair-minded person in relation to these matters. But I would point out to the member for Fisher that our Constitution does not recognise the term ‘political party’; it actually recognises members of parliament who are elected by the various jurisdictions. One of the polluting factors which I think has occurred in terms of the electoral process and the way in which fundraising takes place—in terms of associated entities and a whole lot of other things that are assumed by the major parties to be acceptable in terms of raising funds so that they can advertise their wares to the electorate—

Mr Slipper interjecting—

Mr WINDSOR—The member for Fisher is in a sense just compounding the problem by saying that all parties should have fair and equitable access. He should know that the Independent members of parliament—those people who still abide by the constitutional arrangements—do not in fact have fair access to some of the electoral processes that apply to the major parties. As the member for Fisher has left the chamber, I will not get into all of that, but I think he would take that as read.

One of the interesting parts of that—and it is a great shame the member for Fisher has left the chamber—is that, when one examines the disclosure documents for contributions to individual members of parliament, one finds it is the Independent MPs who have to make a disclosure. The party MPs, in
the main—even though they may have spent hundreds of thousands of dollars of taxpayers’ money and their various donors’ money—will have on their return ‘nil disclosure’. That does not mean that they have not spent any money. It means that they do not have to declare who they received the money from in terms of their particular seat and they do not have to declare any allegiances.

As the major parties would know, the way that this nil disclosure business works is that most donations—and the public funding, of course—are made to the political parties. So the Liberal Party or the National Party or the Labor Party receive some public funding and, in other cases, washed through the associated entities and washed through the $9,999-donations under the current legislation, there is the capacity for people to have a financial interest in the political process and not declare that in any transparent way.

I do support the reduction in the disclosure threshold from $10,000 to $1,000. I do not support at all the member for Fisher’s explanation that somehow this should fit with some economic equation to keep it in real terms. I think what the general populace would like to see is who pays the piper, who is paying the money outside the public funding arrangements to the political parties—and Independent MPs—and who is actually making donations, so that people in the electorate and the parliament and others can make a judgment as to the authenticity of decisions that are being made on public policy and have a clear and transparent trail back to who paid what.

The member for Fisher made an important point about the union movement, which is a major donor for one side of parliament. I think it is generally assumed in the community that that money will always be there. The bulk may come and go slightly, but at least people know who is paying that side of parliament. In some cases, on the Liberal and National parties side, for instance, we do not know, particularly with the way that some of the associated entities are set up. There is the capacity to hold a dinner where hundreds of people may attend, and they may well make significant donations—buying a table et cetera—that do not necessarily flow through to the public knowing who actually paid the contribution. Regrettably, the information does not flow through in a transparent process when public policy is analysed. If we ever wanted a good example of how that pollutes the process and actually works to the detriment of political parties, we have only to look at the New South Wales Labor Party and the way in which there is a whole range of indiscretions and rorts and possibly corruption that have occurred. There is an inability to really track the money flow in relation to some of the accusations and allegations that have been made in that arena. It demeans the political process.

I am reminded in these debates, Madam Deputy Speaker Burke—as you possibly would be—of the late member for Calare, Peter Andren, and the various contributions that he made to these sorts of debates, particularly in terms of transparency. I am sure if he were here today he would be raising the issues in a much better fashion than I am about associated entities and all of these transgressions of the process that are built into the system. I am sure he would be indicating some sympathy for Senator Fielding’s position in the Senate.

If we remember back to why public funding was actually put in place, it was to achieve an outcome similar to what the member for Fisher was talking about—where all people could have a fair go, there would be a fair amount of funding expended and that would assist the political players to get their message out in terms of campaign expenses. What in fact has occurred is this ex-
plosion of money. It has not negated the political parties going after private donations. In fact, that has proliferated and it has been through these associated entities and other mechanisms—disclosure rules et cetera. I am pleased to see that gifts have been looked at in this legislation, but the disclosure rules under the previous government went from, I think, $1,500 to $10,000. There were any number of contributions being made just under that limit. So I think it is a positive move to restrict the disclosure threshold to $1,000.

Senator Fielding has made an important point: at what stage do we cap the public expenditure? The last thing we need in this nation is what has occurred in the United States. I am a supporter of President Obama, but the principle that he with the greatest amount of money should win the fight is something that I think we should avoid at all costs in this country.

On the associated entity problem that I have referred to, the great concern that the general public and I have is with the influence that the contributors have. We have recently seen an example in this parliament in relation to an amendment to legislation that was supported by the coalition in the lower house. I am talking about the Murray-Darling legislation. There was an amendment that called for an independent study into groundwater systems in the Murray-Darling Basin so that we could ascertain the interconnectivity of groundwater systems and the relationship that they have with river systems, in terms of the mechanisms of the Murray-Darling. The coalition supported that here and supported it in the Senate—and then the piper rang up. Mitchell Hooke, Chief Executive Officer of the Minerals Council, made some calls and all of a sudden there was a reversal in relation to the coalition’s vote in the Senate. If the coalition had stuck true to its position in the Senate, that amendment would have had the numbers in the Senate and would have been returned to the lower house for further adjudication. I think that just shows the power of some of these people.

I also suggest in terms of some of the workplace arrangements currently before the parliament that there may well be subtle pressure from people who have funded various political players or political parties. I am not suggesting that we are ever going to get away from that. What I am suggesting is that the transparency of the money flows should be far more obvious. Possibly the only thing this bill does, other than identifying foreign gifts and a few other things, is reduce that disclosure. The minister, as he is an unoubted expert on political funding, might correct me if I have not correctly interpreted it, and if there are some anomalies that I have not been able to ascertain, but I do not think it does anything about the way in which donations can be washed through the associated entity process and then disclosed in bulk as donations to the political parties, and then when the members of parliament make their private disclosures they have a nil disclosure. We really do need to look at that particular process.

The other issue I raise relates to donations and the capacity of the Electoral Commission to actually investigate donations. Madam Deputy Speaker, you would well remember, as I am sure the minister does, that I made certain allegations in terms of an intermediary making a suggestion to me that I vacate the premises for some promises in relation to life after parliament. Many members may recall that a Tamworth businessman called Greg Maguire was that intermediary. A Senate inquiry evolved from that process. Part of that Senate inquiry process did involve the Australian Electoral Commission and did involve me and others, including the said Mr Maguire. During that process, under oath, Mr Maguire made cer-
tain statements that he had made political donations to me, on a number of occasions apparently. The Senate inquiry attempted to investigate whether that had in fact happened. As I understand it, the Electoral Commission was unable to find that any donations had been declared—because none had been received so they could not have been declared. But there is no way through our existing processes, other than severe criticism by the Senate inquiry, that that particular individual could be brought to book in terms of, first, misleading the parliament and, second, lying to a Senate inquiry under oath and not even being called on to substantiate those allegations in front of the Senate inquiry.

I think there are a number of outs for the political system if in fact both sides do not particularly want transparency to really flow through, even though they might suggest it in terms of legislative arrangements. You see in a number of speeches that this is about transparency. I think there is an enormous distance to go to achieve anywhere near transparency in relation to who actually pays the money to the political parties, how that flows through to the political candidates and how those political candidates repay or do not repay the favours in relation to those amounts of money.

So I ask the minister—I know he is a very fair man—to take those comments on board, particularly the issue of associated entities, if we in this place expect people to have respect for the way in which the private donations are made. There are some positive steps in this legislation and I will be supporting the legislation. But there is a long way to go before people have real respect for a process and can actually say that the process is transparent, we know who paid the money, we know which candidates received it and we can adjudicate on those issues. They can do so in some local government jurisdictions.

Dr KELLY (Eden-Monaro—Parliamentary Secretary for Defence Support and Parliamentary Secretary for Water) (6.21 pm)—I thank all members who have contributed to the debate. The Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2009 will reduce the disclosed threshold from the current CPI-indexed amount of $10,900 to a non-indexed amount of $1,000. This will restore proper public scrutiny to donations of this size. The bill will improve transparency and the funding and disclosure scheme. It will also ensure that the new $1,000 disclosure threshold is not avoided by a person giving multiple amounts below the threshold to the various branches or divisions of the same political party. The bill will treat donations to different branches of a political party as if the donations were given to the same political party.

The second group of measures concerns from whom donations may be received. The bill prohibits the receipt of a gift of foreign property or an anonymous outright gift for some people and entities, while for other people and entities it will be unlawful to receive a gift of foreign property or an anonymous gift if that property is used for political expenditure. In response to a recommendation from the Joint Standing Committee on Electoral Matters, the government amended the 2008 bill to allow low-level anonymous donations—that is, anonymous donations of $50 or less—to continue where they are received through fundraising activities or events.

Finally, the bill seeks to prevent the possibility that some candidates and other groups may obtain a windfall payment of election funding by tying electoral funding to the ac-
tual electoral expenditure incurred. I commend the bill to the House.

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

The House divided. [6.27 pm]
(The Deputy Speaker—Ms AE Burke)

Ayes…………… 77

Noes…………… 61

Majority……… 16

AYES
Adams, D.G.H.
Bevis, A.R.
Bird, S.
Butler, M.C.
Campbell, J.
Cheeseman, D.L.
Collins, J.M.
Crean, S.F.
Danby, M.
Elliot, J.
Ellis, K.
Ferguson, L.D.T.
Fitzgibbon, J.A.
Georganas, S.
Gibbons, S.W.
Gray, G.
Griffin, A.P.
Hall, J.G.*
Irwin, J.
Kelly, M.J.
King, C.F.
Macklin, J.L.
McKew, M.
Melham, D.
Neal, B.J.
O’Connor, B.P.
Owens, J.
Perrett, G.D.
Price, L.R.S.
Rea, K.M.
Rishworth, A.L.
Saffin, J.A.
Sidebottom, S.
Snowdon, W.E.
Symon, M.
Thomson, C.

NOES
Abbott, A.J.
Bailey, F.E.
Billson, B.F.
Bishop, J.I.
Broadbent, R.
Ciobo, S.M.
Costello, P.H.
Dutton, P.C.
Forrest, J.A.
Georgiou, P.
Hartsuyker, L.
Hawker, D.P.M.
Hunt, G.A.
Jensen, D.
Keenan, M.
Ley, S.P.
Macfarlane, I.E.
Markus, L.E.
Mirabella, S.
Moylan, J.E.
Neville, P.C.
Pyne, C.
Randall, D.J.
Robert, S.R.
Schultz, A.
Secker, P.D.
Sliper, P.N.
Somlyay, A.M.
Stone, S.N.
Vale, D.S.
Wood, J.

Question agreed to.

Bill read a second time.

Third Reading

Dr KELLY (Eden-Monaro—Parliamentary Secretary for Defence Support and Parliamentary Secretary for Water) (6.33 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.
BUSINESS

Days and Hours of Meeting

Mr ALBANESE (Grayndler—Leader of the House) (6.33 pm)—I move:

That the House, at its rising, adjourn until 12 noon tomorrow, 17 March 2009, unless the Speaker or, in the event of the Speaker being unavailable, the Deputy Speaker, fixes an alternative day or hour of meeting, and for government business to take precedence from 12 noon until 2 p.m. on that day.

Madam Deputy Speaker, just briefly: the government has liaised with the opposition and there is an agreement that in order to facilitate extra discussion on the Social Security and Veterans’ Entitlements Amendment (Commonwealth Seniors Health Card) Bill 2009, which we are about to enter into, an extra two hours will allow for greater participation in that debate. This is legislation that does have to carry in the House of Representatives tomorrow if it is to be considered by the Senate in a timely fashion. There is an understanding that, during this period, there will not be any divisions or quorums called. I commend the motion to the House and thank the opposition for their cooperation.

Question agreed to.

SOCIAL SECURITY AMENDMENT (LIQUID ASSETS WAITING PERIOD) BILL 2009

Referred to Main Committee

Mr PRICE (Chifley) (6.35 pm)—by leave—I move:

That the bill be referred to the Main Committee for further consideration.

I point out to honourable members that the Chief Opposition Whip, the honourable member for Fairfax, supports this motion.

Question agreed to.

APPROPRIATION BILL (No. 5) 2008-2009

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 LAURIE FERGUSON (Reid—Parliamentary Secretary for Multicultural Affairs and Settlement Services) (6.36 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

APPROPRIATION BILL (No. 6) 2008-2009

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 LAURIE FERGUSON (Reid—Parliamentary Secretary for Multicultural Affairs and Settlement Services) (6.37 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

CHAMBER
second reading

Debate resumed from 12 March, on motion by Mr Shorten:

That this bill be now read a second time.

Mr NEUMANN (Blair) (6.38 pm)—I had nearly finished my speech last week in relation to this matter. The Social Security and Veterans’ Entitlements Amendment (Commonwealth Seniors Health Card) Bill 2009 is important because it means that income, from whatever source, is used for the purpose of assessing entitlement for the Commonwealth seniors health card. It is important that income should be taken into consideration, regardless of how a person earned that income. The previous government did not adopt that attitude. They took the view that income from one source should not be taken into consideration for the calculation of the entitlement to the card. And they failed to engage in indexation—they abolished that during their tenure.

We have heard a lot of speeches from those opposite in relation to this particular matter, taking the view that somehow we are doing something which is inconsistent and that somehow we are doing something which is injurious to the livelihoods of so many people in Australia. But the truth of the matter is that we are being consistent and we are treating income in a fair and just way. We have provided enormously for those people who are earning an income and are taxpayers but who, as senior citizens, are receiving the bonuses under the Nation Building and Jobs Plan. Pensioners and senior citizens, many of whom actually earn incomes part-time, received bonuses last year as part of the Economic Security Strategy, which we handed down and announced in October last year.

The Rudd government have provided significantly for our senior citizens. I also make mention of the fact that we plan, over the next four years, to inject something in the order of $41 billion into the aged-care sector to provide nursing-home care of $28 billion. HACC funding is included in that $41 billion, and that is a tremendous injection of funds to look after our senior citizens.

This particular legislation that is before the House today is important. I have dealt with seniors in my area. I have spoken at the Association of Independent Retirees in relation to this matter. I have spoken out, telling what our policy is in relation to these issues. I have spoken to pensioners groups and other seniors groups in my electorate to explain the government’s position. I think they understand that we are being consistent in this regard. Those opposite have made merry and made hay of what we are doing in this regard, but I think Australians understand that it should be taken into consideration whether a person earned an income digging ditches or sitting behind a computer in an office or from a superannuation or investment source. These things should be taken into consideration, as they are in so many areas of government entitlement—like pensions, taxation and child support payments. In the circumstances, this legislation is appropriate. It is responsible. We believe it is appropriate in all the circumstances. I commend the bill to the House.

Mr ROBERT (Fadden) (6.42 pm)—The Social Security and Veterans’ Entitlements Amendment (Commonwealth Seniors Health Card) Bill 2009 will effectively cut 22,000 senior Australians off their concession cards. The member for Blair may well say that he has spoken to those self-funded retirees and elderly people in his electorate and that they understand. May I submit to him and to the House that the majority of seniors are bloody angry.
The Prime Minister did not disclose this to voters before the election. Those voters—those self-funded retirees, those 22,000 Australians—have an absolutely legitimate right to feel ripped off. This is not the only thing that Mr Rudd failed to disclose to voters before the election. He failed to disclose a range of industrial relations instruments whereby union thugs can walk into businesses where there are no union members and demand to see the pay records, the medical records and everything else, just on a whim. That is what Labor failed to disclose to the Australian people. It failed to disclose the $22 billion in taxes, increased over the forward estimates they put in place in the May budget last year. The Rudd government has failed to disclose an enormous amount.

But this one is very personal. This one is 22,000 more elderly Australians that the Rudd Labor government said nothing before the election. ‘Trust me: I am John Howard lite,’ the Prime Minister said. But, when he comes in, what we find is completely different. The Commonwealth seniors health card provides a range of benefits to people who do not qualify for the age pension yet have an adjustable taxable income of less than $50,000 for singles and $80,000 for couples. From 1 July this year, this government will change the Commonwealth seniors health card test to include in the income assessment growth income from superannuation income streams with a taxed source and income that is salary sacrificed to superannuation. It will also establish a compliance program to ensure that only people who meet its new guidelines will be entitled to retain the card. It will involve the Australian Taxation Office with Births, Deaths and Marriages for data-matching to further ensure compliance is complete. It will collect tax file numbers for future and existing cardholders, and there will be an automatic review of the assessable income for cardholders.

The Rudd government were provided with the final report from the Harmer review at the end of February this year, yet they have not released it publicly or outlined their final response. Far from strengthening the financial security of seniors, may I suggest that they are looking to roll back support to seniors. Twenty-two thousand senior Australians will be ripped off because of this government. We are deeply concerned that this is just the first of a range of duplicitous pieces of legislation that this government did not take to the election. They cannot claim the hallowed mantra of ‘We have a mandate to do it.’ They told no-one and kicked in the back door to put it in.

Let us look at the impact this legislation will have on those 22,000 Australians when it goes through. Under the PBS, Commonwealth seniors health card holders pay $5.30 per script for prescribed pharmaceuticals. After these changes, 22,000 Australians will pay $32.90 per script. With the Commonwealth seniors health card, a senior reaches the safety net threshold when they have paid a total of $318 for scripts. Prescriptions after that are free. Without this safety net, 22,000 Australians will see the threshold rise to $1,264.90, after which they will pay $5.30 per script. With the Commonwealth seniors health card, a senior is eligible to receive an annual allowance of $500 to assist with the payment of essential services for which pensioners are granted concessions. From 1 July, if this legislation goes through, 22,000 Australians will lose this entitlement. Commonwealth seniors health card holders will receive or have received a lump sum of $500 in the 2008-09 year. If any lump sum payments are to be paid in the future, 22,000 Australians will miss out. Currently, seniors health card holders qualify for a telephone allowance of $34.60 paid every three
months. Twenty-two thousand Australians will now miss out on that allowance.

The seniors health card also allows holders to benefit from a range of concessions granted at the discretion of providers. These include medical bulk-billing and household, transport, education, recreation and entertainment facilities. Twenty-two thousand Australians will miss out on these. The Rudd government are happy to splurge $10 billion and then $42 billion, of which some $23 billion is a cash splash; yet at the same time they will take a small amount from 22,000 Australians who can least afford to have it taken. Prime Minister Rudd needs to walk into this House and guarantee that no senior Australian will be worse off because of his pension review or his other changes, such as this legislation, that deal with senior Australians.

The Rudd government’s work on this bill stands in stark comparison to what the coalition were able to achieve in the previous 11½ years. In the Howard-Costello years, the government paid off $96 billion of Labor debt. Included in that was $56 billion in interest, making the total of that debt $152 billion. The coalition put aside $60 billion in the Future Fund—that is $212 billion—and left behind some $20 billion in the bank. That is some $232 billion. And all we have seen so far is the Rudd government looking to raise Commonwealth debt by $200 billion, plus the Ruddbank will have an initial $2 billion, and the legislation proposes a further $26 billion to follow. The comparison is simple: the Howard years paid off debt and put cash in the bank—a total of some $230 billion. The Rudd government is looking to borrow $230 billion. That is half a trillion dollars difference between the two sides of this House.

The Howard government worked hard to deliver. It linked pensions to 25 per cent of the male total average weekly earnings, it encouraged retirement savings, it improved aged care, helped older Australians receive more flexible care in their own homes, and it shared the prosperity with older people through lump sum payments. The coalition government improved eligibility for concession cards so that 85 per cent of people over pension age qualified for a healthcare card, a Commonwealth seniors health card or a pensioner concession card. The coalition significantly increased the income limits of the Commonwealth seniors health card in 2001 so that more self-funded retirees were eligible. Due to these measures, around 300,000 people held the Commonwealth seniors health card compared with just 35,000 when Labor left office in 1996. There is half a trillion dollars difference between the performance of the Howard-Costello government and the performance of the Rudd government. Nowhere is this more evident than in the case of the 22,000 senior Australians who are having their concession cards cut off through the miserly measures in this bill.

Mr HALE (Solomon) (6.51 pm)—I rise today to make my contribution to this debate on the Social Security and Veterans’ Entitlements Amendment (Commonwealth Seniors Health Card) Bill 2009. The passing of this legislation will mean that, from 1 July this year, the adjusted taxable income test for the Commonwealth seniors health card will be expanded to include income from a superannuation income stream with a taxed source, income that is voluntarily salary sacrificed to superannuation and the net financial investment losses. The proposed changes will ensure that CSHC holders with similar levels of income will have the income test applied to them in a similar way because the test that is currently applied does not treat sources of income the same way, and that is what this legislation is all about. I echo what other colleagues have said before: this legislation
will treat similar sources of income in a similar way. The change will provide consistency when applying the income test for cardholders. This legislation will bring the entitlement and qualification for the Commonwealth seniors health card into line with the age pension.

The heart of this legislation is about refining the adjusted taxable income test to make it fairer. It is not about disadvantaging senior Australians. Currently, the rules say that if you receive income from a defined benefit scheme—for example, Comsuper or some of the state government funds—it is treated as income. Until recently, my father did a bit of relief teaching. Other seniors I know help out at local shops. When it comes to qualifying for the concession card, the money they earn is counted as income. But income from private retail or industry based superannuation funds or from account based pensions is no longer taxable, so it is not counted as income when it comes to qualifying for the health card. There is a set of rules for one and a different set of rules for another. How is this equitable? How is it fair? We are adjusting the income test. The change means that the seniors health card will be better targeted to those in need of government assistance.

It is worth noting the background of the Commonwealth seniors health card, because those opposite would like to suggest that we on this side of the House are not supportive of older Australians. The Commonwealth seniors health card was introduced in 1994 by the Keating Labor government. The intention of the card was to help those who did not qualify for the age pension due to a lack of residence qualifications or due to the value of their assets. Currently the card is available to all Australians over pension age—65 for men and 63 years and six months for women—who are not receiving income support payments from Centrelink or the Department of Veterans’ Affairs and who have adjusted incomes of less than $50,000 a year for a single person $80,000 a year for couples.

There are obviously a number of benefits you receive if you qualify for the Commonwealth seniors health card. I know it is a good thing for the seniors in Solomon and around Australia to have one because the benefits include discounts on prescription medicines through the Pharmaceutical Benefits Scheme, bulk-billing with participating doctors and reduced out-of-hospital medical expenses above the threshold set through the Medicare safety net. The CSHC also provides access to the seniors concession allowance, which is a quarterly payment to help with utility expenses. The telephone allowance is a quarterly payment that assists with telephone bills or internet connections. In many cases, the card also gives access to local, state and territory government and private provider concessions such as discount transport, education and recreation.

The latest ABS in census data show that the 12 months to 30 June last year the number of people aged 65 years and over in Australia increased by 67,600—a 2.4 per cent increase. The proportion of the population aged 65 years and over increased from 10.8 per cent to 13.3 per cent between 30 June 1988 and 30 June 2008. All states and territories experienced growth in their population of people aged 65 years and over. In fact, out of all of Australia, the Northern Territory experienced the greatest increase in the number of people aged 65 years and over—a 6.6 per cent increase. In Solomon, we have well over 5,000 vibrant and active seniors.

As we all know, a strong community is one that supports its members and values the variety of contributions that each of them makes. When older people are fully involved in the community there are extra benefits, including passing on cultural knowledge and
building strong intergenerational relationships. Talking of strong communities, I will take this opportunity to thank and congratulate the NT finalists in this year’s Australia Day senior Australian awards. Julia Battison, for all her hard work over the years at the Palmerston markets, along with fellow Territorians Coralyn Armstrong, Max Tate and Bryan and Kathy Massey were announced winners of the awards. Lois from the Rapid Creek shops is a friend of mine. She sells socks. Lois is a beautiful lady and I buy my socks from her which supplements her income. I can tell you, Mr Deputy Speaker Adams, I can get you some good quality socks from Lois.

Mr Sullivan—What about the ones that go over your toes?

Mr HALE—You can get those as well. I was an apprentice greenkeeper and, cutting my teeth as an apprentice at a bowling club and then later on at golf clubs, I came in contact with a lot of senior Australians. The lessons you learn around bowls clubs hold you in good stead throughout your life. It was also great helping out at the NT firiess seniors Christmas party again this year. The Christmas lunch is an annual event that just keeps getting bigger and better, and I know it is something the senior Territorians look forward to each year. We have a strong representative group at this event. Senior Territorians do some great work.

COTA NT is led by the president, Mr Brian Hilder, the chief executive, Dr Graeme Suckling, and the very hardworking members of the board. They do a great job for the seniors in Solomon, along with the NT Advisory Council on Ageing and the Office of Senior Territorians. I know from getting around the electorate that seniors in Darwin and Palmerston are a lot happier with what our government has done for seniors after the 12 years of neglect from those opposite. It is not just the seniors in Solomon; you just have to look at press releases put out by the Council on the Ageing, the national peak seniors body, to see what they think of our government’s investment in senior Australians. A COTA press release headline from last year was ‘Broadband for seniors gets the thumbs up’, another headline in November was ‘COTA gives Rudd a tick regarding the pensioner bonus payments’ and another in December was ‘PM again delivers for seniors’. The last headline was in relation to the new transport concessions when seniors travel interstate. I will quote from the Executive Director of COTA Over 50s, Dr Geoffrey Bird, who said:

This means that seniors travelling interstate can now access cheaper fares on local public transportation.

Seniors from the Northern Territory can enjoy discount travel to Sydney, including a ‘seniors’ ferry ride around Sydney Harbour.

I know senior Territorians will enjoy the concession benefits when travelling interstate, just like so many other seniors who come to visit the Top End every year.

Australia’s age pensioners received a total of $2.5 billion through the Economic Security Strategy payments as part of the Australian government’s response to the global financial crisis. In December last year, through the ESS, the government made lump sum payments of $1,400 to singles and $2,100 to couples to provide a helping hand during the economic hard times. Four out of every five of the 2.8 million Australians aged over 65 benefited from those payments. Around 290,000 older Australians will benefit from the government’s $42 billion Nation Building and Jobs Plan. Self-funded retirees who paid tax in 2007-08 through investments or other income and part pensions—even $1 of tax—will get a tax bonus of up to $900. In total, excluding normal indexation, the Rudd government has provided an additional...
$2,337 in assistance to single pensioners and $3,537 to pensioner couples since coming to office.

The latest numbers show that there has been a significant increase in the number of people who are applying for the pension and the number of people who are eligible for the pension. The numbers went up to 3,000 per week in December compared to around 2,000 per week in October. This reflects the significant impact of the global financial crisis on our pensioners and self-funded retirees. That is why, more recently, our government is supporting senior Australians through other financial measures. For example, we announced the release of regulations that give effect to the government’s decision to halve the minimum payment amounts for account based pensions for the financial year. The regulations reduce the minimum payment amounts for account based, allocated and market linked pensions by 50 per cent for 2008-09. This temporary relief addresses concerns that the minimum draw-down requirement for the financial year was based on account balances last year, when equity values were higher. Part rate pensioners paid under the income test, with financial investments mainly in term deposits, shares, managed investments and other accounts, may receive an increase in their pension payments to reflect the reduction in their assessable income. These actions are a decisive move by the Australian government to ease financial pressure on senior Australians. I commend the bill to the House.

Mr SIMPKINS (Cowan) (7.02 pm)—I rise to speak on the Social Security and Veterans’ Entitlements Amendment (Commonwealth Seniors Health Card) Bill 2009. It is a funny thing that when a lot of people see the word ‘entitlement’ in the name of a bill they think that it will actually increase entitlements, but this is not the case. It is exactly like previous bills brought into this House that mention jobs but do not achieve more jobs and, in fact, do not even stop jobs being lost.

In this bill there is an entitlement involved, the Commonwealth seniors health card, and some 22,000 seniors or veterans will have that entitlement—the health card—taken away. I will address the detail of the bill soon, but first it is important to note the issue of a mandate. Although the Labor Party never acknowledged the mandate of the coalition when we were in government, they are very keen to claim it now they are in government. Indeed, we have honoured that mandate when they have complied in detail with their pre-election policies. With this bill, however, there is not even that—there is no mandate. This attack on self-funded retirees and some veterans has no mandate accompanying it; therefore it is opposed by us on this side, by the Association of Independent Retirees and by the National Seniors Association.

The Commonwealth seniors health card helps senior Australians with the cost of certain health and other services. It helps with the cost of prescription medicines and other services if you are of age pension age but do not qualify for the age pension. At the federal level, these cardholders are entitled to certain cash payments. The seniors concession allowance, which was increased in March 2008 as part of the government’s election commitments, is now $514 per year, paid quarterly. The telephone allowance is paid if there is a subscription to a telephone service and payable at a higher rate, $138.50, should the person also subscribe to a home internet connection. And there are other concessions such as medical bulk-billing, household, transport, education and entertainment.

When the member for Warringah, Mr Abbott, asked the Minister for Families, Housing, Community Services and Indigenous
Affairs, in writing, on 5 June 2008, ‘How many people will lose eligibility for the card as a result of the budget’s changes to the eligibility criteria?’ the answer was: ‘Around 22,000 customers will lose eligibility in 2009-10.’ It is highly concerning that the concerns this policy elicited over recent months remain unanswered. As recently as Monday, 9 March 2009 the Canberra Times reiterated the enduring concern of self-funded retirees that 22,000 of them fear for their continued access to the seniors health card. That is a hard thing to support, considering that some of those people are members of the community in our electorates and they are losing benefits they have had in the past and have now come to rely on, especially considering the current economic climate.

What this really sounds like is a Rudd Labor government plan to take the seniors health card away from many seniors and veterans by pushing their incomes over the threshold, which is currently $50,000 for singles and $80,000 for couples—in other words, change the rules and strip them of their right to a CSHC. As with other hidden proposed changes, like the means testing of the baby bonus, the family tax benefit part B means test or the introduction of a new test that would exclude families earning over $110,000 from receiving childcare benefit, I do not recall hearing about these proposed changes before the last election.

The Brisbane Times website, in late February, made mention of the case of retired schoolteachers David and Jeanette Flynn, who became eligible for the seniors health card in 2007. On 1 July this year they are likely to lose it. David, who turns 70 this year, estimates that he will be worse off by several hundred dollars a year as a result of the additional pharmaceutical costs alone. He says:

“I have mature-age diabetes and high blood pressure and I’m on half-a-dozen different tablets … I can afford to pay but it’s not an insignificant cost and we’re all getting older.

“When the Rudd Government was elected there was no mention in their campaign of a rule change but now your super and gifts to the kids will come into the equation and many retirees will lose the Seniors Health Card.”

So, no matter how much you look at it, it is taking benefits away from Australians, and now is not the time to be affecting anyone financially, particularly with the current economic climate. It is like hitting the core of the Australian family with all these changes. Or is this just the tip of the iceberg? On the one hand, you give a so-called economic stimulus and then, with the other hand, you take it away in another form, only costlier.

A very important point in this whole sorry matter is the recent effect on superannuation of the current economic challenges. Superannuation changes have been mostly on the negative side. Ask any of the self-funded retirees how their superannuation is going and you will get a graphic description of where that superannuation has gone. The only thing that would stop the loss of the Commonwealth seniors health card would be the collapse of retirement incomes. That being said, we should keep in mind what has happened to those retirement incomes—in particular, the circumstances of those on defined benefit pensions, members of self-managed super funds, who actually received a full or partial assets test exemption.

I have received correspondence from my constituents about these matters. I, like other members, have received correspondence from fund managers on behalf of their participants. The issue is about an anomaly in the Social Security Act. What has happened is that these pension funds will not meet the solvency required for them to continue. What needs to be allowed for is a rollover from the self-managed super system to a life annuity pension system. If this is not done then the
assets test exemption would be backdated for five years, because that is the limit of time for recovery available to Centrelink. Thousands of dollars are involved in these cases of individuals, and this is a significant problem that the government now has the opportunity to address. It would seem that the government would prefer to take away the Commonwealth seniors health card from around 22,000 seniors and veterans as a priority rather than acting quickly to support those on self-managed super arrangements.

The legislation is in need of review to consider whether the assets test exemption is lost at the time of rollover. This would be as opposed to the backdating to the inception of the defined pension benefit. A review could consider how to allow pensioners to continue to receive the exemption if their pension is rolled into a life office annuity. There are challenges to this. Firstly, because many of the assets supporting the pension in these self-managed funds are frozen, it is not possible to transfer into life office annuity. Given that annuity rates are closely linked to prevailing interest rates, which are low, these provide a permanent, low, defined benefit return. These matters have been raised with me in letters by Ord Minnett and Tranzact Total Super. I thank them for providing me with this information. Their letters are pretty much the same letter, but they clearly represent an industry concern on behalf of their members.

We in this place are used to receiving correspondence on single issues, and perhaps it would not have had any greater meaning for me had this exact problem not been raised with me beforehand by my constituent Mrs Valerie Lowe. Tragically, her husband James recently passed away, and I offer my condolences for her loss. I remember that James and I had a good chat on the day of the state election at the Hawker Park Primary School voting booth last year. James was a good man in all respects. Towards the end of his life, James and, of course, Valerie had to deal with this exact problem. Mrs Lowe had come to my office to discuss the matter further. The position was that Mr and Mrs Lowe’s self-managed super fund was no longer making enough to meet the commitment in terms of income stream, due to the effects of the global financial situation on super funds and the share market. Although Mr and Mrs Lowe were quite happy to reduce the amount of income they received from the fund, that was not an option under the rules by which these funds were set up. Therefore they had to commute their self-managed super fund to an accounts based pension and, in the course of this, lost the asset test exemption on the assets underlying the income.

Mrs Lowe accepted the situation, with significant regret. But she is seriously concerned that, under the current social security legislation, once the asset test exemption is lost, it will be backdated for five years—which means that there have effectively been overpayments for the past five years, for which Centrelink will raise a debt. I understand that the figure would be around $14,000. It is little wonder that the situation has been a great cause of concern for the Lowes, and now for Valerie Lowe alone. A serious reduction in income due to lower returns from her superannuation, and now a significant debt raised by Centrelink—let alone her recent loss of her husband—is a lot for this lady to endure, and I think that this is worthy of immediate action. To that end, I have written to the Minister for Finance and Deregulation asking for a review.

I will now return to the inherent fault with this legislation. The availability of the Commonwealth seniors health card represents a little bit of welcome assistance to those who are fundamentally paying their own way. They have worked hard and have saved for their futures. They are not taking the age
pension and they have paid taxes throughout their lives. It is not unreasonable for them to be given this small helping hand to take the edge off some of their medical expenses, particularly given how little they cost the taxpayers in overall terms. It should also be considered that, with the cost of private health insurance rising—certainly not helped by the government’s ideological stance against private health insurance—the assistance with the provision of the health card is right and appropriate.

This legislation really does represent discrimination against those who have saved for their retirement, as if, by such prudent action, they have somehow taken an unfair advantage over others. It is a telling sign that the Association of Independent Retirees and the National Seniors Association are aware of this legislation and both oppose it. The self-funded retirees do not stand alone on this matter, because we stand with them. We stand with them and oppose this bill.

I wonder where this will all end. Will the family house be included in the assets test in the future? Will that force seniors to sell their homes? Will the assets test taper rates be increased? That would reduce the incentives to save for retirement. Or, perhaps, will the income test taper rates be made harsher, creating a disincentive for people to earn additional money? It is hard to reconcile the action taken with this legislation—and the media reports that have suggested that the changes just mentioned are on the table for the government—with Kevin Rudd’s pre-election talk of ‘easing the cost of living pressures for senior Australians’. In contrast to that, I see only roll-backs from the financial security advances that were made by the Howard government.

The government can be sure that we will continually ask whether any senior will be worse off as a result of their pension review. We will never retreat from our strong support for age pensioners. We were the side that advanced the issue of an increase of $30 per week for age pensioners in September last year, and we remember that the government voted against it. I call upon the government to drop this legislation and to do it now.

Mr SULLIVAN (Longman) (7.14 pm)—I rise to support the Social Security and Veterans’ Entitlements Amendment (Commonwealth Seniors Health Card) Bill 2009. At the outset I note that I, like most members of this chamber, have received correspondence from my local branch of the Association of Independent Retirees, which in my case is the branch from Bribie Island, whose correspondence to me included a newsletter from their secretariat. Essentially, the views that they are expressing are twofold. The first view is that we should oppose the change that is being made through this legislation to the way in which income is measured for entitlement to the Commonwealth seniors health card. Secondly, they want us to increase the threshold levels from those that exist. That increase in threshold level has not been dealt with in this bill. It was never intended to be dealt with in this bill, which is about determining eligibility by way of how we measure income. Interestingly enough, that has not been championed by members opposite in any of the speeches that we have heard thus far. Not one member of the coalition has come into this chamber and suggested that the plight of these independent retirees is such that we should raise the threshold to the levels that they want.

I think it is not a bad idea to look at some of the history of the Commonwealth seniors health card, and I thank the Parliamentary Library for the information that they have provided in relation to it. In the Bills Digest, they say:
The original purpose of the CSHC was to provide assistance to retired persons who were on low-income.

In fact, the initial upper income limits for eligibility for this card were the same as the earning level at which the age pension cut out. In July 1994 that was $21,460 for a single and $35,859 for a couple. That gathered a group of people who were denied access to the pension because of either the assets test or, as the member for Solomon mentioned, the residence test.

Interestingly enough, in the May 1998 budget there were some changes made to the eligibility levels for this card. In fact, in the May 1998 budget the single rate was raised to $40,000 and the couple rate was raised to $67,000. Those were exceptionally generous increases. In five years it was deemed by those opposite, when they were in government, that this card was such a good idea that it was worth raising the level at which people could claim it by 86 per cent. In his budget speech at the time, the member for Higgins, who was then Treasurer, indicated that this would enable a further 220,000 Australians to claim the Commonwealth seniors health card and benefit from this budget largesse—in an election year where 2,000 votes would have meant that the Howard government was a one-term government. Two thousand votes in 1998 is all that it would have taken for Prime Minister Beazley to be installed where I believe he rightly should have been. The member for Cowan indicated that these people received a little bit of welcome assistance. I am sure that Prime Minister Howard figured that those votes were a little bit of welcome assistance.

It did not stop there, because they were probably a little bit worried about how the election in 2001 would go, having gone so close in 1998. So we saw further increases in the 2001 budget. The single rate was increased to $50,000 and the couple rate was increased to $80,000. Those were, in turn, 25 per cent and 19.4 per cent increases. From 1994 to 2001 the thresholds increased by 133 per cent for a single self-funded retiree and by 123 per cent for a couple of self-funded retirees, and that is not counting the money that they were allowed to earn over what their taxable income was. In the budget speech of 2001, the member for Higgins, the Treasurer of the time, indicated that 50,000 people were expected to benefit from these new levels. That is a total of 270,000 Australians put onto the card, at a rather interesting rate.

The Association of Independent Retirees have aspirational levels. They want the threshold for a single increased to $60,000 and the threshold for a couple increased to $96,000, and they would like them to be indexed. That comes to a 20 per cent increase on the current levels and, the way that the economy is going, I can understand why they are asking for it. It would bring the increase in the threshold level up to 180 per cent for a single self-funded retiree and up to 170 per cent for couple retirees. From 1994 to today, what has been the increase in the cut-out rate, or the upper level of income, that a person can receive a part pension from? In that period of time, that level has risen 88 per cent. From 1994 to today, age pensioners have been able to earn an extra 88 per cent and retain their benefits by holding onto a small part pension, yet some are seeking to raise self-funded retirees’ benefits to 180 per cent from where they currently sit, at around 130 per cent. Somehow or other that seems a little bit strange.

A single age pensioner earns $14,615, if they receive the full pension. Yet we have people whom I would not regard as wealthy—I would not regard self-funded retirees as wealthy—but who are earning $50,000 versus $14,000 who want and believe they are entitled to the same considera-
tions from the government in assistance to live with dignity that a person receiving $14,615 is entitled to. I struggle with that a little bit, particularly considering that, as it stands at the moment, that $50,000 could actually be because of somebody's capacity to have fairly high untaxed superannuation. They could be receiving health cards on income—money in their pocket—in excess of $100,000.

Let me give you another figure. The median household income in my electorate of Longman—that is the income below which half the households receive and above which half the households receive—is below $25,000. Of course, I have a large number of pensioners as well as a large number of self-funded retirees living in my electorate and that helps to bring that median down. Additionally, low-income earners can access a low-income healthcare card and get some benefits from the government. If you are to receive a low-income healthcare card, you have to have an income below $23,192 if you are single or $38,636 plus $34 for each child if you are a couple. Families need this assistance easily to the same extent as an elderly couple. I understand that elderly people have a lot of medications to pay for and that health is a major concern as you age. As I am ageing, I notice that myself. But certainly families also have health pressures on their daily budgets. We have a situation here where older people earning two and three times as much as couples trying to raise children today have benefits that those couples do not receive.

In fact, our situation on healthcare cards in Australia is this: if you are over 65, single and earning up to $960 a week or you are part of a couple that earns up to $1,538.00 per week, you will be eligible for a pensioner’s healthcare card, a senior’s healthcare card or a healthcare card. If you are under 65, single and earning $446 per week or if you are a couple earning $743 per week, you are eligible for the low-income healthcare card. So if you are under 65 it is $446 per week and if you are over 65 it is $960 per week. If you are a family—parents and children—receiving the maximum rate of family tax benefit part A and earning less than $42,560 per annum, you will receive a healthcare card. A family earning $42,560 and a single self-funded retiree on $50,000 get a healthcare card. I do not think it takes a great deal of intelligence to understand that this is somewhat skewed.

The member for Higgins, about whom we have been talking quite a bit lately, indicated while he was Treasurer that we needed to increase our Australian population. I think his phrase about children was 'one for mum, one for dad and one for the country'. Yet people doing the job for the country that the member for Higgins wanted them to do receive less assistance from us than do self-funded retirees. I do not have any real beef with self-funded retirees. They have done a very good job to be able to look after themselves in their retirement. But I wonder if they are being fair in what they are seeking the government to do to assist them now. I cannot blame them for lobbying for an increase. I think anybody who knows how unions work knows that if you do not ask you do not get. I understand that the reality of their situation today is not as good as it was in 2001 when the current limits were set. But I am sure that if they are being fair they will concede that the increases that were given to them from the 1998-99 budget and in 2001 were very generous indeed. As I said before, those increases were offered in the context of impending 3 October 1998 and 10 November 2001 elections and they would have to be seen by any reasonable observer as vote-buying exercises that probably saved the Howard government in 1998 and would have
gone close to making them look a little less shaky in 2001.

The increase that is being sought by the Association of Independent Retirees now would itself be very generous and out of kilter with the indexation that the AIR would like to apply. Since 1994 indexation has increased the rate of the age pension by 77 per cent. Had eligibility for the Commonwealth seniors health card been indexed in 1994 and not changed in 1998 and 2001, the amounts that self-funded retirees would be able to earn now—bearing in mind that in 1994 all income was counted and not just part of income—would be $37,985 for singles and $63,471 for couples, much less than the existing $50,000 and $80,000.

Like all members of this chamber, I acknowledge the contribution made to this country by all senior Australians—the wealthy and the not so well-off alike. I understand the extra pressures that are falling on all Australians as a consequence of the global recession. That is why I unreservedly support the Rudd government’s economic stimulus packages of last December and February this year, which have been designed to cushion the effects of the worldwide downturn on Australia—on our economy, on our wage and salary earners, on our businesses and on those whose vulnerability has been graphically demonstrated. While the situation confronting self-funded retirees has deteriorated, all reasonable people would acknowledge that couples with an annual income of around $79,000 are in better shape today than a working family with children earning around $42,500. Families with an income of over $42,500 do not qualify for assistance with medical expenses, whereas older Australians earning almost twice as much do get this assistance. Perhaps we should be concentrating our thoughts on redressing this imbalance rather than extending it.

I recently had a look at the ‘jobs vacant’ section of the Courier-Mail and at the MyCareer website—not because I am looking to change jobs any time soon but just to see what people get paid these days. In the Courier-Mail on 9 March I noticed the following job vacancies: transport salesperson, with a salary of $45,000; office administrator, with a salary of $40,000; registered nurse, with a salary of $39,000. On the MyCareer website, I noticed these vacancies: jewellery store manager, with a salary of $40,000; pharmaceutical manufacturing technician, with a salary of $40,000 to $50,000; automotive clerk, with a salary of $40,000 to $45,000; travel consultant, with a salary of $40,000 to $50,000.

These are responsible jobs, but all of the people who secure those jobs will earn less than some people whose income entitles them to receive a Commonwealth seniors health card. These people are contributing now, through the tax system, just as retired Australians did in the past. What they have in common with retired Australians is an expectation that they will be able to provide for themselves, through work, a standard of living better than that enjoyed by Australians on government support—after all, it is their taxes that the government uses to provide income support and other welfare measures for those in need. Many of them will be the self-funded retirees of the future, thanks to compulsory superannuation, which was introduced by Labor. Like their counterparts today, they would hope to have a standard of living superior to that provided to welfare recipients by future governments. Like today’s self-funded retirees, who are ineligible for the CSHC because of their income, they enjoy a standard of living better than that of many working families, not to mention those receiving income support.

While I am talking about healthcare cards and self-funded retirees, it is important to
note that there are many self-funded retirees with very low incomes indeed. The number of people applying for the age pension rose to about 5½ thousand per week in December and settled back to about 4½ thousand per week in January, which shows that an increasing number of people are becoming eligible for a part pension. And when they become eligible, it is entirely appropriate that they avail themselves of that payment and the additional services that accompany it.

Things do go in cycles, however. In the mid-1990s, people were encouraged to retire early to give younger people access to jobs. But today we are asking people to retire beyond retirement age because of skills shortages. We may again be asking people to retire early in the future. A consequence of having asked people to retire early in the mid-1990s is the existence of a number of self-funded retirees who have not yet reached age pension age. I received an email from a constituent in that group in relation to his own circumstances. His income from an allocated pension is at a level whereby he is eligible for, and has availed himself of, a low-income healthcare card—that is, his income is less than $38,600. Remember that he has not yet reached retirement age. He pointed out to me, though, that he and his wife have not been assisted by either economic stimulus package from the government despite their parlous financial situation. The point he made—and it is hard to reject—is that, surely, assistance from the government should be based on individual need.

**Mr MORRISON (Cook) (7.34 pm)**—When it comes to the debate concerning self-funded retirees, independent retirees, clearly the government just does not get it—and clearly they did not get it when they were in opposition either. The issue here is a question of recognition, a question of acknowledgement, for people who have worked hard and made sacrifices all of their lives and provided for their retirement. They have asked for nothing over that time. But in their advancing years, when they are continuing to make contributions to our communities and support their families, the government’s answer is basically to give them a kick in the guts. The government’s answer is to bring forward a bill—at a time like this—which seeks to ‘disacknowledge’ an incredibly important and valuable section of our community.

The Social Security and Veterans’ Entitlements Amendment (Commonwealth Seniors Health Card) Bill 2009 will introduce changes to the adjusted taxable income test for the Commonwealth seniors health card. It seeks to include in that income test income from a superannuation stream with a taxed source and also income being salary sacrificed to superannuation. The change will apply to Commonwealth seniors health cards issued under the Social Security Act and the Veterans’ Entitlements Act. Currently the income thresholds applying to the seniors health card are $50,000 for singles and $80,000 for couples. These changes to the way eligibility is assessed will push up to 22,000 seniors over the income limit and strip them of their Commonwealth seniors health card. Some 22,000 Australians—some of whom, I am sure, will be listening to this debate tonight—are about to have one of the few things provided to them, in return for their decades of work and a lifetime of sacrifice, stripped away by a government that considers itself compassionate and acknowledging of the services of older Australians.

This amendment to the rules governing access to the Commonwealth seniors health card was announced by the Treasurer in the May budget. At the time, he claimed that these changes would realise savings of around $85 million over the four years of the forward estimates. That is the 30 pieces of
silver for the betrayal of self-funded retirees that is presented in this bill.

The Commonwealth seniors health card provides access to concessional pharmaceuticals under the Pharmaceutical Benefits Scheme. It allows bulk-billed GP appointments and access to a range of discounted healthcare services. The Commonwealth seniors health card is available to Australian residents who are of age pension age and who qualify because their income is below the relevant threshold limit. The current income thresholds are not indexed, although they can be increased at the discretion of the government. In 1999 the Howard government changed the income test limits for the Commonwealth seniors health card to criteria based on taxable income. At the time, the reason given for the change was to allow more self-funded retirees to access pharmaceutical concessions. The Howard government also increased the income threshold in 2001. The current income thresholds have applied since that time.

I heard an earlier speaker say that he considered it is a somewhat generous arrangement that is provided—that there is some act of generosity, that somehow there is something undeserved about these concessions that are provided to independent retirees. According to those speaking opposite, this is some undeserved payment that is just handed over, and Commonwealth seniors health card recipients who are independent retirees should be grovelling in thanks for the meagre things provided to them. Quite differently, the Howard government saw support for self-funded retirees as an appropriate acknowledgement. It is an insufficient one, frankly, but it is a very important acknowledgement. The measures in this bill seek to strip that away, to remove that all-important acknowledgement.

These changes will hurt a lot of self-funded retirees. These people have set aside a part of their income all their working lives in order to provide for their own retirement. After all, isn’t that what we are trying to encourage in this country? Aren’t we trying to encourage people to stand on their own two feet? Aren’t we trying to encourage them to be self-sufficient, whether it is in their housing, their employment, starting businesses, providing for their family or supporting their communities? Aren’t we trying to send a message to those outside this place whom we represent to say: ‘If you do the hard yards, if you do the work and provide for yourself, then we will acknowledge that. We will value that as a great service not only to you, your family and your wellbeing but to this country.’ But you will not find that acknowledgement in this bill, Mr Deputy Speaker.

These people are not wealthy. There is some bizarre view among those opposite that the people who will be subject to these changes are driving around in flash cars and taking long, extended overseas trips and somehow we need to rob from the rich to pay the poor. You find that theme through all of what we are seeing from this government—outdated class warfare and ideological battles, which simply have no place in considering a measure such as this. ‘We need to rob from those incredibly wealthy self-funded retirees who have all their money tied up in investments. They’re doing pretty well, so we should slug them so we can pay for our spending sprees, our cash splashes, our payments that are being sprayed all around the country.’ Who is going to pay for those cash splashes? In this bill, self-funded retirees are going to pay for them. These are everyday self-funded retirees who have prudently planned for their own retirement. I repeat: they are not wealthy; they are just looking for some support and acknowledgement of
the costs that they face as they move into their advancing years.

These changes will force many self-funded retirees to lose their card from 1 July of this year. The impact of these changes will be significant for many of my constituents. I have been contacted by many of them in the past few weeks as they have become aware of this bill. They are worried, and for good reason. Representations made to me by my constituents state that retirement savings will be depleted at a faster rate due to increased medical expenses as a result of the card being stripped away from them. Others have told me that many senior citizens require many more prescription drugs to retain a reasonable standard of well-being. One constituent told me that his wife required $130 worth of medication a month before she was granted access to this card.

Denying seniors these savings on medicines could have detrimental consequences. Many self-funded retirees in my electorate have concluded that they and others in their position will be disadvantaged when the Treasurer withdraws their right to the card this year. There are 3,277 Commonwealth seniors health card holders in my electorate of Cook, in Sydney’s Sutherland shire. That is the sixth-highest number in the 150 electorates represented in this place. I would say to you, Mr Deputy Speaker, that self-funded retirees—along with the two million small businesses that we now have in this country, courtesy of the economic policies of the Howard government—are the new forgotten people of the Rudd government. They are not acknowledged, have become invisible and have simply slipped off the radar.

Let us think about some of the benefits that they will be denied as a result of this measure—and they will be proactively denied them. This is not an unintended consequence of this bill. The government knows that 22,000 self-funded retirees, who have worked hard all their lives, are going to be denied these benefits. That is the purpose. It is to strip benefits away from these people. They will lose pharmaceuticals obtained under the PBS, currently costing Commonwealth seniors health card holders $5 per prescription. After those people lose their cards, these same medicines will cost them around $31.30 for each script. Cardholders also benefit from the PBS safety net with the Commonwealth seniors health card. Seniors reach the safety net when they pay a total of $290 for prescriptions. After that point is reached, prescriptions are free. Without a Commonwealth seniors health card, the safety net rises to $1,141 and a fee of $5 per script applies. Seniors with a Commonwealth seniors health card receive the benefit of the seniors concession allowance, currently amounting to $500, to assist with the payment of essential services for which pensioners are granted concessions. After 1 July, many seniors will lose this.

Seniors in possession of the Commonwealth seniors health card are also eligible for an $88 per annum telephone allowance for their home phone service. Many self-funded retirees will no longer be eligible for this allowance. There are also concessions offered by state governments and local governments to holders of the Commonwealth seniors health card, and those affected by these measures will be denied those benefits. That is the design and the purpose of this scheme.

This bill would be bad enough in good times, but in times such as these, with the losses that independent retirees have faced, they are, frankly, inexcusable by this government. Many of those self-funded retirees have seen the value of their retirement savings significantly decline due to the effects of the global economic downturn and more specifically the economic downturn here in
Australia, and because of measures pursued by the current government. Superannuation funds have reported significant losses during 2008 and even now in 2009. Many self-funded retirees are going back to work. After working all of their lives for their retirement, because of the impact on their incomes as a result of the losses sustained to their investments, they are now going back to work. That is what we saw in the unemployment figures released last week. We saw an increase in the participation rate not for good reasons, not for reasons produced by good policy, but for reasons produced by the need for self-funded retirees to go back to work. After working their entire lives and finally being able to realise that dream of spending time at home with their families, pursuing their interests, supporting their community and doing all the things that they had denied themselves for their entire lifetime, they are now going back to work because of the conditions we are now faced with.

These self-funded retirees are hurting and this government is not acknowledging that hurt in this bill. Many suffered when the Rudd government imposed its unlimited bank deposit guarantee, the bungled guarantee, because the fund managers froze their investments. I remember standing in one of the many retirement villages in my electorate hearing story after story of people whose funds were frozen simply because this government could not get its act together on the bank guarantee. In their haste and their bungling and their misunderstanding they rushed through a measure, one of the most immediate consequences of which was to freeze the retirement savings of independent retirees. Two hundred and seventy thousand of them had their funds frozen as a result of the bungled decision of this government, and we saw a stampede from investment funds to other places as a result of that ill-considered and ill-timed measure.

The ill-conceived decision by the Rudd government has affected tens of thousands of everyday Australians. What did the Treasurer have to say? I think the Treasurer’s sentiment is also reflected in this bill. When he was confronted by these 270,000 Australians who had had their funds frozen as a result of his and the Prime Minister’s bungling, the Treasurer said, ‘If they needed help they should go and line up at Centrelink.’ That is the answer. He has no conception that these Australians have spent their entire lives in ensuring that they should never have to line up at Centrelink. That has been why they have worked so hard, because they have felt they should carry their own burden and try to carry the burden of as many other people as they possibly can, particularly in their own circle, within their own family and certainly in their own community. So it is wrong for a Treasurer to now say to them after all these years: ‘You know what? Why don’t you just go and line up at Centrelink? Why don’t you go and do the thing that you have worked your entire life to not have to do?’ His comment on that was equivalent to that quip which I think will live in the minds of most who have an interest in politics in this country when the then Prime Minister, Paul Keating, said to them, while unemployment skyrocketed, ‘Go and get a job.’ That is what he had to say, and this is what the Treasurer is now saying: ‘Go and line up at Centrelink. Yes, I know your investments are frozen and I was responsible for that. I know that your retirement savings have been depleted as a result of this economic downturn. But go and line up at Centrelink; just get in the line.’ These people worked hard not to get in that line and what they are looking for is an acknowledgement of their situation and not to be forgotten by this government.

Other self-funded retirees have had their savings tied up in shares and other equities and have found, in addition to the declining
value of their portfolio, that the income stream derived from dividends has also dried up. Blue-chip companies have announced that their dividends will be reduced, and many self-funded retirees are heavily reliant on dividends from their investments for income. The average super fund lost 6.6 per cent in November 2008 and losses continued in 2009, losing a further two per cent in value in January. The value of the median fund fell by 16.2 per cent in the first seven months of the 2008-09 financial year. Australian super funds have lost $160 billion since the start of the global economic downturn. Figures published in the *Weekend Australian* in early January showed that 2.3 million retirees were 20 per cent poorer than they were a year earlier. One trillion dollars has been wiped off the value of Australian shares in the 12 months between November 2007 and November 2008. The Australian Stock Exchange closed at 3,244 points on 11 March 2009, which was 2,111 points down since March 2008.

This is all about recognition and it is all about an acceptance of the plight being faced by independent retirees. We have a government that is quite prepared to splash cash around with no thought of the consequences for the burden of debt it is going to impose on future generations. We are at $200 billion and counting. We are yet to face a budget with this government going through the current economic storm and the consequences that have been wreaked upon our economy because of their decisions. We are going to see that budget in May, and let us watch the debt skyrocket then. This will be a terrible thing. One of the groups that have been most affected and forgotten in the midst of all this by this government is independent retirees. The Association of Independent Retirees said that the economic downturn is starting to bite heavily in the living standards of many self-funded retirees. Their president, Theresa Kot, said in December, ‘With interest rates plummeting and the value of investments in free fall, self-funded retirees are alarmed to watch their efforts over the years in building an asset base to secure their retirement continue to dissipate with no relief yet in sight.’ Not only is there no relief but there will be a big kick coming from this government on 1 July. There is no relief, but a further burden is going to come onto them as this measure takes effect. Taking away the Commonwealth seniors health card from many of these self-funded retirees will only add further worry and anxiety to the lives of these Australians, who frankly do not deserve it.

In May, following the announcement of the government’s budget, the Association of Independent Retirees said it had no idea how many self-funded retirees would be disenfranchised by this decision. We now know that the number is well over 20,000. It called for the eligibility threshold for the seniors health card to be adjusted upward to an appropriate level—we heard from an earlier speaker that he thought it should be further revised downwards—but the government has ignored this request.

The coalition has a strong tradition of giving support to older Australians. It kept faith with those who contributed so much to the building of our country. The coalition improved eligibility for Australian government concession cards to reach a point where more than 85 per cent of people over age pension age qualified for a health card, a Commonwealth seniors health card or a pensioner concession card. That was a proud boast of the coalition government when it was in office. We delivered. We delivered for independent retirees, and I will tell you why we delivered for them: because we get it. We understand it. We understand their sacrifice. We understand their contribution.
The sacrifices and contributions of independent retirees, at least in my mind, are summarised by a constituent who came to see me the other day. This is a bloke who built his house in the forties in Como. He lived in a tent with his wife for seven years while he built his house. He worked in his own businesses over the course of his life, and he set himself up for his own retirement. That story is repeated many, many times around this country. It is a story of sacrifice. It is a story of commitment. It is a story of perseverance and dedication. These are stories we should be celebrating and acknowledging in this place, but in this bill we are not doing that. In this bill, we are treating these great Australians as undeserving, as overcompensated and as people who, frankly, do not warrant even our thought, let alone our support. So I ask the government to seriously reconsider this measure. Self-funded retirees do not deserve it. They deserve greater respect, greater recognition and greater acknowledgement, particularly in these economic tough times. They should no longer be the forgotten people within Australia under this government.

Mr PERRETT (Moreton) (7.54 pm)—I rise in support of the Social Security and Veterans’ Entitlements Amendment (Commonwealth Seniors Health Card) Bill 2009. The bill before the House introduces a fairer system for eligibility for the Commonwealth seniors health card. The card was introduced by the Keating government in 1994 to assist those who did not qualify for the age pension and reflects the Labor Party’s long-term commitment to looking after the aged members of our community. It is available to people who have reached age pension age with an adjusted taxable income below $80,000 for couples and $50,000 for singles. It is not asset tested. It does not apply to people who receive a social security pension or benefit or a service pension. The card enables many seniors on lower incomes to access health care and medicines which they could not otherwise afford.

It is certainly a very popular initiative. Certainly, in my meetings with the Moorooka senior citizens association in my electorate and my visits with the Salisbury senior citizens association and also with other seniors in my electorate, I have heard people say time after time how important it is to structure your finances wherever possible just to get one dollar inside that threshold so that you are able to access the health care and medicines. I have here a copy of my latest newsletter, Mr Deputy Speaker, which I am sure you would be keen to read. There are two photographs here: one is of Jean Burns from the Salisbury and District Senior Citizens Welfare Association, receiving a medal, and the other is of Cheryl Nott, also from the Salisbury senior citizens association, receiving an award. Cheryl Nott is receiving an award from Lady Killen, James Killen’s widow. It is an award I initiated this Australia Day, recognising people who work in the community. Certainly, in my talks with the people at the Moorooka senior citizens association and the Salisbury senior citizens association, they often say how important it is to structure their finances just a dollar below the 80 grand or $50,000 to be able to access these benefits.

I understand that there are currently about 280,000 cardholders who are able to receive much cheaper medicines, with scripts filled for $3.60 through the Pharmaceutical Benefits Scheme. Cardholders are also entitled to bulk-billed GP appointments and transport and education concessions in some states. They also have access to the seniors concession allowance, a payment of $128.50 every three months to help with regular utility bills; and a telephone allowance of $23 every three months.
The bill before the House amends the Social Security Act 1991 and the Veterans’ Entitlements Act 1986 to implement the budget measures to change the means-testing criteria for the Commonwealth seniors health card. It is expected to generate around $84 million in savings over four years. Some superannuation incomes from a defined benefit scheme, such as for Commonwealth public servants, and some state government funds are treated as income. However, income from some super funds and account based pensions are no longer taxable and so are not currently counted as income for the Commonwealth seniors health card.

This bill ensures that all seniors are treated the same, no matter how they receive their income. For example, the income test for the card will be changed to include income from a superannuation income stream with a taxed source and income that is salary sacrificed to superannuation. It is a much more common-sense approach. It would be like tapping a millionaire on the shoulder down at the soup kitchen and saying: ‘Hey, mate, you don’t really belong here. This is not geared for you.’ It is really about closing a loophole, and obviously the line has to be drawn somewhere. This is about making sure that the line is accurate.

For the purposes of Commonwealth seniors card eligibility, these income streams—such as income from super and salary sacrificed income—will be treated the same as taxable income, employer provided benefits, foreign income, net rental property loss and net financial investment loss. As is now the case, no asset test will apply to the Commonwealth seniors health card eligibility. That would mean that, if you were, say, a retired merchant banker living high in a penthouse at Point Piper, it would not be considered when making a decision about your healthcare card and being able to access those requirements. Importantly, an individual of age pension age who receives less than $50,000 and a couple of age pension age who receive less than $80,000 a year from superannuation will continue to qualify for the card. For example, a single person of age pension age who receives $22,000 gross employment income and a gross annual superannuation pension, with a taxed source of $27,000, will be assessed as having an adjusted taxable income of $49,000 and will continue therefore to qualify for the card.

These changes are important to ensure that the eligibility-testing system for the CSHC is fair and equitable. It also ensures that the Commonwealth seniors health card is available to self-funded retirees on lower levels of income, those who need it most. As I said earlier, it is certainly reported to me regularly that seniors ensure, if possible, that their affairs are restructured so that they can access this health card—and good luck to them. I commend them if they are able to do so.

I think most people would agree that people who derive their income from different sources should have the income test applied to them in a similar way. I note the comments of MLC’s head of Technical Services, Andrew Lawless, who told the Australian the other week:

In a broad sense the legislation is trying to level the playing field so that when it comes to government assistance programs, tax offsets and various levies like the Medicare levy, that people will be treated equally.

He went on:

When you look at it, why should someone who has the ability to package their income better get more family assistance and pay less tax than someone who doesn’t have that ability to package?

That is the same question before the House. We on this side of the House believe that all income should be treated the same. It is very important that, in 2009, we get the trajectory right. We need to get the proportion right in
determining such things. As I said, it requires drawing a line somewhere. If we are going to have an economically sustainable future—and obviously both sides of the House would be supportive of that—we need to consider the situation very carefully.

Mr Deputy Speaker, I will take you to some figures that I have in front of me. These figures look at a number of factors. One factor is where the costs are for health care. By way of a round-up, if you were under the age of 15, back in 2002-03, it cost about $1,000 a year for health care. If you were aged, say, 15 to 34, it cost about the same, $1,000 a year. If we move on to age 55 or 64—I am not sure whether there is anyone in the House of that age—it was getting close to costing about $3,000 a year in healthcare costs. If you move on to age 65 to 74 then it got close to $5,000. From age 75 to 84, it cost up to $7,000 and age 85 and over, up to about $8,000 a year. Obviously, that reflects common sense, that most healthcare costs occur towards the end of someone’s life. Incidentally, one of the reasons why I am so opposed to euthanasia is that I am always worried that people might tap grandad on the shoulder and say, ‘The medical bills are going to start piling up, Grandad; maybe you could do us all a favour.’ That is what I mean when I say that we have to get the trajectory right. Some other data here says:

Ageing alone is estimated to push up health expenditure from $170 billion to $210 billion by 2045, an increase of 25 per cent. That reflects those figures: the older we are, the more health costs we have at the end of our life. I would like to quote from a source, which I do not have in front of me, obtained from Guy Woods, a senior researcher in the Parliamentary Library, which says that, as a proportion of GDP, the increase is from 8.1 per cent to 10.3 per cent. That is why it is so important that we get this trajectory right.

Maybe I should declare a self-interest here. In 2045, I will be 79, so it is important that we have a health system that is able to be supported. Looking at some other data that summarises it much more simply, when I was born in Australia in 1966, approximately 100,000 people were over the age of 85. By the time I am 85, in 2047 or so, there will be more than 1.6 million people over 85. These are phenomenal figures, demonstrating an incredibly ageing and changing society. That is why we need to get this trajectory right.

I am aware that around 20,000 self-funded retirees will lose their Commonwealth seniors health card as a result of their superannuation income and that a further 2,000 will lose their qualification once their salary sacrifice contributions to superannuation are added to their income. Obviously, I understand that that is very tough for such people. They certainly have my sympathies when they have structured their finances with different considerations. However, as I have stated, it is important that we do get the trajectory right. I understand that these people will be disappointed with the change. However, to be fair and to ensure that government assistance is going to where it is most needed, we must take into account that they receive ongoing tax-free treatment of their super payments after the age of 60. I do apologise to these people, especially those living in my electorate. Obviously, good government is about making the right decisions, not just the easy decisions and the easy political calls. We do need to make some tough and right decisions.

These new income assessment criteria ensure that everyone is treated equally. Ironically and unfortunately, in deference to my former boss, Michael Quinn, with the onset of the global financial crisis and the sudden fall in superannuation funds, many self-funded retirees who have suffered a drop in
income may now be entitled to the age pension or Commonwealth seniors health card.

This legislation before the House is difficult legislation to talk about, especially in the light of many of the speeches that have come already from those opposite. It is easy to run the old class war spiel and say that that is what has motivated this. Obviously, that is not the case; it is about treating the Australian public sensibly rather than running away from a political problem. I thank the Minister for Families, Housing, Community Services and Indigenous Affairs for introducing this legislation. It is a fair and balanced approach, and I commend the bill to the House.

Mrs MARKUS (Greenway) (8.07 pm)—The Commonwealth seniors health card is an important form of assistance for non-wealthy self-funded retirees in Australia. These are people who genuinely want to take care of their own affairs, as much as they reasonably can, without relying on government welfare. Currently, the card provides for access to discounted pharmaceuticals through the Pharmaceutical Benefits Scheme, the seniors concession allowance, the telephone allowance and access to the seniors bonus, which for 2008-09 is $500. In addition, Commonwealth seniors health card holders might also benefit from other concessions, such as medical bulk-billing and household, transport, education and entertainment facilities—these being at the discretion of the providers. In effect, Commonwealth seniors health cards are extremely important to those who possess them, both in financial support and for peace of mind. So what is the purpose of the Social Security and Veterans’ Entitlements Amendment (Commonwealth Seniors Health Card) Bill 2009, which we are debating today? This legislation is a way that the Rudd Labor government is trying to save money. This is why we are here today. The government is making savings at the expense of seniors.

Currently, income threshold limits for the Commonwealth seniors health card are $50,000 for singles and $80,000 for couples. But the Rudd Labor government is introducing this legislation, which will push people over the income thresholds. The government is proposing to make changes to the income test for the Commonwealth seniors health card, such that it will now include income from self-funded retirees’ superannuation and income that is salary sacrificed to superannuation. The threshold limits will remain the same. It is also of note that the income from private taxed superannuation funds is not included as income for taxation purposes; however, these drawings will be added to a person’s adjusted taxable income for the purposes of assessing eligibility for the Commonwealth seniors health card. The consequences for seniors right around Australia are stark. It will directly affect people from different backgrounds and all walks of life. Seniors are feeling significant pressure in the current economic climate.

I also point out that there will be members of the veteran community who will be caught up in these changes—former service personnel, those who have worn Australia’s uniform with pride and distinction. This Rudd Labor government action will, for some of these people, remove access to the Commonwealth senior’s health card. First, let me state that not all veterans will be affected. For those receiving the age service pension there will be no impact from the government’s proposed changes. They are issued with a pensioner concession card which provides access to subsidised pharmaceuticals under the PBS. Other veterans, those who do not qualify for the age service pension as their income or assets are too high, might lose eligibility for the Commonwealth seniors health card. I point out that, of these, veterans aged 70 or more with qualifying service will already be issued with a gold
Gold card holders aged over 60 years will also not be affected, as they can access concessional pharmaceuticals under the PBS with their gold card. It is the group in this population—not on an age service pension and whose adjusted taxable income is currently less than $50,000 for a single person or $80,000 for combined with a partner—who may lose their Commonwealth seniors health card with the proposed income test changes. It will be some of those with salary sacrificed superannuation and/or amounts of superannuation from private taxed superannuation sources that take them over the $50,000 or $80,000 limit who will lose access to the seniors health card.

We do not know how many veterans will be affected, but, for some, these changes will come as a rude shock. We must ask: is this something we want to do to people after they have served our nation in the Defence Force—people who have worked hard and paid their taxes? Is this a message we want to put into the minds of people considering a career in the ADF? When we want to encourage people, particularly young people, to join the Australian Defence Force, why is this government introducing another disincentive? Why is it that those who have worked hard and saved all their lives will be penalised? Unfortunately, this is what we increasingly see from this government: savings made at the expense of a small number of people.

Often people are not at an age in their life where they can make career changes or adjust to changing circumstances. These changes were not flagged before the last election—an election where Labor promised much and implied they would do even more. Unfortunately, this penny-pinching is not a one-off. In the veterans affairs portfolio we have already seen savings made. Of particular note were the changes to the partner service pension. Initially, the government planned an increase in age eligibility, for some, for the partner service pension—which previously was 50 years—to 58.5 for females and 60 for males. This was intended to save the government $34.6 million over four years.

The government also planned that those who were separated but still legally married to a veteran would cease receiving the partner service pension 12 months after separation or from the beginning of a new marriage-like relationship for either the veteran or the former partner. This measure was expected to lead to an overall saving of $33.9 million over four years. It was to the credit of many outstanding members of the veteran community that they took the fight to the government and, with the opposition, put enough pressure on the government to back down that the government recognised the meanness of some of these changes and amended them. Despite this, the changes to the partner service pension will still mean that some 475 to 500 recipients are expected to lose entitlements after 1 July this year. This will lead to a net saving for the government of $28 million over four years.

We have a Prime Minister who is keen on symbolism and on crafting a legacy. It is a fact that one legacy of the Rudd Labor government is that they took partner service pensions away from around 500 people. At present the Rudd government is sending mixed messages about spending. On the one hand we have the Rudd government spending $42 billion dollars as part of a stimulus package, including individual payments totalling $12.7 billion. This will impose a huge debt, a huge burden, for our children to repay. On the other hand, they penny pinch from partners of service personnel and from the self-funded retirees we are talking about here today. They deny the Commonwealth seniors health card to senior Australians who just happened to try to do the right thing and plan...
The government intend to move an estimated 984,000 scripts from the concessional category to the general category in 2009-10. An estimated 22,000 Commonwealth seniors health card holders will lose eligibility in the same year. The savings from these measures is $84.8 million over four years.

Consider the consequences for a person losing access to the Commonwealth seniors health card under the government’s proposal. Let me paint the picture. First, under the PBS, Commonwealth seniors health card holders pay $5.30 per script. After losing it they will pay $32.90 per script. Second, with the Commonwealth seniors health card a senior reaches the PBS safety net threshold when he or she has paid a total of $318 for scripts. Prescriptions after that are free. Without a Commonwealth seniors health card, the safety net threshold rises to $1,264.90, after which a fee of $5.30 per script still applies. Third, with the Commonwealth seniors health card, a senior is eligible to receive an annual seniors concession allowance of $514 to assist with payment for essential services for which pensioners are granted concessions. At 1 July 2009, many seniors will lose their entitlement. Fourth, Commonwealth seniors health card holders will receive a lump sum payment of $500 in 2008-09. Previously this payment has been $300 and, under the government’s recent package, it was $1,400 for a single person. If a self-funded retiree loses their Commonwealth seniors health card because of eligibility changes, they might not participate in any further bonus payments. Fifth, Commonwealth seniors health card holders qualify for a telephone allowance of $138.40 per year for a residential service. That will be lost.

What is the total cost to a senior? Firstly, when combining the seniors concession allowance and the telephone allowance we have $652.40 annually. Secondly, if we factor in a possible future seniors bonus payment—which, as I just mentioned, is $500 for 2008-09, a self-funded retiree could be losing in excess of $1,000. Lastly, we come to pharmaceuticals. Each person has different needs so figures vary, but someone who lost their Commonwealth seniors health card would now have to find $32.90 for each script instead of $5.30. If a person required numerous scripts, they would reach the safety net threshold of $1,264.90. This is far above the $318 safety net threshold they would still have been on with a Commonwealth seniors health card. And they would be paying $5.30 for each additional script over the safety net threshold; whereas before, once the safety net threshold was reached, scripts were free. The difference in thresholds is $946.90.

There are two distinct sides to the Rudd Labor government. One moment they tell us they must borrow billions to pay Australians as part of a stimulus package, and the next moment they penny pinch. They take from many self-funded retirees, who have planned for their retirement with minimal dependence on government support—with the exception of the reassurance of the Commonwealth seniors health card. Self-funded retirees should not be considered an area that can be squeezed for savings. These are people who are among the hardest hit in the current economic situation. They potentially have falling funds in their superannuation accounts and now they might face a second blow by losing their Commonwealth seniors health card. They should not be the victims of a government trying for credibility as ‘economic conservatives’. Stripping the Commonwealth seniors health card off people in tough times does not make a government or a prime minister an economic conservative; it just shows a mean spirit.
How many veterans will be caught up in these changes? We know some will, but it is too early to know exactly how many. Such is the awful shock awaiting some of those who have worn our country’s uniform. Along with my coalition colleagues, I am opposed to these changes. In these tough economic times, people should not be punished for trying to prudently plan for their retirement. They deserve the peace of mind that is the Commonwealth seniors health card. This is hardly the action of a compassionate government.

Mrs MOYLAN (Pearce) (8.20 pm)—I am pleased to have the opportunity to speak on the Social Security and Veterans’ Entitlements Amendment (Commonwealth Seniors Health Card) Bill 2009, because the welfare of older Australians and our veterans is of particular concern and interest in my electorate of Pearce. It is clear that the current economic situation is having a great impact on everyone in society. It has created an atmosphere of uncertainty and pain for those who have seen their superannuation nest egg and assets disappear. This is especially true for those older Australians who have spent their entire working life saving for retirement and have in recent times watched as their savings and investments declined rapidly. For those people on fixed, often low, incomes, the situation is especially dire. I think there really is a disproportionate impact on retired folk—people on pensions or self-funded retirement benefits—in the current economic climate because these are people who do not have an opportunity to regenerate income. It is very difficult indeed, and I think this is causing a great deal of distress and a great deal of pressure for many older Australians.

The Commonwealth seniors health card is available to Australians over age pension age—65 years for men and 63 years and six months for women—who are not receiving an age pension and who have adjusted taxable incomes of less than $50,000 a year for singles and $80,000 a year for couples combined. In this day and age, it is not an over-generous threshold. The bill before the House proposes to amend the income test used to determine eligibility for the Commonwealth seniors health card. The test will be expanded so as to include income from a taxed superannuation fund and income that is salary sacrificed to superannuation.

It is estimated that these measures will cause some 22,000 older Australians to lose their eligibility for the Commonwealth seniors health card. At this point, I think it is important to imagine what it would be like to be one of those 22,000 Australians. These people have worked hard. They have actually been the nation builders and they have saved hard to make sure that they can retire and live independently from government, and not to become a burden on their families. Having contributed to society for many decades, they retire and budget to live off assets and savings that they have accumulated. Then, through no fault of their own, these assets and savings begin to devalue at an alarming rate. Suddenly, their future starts to look uncertain. There are a number of aspects to this I could go into, but it is probably not the forum for detail. In my electorate office and outside the office, I have seen people who are severely stressed because of the decrease in the value of their assets. Then, on top of that, they hear on the news one day that yet another blow is in store: the government, their elected representatives, are looking to take away one piece of assistance that they have enjoyed over the last few years—their Commonwealth seniors health card is going to be taken away from them. This means their medication and doctors bills will skyrocket, they will lose out on countless numbers of concessions and they will have to lead a life trying to balance the books, which will invariably become much harder. As eco-
conomic commentator Nick Bruining highlighted in this morning’s West Australian, retirees have already been battered by declining investment returns and will be hit even further following a one per cent decline in the deeming rate. Deeming rates have been reduced for the third time since November and it reflects the lower returns available to pensioners.

The Commonwealth seniors health card was introduced in July 1994. It was one of several measures taken by the coalition government to try and give greater equity to people who had saved for their retirement. This card soon provided access to concessional prescription medicines under the Pharmaceutical Benefits Scheme, free hearing aids and certain free basic dental services. The Commonwealth seniors health card was available to people of age pension age who were not eligible for age pension for reasons other than the income test—for example, insufficient length of residence or assets exceeding the asset test cut-off limits. We must remember the original purpose of this card was to provide assistance to retired persons who were on low incomes and, when introduced, the income limits for the card were the same as the income test limits that applied for the age pension. So the vast majority of retired persons issued with a CSHC were those who were asset rich but income poor. Many of these people, such as farmers in the electorate of Pearce, face this problem every day. It is not easily resolved, as you would appreciate, Mr Deputy Speaker Scott.

For those who have been involved in farming all their lives, sometimes it is simply impossible to continue to live on the farm and qualify for any kind of assistance. Also, if they wanted to carve off a small piece of the farm to meet the income and asset test to qualify for a pension, it is made impossible by the planning regulations in the state. So they are caught between a rock and a hard place. For these people, this deals them another blow. These are the nation builders and I do not think we should be making life so much harder for them. This is a significant aspect in the discussion of this bill, in my view. The electorate of Pearce like much of Australia has a vast and diverse range of agricultural and horticultural industries, and the farmers in my electorate, I believe, will be made to suffer again under this new legislation. After working the land tirelessly for decades, helping to build this nation, many will be penalised for the one true asset they have.

When this measure was first announced back in May 2008, it was described as a way to increase fairness. I fail to see that it increases fairness in any way at all. While I could never accept that penalising self-funded retirees in this way could be fair, it does demonstrate just how much the financial context has changed since then. During the last budget, the government assured us that it would still be in surplus—and this is clearly not the case. Just as the government assured us that this would be a fair amendment, the current context means that nothing could be further from the truth. I think the other point to be made is that, back in May of last year, the government estimated that the measure would save $84.8 million over four years. It has become abundantly clear now that this figure is grossly outdated. Anecdotal evidence would suggest that many self-funded retirees have since qualified and started receiving the age pension and there are many seniors who would have been above the threshold in the past but, due to the decline in the value of their assets, should now be entitled to the CSHC.

The National President of the Association of Independent Retirees, Theresa Kot, recently articulated the pressures on self-funded retirees, saying:
The triple whammy of an interest rate cut by the Reserve Bank, falling values for share portfolios and superannuation funds and revised company profits does not give an optimistic outlook for a retiree depending on their retirement nest egg to deliver an income that keeps pace with the cost of living.

This quote is a very good summation of what is facing older Australians in the current economic climate. Back in 2007, while those opposite were throwing around promises—

The DEPUTY SPEAKER (Hon. BC Scott)—Order! The debate is interrupted in accordance with standing order 34. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting. The member for Pearce will have leave to continue speaking when the debate is resumed.

PETITIONS

Mrs Irwin—On behalf of the Standing Committee on Petitions, and in accordance with standing order 207, I present the following petitions:

Mr Farzad Kamangar
To the Honourable The Speaker and Members of the House of Representatives.
The execution of Farzad Kamangar an Iranian Teacher
We the undersigned draw attention to our strong protest against the death penalty that faces Farzad Kamangar, a 33-year old Iranian teacher and a member of Teacher Trade Union in Iran.

Farzad’s supposed crime is to stand for the rights of his fellow workers and the rights of other people in Iran in which the Iranian government has been exercising a severe political and social repression over almost three decades. This has resulted Farzad amongst many other dissident Iranian, in being treated cruelly and receives death sentence simply for voicing out his protest. Other than suppressing Farzad political voice, we believe that such practice by Iranian government severely violates Farzad’s human, individual and social rights and we condemn such a conduct of Iranian regime.

Further more, we declare that the executions by the Islamic Republic of Iran are a state crime against the people of Iran.

We demand the following:

• An immediate release of Farzad.
• An immediate annulment of Farzad’s sentence.
• An immediate end to the death penalty in Iran.
• An immediate compliance by the Islamic Republic of Iran with internationally recognized rights of Iranian workers, teachers to organize and strike and their rights of freedom of expression.
• An immediate compliance by the Islamic Republic of Iran with political and social freedom.
• An immediate release of all political prisoners.

We request the Australian government to take a strong stand at the diplomatic level against the execution of Farzad Kamangar and all other executions, review and reduce its cooperation with the Islamic Republic of Iran.

by Mrs Irwin (from 272 citizens)

Parliament: Lord’s Prayer
To the Honourable The Speaker and Members of the House of Representatives.
This petition of concerned citizens of Australia draws to the attention of the House: the practice of saying the Lord’s prayer at the beginning of each sitting of our Parliamentary Houses.

We therefore ask the House to take consideration of the following:

We the undersigned as citizens of Australia ask that the use of the LORD’S PRAYER BE RETAINED by Parliament as integral to good government and Australia’s national heritage.

The prayer acknowledges our shared and common humanity under a caring God, in a context of humility and respect;

It asks God to fulfil his just purposes for the earth;
It seeks from God the provision of our daily needs and requires by implication generosity on our part;
It confesses our need to be forgiven and to forgive;
It recognises the lure of corruption and our entanglement with evil, from which we need to be delivered;
Finally, it places our lives and actions in an eternal perspective.

Even for those who do not pray to God, the recitation of these words at the beginning of the Parliamentary day allows a few moments for quiet reflection on our shared humanity, our daily dependence on the good things of the earth, our need to forgive and be forgiven, the temptations of office, and the broader perspective against which our efforts must be judged.

Such a time is not wasted.

by Mrs Irwin (from 473 citizens)

Gaza Strip
To the Honourable The Speaker and Members of the House of Representatives.

Stop the war on Gaza!

This petition of concerned citizens of Australia draws the attention of the House, Senate, Prime Minister and Deputy Prime Minister to Israel’s brutal aggression against the people of Gaza.

We therefore demand the House, the Senate, the Prime Minister of Australia, Kevin Rudd, and the Deputy Prime Minister, Julia Gillard, immediately:

1. Condemn, unequivocally, Israel’s brutal siege and invasion of the Gaza Strip in Palestine; and
2. Suspend all economic, cultural, diplomatic and military ties with the Israeli state until all military aggression against the people of Gaza ceases and Israel lifts its economic blockade of the Gaza Strip.

by Mrs Irwin (from 3,663 citizens)

Age Pension
To the Honourable The Speaker and Members of the House of Representatives.

This petition of certain citizens of Australia draws the attention of the House to the inadequacy of the Age Pension to provide a decent standard of living for older Australians. Older Australians need sufficient income to enable them to live healthy lives as active members of their communities.

We therefore ask the House to increase the Age Pension to guarantee a decent standard of living for those whose total income is inadequate to meet today’s costs of living.

by Mrs Irwin (from 51 citizens)

Health: Radiotherapy Treatment
To the Honourable The Speaker and Members of the House of Representatives.

This petition of citizens of the Central Coast region of New South Wales draws the attention of the House to the urgent need for a public radiotherapy unit to treat cancer patients and others on the Central Coast of New South Wales, who at present are experiencing considerable hardship, being forced to travel long distances or pay for treatment at a private clinic or, in some cases, give up treatment altogether.

We therefore ask the House to pursue all means to provide funding for the establishment of a public radiotherapy unit on the Central Coast.

by Mrs Irwin (from 597 citizens)

Internet Content
To the Honourable The Speaker and Members of the House of Representatives.

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

The threat posed to Australian children and Australian society by harmful sexual advertising and unrestricted access to internet pornography. High profile sexual or sexual related advertising in public areas as well as on television/radio advertising throughout the day exposes children and young people to sexualisation and therefore to great moral risk. Internet pornography is easily accessible by any person with access to a computer. The easy ability to look at sexual images can also sexualise children and place them at physical risk through trivialisation of sexual activity. Access to internet pornography for others
may also remove the repression and deterrent to act on deviant or inappropriate impulses.

We therefore ask the House to:

Institute strict controls over sexual and sexual related advertising to ensure children and young people will not be exposed to such advertising in public places or whilst listening to radio or television programs between the times of 6am and 1 am. We also ask the House to institute such controls over internet pornography to ensure that access to pornographic material is only undertaken after age and identity checks are verified.

by Mrs Irwin (from 983 citizens)

Education Funding

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

This petition of certain citizens of Australia, draws to the attention of the House an opportunity to improve access to quality education facilities in the Sale region and promote healthy lifestyles by developing a regional indoor sporting complex.

We therefore ask the House to support the community of Gippsland and provide $5 million funding to assist the proposal to relocate the East Gippsland TAFE to the Sale Netball Courts and develop a new multi-sports complex.

by Mrs Irwin (from 1,236 citizens)

Petitions received.

Responses

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

Water

Mrs Irwin

Thank you for your letter of 26 May 2008 concerning a water security petition for South Australia. I regret the delay in replying.
The Australian Government is working with state and territory governments who are responsible for delivering water services to help ensure the long term water supply of all Australians. The Australian Government’s approach is outlined in ‘Water for the Future’ which provides $12.9 billion in funding over ten years.

Securing water supplies for the current and future needs of Australia’s towns and cities is a key priority of the Australian Government. That is why under ‘Water for the Future’ the Government is investing $1.6 billion in a range of urban water supply projects including: desalination; water recycling; major stormwater capture; water saving and loss reduction; and rainwater tanks and greywater systems. These projects will assist state and territory governments to diversify their urban water supplies and respond to reduced and more variable rainfall.

Specific commitments that will bolster South Australia’s water security include:

- $137.5 million for eight projects that by 2012 will have the capacity to provide up to 44 gigalitres of treated stormwater and wastewater per year for irrigation and industrial use;
- up to $200 million for a desalination plant in Adelaide, depending on the capacity;
- $160 million to a proposed desalination plant in the Upper Spencer Gulf which, should it proceed, will reduce the communities’ reliance on the River Murray; and
- $120 million to build pipelines that provide access to fresh water from further upstream in the Murray River for people reliant on Lakes Alexandrina and Albert.

You may also be interested to know that the inter-governmental agreement signed by Australian Governments in July 2008 allows South Australia to store water in the Hume and Dartmouth dams to ensure there is enough water for Adelaide and towns reliant on the Murray for drinking water.

Should you have any queries regarding this issue, please contact the Assistant Secretary, Urban Water Security Branch of the Department of the Environment, Water, Heritage and the Arts, Mr Steve Costello, on 02 6274 2906.

Thank you for bringing this issue to my attention.

Yours sincerely

from the Minister for Climate Change and Water, Senator Wong, to a petition presented on 26 May 2008, by The Speaker (from 8,179 citizens)
Mr William Van Oostveen
Mrs Irwin
I refer to your letter dated 17 June 2008 referring a petition submitted to the Committee.
I acknowledge that Mr van Oostveen is dissatisfied with the manner in which his grievances were handled by the Australian Government and the courts.
However, the rule of law and judicial independence are fundamental to the Australia’s system of government. Legal disputes between individuals, and between individuals and governments, are resolved by judges who are impartial.
The courts are not subject to direction by executive government and it would be inappropriate for me to comment on any particular proceeding involving Mr van Oostveen.
Any person not satisfied with a decision of an Australian court may seek redress through the appeals process. Mr van Oostveen may wish to seek legal advice on whether he has reasonable grounds on which to appeal any matter still before the courts.
The Government does not propose any royal commission into the matters raised by Mr van Oostveen.
The Attorney-General has received numerous correspondence from Mr van Oostveen. Responses to Mr van Oostveen are attached.
I hope this information is of assistance to the Committee when considering this petition. Yours sincerely from the Attorney-General, Mr McClelland
Photovoltaic Rebate Scheme
Mrs Irwin
Thank you for your letter of 4 December 2008 concerning a petition on the means test under the Solar Homes and Communities Plan (SHCP).
The Australian Government is strongly committed to helping Australians take practical action to tackle climate change and to building a vibrant renewable energy industry, including a competitive solar industry.
The Government introduced a means test of $100,000 for household rebates under the SHCP to ensure that funding is targeted towards those Australian families who most need assistance with the high upfront costs of photovoltaic systems.
Since the means test was put in place, demand for household solar power rebates has increased to record levels, higher than at any point in the history of this program. In the six weeks leading up to the introduction of the means test, my Department was receiving an average of 365 rebate applications per week. This has increased to an average of over 900 applications per week. This increase in demand can only result in a significant increase in work for solar installers and increased employment and certainty in the industry.
As members of the Committee would be aware, in 2008-09, the year of the Government’s first Budget, more Federal funding for solar power and installation of solar power systems was provided than in any year in Australia’s history.
Through the Solar Homes and Communities Plan (SHCP), the Government committed $150 million over five years to provide rebates for the installation of solar PV systems. In response to significant demand for the program, the Government has increased the available budget to $260m and the original five-year commitment will be delivered in less than two years. As a result, under the Government there will be more installations of solar PV systems onto Australian rooftops in the
2008-09 financial year than in any previous year and the SHOP remains open for applications.

In December 2008, the Government announced details of its target to source 20 per cent of Australia’s electricity from renewables by 2020, representing an almost fivefold increase in Australia’s existing renewable energy target. Within this target, the Government also announced new ‘Solar Credits’ which will replace the Solar Homes and Communities Plan as the Government’s primary means of supporting the installation of household solar power systems in 2009.

From 1 July 2009, Solar Credits will provide first-time solar PV installations with a subsidy five times greater than large-scale renewables, up to the first 1.5 kilowatts of installed system capacity.

Solar Credits will provide a clear pathway for future growth in the solar industry, based in legislation. The new scheme will not be means tested and will be open to households, schools, communities, businesses and developers for first-time installations at premises. Any purchaser of a new micro-generation unit that meets Australian standards and is installed by an accredited installer will be eligible, including small-scale wind and hydro.

Solar Credits will provide a higher subsidy in areas of Australia where solar systems produce more renewable energy and therefore a greater environmental benefit. The actual value of this incentive will depend on the geographical location of the installation and the value of Renewable Energy Certificates (RECs) at the time but in much of Australia this is worth approximately $7,500 based on current REC values.

The SHOP will transition to the Solar Credits scheme during 2009. In the meantime, the Government is continuing to meet demand under the SHCP and will work closely with industry on a smooth transition to the new arrangements.

The petition refers broadly to the Government’s actions in relation to building a sustainable future and supporting small business. In addition to the ongoing record levels of demand and funding for the SHCP, the Government’s commitment to the solar industry and to energy efficiency was further strengthened on 3 February, with the announcement of the $3.9 billion Energy Efficient Homes package. This unprecedented investment includes providing ceiling insulation to around 2.7 million Australian homes—most of them free of charge—and increasing the current Solar Hot Water Rebate from $1,000 to $1,600 and removing program’s previous means test.

The Energy Efficient Homes package is expected to reduce Australia’s greenhouse gas emissions by almost 50 megatonnes of carbon dioxide equivalent in the period to 2020, and provide significant support for green jobs as part of the Government’s Nation Building and Jobs Plan.

I appreciate the suggestions from the Committee regarding the levels of rebates and eligibility. I will consider the suggestions outlined in the petition in any ongoing policy decisions regarding the future of support for solar installations.

from the Minister for the Environment, Heritage and the Arts, Mr Garrett, to a petition presented on 3 December 2008, by Mr Wood (from 374 citizens)

Iraqi Christians

Mrs Irwin
Thank you for your letter of 26 November 2008 concerning a petition submitted to the Speaker and Members of the House of Representatives in relation to Australian Government assistance for Iraqi Christians.

The petition asks that the House take serious note of the plight of Iraqi Christians, provide aid and relief for the refugees and give refuge to some of them in Australia.

The Government remains concerned and is well briefed about violence in Iraq and reports of persecution of minority groups, including Christians. While the Iraqi Constitution describes rights and protections for Iraq’s minorities, regrettably, extremist groups in Iraq have demonstrated their will and ability to take Iraqi lives regardless. Minorities have been the victims of particularly vicious attacks, including the frequent bombing of Christian churches.

Australia continues to urge the Iraqi Government to do all it can to protect the human rights of all Iraqis. Australia’s Minister for Foreign Affairs, the Hon Steven Smith MP, raised Australia’s con-
cerns about the protection of human rights in Iraq when he met with Iraq’s Deputy Prime Minister Mr Barham Salih, in Baghdad in June 2008. The Government will continue to monitor human rights in Iraq and raise any concerns with the Iraqi government.

The Australian Government is committed to addressing the urgent humanitarian needs of internally displaced Iraqis and those who have fled Iraq to neighbouring countries. Since March 2003, Australia has spent over $195 million on rehabilitation, capacity building and humanitarian projects to assist Iraqis, including providing support for Iraqi refugees and displaced persons.

The Government also provides assistance for displaced Iraqis through the Displaced Persons Program. The Program supports activities such as the provision of emergency humanitarian relief for displaced persons, support for education programs in refugee camps and the protection of vulnerable displaced persons.

In 2008-09 the Government provided an additional $10 million specifically to help address the protracted situation of displaced Iraqis. This extra funding is being spent on projects supporting neighbouring and transit countries, creating protection space and enabling displaced Iraqis outside Iraq to settle with security and dignity pending long term resolution of their situation.

I appreciate the request that Australia provide resettlement places for Iraqi Christians. As you may be aware, Iraqi refugees are a priority group for resettlement under Australia’s Humanitarian Program. In the last five years more than 8 700 humanitarian visas have been granted to Iraqi nationals in need of permanent resettlement. In 2008-09, the Humanitarian Program has been increased by 500 places to 13 500 places. The one-off increase of 500 places is specifically for Iraqi refugees in recognition of their critical resettlement needs. This is in addition to the existing allocation of places under the Humanitarian Program for the Middle East region, which already includes significant numbers of Iraqi nationals, including Iraqi Christians.

There are currently more than two million Iraqis displaced in neighbouring countries, many of whom are seeking international resettlement. You will appreciate that, given the finite number of places available under Australia’s Humanitarian Program, many more people apply to be resettled than Australia can accept. In 2007-08, more than 47 000 people applied for resettlement under the Humanitarian Program for a total of 10 800 offshore places. This included applications from more than 21 700 Iraqi nationals, many of whom have relatives in Australia.

While Australia does not have the capacity to resettle all Iraqis who apply under the Humanitarian Program, Australia works closely with international organisations and countries of first asylum to ensure that effective protection is available.

Australia’s Humanitarian Program is global and non-discriminatory and is focused on assisting people who are subject to persecution or substantial discrimination amounting to a gross violation of human rights. I can assure you that all applications for a humanitarian visa, including those lodged by Iraqi Christians, are assessed individually on their merits against legal requirements set out in the Migration Act and Regulations to ensure the places go to those individuals in greatest need of resettlement.

No religious group is given priority over another under the Humanitarian Program. Rather, the Government is committed to resettling those displaced Iraqi refugees who have been found by UNHCR to be particularly vulnerable and in need of third-country resettlement. This includes minority groups such as Christians and women at risk as well as those who have close family members in Australia.

As there is no provision in the Migration Regulations to grant humanitarian visas on the basis of religion, no statistics are recorded on the religion of persons granted humanitarian visas. My Department does, however, record information on religion for settlement purposes once visas have been granted. This information is available from the Settlement Database on the Department’s website. Of the 1665 Iraqis who arrived under the Humanitarian Program in 2007-08, 45.4 per cent stated their religion as Christian, 38.7 per cent Muslim and 15.4 per cent Sabian Mandan. It is expected that Christians and other minority
groups will continue to be well represented in the Iraqi intake during 2008-09.

I trust this information is of assistance. Thank you for bringing the petition to my attention.

from the Minister for Immigration and Citizenship, Mr Evans, to a petition presented on 24 November 2008, by Mrs Irwin (from 4,414 citizens)

Australia Post: Wanneroo Post Office

Mrs Irwin

Australia Post - Wanneroo Post Office

Thank you for your letter dated 26 November 2008 concerning a petition submitted for the Committee's consideration regarding the relocation of the Wanneroo Post Office. I apologise for the delay in replying.

Under the Australian Postal Corporation Act 1989, Australia Post is responsible for the day-to-day running of the organisation, including all decisions relating to the location of postal outlets. As far as practicable it is required to perform its functions in a manner consistent with sound commercial practice.

Australia Post has advised that it has a commercial lease on the property in Wanneroo Road, Wanneroo currently occupied by the post office and that it has no plans at this stage to relocate the outlet.

Australia Post has further advised that, in consultation with the building's owner, a refurbishment and upgrade is planned for completion this financial year. Australia Post has indicated that it believes that disabled access to the post office is currently adequate. However, Australia Post has undertaken to further assess the issue and, if changes to disabled access are required, the work will be undertaken as part of the proposed upgrade.

Australia Post believes that the outlet at its existing location is able to meet the needs of the community. However, Australia Post will continue to monitor the adequacy and convenience of the retail facility. Any decision in the future concerning a possible relocation of the outlet would need to take into account operational requirements and the options available at the time.

I trust this information will be of assistance.

from the Minister for Broadband, Communications and the Digital Economy, Senator Conroy, to a petition presented on 24 November 2008, by Mrs Irwin (from 106 citizens)

Disability Services

Mrs Irwin

Thank you for your letter of 4 December 2008 about a petition on early intervention services for children with disability received by the Standing Committee on Petitions from the Member for Farrer, the Hon Sussan Ley MP. This petition makes specific reference to the Woodstock Early Childhood Early Intervention Service supporting Albury and surrounding rural areas. As requested, I am responding to the issues raised in the petition.

The Commonwealth Government is committed to working cooperatively with State and Territory Governments to strengthen all services for people with disability, including early childhood intervention services.

As you may be aware, the Council of Australian Governments has committed to a new National Disability Agreement, which commenced in January 2009. Under the new agreement, the Commonwealth Government will contribute $5.3 billion to state and territory-run services over the next five years, including $1.33 billion for NSW. The agreement means that by 2013, the Commonwealth Government's annual contribution to assist NSW will be $408 million, compared to $217 million in 2007.

The Commonwealth Government has also committed to providing improved support for children with Autism Spectrum Disorders (ASDs), their families and carers. To help address the need for support and services for children with ASDs, the Government is delivering the $190 million Helping Children with Autism (HCWA) package.

Under this package, all children aged six and under who are diagnosed with an ASD and are not yet at school will have access to up to $12,000 ($6,000 a financial year) in essential early intervention support. Families will use this funding package to choose the early intervention
services that best suit their child from an Early Intervention Service Provider Panel. I understand that staff from my Department have been in contact with Woodstock Support Inc, and have offered to meet with them at their office in Albury to discuss the delivery of services under the HCWA package. My Department has also extended an invitation to Woodstock Support Inc to submit an application by forming a consortium with other providers in the Albury/Wodonga areas.

As part of an ongoing commitment to the rights of people with disability, the Commonwealth Government is developing a National Disability Strategy. The Strategy is being developed in close consultation with the Australian community, disability and carer peak bodies, employers, industry experts and State and Territory Governments. Please be assured that the issues raised in the petition concerning early childhood intervention services for children with disability will be considered as part of the consultation process for this Strategy.

from the Minister for Families, Housing, Community Services and Indigenous Affairs, Ms Macklin, to a petition presented on 3 December 2008, by Ms Ley (from 3,245 citizens)

Age Pension

Mrs Irwin

Thank you for your letter of 5 December 2008 enclosing a copy of the petition submitted by “certain citizens of Australia” that was presented to the Standing Committee on Petitions on 22 September, 10 November, 14 November and 1 December 2008, with a different number of signatures on each occasion.

The petition called for an increase to the Age Pension to guarantee a decent standard of living for older Australians.

The Government is reforming the pension system to prepare Australia for the challenges of the future and is committed to getting it right for the long term.

In May 2008 the Australian Government commissioned the Pension Review to investigate measures to strengthen the financial security of seniors, carers and people with disability. The Pension Review is being headed by Dr Jeff Harmer, Secretary of the Department of Families, Housing, Community Services and Indigenous Affairs. Dr Harmer is supported by a Reference Group comprising representatives of pensioner, carer and disability groups, as well as academics and experts.

The Pension Review is investigating the appropriate levels of income support and allowances, the frequency of payments, and the structure and payment of concessions or other entitlements. The Review will be completed by the end of February 2009.

The Government will respond to the report by delivering long term pension reform in the 2009/10 Budget.

As a down payment on pension reform, the Government made payments to pensioners, carers and people with disability in December as part of the $10.4 billion Economic Security Strategy.

The December payments were also made to give immediate support to pensioners and to strengthen the economy in the face of the global financial crisis.

The $4.8 billion down payment on pension reform was made available through a payment of $1,400 to single pensioners and $2,100 to couples. Payments were made in the fortnight beginning 8 December 2008 to those receiving the Age Pension on 14 October 2008. Where only one member of a couple was eligible, the person received half of the couple rate.

December’s Economic Security Strategy payments went to four out of every five Australians aged over 65, benefiting around 2.8 million older Australians.

These payments build on the $7.5 billion in support provided in the Government’s first Budget, bringing new spending since the election on pensioners, seniors and carers to $12.3 billion.

In total, excluding normal indexation, the Government has provided an additional $2,337 to single pensioners and $3,537 to pensioner couples since coming to office.
Pensioners will also benefit from the Government’s $42 billion Nation Building and Jobs plan announced on 3 February 2009.

A pensioner who paid even one dollar of tax in the 2008/09 financial year will be eligible for a $900 tax bonus. In addition, many of the 20,000 new social housing dwellings will help pensioners who are facing severe stress in the private rental market.

Thank you again for referring a copy of the submission to me.

from the Minister for Families, Housing, Community Services and Indigenous Affairs, Ms Macklin, to a petition presented on several occasions since 22 September 2008, by The Speaker (from 1,067 citizens)

Statements

Mrs IRWIN (Fowler) (8.32 pm)—In the time remaining to me this evening, I would like to notify the House of some of the upcoming activities of the House of Representatives Standing Committee on Petitions. As I foreshadowed last week, the committee will be travelling to the Central Coast for a public hearing next Monday.

As part of its rolling program of hearings into petitions presented, the committee will speak with principal petitioners from New South Wales next week. This will be the second time that the committee has taken evidence outside Canberra. Its first interstate hearing was held in October last year—the committee visited the Fitzroy Public Library in Melbourne, to speak with principal petitioners from Victoria. That hearing was a great success, with many petitioners given the opportunity to place their views on the public record as well as update the committee as to how progress was going to achieve the goals of those petitioners.

This time, the committee has decided to hold its public meeting at The Entrance campus of the Tuggerah Lakes Secondary College. Arrangements are currently being made with the principal of the school, Mr Andrew Newman, and, on behalf of the petitions committee, I thank him 100 per cent for the efforts he has made to allow this meeting to take place. Members are definitely looking forward to the chance to meet with students of that school as well as petitioners from around New South Wales.

Some of the petitions received from New South Wales cover issues such as the provision of local post offices and the quality—or lack—of mobile phone coverage. Other issues are as diverse as policies on uranium mining, the environment, pension entitlements, whaling, recent events on the Gaza Strip and the emergency response in the Northern Territory. Petitions also have asked for funding, whether it be for regional museums, hospitals and healthcare facilities, early intervention services for children with a disability, road upgrades, or emergency housing and accommodation. An example of a significant petition from the Central Coast area contains some 16,000 signatures, and asks that a radiotherapy unit be provided. Petitioners are being invited to attend the hearing and we hope to meet with many of them and give them the chance to tell us about how they feel about their petition and the work they have done to ensure that their voices are heard.

As the program is finalised, it will be loaded onto the committee’s website, which of course we are constantly updating with information about petitions, ministerial responses and copies of speeches made by members when their petitions are presented, as well as the transcripts from public hearings held so far. The committee’s meeting on Monday at The Entrance will also be held as a public hearing, so the Hansard record of the day’s events will be available as soon as it has been prepared.
The committee takes its role of promoting the importance of petitions in the community very seriously indeed. Members are pleased to explain the transparency of the petitioning process under the new arrangements and welcome the chance to speak directly with petitioners about their concerns.

On this occasion therefore we are particularly pleased to have the chance to speak with students from the Central Coast area about the federal parliament as well as the petitions process in general. All my colleagues on the committee are committed to ensuring that young people are involved in the parliamentary process and have the chance to see that they too can be involved in petitioning us about things that matter to them. We are very happy to have the chance to speak directly with students from the Tuggerah Lakes Secondary College, and some other schools in the area, and look forward to hearing some of their views about parliament and what we do here. This of course goes beyond our roles as members of the petitions committee.

Many members of the House will remember that, for many years, petitions were presented in the House but little further action was taken. In fact, it was often the case that petitions which were not in order and which were therefore not tabled virtually disappeared. It was often the case that petitioners did not even know that no action had been taken. We are therefore pleased that under the new arrangements we have a much better chance of working with the community before signatures are gathered, to make sure that, when a petition comes to us, it will be presented and further action will be taken. We can see already from the increasing proportion of petitions which are coming to us in their correct format, and the reducing number of out of order petitions we receive, that we are making inroads into the way people think about petitions. As the committee further develops its practice and refines its operations, we look forward to being able to report on specific actions taken on petitions, including the presentation of short reports, and I look forward to being able to advise the House in more detail on these and other developments in the future.

DELEGATION REPORTS

Australian Parliamentary Delegation to Egypt and Israel

Ms ANNETTE ELLIS (Canberra) (8.39 pm)—I present the report of the Australian Parliamentary Delegation to Egypt and Israel from 31 October to 6 November 2008 and seek leave to make a statement in connection with the report.

Leave granted.

Ms ANNETTE ELLIS—I present this report with great pride. The delegation visited Egypt and Israel in October and November last year and also made a brief visit to the West Bank of the Palestinian territories. I was accompanied by my colleagues the member for Maranoa, who was the deputy leader of the delegation; the member for Fisher, yourself, Mr Deputy Speaker Slipper; as well as a Senators Colbeck, Marshall and Sterle. I thank all of them for their active and constructive contributions. All members engaged in discussions, visits and inspections with great enthusiasm and in a really good spirit of bipartisanship.

Australia has a significant involvement in the Middle East, as a trading partner and also through the continuing efforts of our Australian Defence Force. It is important that Australia’s parliamentarians maintain an interest and continue to develop relationships in this very important region. The visit provided us with a valuable opportunity to gain a better understanding of the Middle East peace process. We also explored opportunities for expanding relationships, particularly in the areas of trade and investment. We learnt
more about Australia’s wheat and live meat exports to the region as well: two very important trade points for us.

It was very pleasing to meet with members of the ADF serving in key peacekeeping roles. We have men and women in the region as part of the Multinational Force and Observers and also the United Nations Truce Supervision Organisation. All Australians can be justifiably proud of their commitment and their service. There is a significant level of goodwill generated from our contribution to these operations. We also valued the opportunity to pay tribute to Australia’s war dead in both countries, and I commend the Commonwealth War Graves Commission for its care of the graves of Australians and others buried in the Middle East and in fact elsewhere in the world.

The delegation was encouraged by statements of optimism made during the visit about the peace process. We were, of course, extremely concerned about the breakdown of the ceasefire arrangement in December 2008 and the resulting conflict between Israel and Hamas. The delegation supports continuing diplomatic efforts to halt all violence and to find a path forward towards a lasting and stable solution. In 2008, $45 million of development assistance was provided to the Palestinian people by the Australian government, doubling the amount of the previous year. I note the recent announcements of a further allocation of $10 million towards humanitarian assistance to the people of the Gaza Strip and, just last week, of an additional $20 million to meet the recovery and reconstruction needs of the Palestinian people.

The delegation received briefing from the United Nations Relief and Works Agency for Palestinian Refugees in the Near East and visited the Deheishe refugee camp in Bethlehem. A significant level of Australia’s assistance is provided through the agency. It aims to improve governance reform, health care and food security for refugees. We also had the pleasure of visiting a project supported by Australia’s direct aid program. The Australian Embassy in Egypt provides funding to support the KidsBake vocational training centre in one of the squatter communities in Old Cairo. It provides valuable skills training for young girls with a view to assisting them to find employment and a future livelihood.

Delegation members joined me in expressing sincere appreciation to the government, parliamentary, business and other representatives who met with us during this visit. We were grateful for the welcome and hospitality extended to us, for the time that was made available for meetings and for the useful and interesting exchange of information and views. We also express appreciation to those who assisted with the arrangements made for the visit and, in particular, staff of the Department of Foreign Affairs and Trade both here and overseas. To Ambassador Larsen in Israel and to Ambassador Shwabsky in Egypt: our thanks for their assistance and that of their officials, who were of enormous assistance to us on the ground during our visit. I also want to acknowledge the work of delegation secretary Lyn Witheridge and thank her for her support both before and during the visit.

In conclusion, it was a really enriching process for all of us on the delegation to visit this very important part of the world where a lot of us wish to see peace progress. I know that we came away with the strong feeling that we also would like to see that happen, and I am sure we all wish that for the region concerned.

Mr BRUCE SCOTT (Maranoa) (8.43 pm)—I have great pleasure in joining the member for Canberra, who was the leader of this delegation to Egypt, Israel and the Pales-
tinian territories in October and November of last year, in this debate. As the member for Canberra outlined in her comments, the object of the delegation was to renew and strengthen our relationships with these countries. It is a very important part of the world, and I believe that we as a delegation were well received and welcomed wherever we went. It was important for us as a delegation to gain an understanding of the issues surrounding the Palestinian territories, particularly Gaza. There were also domestic issues that were important for us to gain an understanding of, particularly, for me, in Egypt, a very large, important and influential Arab state.

The commemorative activities that we participated in as an Australian parliamentary delegation were also important. The first commemoration was in Egypt, regarding the Second World War Battle of El Alamein. In 1942, Australians troops were pivotal in beating Rommel and the Afrika Korps. We went to the Commonwealth war graves at El Alamein and, as the sun went down, it reminded us all of how our Australian troops, along with other Allied forces, suffered in a most difficult semidesert environment. As a former veterans’ affairs minister, I was interested to visit the 9th Division memorial just outside the Commonwealth war graves at El Alamein, which has only recently been established. It recognises the 9th Division of the Australian Army and its pivotal role in the Battle of El Alamein.

In Israel it was wonderful to visit the Park of the Australian Soldier at Be’er Sheva, which was established last year, and to talk to the local people about the sense of pride that they have in that park and the peace and serenity that it provides for the people of Be’er Sheva, particularly as some rockets from Gaza had recently landed in Be’er Sheva. The leader of the delegation, the member for Canberra, laid a wreath at Be’er Sheva and I had the great honour of reciting the ode, which is something I will never forget. We all took time during the minute’s silence to reflect on the sacrifice that was made by Australians for peace and the way of life that we have in this country today.

In the battle for Be’er Sheva, Australia’s 4th Light Horse made a historic charge which still stands as the last successful ‘cavalry’ charge in history, although they were called the Australian Mounted Infantry. It was typical of how the Australian Light Horse, and the men and women in the Australian Defence Force even today, put convention aside. They did not dismount in that charge towards the wells of Be’er Sheva but just kept going. That was why they succeeded in gaining those wells, which were so important for water for the horses and the troops. They then went on, through Be’er Sheva, up into Damascus.

I have strayed a little from where I wanted to go in my limited time. We had a discussion in Egypt about Australia’s relationship with Egypt and the export of Australian wheat to Egypt. A pivotal part and a cornerstone of our relationship to Egypt are our wheat exports. The Egyptian representatives highlighted to us the importance of wheat in feeding their population and complained to us that the price of wheat this year was a little high. I said, ‘That’s the world market,’ but was able to confirm, at least, the prospect of a very good harvest. We also discussed the live export of cattle, which was suspended on 26 February 2006 and recommenced by Minister Burke in 2008. It was great to visit the feedlot and see Halal cattle being processed in accordance with our regulations.

(Time expired)

The DEPUTY SPEAKER (Hon. Peter Slipper)—Does the honourable member for
Canberra wish to move a motion in connection with the report to enable it to be debated on a later occasion?

Ms ANNETTE ELLIS (Canberra) (8.49 pm)—I move:

That the House take note of the report.

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

Report: Referral to Main Committee

Ms ANNETTE ELLIS (Canberra) (8.49 pm)—I move:

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

Question agreed to.

COMMITTEES
Electoral Matters Committee

Report

Mr MELHAM (Banks) (8.50 pm)—On behalf of the Joint Standing Committee on Electoral Matters, I present the committee’s report, incorporating a dissenting report, entitled Report on the 2007 federal election electronic voting trials: interim report of the inquiry into the conduct of the 2007 election and matters related thereto, together with the minutes of proceedings and evidence received by the committee.

Order that the report be made a parliamentary paper.

Mr MELHAM—On behalf of the Joint Standing Committee on Electoral Matters, I have pleasure in presenting the committee’s report entitled Report on the 2007 federal election electronic voting trials: interim report of the inquiry into the conduct of the 2007 election and matters related thereto. One feature of the 2007 election was the conduct of two electronic-voting trials: the first was a trial of electronically assisted voting for blind and vision impaired electors and the other was a trial of remote electronic voting for selected Australian Defence Force personnel serving overseas. The trials had their origins in recommendations that the Joint Standing Committee on Electoral Matters of the previous parliament made in its review of the 2004 election. This interim report focuses solely on the conduct of the electronic-voting trials at the election. Other matters related more generally to the conduct of the 2007 election will be dealt with in the committee’s final report, expected in the middle of this year.

The AEC and its partners, including the Department of Defence and non-government organisations representing people who are blind or vision impaired, should be recognised for their work in delivering the trials. The committee acknowledges their sustained efforts over a short period of time to develop solutions to a range of technical, logistical, administrative and legislative issues. These efforts were invaluable in assisting to deliver the trials.

The combined cost of the trials was over $4 million, with an average cost per vote of $2,597 for the trial of electronically assisted voting for blind and vision impaired electors and $1,159 for the remote electronic-voting trial for selected Defence Force personnel serving overseas. These must be compared to an average cost per elector at the 2007 election of $8.36. The committee has recommended that electronically assisted voting for blind and vision impaired electors and remote electronic voting for Australian Defence Force personnel serving overseas be discontinued.

In the case of the electronically assisted voting trial, it is clear to the committee that some electors who are blind or vision impaired place a strong value on the ability to cast a secret and independent vote like most other electors are able to do. That said, the
high costs of providing a service that improves the quality of the franchise for a limited number of voters, at $2,597 per voter for the 850 votes cast, appears to be unsustainable given the low number of votes cast and limited opportunities to lift participation.

The committee is mindful that blind and vision impaired electors will not be disenfranchised by the discontinuation of electronically assisted voting and will retain the opportunity to vote. Existing provisions in the Electoral Act facilitate their participation by providing electors that need assistance the support of a person of their choosing or, where they do not nominate a person to assist, an electoral official. The committee encourages the AEC and relevant advocacy organisations to continue to explore avenues, including the development of cost-effective electronic solutions into the future. In the interim, the committee has recommended that electronic magnifiers be deployed at sites where there is likely to be a demand for them.

In respect of the trial of remote electronic voting for ADF personnel serving overseas, the committee accepts that the system trialled in 2007 required substantial paper based back-up arrangements to be used as a contingency. It is clear that the use of two full systems, one electronic and one paper based, placed a significant additional burden on the ADF in operational areas and would continue to do so if a remote electronic voting system were to be utilised in the future. Further, the committee considers that the high cost of the trial—$1,159 per vote for the 1,511 votes cast—is not warranted, particularly if the number of personnel deployed overseas does not rise significantly from the current level of around 3,000 personnel across 12 areas of operation.

The committee remains concerned to ensure that all ADF personnel are provided with the maximum possible opportunity to cast votes in federal elections wherever operational circumstances permit. The Australian Electoral Commission and the Department of Defence have jointly proposed an assistant returning officer model under which pre-poll and postal voting arrangements are to be provided in operational areas by ADF personnel trained by the AEC. The committee believes that the proposed model provides a realistic and improved alternative to remote electronic voting and builds on processes already used effectively in the past. The committee has therefore endorsed the assistant returning officer model proposed by the AEC and Defence and recommended that the necessary legislative and administrative arrangements be made so that the model can be used for future elections.

I would like to take this opportunity to thank my fellow committee members for their contribution to the inquiry thus far and those who participated by making submissions or appearing at the public hearings. I would also like to thank the committee secretariat for their assistance. I commend the report to the House. (Time expired)

Mr MORRISON (Cook) (8.56 pm)—I join with the chair of the Joint Standing Committee on Electoral Matters in thanking the committee secretariat and all committee members, in particular the chair for his leadership in bringing us to this conclusion in this report. The report, as the chair of the committee has outlined, is fairly straightforward. At the end of the day, the issue of cost was the one that was most apparent when we were looking at electronic voting for both people in the Defence Force as well as those who are vision impaired. When we look at costs of $1,159 for Defence Force voters and $2,597 or thereabouts for vision impaired voters versus an average cost of $8.36 per voter, the economics of these decisions become fairly clear. While there are very good
intentions amongst all the members of the committee to ensure the franchise is fully extended as far and wide as possible, I think we have to be very responsible in the way we make recommendations on what is a feasible way to go forward.

Also, in considering this matter, it was very useful to think through the issues of electronic voting and the challenges that present themselves with electronic voting. I think we can sometimes think that electronic voting can in many ways solve all the issues that we may face in extending the franchise and democracy. But it is still a tool which is pretty much in its infancy and there are many real dangers that are associated with it. In many jurisdictions around the world where they have gone further down the path on these sorts of issues I think they could not necessarily claim to have greatly increased or even improved at all how they have been able to conduct their elections. So electronic voting remains on the agenda but I think it is viewed by the committee, with the chair’s indulgence, very conservatively and cautiously. Should evidence present itself in the future, should technologies change and should ways of doing this more cost-effectively present themselves then I have no doubt that the committee would be very pleased to look at this matter again and see what opportunities present themselves. But, as it stands, the committee feels that the methods and procedures that we currently have in place to deal with these matters are more than sufficient.

I would also make the point in relation to our defence forces specifically that we are very keen to ensure that those who serve under our flag and our name, defending our values, have every opportunity to cast their vote on the people who will represent them in this place. I join with the chair in drawing attention to recommendation 2, which talks about the appointment of assistant returning officers who will be able to conduct a range of activities to ensure that we meet this objective. To those members of the Defence Force who feel that these do not meet their needs or requirements, we would love to hear from them and we would like to know their concerns. We have obviously worked closely, as has the committee secretariat, with the Department of Defence and defence agencies to understand their views on these matters, but if there are Defence Force personnel who feel that their voice needs to be heard on these matters then our ears are wide open to their concerns.

This is particularly concerning. My colleague the member for Herbert spoke to me this afternoon. He outlined his concerns and his cautions in relation to the Queensland election. He is very concerned that members of the defence forces will not get the opportunity to vote in the Queensland election. For federal elections we have a far more advanced and obviously more efficient system. Together with the member for Herbert—and, I am sure, the member for Fadden—I am concerned that all members of the defence forces should receive the opportunity—

*The DEPUTY SPEAKER (Hon. Peter Slipper)*—Order! The time allotted for this debate has expired. Does the member for Banks wish to move a motion in connection with the report to enable it to be debated on a future occasion?

*Mr MELHAM (Banks)* (9.00 pm)—I move:

*That the House take note of the report.*

*The DEPUTY SPEAKER*—In accordance with standing order 39, the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting.
Report: Referral to Main Committee

Mr MELHAM (Banks) (9.00 pm)—I move:
That the order of the day be referred to the Main Committee for debate.

Question agreed to.

PRIVATE MEMBERS’ BUSINESS

Rearrangement

Mr OAKESHOTT (Lyne) (9.01 pm)—At the request of the very good friend of this chamber the member for Kennedy, I fix the next sitting Monday as the day for presenting the Trade Practices Amendment Bill 2009 and the Quarantine Proclamation Amendment Bill 2009.

Housing

Mr CLARE (Blaxland) (9.01 pm)—I move:
That the House:
(1) welcomes the drop in home repossessions and the increase in housing sales in Western Sydney in the last few months;
(2) recognises the importance of the Rudd Government’s First Home Owner’s Boost and interest rate cuts in improving housing affordability; and
(3) condemns the Coalition for their criticism of this important stimulus to the economy and its opposition to the Nation Building and Jobs Plan.

In the darkness of a global recession there is a glimmer of light. In the middle of last year, 60 families in Bankstown were losing their homes every month—60 families were being evicted from their homes. Last month, this number had dropped to 20. At the same time that repossessions have dropped by two-thirds, the sale of homes has increased by 20 per cent—and 50 per cent of those are first home buyers. This is a massive turnaround. Last year, sheriffs were flat out evicting people. But now, real estate agents are flat out finding places for people to buy. The community that carried the burden of slowing the economy down only a few years ago on the back of 10 interest rate rises in a row is the same community that is now carrying a different burden in helping to stimulate the economy.

I spoke to a local real estate agent on the weekend. He told me that he has just had his best month in the last 5½ years. When I asked why, he told me it was because of the massive cut in interest rates and the first home owners boost. In January, the first home owners boost had a massive effect. First home buyers now make up 26.5 per cent of home buyers. That is the highest proportion since the ABS started collecting these statistics in 1991. If you look at the December figures, you will see another interesting fact—that is, an increase of almost 10 per cent in the number of home loans to build new homes. That means more builders building homes, more electricians, more plumbers, more carpenters and more tilers—more people who supply to the housing industry, and the multiplier effect that that creates. That is all good news. But a note of caution: interest rates are now at their lowest level in 45 years, but they will not stay this low forever. So the message for first home buyers is that they should take this into account when they are getting their first loan. They need to be able to pay the loan back, plus a bit more. Banks have a responsibility here, too. Banks have a responsibility to make sure that their customers understand this to avoid a repeat of the problems of the past.

There are still too many repossessions, and you cannot pay your mortgage without a job. That is why the stimulus packages of the last few months are so important. And that is why the actions of the opposition, which I criticise in this motion, are deserving of condemnation. The opposition are more interested in playing politics in this place than in
people's jobs. They criticised the first home owners boost—they said it would have only a marginal effect—and they now argue that it should be continued. They excoriating the December stimulus package in this place whenever they get a chance; yet in 2001 they did exactly the same thing. In the face of the Asian financial crisis, what did the then government do to stimulate the economy? They increased the first home owners grant and they gave one-off payments to pensioners. That sort of hypocrisy and inconsistency is deserving of condemnation in this place.

The opposition criticise and oppose the Nation Building and Jobs Plan. They say it will put an unsustainable level of debt on young people—the next generation of Australians. They talk about $9,500 worth of debt. But, when they come up with their own ideas, how much does that cost? It costs almost $9,000 on the head of every man, woman and child. So when they are not pretending that they are modern day Neville Chamberlains—'Let's wait and see. There will be growth in our time'—they are putting a debt of $9,000 on the head of every man, woman and child.

There will be tough times ahead, and it is a time for leadership and consistency, not hypocrisy and political games. The member for Macarthur knows what I am talking about. He knows the sorts of political games that are being played by those opposite. He is a straight shooter. He tells it straight. He said it straight on the weekend. We have the same problem with Work Choices. They say it is dead but then they give it the Austin Powers treatment—and we have the cryogenic seal opening up in the Senate even as we speak! We have the same problem with climate change. The Leader of the Opposition made his political career on climate change. He said an ETS was essential, but he has suddenly changed his mind and now says it is not important at all. My problem with the opposition is consistency. Love him or loathe him, at least you knew where John Howard stood. At the moment, we do not know whether the opposition are on the left or the right—it is like a game of Twister. It is no wonder that there are 28 members opposite who have decided that the better alternative is the member for Higgins.

The DEPUTY SPEAKER—Is the motion seconded?

Ms Owens—I second the motion and reserve my right to speak.

Mr MORRISON (Cook) (9.07 pm)—I note that the previous speaker, in moving this motion, talked about growth in our time. One thing is very clear: it will not be growth in the time of this government. There will be no economic growth in the time of this government, the way it is going.

I thought I would take this opportunity to dispel some myths that have been put out there by the government today. The government seems incredibly confused about the coalition's First Home Owner Grant position. The coalition have consistently supported the measure and continues to do so. What we are puzzled about is why the government does not seem to want to back its own measure. The initiative has had success. I do not doubt it. In fact, I have applauded it in several statements. Housing finance figures show that loans for new housing construction increased by 2.5 per cent in January, following a much larger—9.9 per cent—increase in December. In addition, the proportion of first home buyers taking on housing finance commitments rose again, to 26½ per cent, in January, the highest on record.

These figures highlight the need for the federal government to increase their focus on stimulating construction in the private housing market, as opposed to the other measures they have put about in their big cash splashes and spending sprees. Last week, when the
Prime Minister was asked about his first fiscal stimulus package and specifically about the effectiveness of his cash payments to create jobs, he hid under the skirts of the First Home Owner Grant and refused to answer the question. The coalition does not doubt that the First Home Owner Grant has been a successful measure. As the previous speaker, the member for Blaxland, outlined, it is a measure that the coalition has used on occasions to stimulate the economy, and it has been successful because it stimulates the private sector housing industry to go out there and create construction jobs.

So the issue I have with the government is: the government are happy to repeat their mistakes with cash splashes but they are not happy to repeat their successes. They are happy to go again when it comes to cash splashes, but when it comes to extending a measure that has proved to be successful, which the coalition also thought would be successful, they find it hard to say yes. We have a government that are happy to repeat their failures but not their successes. So we are seeing more billions of cash being splashed about in one-off payments, yet incentive for grants for new construction, which leverages private investment, cannot be afforded.

Under Labor’s plan, this can only be achieved by driving Australia even further into deficit and debt, a debt so far of $9½ thousand for every man, woman and child in Australia. Labor’s failure to set aside funds for this purpose from their $6 billion public housing program was reckless and irresponsible. Six billion dollars would pay for more than 280,000 new home construction grants at $21,000 each. That is twice the number of annual housing starts at current levels. By focusing only on public housing in their spending package, the government ignore the private housing sector, where more than 95 per cent of Australians work there, and create construction jobs.

The coalition has supported $3½ billion in social housing initiatives announced by the government. The test of the $6 billion splashed in this package for social housing is not social housing outcomes; it is whether it acts as an economic stimulus. The test is whether it will deliver jobs. We need to get some balance back into our housing program and to acknowledge the urgent needs in our private housing sector. Building 20,000 homes in the social housing sector is not the challenge. We need to build an extra 200,000 homes in the private housing market, because that is where the pressure on prices is, that is where the pressure on rents is and that is where the stimulus needs to be directed.

State and territory housing agencies simply cannot deliver this package announced by the government on budget and on time. They need to start more than 30 houses every day for more than 500 days. And the person they have asked to do it is Nathan Rees. Nathan Rees is going to be the saviour and deliverer of the government’s budget stimulus package. Is it any wonder that those on this side of the House have no confidence that $6 billion can be delivered to social housing? Is it any wonder that those on this side of the House say the government should start backing its successes rather than its failures with cash splashes and start putting money into areas of stimulus which generate private sector jobs in private sector housing?

This is the challenge that is before the government. They want to splash cash but they do not want to get out there and create jobs in the private sector housing industry, which accounts for 95 per cent of the opportunities, more than 95 per cent of the jobs.
But we are going to narrowcast it and count on Nathan Rees to save the day. Well, the people of New South Wales know that day is never coming under Labor or under Nathan Rees.

Ms OWENS (Parramatta) (9.12 pm)—I have known for some time that the opposition have a passionate dislike for public housing. I am sorry to hear it confirmed yet again. We on this side of the House believe that you can have both public and private housing, and our policy reflects that. It is not a coincidence that the three government members speaking in favour of this motion tonight are from Western Sydney. Those of us who live in that area know that, over the last five or six years or so, rising interest rates—in fact, 10 interest rate rises in a row—have been wreaking havoc on families in Western Sydney, perhaps disproportionately to those in the rest of the country.

The sheriff’s office figures show that, over four years from 2004, in the worst-affected areas in Western Sydney, writs of repossessions rose by up to six or seven times. The writs being enforced increased dramatically also during that period. I remember that repossessions in the little suburb of Northmead, just north of where I live, doubled in the first half of 2007 and then doubled again in the last half of 2007. In Blacktown, there were 85 writs of possession in 2007; in Parramatta, 23; in Wentworthville, a massive 21; and, in Winston Hills, 10. These are not just figures; they represent real people with real families. They also represent a whole range of people who work in housing construction. In an area like Parramatta, which has a very large construction industry, the decline in the housing market was impacting on families, not just those with mortgages but those who worked in the construction field. So it is a great relief to me and my colleagues in Western Sydney to see the turnaround. The combination of lower interest rates with the first home buyers grant has given a considerable boost to demand and breathed the very life back into the property market, bringing great relief to families suffering from mortgage stress and to first home buyers seeking to start out on that journey to homeownership.

Repossessions have plummeted in Western Sydney: in Blacktown from 85 in 2007 to 38 in the first eight months of 2008; in Northmead from 11 down to almost half; and in Wentworthville from 21 down to 11. Sales are absolutely up and it was clear even in the first week after the first home buyers boost was announced that things had changed. Driving home from the office, I could see queues outside homes open for inspection, for the first time in a few years. Real estate agents in my area were reporting that the number of people interested in properties had grown dramatically very quickly. The Real Estate Institute of New South Wales said that even in November the figures confirmed the evidence that the federal government’s first home buyer boost was having a very positive effect on first home buyers in the market.

The number of first home buyer commitments as a percentage of total owner occupied housing finance commitments rose from 23.6 per cent in November, when that statement was made, to 25.4 per cent in December 2008. That was the highest proportion since December 2001. So, in spite of the financial crisis and a history over several years of great pain in Western Sydney, we see quite a significant turnaround. In fact, property sales across all Western Sydney suburbs have soared in the three months to February this year, with some of the worst areas from the past, Liverpool, Campbelltown and Fairfield, with 12 per cent rises in sales and Blacktown, right on the edge of my electorate, with a 20 per cent increase in sales. A total of 8,455 contracts were exchanged on new and existing homes in that period, and that is up
more than 1,100 over the same period last year. One of the really nice things about this turnaround is that young families are driving the new boom, with more than 50 per cent of all sales being first home buyers, with most solid growth in homes of less than $500,000. Again that trend has been confirmed by the real estate agents in my electorate. The turnaround has been quite phenomenal. We still have a long way to go in Western Sydney and the rest of the country but I commend the motion to the House. (Time expired)

Mr FARMER (Macarthur) (9.17 pm)—Mr Speaker, the government motion put before the chamber today represents Rudd government rhetoric at its highest pitch. We see states across this nation, in particular in New South Wales and Queensland, where the state Labor governments have not done a single thing to improve housing affordability. In fact, by not abolishing land tax and stamp duty, they have only made matters worse. Yet we have Labor MPs standing before us here tonight gloating about a turnaround in repossession rates over the last several months. Clearly the Labor government believes in premature celebrations. The Prime Minister is constantly talking down the economy and driving away foreign investment and forcing Australian jobs offshore.

I contest that these measures have more to do with propping up the NSW Labor government that is doing nothing but mismanaging the state’s finances. Furthermore, it appears that the Rudd Labor government is intent on taking credit for the interest rate drops. It does not take an economist to work out that this is not due to government policy. Rather, it has been due to the global and now national economic slowdown. Many people struggling with mortgage commitments had to contend with a new, inexperienced government feverishly baiting the Reserve Bank to raise interest rates to cool the hyped-up demand in the economy. So if the government wishes to take the credit for the drop in interest rates this year then those opposite must take full responsibility for applying the initial pressure on mortgaged homeowners with their ridiculous ‘War on Inflation’, arguably the cause of much of the strain on the purse strings of many families in Western Sydney.

Furthermore, it is appalling that the government has put forward a motion condemning members of parliament for having the gall to question the biggest spending package since World War II. If I have to be condemned for refusing to sign a blank cheque and hand it over to a spendthrift, economically irresponsible government that makes policy on the run, then so be it. The government’s solution was to spend 10 billion Australian taxpayers’ dollars at Christmas, and yet it was reported in March that the Australian economy is expected to dip into recession this year. With a recession there is an inevitable loss of jobs throughout the economy. In Macarthur the closure of the Domayne retail store in Campbelltown in January saw 40 people put out of work. Thankfully, 30 of these people were able to find other places within the company, but that still means that a quarter of those employees are out of a job and battling to find work.

When former Prime Minister John Howard was asked before the last election what he could do to help people with interest rate rises, he said, ‘We will give them a job.’ The coalition government under John Howard gave Australia the lowest unemployment rate in 30 years. In contrast, in Labor’s first year in government unemployment is set to rise nationally to 5.2 per cent. In Western Sydney we are looking at 7.5 per cent unemployment. Sadly, some of our most disadvantaged suburbs will again be hit the hardest. Unemployment in the suburb of Claymore now rests at 32 per cent and in Rosemeadow and Ambarvale there is nine per cent unemployment.
ment. With 295,000 new residents expected to move into Western Sydney over the next 20 years, there will need to be 106,000 new jobs created. Not all of these jobs will be created in the retail sector; the coalition believes the government will have to invest taxpayers’ money more wisely in long-lasting infrastructure to produce long-term gains for this nation.

Western Sydney is home to 1.7 million people and has the third largest economy in the country. The first of the community cabinet meetings was held earlier this year in my area of Campbelltown. I have to tell you, Mr Speaker, that the people up there received nothing more than a big community hype. It was nothing more than stage management to try and publicise what the government was trying to do. Unfortunately, the Prime Minister was late. He arrived 10 minutes late and gave 30 minutes of his time and the cabinet’s time to listen to the people of Western Sydney and their needs and concerns. If this is any example of what they have to do as far as listening to the people of Western Sydney is concerned then they—(Time expired)

Mr BRADBURY (Lindsay) (9.22 pm)—I rise to support the motion on housing by the member for Blaxland. I think it is a very good motion that goes to one of the most significant issues affecting residents in my electorate. Before I enter into discussion of the substantive elements of the motion, I will simply make a few observations about the comments that have come from those on the other side. I think it is interesting that, when we have a debate in this place that affects Western Sydney, we only end up having one of the three speakers on the other side who has a remote connection with Western Sydney. I commend the member for Macarthur, who I know grew up in Western Sydney and has lived in Western Sydney. He does not anymore, but no doubt in future debates, when we discuss the impact of the first home owners grant on the North Shore, he will have an even more contemporaneous contribution to make. I look forward to that.

I want to take issue with the comments of the member for Cook, who made the startling comment that he has been consistent and, indeed, the opposition has been consistent when it comes to the first home owners grant. I think his words were: ‘We have always supported this measure. It’s a good measure. We support it. We just want it to go a little bit further.’ I found it interesting that he would make that comment when, in a press release dated 29 October last year, he made a number of disparaging comments in relation to the doubling and the trebling of the first home owners grant. Under the headline ‘Government must explain impact of home buyers grant on rising rents’, he goes on to take up the case of the poor tenant coming to terms with the rising costs of rental. As someone in Western Sydney, I understand that rental costs have increased, but I also understand that there is only one party that has enunciated policies that go towards addressing some of those concerns, whether it be in the form of the National Rental Affordability Scheme or whether it be the measures that have been outlined in the stimulus package that address social housing. In that press release, the member for Cook went on to continue his disparaging remarks in relation to the first home owners grant to the point where he refers to it as a quick fix. He goes on and talks about some of the other things that should be done and says:

These are the hard yards of housing policy, not quick fixes that may serve to exacerbate the problem further …
We heard a bit earlier that the member for Cook says the opposition has always supported this measure. He has always supported the measure, except back on 29 October when the measure was simply a ‘quick fix.’ The quick fix has gone from being a quick fix to now being the panacea for all of the woes of not just the housing sector but the economy more generally.

Let us have a look at some hard evidence in relation to what has occurred since the first home owners grant has been doubled and trebled in relation to newly constructed properties. Let us have a look at one of the significant broadacre developments in Western Sydney, the Ropes Crossing project, which is being undertaken by Delfin Lend Lease. Since October, since the introduction of the first home owners grant measures, we have seen a 175 per cent increase in sales. By anyone’s measure, that is a success. Coupled with reduced interest rates—

Mr Morrison interjecting—

Mr BRADBURY—I note the comments of those opposite. I find it refreshing to hear some of those people from the other side come in and say, ‘Oh, it’s outrageous that a government might seek to take the credit for lower interest rates’—those who have run campaign after campaign alleging that somehow, with their hands on the levers, interest rates have managed to stay low. In fact, if memory serves me correctly, I ran in one or two of those elections unsuccessfully and the member for Cook was probably the one reading the focus group research determining that that was the line that was going to pull out the killer punch. The reality is that under this government we have seen measure after measure directed towards improving the situation so far as the affordability of housing in places like Western Sydney is concerned. With the stimulus package, we see an extension of that. The measures that will address social housing actually go towards the issue that the member for Cook raised, and that is the rising cost of rents. The government is the only party that has a plan. We will ensure housing affordability to the best extent possible. To the extent that government can play a role in this, will ensure that housing is as affordable as possible. When the member for Cook says that he is consistent, go back and have a look at the transcript. Have a look at the press release of 29 October. (Time expired)

Mr ROBERT (Fadden) (9.28 pm)—Angela Saurine, in the Daily Telegraph today, writes:

IT’S the ugly truth of the economic downturn almost too heartbreaking to think about.

Entire families living in cars parked in suburban shopping centres.

Kids doing their homework in the back seat, not knowing what to tell their friends when they want to come over to play on their trampoline after school.

Parents getting ready for job interviews in public toilets.

It is the horror of homelessness, of people having nowhere to go. I kissed my little one-year-old and three-year-old boys goodnight tonight, thankful that they had a home to go to. I have seen the effects of homelessness not only in Australia but across the world. I have been in internal displacement camps. I have seen the horrors of civil war. I welcome the drop in home repossessions and the increase in home sales in Western Sydney, but the answer to homelessness starts and ends with three simple words, and they resound as true today as they will tomorrow—that is, jobs, jobs and jobs. The only things that keep people away from the streets are jobs. As Angela Saurine says:

Never in a million years did they—

these people—

CHAMBER
think they would be in this position. All it took was one breadwinner to lose their job.

The answer is jobs.

Whilst I look at the $42 billion cash splash and I reflect on the $10 billion from December, I note that 80 per cent was saved—there are no jobs in that. I reflect on the $13 billion following—there are no jobs in that. As to the $6.4 billion in public housing, whilst it is commendable on the surface, 30 to 40 houses a day will have to be built by the same incompetent state governments that are racking up debt like there is no tomorrow. It has taken the states eight years to spend $6 billion; this government wants to do it in 18 months. The answer is not a failed hope in public housing; it is jobs.

Debate interrupted.

ADJOURNMENT

The SPEAKER—Order! It being 9.30 pm, I propose the question:

That the House do now adjourn.

F3 to Branxton Link Road

Mr TRUSS (Wide Bay—Leader of the Nationals) (9.30 pm)—I rise tonight to speak once again about one of the most important road issues in regional Australia: the future of the F3 to Branxton link road in the Hunter Valley. This road between Branxton and Seaford is crucial to the people of the lower Hunter. It will dramatically reduce the heavy traffic that presently passes through Maitland, Kurri Kurri, Cessnock, Lochinvar and Branxton, leading to major national productivity improvements and a better quality of life for local residents. Many others agree with me. The member for Paterson will speak later on the same subject and, in particular, to a petition signed by 1,048 local residents who rightly believe that Labor has sat on its hands for 15 months and broken a pre-election promise to build the road. Unfortunately, the petition does not meet the requirements to be tabled in the House, but that does not reduce its power and its importance. It remains a strong message to the federal government and the member for Hunter that more excuses are unacceptable.

It is worth taking the House through some of the history. After doing all the necessary and time-consuming preliminary work, such as environmental and building studies and purchasing the required land, the coalition committed at the last election to spending a further $780 million, on top of the $107 million already spent, to finally make this much-needed road link a reality. The member for Hunter, now Minister for Defence, who tells everyone that he has campaigned for more than a decade for the link road, told local media in the days before the election that he would ‘absolutely match the coalition’s commitment’. Residents felt content as they went to vote at the last election in that whoever won the election the road was going to be built. But, on the day after the election, the member for Hunter suddenly changed his tune. The incoming Rudd government could no longer afford the link road. That was one day after the election! He made up a farcical story and told stunned media and local residents that the real cost of the 40-kilometre road was far higher than the coalition had stated. That is truly incredible. At that stage, no Labor figure could have received any information from the federal transport department officials as the outgoing coalition government held that information and our figures were right at the time.

That was of course 15 months ago. The F3 to Branxton link road has been put on ice, like so many other important projects around Australia, as we wait for the interminable Infrastructure Australia assessment process to be completed. Shovel-ready projects have not started, because the Labor Party have invented a whole new bureaucracy to assess projects which they had committed to, in this
instance, before the election. In the meantime, we have seen accidents like the one on 5 March where a truck brought a pedestrian overpass down onto the New England Highway at Maitland, blocking the highway for more than five hours.

The link road is overdue. If Labor changes its mind and makes good on its pre-election promise to build it, then I will join local people in welcoming the reverse. But the government, and in particular the member for Hunter, will remain forever condemned for their tardiness, their lack of vision and their dishonesty in this matter. The promise was clear before the election: Labor would build the road; it would match the coalition’s promise absolutely. A day after the election, the member for Hunter changed his mind and let down the people of his own electorate.

I would like to thank the members of the Link or Sink Group who have pushed for this road for so long. I have visited them on a number of occasions and I have listened to their passion and concern about this project. It has local significance but it also has national importance. In particular, I acknowledge Kevin Gordon and Toby Thomas, but also Fred Brown. Fred is a local Labor stalwart who has been appalled by the inaction of the ALP. I genuinely hope that soon their dreams will become a reality, that Labor will have a change of heart, will develop a fit of honesty and will actually deliver on a project that they promised before the last election but walked away from within days.

Queensland State Election

Mr RIPOLL (Oxley) (9.34 pm)—This Saturday, 21 March, Queenslanders will make one of their most important and biggest decisions in many years and, in fact, in many elections. Queenslanders will decide on whether our state will be governed by Anna Bligh and an experienced team with a great track record or whether they will be governed by Lawrence Springborg—and possibly just Lawrence Springborg. They will decide on whether they want a government that is prepared to make the hard decisions on moving Queensland forward on issues of water, education, health, infrastructure and, of course, on jobs, jobs and more jobs.

Like all elections, it gives the community the chance to actually see their representatives upfront and, with no pun intended, in the raw to get a really good, clear idea of future direction and policy. I do not think this election in Queensland is any different. Nothing could be clearer. Nothing could make more sense about what is going on in Queensland right now, what was going on last week and what was going on in the last few days before Saturday than what we have been presented with.

On the one hand, you have a government led by Premier Anna Bligh, who has led Queensland into becoming a modern, active and vibrant community, which now leads the country in job creation, business environment, lifestyle and sustainability. She has made the hard changes and hard decisions in terms of education and health which has made Queensland the modern state that it is today. She has dealt with one of the fastest-growing communities in the whole country. The reality is that for the past decade Queensland—and particularly South-East Queensland and around Brisbane in my area—has been one of the fastest-growing communities in the country. That bears testament to the good work and the great job that is being done in Queensland by the Bligh Labor government.

On the other hand, you have a barely formed, barely recognisable new party called the LNP—the Liberal National Party. Quite interestingly, through the whole process it has been a party that cannot agree with itself. It is not sure whether it is Arthur, Martha or a
combination of the two. There are a few things that distinguish it. In particular, something just does not sit right with the LNP in Queensland. Is it the fact that when the party forms and there is a launch, they cannot find a National Party person; they have to go for a Liberal Party person.

It might be the ‘Liberal National Party’, but it is actually led by the Nationals. Maybe it should be the ‘National Liberal Party’. Whichever way it is, when it comes to their policy launch or the formation of the party, they are not really sure who is in control. Who is actually steering the ship? It is an important question. Queenslanders want to know: who is steering that ship? Who is in control? Is it the Liberal National Party? Their leader is from the National Party. Is it the ‘National Liberal Party’? It seems that whenever there is an important occasion, something to be launched, it is the Liberal Party that does the task. Or is it perhaps being run by a privateer—is it really the ‘Clive Palmer Party’? Who really is the Liberal National Party of Queensland?

In the end, it is not really going to matter who they are. Whoever they are—whether they are run by a privateer or whether they are run by Lawrence Springborg from the National Party or whether they are run by the Liberal Party as a front to cover up for the National Party—I do not think it really matters. What really matters are the key issues that need to be dealt with in Queensland. The reality that Queensland can be as strong as it is today is again testament to the hard work and the good decisions. The great business environment, the great investment and all the hard things that we did for the past 10 years are the result of a very strong Beattie and now Bligh government. This is the party and this is the government in Queensland that has led the country in business, investment, innovation and a range of other areas, including updating areas, which the previous government did not.

When we talk about jobs, we have to talk about infrastructure, and we have heard plenty about that tonight. Every time the federal Howard government would not invest in Queensland, it was always the Queensland Bligh and Beattie governments that stepped up to the plate and actually put the money forward on projects like the Gateway duplication project. This was a federal project which the previous federal government would not invest in, and $1.8 billion of Queenslanders’ money went into that. So, this Saturday, when the community is deciding, they will know exactly who to vote for: the Bligh government. (Time expired)

Petition: F3 to Branxton Link Road

Mr BALDWIN (Paterson) (9.40 pm)—I rise tonight to inform the House once again of the increasingly dire need for the Rudd Labor government to commit funding to the F3 to Branxton link road in the Hunter Valley. The $42 billion Nation Building and Jobs Plan introduced by the Rudd Labor government must support this project or they will risk needlessly detracting from the lives of many constituents, including those in the Paterson electorate. This is a costly delay at a time when the current government have led us into what is quickly becoming the ‘Rudd recession’. Money must be committed to funding projects that enhance the built environment and provide greater job opportunities for all Australians.

There is no denying that the shovel-ready F3 project will create jobs for the Hunter. With manufacturing company Pacific Brands closing its doors in Cessnock, leaving 83 employees in the region without an income, the urgency of funding the F3 link road has never been greater. It highlights the Rudd Labor government’s lack of support for Australian industry and lack of commitment to
providing jobs for Australians. The billion-dollar F3 extension will not only act as a significant piece of infrastructure in the Hunter but also act as a significant boost for the local economy at a time when jobs are needed the most.

I have in my hand a petition signed by over 1,000 residents of the Hunter Valley who urgently request the construction of the F3 link road from Seahampton to Branxton. The project is shovel-ready. However, it is becoming increasingly clear that the Rudd Labor government are not interested in delivering on election promises; rather, they are preoccupied with hollow, media-grabbing headlines. On 8 June 2004, the member for Hunter criticised the coalition in an article published in the *Sydney Morning Herald* stating, ‘…the funding is merely catch-up and eight years overdue. We should have been driving on that road by now.’

In the lead-up to the 2007 election, the coalition was committed to investing $780 million in the F3 link project. This was on top of the $107 million already provided to start the project, whilst we were in government. To date, 15 months into the Rudd Labor government’s reign, the Minister for Infrastructure, Transport, Regional Development and Local Government has refused to commit to funding for the F3 link road. However, it is not the minister’s failure to commit funding to the Hunter project that is the most insulting. The most insulting thing is that the four Hunter Labor MPs are not standing up for their regions in this parliament. The members for Hunter, Newcastle, Charlton and Shortland all cried foul on the F3 funding for years, but now that they are in a position to spend, spend, spend. They have frivolously wasted the surplus on popular, poll-rating cash splashes, instead of investing in important infrastructure to create jobs, jobs, jobs.

The member for Hunter boasted on the F3 link website that he was ‘behind the project all the way’, but now that he has access to the government’s cheque book as a cabinet minister, it seems that Labor never had any intention of funding this project. Roads do not fix or build themselves. If the F3 link road were to be developed, it would alleviate heavy traffic in Maitland, Kurri, Cessnock, Lochinvar and Branxton and provide safer and more convenient driving conditions for local residents in these areas. As recently as this month, we saw how crucial an alternative road is for residents of the Hunter. On 5 March, the New England Highway became a state of chaos after a cherry picker brought down the Devonshire Street footbridge. The accident occurred at approximately 11.04 am; however, both lanes of the New England Highway were blocked to traffic until 4.25 pm—that afternoon. That meant that there was a time period of 5 hours and 20 minutes when travellers had to find an alternative route to their destinations.

This leads me to reinforce how essential it is that the Rudd Labor government get off their hands and act immediately to rectify the situation by providing funding for the F3 link project so that it can commence without delay. Otherwise, should there be another incident on the New England Highway, residents of Maitland and its surrounds will again be disadvantaged, with limited alternative routes around the city available to them. The F3 project is not a matter of want; it is a matter of need—desperate community need. I urge the government to listen to what constituents are saying and take appropriate action, rather than to arrive for media opportunities and make promises on which they have no intention of delivering.

Prime Minister, you said that this was the end of the blame game. Prime Minister, you said the buck stops with you. So, Prime Minister, let’s start the action by picking up the
shovel and commencing the F3 link project right now.

Parliament Alive

Mr MARLES (Corio) (9.44 pm)—I rise tonight to inform the House about a very exciting event that is taking place in my electorate next week involving nearly 800 primary school students. This event has received such an overwhelming response from schools in Geelong that extra sessions have been scheduled so that everybody who wants to be involved in the event can be. I am referring to Parliament Alive, the Parliamentary Education Office’s outreach program that takes the parliamentary system on the road to schools across Australia. Thirteen schools in my region are participating this year. That is more than 750 children in eight sessions over two days. Most are primary school students in grades 5 and 6, but there are three secondary colleges using this opportunity to enrich their students’ learning in legal studies and in politics.

The program gives children the chance to play the role of a parliamentarian or a parliamentary official. It is a powerful teaching tool, because we all know that the best way to understand another person’s perspective is to walk in their shoes for a while. During the 1½ hour sessions, students debate legislation, make amendments and pass a bill through both houses. High on the list of primary school topics are issues that are close to kids’ hearts—such as whether or not TV should be banned and whether or not animals should be excluded from circus acts. Those who have watched these sessions unfold say how fantastic it is to see children discover that they do have a voice, that they have the capacity to hold opinions and that they have the ability to debate those opinions on their merits.

In a few short hours, these children change their minds about politics. They see that the political process can be interesting and something that they can aspire to. They also see that it can be fun. Given Australia’s system of compulsory voting, any opportunity to inspire interest and involvement in our political process is a wonderful thing. We are all familiar with the many visits that schools make to Parliament House throughout the year. The Parliamentary Education Office has been delivering its role-play program for 20 years. In that time, more than 1.3 million children have experienced what it is like to be an elected member or an official working in federal parliament. Indeed, only last week I was involved in a visit to this place from East Geelong Primary School.

Of course, not all schools are able to visit Canberra on a regular basis. Indeed, I am sure that many schools around Australia, certainly in my electorate, have had to look hard—particularly this year, in the current economic climate—at their capacity to schedule excursions to Canberra. The outreach program runs hand-in-hand with the Parliamentary Education Program to take parliament to the children who cannot make it to Canberra, and it has been very successful at doing this. Last year, the outreach program was revamped so that it could respond more directly to the needs of each electorate. Parliament Alive was born. Parliament Alive gives schools the opportunity to give their students a genuine experience of Parliament House on a more affordable basis. It is all about access and equity. Instead of visiting separate schools, the program sets up at a central venue and schools are invited to join in. In Geelong’s case, the students will enjoy the use of the City of Greater Geelong’s city hall, and we are very grateful for the assistance of the CEO of the City of Greater Geelong, Kay Rundle, and of the mayor, John Mitchell.

I will digress for a moment and mention that this morning Kay Rundle announced her resignation as the CEO of the City of Greater
Geelong. Over the last six years, she has been a wonderful contributor to the City of Greater Geelong. She has certainly improved the standing of the local council, both within the local government community and within the community of Geelong—so much so that last year she won the SACS Award for Leadership in Local Government. I spoke to her this morning, and she said that she will miss her time in Geelong. We will miss her, too, but we wish her the best in her new role at the City of Port Phillip.

In terms of the Parliamentary Education Office, it is predicted that up to 9,000 students will participate in Parliament Alive across Australia this year. As I said, the enthusiasm of schools in Geelong to accept the invitation we extended has been overwhelming. It is Parliament Alive’s first visit to the electorate of Corio, and I am confident that it will not be its last.

Banking

Mr PEARCE (Aston) (9.49 pm)—I rise tonight to bring to the attention of the parliament a very important issue, a very serious issue, and that is the lack of government interest, the lack of government action, and the lack of government assistance in helping people who are being charged incredibly high bank fees, particularly in these times. When I talk about fees, I am referring particularly to fees attached to exiting from arrangements in relation to home mortgage contracts with banks.

This is an important issue because at the start of last year the government talked up interest rates. You will remember that the Prime Minister and the Treasurer went around the countryside saying that the inflation genie was out of the bottle. The Prime Minister declared war on inflation. In fact, the Prime Minister declared war on inflation. They egged on the Reserve Bank Board to increase interest rates, and what happened was that many, many Australians locked themselves into loans at a rate of interest only to find that, shortly after, the interest rates started to decline; in fact, they reduced quite substantially. They now find themselves locked into these high-interest rate home loans after the Prime Minister, the Treasurer and the whole government ran around Australia talking about the genie being out of the bottle.

There are many hundreds of examples, but I will refer to three in particular. The first relates to a single mother of two young children. The woman is separated from her husband in very difficult circumstances. She wanted to change her arrangement with the bank and was asked for $80,000 in fees. She sold her house for $620,000, but she was asked for $80,000 in fees.

The second case involves a person who had locked himself into a fixed mortgage interest rate of 8.44 per cent. He approached the bank to switch back to a variable rate and was asked for $70,000 in fees. A person in my electorate of Aston also wanted to move from a fixed rate loan to a variable loan and was asked to pay tens of thousands of dollars in fees to do so. As a result of not being able to afford those fees, he now finds himself each and every month paying hundreds of dollars more in repayments than is actually required as a minimum.

The second case involves a person who had locked himself into a fixed mortgage interest rate of 8.44 per cent. He approached the bank to switch back to a variable rate and was asked for $70,000 in fees. A person in my electorate of Aston also wanted to move from a fixed rate loan to a variable loan and was asked to pay tens of thousands of dollars in fees to do so. As a result of not being able to afford those fees, he now finds himself each and every month paying hundreds of dollars more in repayments than is actually required as a minimum.

There are several questions that need to be asked about the government’s actions in talking up interest rates—actions the Australian people followed by locking themselves into fixed interest rate loans. Some of the questions, include: what has the government done to assist these people, particularly in these very distressing and difficult times? What has the Prime Minister done personally to assist these people? What action has the Prime Minister of this country taken to assist
these people? Unfortunately, the answer to all these questions is that nothing has been done. The Prime Minister has done nothing to help these people. The government has done nothing to help these people. The Prime Minister and the government should do something. They should sit down with the banks and negotiate with them. The Prime Minister boasts about having the banks under his fingertips, yet he will not talk to them about trying to help people. I am calling on the Prime Minister and the government to do something to help these people who are in very difficult circumstances at this time and in need of help, and who are not getting any help or any assistance from the government because they do not care. (Time expired)

Wakefield Electorate: Education

Mr CHAMPION (Wakefield) (9.54 pm)—The Rudd government are committed to the education revolution and we recognise that schools are central to the well-being of our community. As we navigate our way through the global economic crisis, we know that good schools with good, well-supported leadership are the key to the continued success of our nation. Even before the introduction of the Nation Building and Jobs Plan in February, the Rudd government had already committed to spending a record $9 billion on Australian schools. Since then, education spending has been a key part of the government’s response to the global financial crisis, with an emphasis on creating jobs and boosting local economies.

I am pleased to report that many schools and students in my electorate of Wakefield have already seen the benefits of our policies. One of those schools to benefit is St Columba College in Andrews Farm—a very good school indeed. Two weeks ago, I was invited to a school assembly to officially announce a $2.5 million community gymnasium project, which was awarded to the school and its community partners as part of the Local Schools Working Together Pilot Program. This gymnasium, which St Columba is building in partnership with the Andrews Farm preschool and Playford Council, will consist of a full-sized multipurpose court, a weight training and physical fitness area, change rooms, offices and an office for agency support services. Importantly, the gym will also incorporate locally manufactured components, which will minimise transportation costs and boost local jobs. It is also an environmentally friendly design. This is a great project and it is a product of the local community working together. It is a great example of the Rudd government working with state and private schools to provide important shared facilities. Most importantly, these facilities will also help the local community of Andrews Farm, which is a growing, vibrant suburb but one in desperate need of community facilities. I want to thank Madeline Brennan, the principal of St Columba College, who is the driving force behind this project. She is passionate about local education and about the local community. I should also point out that St Columba College has also been allocated funding for 72 new computers as part of its computers in schools program.

The Rudd government has boosted the digital education revolution to more than $2 billion. Our aim is a target ratio of one computer for every two students for students from years 9 to 12. Other schools in the north of Adelaide and in country areas further north have also received funding in this round as follows: 223 computers for three Trinity College campuses; 29 computers for the Horizon Christian School in Balaklava; 67 computers for Balaklava High School; 145 computers for Gawler High; 54 computers for Para West adult campus, which serves many mature age students; 176 computers for Craigmore High; 212 computers
for Fremont-Elizabeth City High; 103 computers for Xavier College, Gawler; and 93 computers for my old high school in Kapunda, which contains the historic Eringa Building, once home to Sir Sidney Kidman. This is a total of over $1 million invested in information technology for northern suburb schools and country schools. Combined with the extra $1 billion nationwide to build new science labs and language learning centres in our high schools, this will be of great benefit.

The Rudd government are also investing up to $12 million in equipping local schools in Wakefield with trade training centres. These training centres will be based at Balaklava and Craigmore high schools. They will be the two lead schools in the new trade training centres. Both schools will be better integrated with TAFE and will deliver quality and relevant training to local students. The investment at Balaklava High School has been rightly praised in the local newspaper, Plains Producer, which has built a reputation for supporting local education and the local community. These trade training centres will be focused on industries from agriculture through to horticulture, furniture making, engineering and shearing and, most importantly for the local area, on automotive and mechanical technology. We also know it is important that the trade training centre proposed for Trinity College in Gawler will address skills shortages in the manufacturing industry. (Time expired)

The SPEAKER—Order! It being 10 pm, the debate is interrupted. The House stands adjourned until 12 noon tomorrow, in accordance with the resolution agreed to this sitting.

House adjourned at 10 pm

NOTICES
The following notices were given:

Mr Price to move—
That the House:

1. recognises the Association of Former Members of the Parliament of Australia, formed in 1988, as a forum in which former Members and Senators can meet, discuss and promote parliamentary democracy;

2. acknowledges the contribution made by the Association and its members to debate on public policy in Australia and the furthering of parliamentary democracy in general;

3. welcomes the role of the Association in encouraging former Members and Senators to maintain their contacts, associations and friendships established during their tenure as Australian parliamentarians; and

4. endorses the Association’s role in establishing fraternal relations with kindred organisations within Australia and internationally.

Mr Turnour to move—
That the House:

1. notes with serious concern that:

(a) seven Baha’i community members in Iran have been charged with spying, insulting religious sanctities and propaganda against the Islamic Republic, and that these charges could attract the death penalty;

(b) the Baha’i detainees have not been given any access to legal representation and have not been subject to due legal process;

2. calls on Iran to respect rights to freedom of religion and the peaceful exercise of freedom of expression and association, in accordance with international human rights conventions; and

3. calls on Iran to release the seven Baha’i detainees without delay.
The DEPUTY SPEAKER (Ms AE Burke) took the chair at 4.00 pm.

APPROPRIATION BILL (No. 5) 2008-2009

Debate resumed from 12 March, on motion by Mr Bowen:

That this bill be now read a second time.

Mr ZAPPIA (Makin) (4.00 pm)—I rise to speak in support of Appropriation Bill (No. 5) 2008-2009 and Appropriation Bill (No. 6) 2008-2009. These bills allocate $2.14 billion to nation building and productivity improvement initiatives, with investments in infrastructure, education, workforce skilling, workforce transitioning assistance and child care services—investments which are responsible, necessary and urgent. We face some very difficult times ahead of us, not only in Australia but for governments around the world—times that none of us have ever experienced before.

To date, more than 30 banks have collapsed or have needed to be bailed out. Economies like the US, the UK, Germany and Japan are now in recession. Six out of the nation's top 10 trading partners are now in recession. China and Japan, Australia's top two trading partners, have both experienced a significant slowing down of their own economies.

Investment in infrastructure and human resources in Australia will therefore make Australia more competitive. It will make Australian businesses not only more competitive but also will bring down their overheads. If they can do that, then Australian businesses are more likely to remain viable and, will in turn, support Australian jobs. If we can do that, particularly during these very tough times, then we would have achieved a very important objective in terms of the responsibilities of government.

In regard to the responsibilities of government, if the previous Howard coalition government had invested more in infrastructure, invested more in upskilling our workforce, and invested more in education when they had the opportunity to do so—because they governed during a period when there was a resources boom in this country—Australia today would have been much better placed to see through the global financial crisis.

Let us look at what is happening with infrastructure in the Hunter Valley. This bill makes particular reference to the Hunter Valley because of its rail corridors and the allocation of funds to improve them. Those corridors over the years have been referred to as ‘bottlenecks’. These bottlenecks were created because of underfunding of national infrastructure. With the additional funding that is proposed, there will be an increase from 97 million tonnes to 200 million tonnes a year of coal that can be taken out of the Hunter Valley. That is the kind of difference that this investment will make. Again, this kind of difference could have, and should have been made, under the previous government.

There is an old saying that goes something like this: you fix the roof while the sun shines. The time to have made many of these investments in our productivity was in the boom times over which the previous government presided. Regrettably, they failed to do so. The test of a
good government is how well it governs in hard times, not how it governs in boom times, and it is my contention that history will judge the Howard coalition government accordingly. In fact, to some extent, history has already begun that judgement. In the 2007 election, voters voted that government out. As a candidate in that election—and I can clearly recall the campaign—I would say that the lack of investment in productivity improvement measures in areas such as infrastructure and education in this country was one of the key policy issues on which that election was fought. Voters did understand that there had been a lack of investment in those areas and that there was a clear policy difference between the two major parties when it came to investing in productivity improvement measures in this country, and they voted accordingly. That is at least one of the reasons why the Howard government was voted out of office.

I said earlier that we face unprecedented times, with the collapse of the global financial system in a globalised economy where national responses are highly dependent on international agreements. That has now been further complicated by a drastic change to the weather patterns that we had adapted to and built our economies on. Conventional responses to the economic downturn are being complicated by global climate change. Anyone who still believes that the way of the future is to have free markets operating in an unrestrained global market is sadly misguided. Governments are elected to protect the common good. Capitalism is fundamentally about protecting and growing the wealth of a few—that is its prime objective.

The $2.14 billion allocated in these two bills will fund a number of projects to meet community needs which require immediate responses. I take this opportunity to speak about two matters related to this funding. The first is the $250 million allocated to accelerating water purchase and associated structural adjustments. There is an implied assumption in that allocation that there is water available to be purchased. If there is, and the government enters the market with $250 million with the expectation that it will be immediately spent, the obvious reaction will be a spike in the price of water. That in turn would cause serious consequences for the growers and, indeed, for the nation as a whole. That is for two reasons. Firstly, Australian taxpayers would pay dearly for less water, and that is not in the public’s interest. Secondly, and even more seriously, the farmers and horticulturalists who need the extra water to survive would also be forced to pay more and possibly to pay at a rate at which they would be priced out of the market. If water prices continue to rise, struggling farmers and growers will suffer even more. So spending up big quickly is not necessarily in their interests. I am aware that the minister for water understands this issue, but it is a matter that needs to be managed very carefully.

The second matter that I want to speak about is that of the funding of national infrastructure and, in particular, the $392 million that has been allocated to accelerate the commencement of a number of roads and other transport links throughout the country. One of the projects that those funds will go towards is the construction of the Northern Expressway in South Australia. This is a project that communities in the northern suburbs of Adelaide and South Australian industry have been calling for for nearly 25 years. The new expressway connects the town of Gawler with a continuous expressway through to the Port of Adelaide. It is 22 kilometres of new freeway and about 10 kilometres of an upgrade to the existing Port Wakefield Road, which is already a national highway.
In terms of the work that is required, the project started in about 2003 with the initial assessments, and is expected to be completed by around 2010-11. I understand that in the course of the construction some 5,000 jobs will be created. Already, many of those jobs have been put in place, but most of those 5,000 jobs will be created over the next 18 months or so—that is, at the time of greatest need in respect of placing people in jobs in this country. That is a classic example of the merits of the investment being made in infrastructure under the government’s $42 billion Nation Building and Jobs Plan.

Equally importantly, the construction of this expressway will save, on my estimates, transport operators around 20 to 25 minutes when travelling from Gawler to the Port of Adelaide in normal traffic. If they were to travel that distance in heavy traffic, the expressway could easily save half an hour in both directions. Given that most transport operators have to travel in both directions, this expressway will save one hour off their trip every day. Given that this expressway will be used by thousands of trucks per day, you can understand very quickly that the economic savings to the nation and those industries that rely on transport services will be huge. Of course, those savings can in turn be passed on to their clients through the cost of their services.

The second benefit for transport operators from saving an hour per trip on a daily basis is the reduction in emissions as a result of the trucks being on the road for less time. Those savings will go a long way towards assisting us as a nation to reduce our greenhouse gas emissions. The savings in emissions that we are implementing as separate strategies can be achieved simultaneously as we save costs.

There is a third and very important reason why I talk about this expressway. The expressway will not travel through the Makin electorate; however, it will be of huge benefit to the Makin electorate. Vehicles currently use Main North Road to get to the same destination. Main North Road forms the western boundary of the Makin electorate and is used by many people in the electorate. The expressway will provide all of those trucks and many motorists currently using Main North Road with an alternative route. That reduction in the volume of traffic on Main North Road will make life much easier for people commuting to work five, six or even seven days per week. If their commuting time can be reduced not only will they save petrol and therefore costs but they will contribute to the reduction in greenhouse gas emissions that we as a nation are trying to achieve.

The benefits of this kind of investment are massive. I suspect that if you were to take the time to work it out—and I have not had the time to work this out—you would find that what is being spent on this expressway will be returned in only a few years. In fact, what is returned to the government and consumers will be more than what is being expended right now, and in years to come there will obviously be ongoing benefits.

A couple of weeks ago the Minister for Infrastructure, Transport, Regional Development and Local Government formally opened an asphalt plant that has been designed and constructed onsite to service the construction of this expressway. It is a very impressive asphalt plant. I have seen asphalt plants and I have to say that this is as good as I have ever seen. It will produce about 2,000 tonnes of asphalt per day. This plant is an investment in the local region that will continue long after the expressway is completed and it will support other construction projects in the northern part of South Australia. With this national infrastructure project, we are building not only an expressway but a plant that will be there for the long haul. I
know there have been some other transport projects in this general region that have been put to the federal government. Certainly, if and when those projects are funded, this new facility will be in close proximity to them to provide asphalt. This new plant will be able to provide asphalt at the best possible price.

I could talk about a number of other initiatives that are being funded in these two appropriation bills, but others have done so so I will not repeat them. Both of these bills fund projects that are urgent and that have long-lasting benefits for this nation. For those reasons I support and commend the bills to the House.

Mr SIDEBOTTOM (Braddon) (4.15 pm)—I too am very happy to support Appropriation Bill (No. 5) 2008-2009 and Appropriation Bill (No. 6) 2008-2009. These bills appropriate approximately $2.2 billion, or about 2.7 per cent of the total annual appropriations. They support and enhance this government’s attempts to stimulate and sustain the Australian economy both now and in the future by both short-term and longer term stimuli, particularly in relation to social and economic infrastructure. The total additional appropriation being sought through additional estimates is $2.2 billion, which I have mentioned, of which $384 million is being sought in Appropriation Bill (No. 5). In effect, this is to support and secure the jobs and training of apprentices, trainees and adult workers who are vulnerable to redundancy during this economic downturn and also to provide assistance to workers who have recently been retrenched. The Department of Education, Employment and Workplace Relations will be provided with funding for a range of measures. This is intended not only try to support those who are unfortunate enough to be made redundant, whether they be apprentices or indeed full-time employees, but also to try to invest in the maintenance of the necessary skills that will be required when we come out of this economic downturn. That is a very important part of preparing for our future.

As I have mentioned, some of the funding will provide for a range of measures, including an additional $43.7 million to provide for an increase in the commencements and completion claims under the Australian apprenticeship system, which provides financial support for employers and their apprentices. This is a very important component of the funding. An additional $38.8 million will be provided to assist apprentices and trainees to return to the workforce and maintain their training. Employers and training organisations will also be encouraged to retain apprentices and trainees through an additional payment provided on completion of training. So this is an added incentive, where a disincentive for an employer to put off an apprentice or a trainee may exist because of the economic downturn, for instance. It is an additional incentive to try to retain them so that they can complete their training.

An additional $43 million will be provided to keep the 241 ABC Learning Centres open until 31 March 2009, and that date is fast looming. I congratulate this government and the minister for taking the steps to at least provide the continuation of these important services, not just for the families who have been seriously affected by this highly unregulated example of an industry provider but also for the jobs of those people who were involved with those ABC centres, including one located in Devonport, in my own electorate of Braddon. The receiver has assessed these centres to be unviable under the ABC Learning business model.

An additional $36.8 million will be provided to ensure any Australian worker made redundant will receive immediate and personalised assistance to help them get back into the workforce. Rather than having to wait at least three months to receive intensive customised assis-
tance, all newly redundant workers will be entitled to receive this support immediately to try and help them through a very difficult period or seek new skills and, hopefully, find new employment. This is a very important contribution towards helping with that.

There is an additional $70 million to meet an anticipated increase in expenditure against the General Employee Entitlements and Redundancy Scheme. I understand the scheme assists employees who have lost their employment due to the liquidation or bankruptcy of their employer and who are owed certain employee entitlements. The scheme will require this additional amount before May 2009.

They are some of the appropriations in relation to the Department of Education, Employment and Workplace Relations, and there are other major provisions of funding in relation to transport, regional development and local government which I will not go into here, as well as in relation to the Department of Families, Housing, Community Services and Indigenous Affairs, and the Department of Foreign Affairs and Trade.

Appropriation Bill (No. 6) has an appropriation amount of $1.83 billion. Under this package, the government proposes to bring forward $711 million to invest in building better roads. The Department of Infrastructure, Transport, Regional Development and Local Government will be provided with $392 million in 2008-09 for payment to the state and territory and local governments to accelerate the commencement of a number of important projects on the national network and other strategic roads. One of these is the Brighton bypass, which straddles the electorates of Franklin and Lyons, on the Midland Highway, so Tasmania will benefit from these appropriations.

These appropriations are part and parcel of appropriations designed to sustain and stimulate our economy. Nobody doubts that our economy is under great stress, even more so when you humanise and localise that into families and individuals who are facing the stress of the economic downturn, and the businesses that employ them. They are part and parcel of a long-term strategy to try and deal with this economic downturn—a downturn that many people denied we could see happening, one being the current Leader of the Opposition, who then claimed that we should have known about it anyway. Of course, his inability to craft the architecture for an economic security strategy for the opposition’s has left them divided on this issue. At least we have tried to get on with the task, warts and all. We do not claim to have a foolproof way of dealing with this unprecedented economic downturn, certainly in the memories of most people in this House. At least it is an attempt to strategically work our way through the difficulties that we face.

We must remember, Madam Deputy Speaker, that worldwide the crisis has caused more than 30 banks to collapse or be bailed out and major economies like those of the US, the UK, Germany and Japan to fall into recession. It has caused unemployment to rise in practically every country—unfortunately, in many countries it has risen higher than in our own country. We hope that some of the stimulus packages that other countries are setting out will, like our own, bring some kind of a halt to these figures. We know that Australia is not immune and that the situation may well get worse before it gets better. That is not talking the economy down; that is a fact, and we have got to deal with that, as this government has sought to do.

Six out of 10 of our trading partners are now in recession. Growth in China and Japan—our two largest export markets—has slowed dramatically and in December China recorded its slowest growth in seven years. I was heartened recently to see that China is embarking on a
massive stimulus package or series of packages of its own. Japan had its largest contraction since the 1974 oil shock and the Japanese economy has shrunk by 4.6 per cent over the year. That is a massive reduction. These are our leading trading partners. That has to affect our economy and unfortunately it has.

Some time ago we set out to protect our financial system and tackle some of these issues. In order to avoid the collapse of banks that we saw falling like ninepins overseas and the loss of thousands of jobs, we moved quickly to guarantee bank deposit accounts and the term funding of our banks, building societies and credit unions in an effort to maintain the stability of our financial system and to protect people’s savings. We also set up the Australian Business Investment Partnership with the Australian banks. The purpose of this partnership was to provide credit to commercial property projects which, due to the financial crisis, would have been forced to retrench thousands of employees. These were attempts to maintain what is and what was on the drawing board so that employment could be sustained.

In relation to the guaranteed bank deposit accounts it is disturbing to hear that a bank like the ANZ is prepared to offshore 500 jobs to India at this time.

Ms Grierson—They are reconsidering.

Mr SIDEBOTTOM—I hope they are reconsidering because I am sure that the view in both caucus rooms and in both houses of this parliament is to bring pressure to bear on the ANZ and any other banks which make similar decisions to offshore jobs. I am sure other members in this place have had some very angry ANZ customers contact them. I had one today who told me they are withdrawing their funds. They know that on an individual level it may not register with the bank, but I assured them that we will try to register their disquiet over the decision by ANZ in this place.

We all know that late last year we introduced our Economic Security Strategy to try to maintain and try to sustain jobs, particularly over the last quarter, and to try and stimulate the economy. Those opposite are happy to call it a ‘cash splash’ and I would like to remind them where that cash went. It was not a splash at all. It was strategically targeted and the results show that it had its effects. Whilst other countries had a decline particularly in their consumer index over the same quarter, Australia’s increased. The strategy provided much support to the retail industry in particular. We had the one-off pension payments gratefully accepted by those who are struggling but opposed by those opposite. We had one-off carers payments gratefully accepted but opposed by those opposite. We had one-off seniors payments to Commonwealth seniors health card holders and eligible veterans gold card holders gratefully accepted but opposed by those opposite. We had family tax benefit A payments of $1,000 per eligible child gratefully accepted but opposed by those opposite. On top of this, the Productivity Places Program expanded the number of trainee places. Again, it was gratefully accepted and needed in our economy but opposed by those opposite.

The first home owners boost—additional payments between October 2008 and June 2009—has been very gratefully accepted, as has been our able economic management in keeping interest rates down. That has stimulated the building industry and the home and real estate industries. We know that the boost is fuelling that industry now. It certainly is in my home state and it certainly is in my electorate of Braddon. It has been gratefully accepted by all those that benefit from it—not just the buyers and sellers but all those who are involved in the building industry. It has been gratefully accepted by them but opposed by those opposite.
You would have thought that after that lesson those opposite might have analysed the results and been supportive of further stimulus packages to try to keep and sustain jobs and to maintain our economy. Indeed the $42 billion stimulus package of the Nation Building and Jobs Plan, by its nature, has a short-term and longer-term objective, just as the Economic Security Strategy did, particularly in shoring up those infrastructure funds for health and education, and major transport and other infrastructure. Unfortunately it was voted against by those opposite.

You would have thought they would support the $42 billion stimulus package which is now rolling out throughout our electorates. Part of that was the short-term stimulus of $12.2 billion to low- and middle-income families, couples and singles, students, the unemployed and drought-affected farmers. That has been gratefully accepted but was opposed by those opposite. It is quite extraordinary.

I can tell you that the $14.7 billion that has been allocated to education is most gratefully accepted. It will not only help enhance the education revolution that we started some time ago—and also help with the improvement of teaching and learning in all our schools by creating better conditions for that to take place, and which is so important to us—but also stimulate the construction industry and all those service industries that are going to provide their services and their materials for this massive amount of construction.

New school libraries, multipurpose halls and classrooms will be upgraded in primary schools. It will be a record investment in primary education. I am sure everyone in this room has seen their primary schools jumping for joy and saying: ‘Thank you very much. This is how we want to stimulate our teaching and learning and improve it. It will also help stimulate our local economy.’ But it was voted against by those opposite, and they have the gall to come into the House and criticise us for it.

Ms Grierson—And talk down the economy.

Mr SIDEBOTTOM—They talk down the economy. And in the building industry—just cop this figure while you are playing with your Treo, Member for Tangney!—$6.7 billion was allocated for the construction of new public housing: 20,000 public and DHA homes. There was $400 million for repairs and maintenance to existing public buildings and $250 million for the DHA to build an extra 802 residences. Of course that is not stimulating the economy, is it!

Day in and day out, when they are not worrying about their own internal affairs, we have the mob opposite—it is rather gory, isn’t it, that they are playing around with their own internal affairs?—who have the gall to criticise us for stimulating the economy with a massive building program in public housing and defence housing. They have the cheek to criticise us—and not only that, they voted against it. But they will go to the openings, won’t they? Of course they will; they know it is good stuff.

What about the environment? We have allocated $3.9 billion to increase the rebates of $1,600 to install solar and heat pump hot-water systems, and free ceiling insulation of up to $1,600 to eligible owner-occupiers and up to $1,000 for rental properties. This will mean possible savings of $200 per year on those costs. That is pretty good. I know you are smiling over there, Member for Tangney, because you do not believe any of this is necessary. I have heard and read your speeches—unbelievable stuff! You make the Luddites look progressive, Mate, I
can tell you. Not only that, just for your edification, we are going to support local stormwater harvesting projects and accelerate water buybacks in South Australia.

Road and local infrastructure—something we all need—is something you opposed. But we are providing $650 million to fund regional road maintenance in Australia and another $500 million on top of that to help local councils build town halls, libraries, and community and sports centres. You know, it is so unpopular that it was oversubscribed by $1.2 billion—cop that! (Time expired)

Ms JACKSON (Hasluck) (4.35 pm)—I have a hard act to follow in the member for Brad-don, but I too rise to support the passage of the Appropriation Bill (No. 5) 2008-2009 and the Appropriation Bill (No. 6) 2008-2009. These proposed appropriations will meet funding requirements for a number of different initiatives, not the least of which will be funding required for the December 2008 Economic Security Strategy as well as much needed changes to employment and apprenticeship programs, changes to expenditure due to variations in the timing of various payments and forecast increases in program take-ups. These bills also provide for funding initiatives agreed with the minor parties during the debate on the government’s Nation Building and Jobs Plan. And, finally, these proposed appropriations will provide additional funding for infrastructure investment—rail and roads, in particular, AusLink and black spots in our local communities.

I want to touch on a number of different aspects of these programs. I also want to congratulate the government for its decisive and early action in trying to address the global financial crisis and to ensure as much as possible that Australians are cushioned from the worst of its impacts, and for making sure that we are ready to assist and increase funding into employment areas to support those people who lose their employment through no fault of their own. I note in particular the increased funding to GEERS, the General Employee Entitlements and Redundancy Scheme, which is part and parcel of this particular appropriations bill, for claim-ants in the current financial year.

There is a considerable amount of additional money—millions—to ensure that there are funds available, as I said, to employees who have lost their employment through no fault of their own where a company, due to liquidation or bankruptcy, has closed the business and owes basic employee entitlements. I think one of the biggest examples we saw of that this year was with respect to the ABC Learning Centres. Like many other members, I have centres in my electorate that have been affected by the closure of those ABC centres and I represent a number of staff who have been made redundant. I have to say that there still remains in West-ern Australia a shortage of qualified childcare workers, and to that extent many of the em-ployees affected will be able to pick up alternative employment. But in the last couple of months we have seen a downturn, especially in the mining industry, which is dramatically impacting on employment in Western Australia.

I think the additional funding for GEERS is especially timely. I was also really pleased that, because GEERS is a demand based program and we have seen an increase in demand, the government’s actions did not stop at simply adding funds to GEERS but also looked at what steps could be taken to assist employees who have been made redundant. I particularly want to congratulate the government on allowing for earlier access to employment programs for redundant workers. Current provisions require some three months delay prior to people getting the intensive support that is often required to assist people back into employment, and

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we know from available research that the sooner redundant workers are back looking for jobs the less time they are likely to be unemployed. I understand that, certainly from the beginning of this month, any person made redundant after 24 February will be able to access that early assistance, and I would certainly encourage them to do that.

I am also extremely pleased that the government have taken steps to continue to invest in skills acquisition and training during this period. We know that during the good economic times over the last decade insufficient investment was made in skills training for our workforce of the future. Indeed, it was precisely that lack of investment in skills training which led in many cases to labour shortages in crucial areas, perhaps nowhere else experiencing it more strongly than my home state of Western Australia. So I am particularly pleased that there is additional funding in these bills for infrastructure, training, as well as for additional training places, and also support and assistance for apprentices, particularly where their current employer is unable to continue their apprenticeship.

While I am addressing this point, I want to congratulate Group Training in Western Australia, who do a magnificent job in supporting apprenticeship training for young people. They have created great opportunities for young people to be able to move and experience different workplaces as part of their apprenticeship training. Many employers, particularly small business employers, in Western Australia have seen the value of being members of the Group Training scheme rather than necessarily taking on apprentices directly into their workplaces. I must admit that I have recently been contacted by the chief executive officer of Group Training South West, who has expressed his concern to me that a number of the group’s committed employers have foreshadowed that they will be taking on fewer apprentices this year and perhaps next year. I am very pleased to see that the government continue to be in discussion with groups like theirs to look at other ways that we can assist them and to assist apprentice centres to try and keep those apprentices, especially young people but also mature-age apprentices, working and studying towards achieving their qualifications.

In my own electorate of Hasluck, we have many, many industrial areas, especially at the Midland end, which have a significant role in supporting mining services in Western Australia. We are beginning to see some impact in what has been a very tight labour market. I know local employers, along with me, are still very keen to see investment made in training infrastructure to ensure that we do not ever again find ourselves in the situation of labour shortages that we have recently experienced. Without wanting to be seen to inappropriately lobby the minister, I would encourage the Deputy Prime Minister to consider closely the proposal by Raffles University for a university college in Midland in my electorate in the wonderful buildings of the Midland workshops, which have a long history of over 100 years associated with industrial skills training in Western Australia. Unfortunately it was an organisation which was closed by the Liberal state government in 1994, making some 1,500-odd workers at the time redundant. Many of those buildings and grounds have been rehabilitated, and we are hoping to see that their history involved in industrial skills training will continue with the creation of a university college.

Raffles is a private university. I hope very much it will continue with its proposed investment in Western Australia. Unlike many other companies at the moment, it is not in a position whereby it is required to borrow money to develop the proposal at Midland workshops, and I hope we have some considerable success with it. Similarly, my local TAFE college, Swan
TAFE, has been examining new methods of apprenticeship training. I am pleased to see some commitment on its part to the establishment of a virtual training centre which uses computer aided technology to expose pre-apprentices in particular to genuine workplace skills prior to their being placed in practical workplace settings. I hope to see both of these proposals continue. They have my full support.

In addition to the funding that the government have sourced in a number of different areas, the government have also made some considerable progress in Indigenous employment reform. This is also very pleasing to me. I have a very large local Indigenous population in both Gosnells and Midland in my electorate. I was delighted to host the Minister for Employment Participation, Brendan O’Connor, in my electorate only a couple of weeks ago. He presented the City of Swan with $418,750 to help sustain an Indigenous traineeship program that the City of Swan has been undertaking. This allows a number of young Indigenous people from the region to gain skills and find work in a variety of areas. One of the areas that is being explored and considered with much success in the local region is Indigenous tourism. Under the traineeship program some 15 trainees will undertake a 12-month placement with the City of Swan in a variety of employment settings, from environmental restoration, tourism, leisure services and libraries to community work and youth development. I particularly congratulate the City of Swan for having indicated that once trainees have successfully completed their year-long traineeship they will be welcome to apply for ongoing employment with it. I am very glad to be part of an Australian government that has a commitment to seeing projects such as this proceed while receiving generous funding. I note that this is only one of a number of Indigenous employment reforms and I congratulate the minister for the steps that he has taken in that regard.

As I continue to address the appropriation bills, it is appropriate that the Parliamentary Secretary for Regional Development and Northern Australia has joined us because I note the financial commitment that is contained in the bills for the development of the East Kimberley. I note our commitment to the development of the East Kimberley region. I am especially pleased that agreement has been reached with the state government to see that proposal proceed. I look forward to further economic development of the East Kimberley region.

Of more importance to me and my electorate of Hasluck was the terrific announcement by the minister for local community infrastructure investment, not the least of which will be in rail and roads, as I mentioned earlier. Hopefully we will see in my area at least a feasibility study looking into the development of train services to Perth airport. While the parliamentary secretary is here, I note that it is a relatively short jump from the Perth airport passenger terminals to Forrestfield, which is in the heart of my electorate. One of the things about my electorate is that it is a long eastern suburbs electorate with its two far ends well served by train services and its middle parts not. Public transport is a great problem for people who live in suburbs such as Forrestfield, High Wycombe and Wattle Grove. I hope we can continue to see some development in those areas.

I was also pleased to see additional funding for the Roads to Recovery program and for the highly successful Black Spot Program. This means I will see, just this year, the completion of two projects in Hasluck that are long overdue: an upgrade of street lighting at the intersection of Wharton Road and Forest Lakes Drive in Huntingdale and an upgrade of street lighting at the intersection of Kelvin Road and Bickley Road in Maddington. Both have seriously bad
records for traffic accidents, and it is hoped that the upgrades will greatly assist the safety of transport users in those local areas. There is no doubt that the Black Spot Program has been a considerable success for the time it has been running.

The only other comment I wanted to make was to do with the fact that we have heard much today in the parliament regarding small business. Our friends opposite like to think they are the only people who champion the cause of small business, but that is far from the truth. Indeed, during the break I spent a considerable amount of time liaising with a number of small businesses in my electorate and in particular the local chamber of commerce. One great concern I had was in fact how little of the information or the message had got through to small business about some of the steps, through initiatives like the most recent Nation Building and Jobs Plan, the government has taken to try and assist small business. I must admit I have a criticism of my local chamber of commerce, as they seem to have spent much time, in some respects, circulating surveys for the opposition about changes to unfair dismissal laws, union access to workplaces and other things but have failed to make sure they tell small business about the opportunities that are currently available to them—things like the 30 per cent tax break for investment in new productive assets, such as new plant and machinery, and the 20 per cent reduction in BAS payments due at the beginning of March.

In times like these, I think it is really important that we make sure that small business know what benefits and assistance are available to them as they undertake their very important role in our local communities. As I said, I am very supportive of mine; I understand the contribution they make to local employment. It is not helpful to make small businesses fearful about what changes are before the parliament rather than explain the impact of those changes—and, indeed, bring to their attention the benefits that are available to them now through a range of different packages. Those are things that people ought to properly address.

As I indicated at the outset, I certainly support the passage of these appropriation bills. I congratulate the ministers involved in the specific funding initiatives within the packages. I urge the House to likewise support the bills.

Mr GRAY (Brand—Parliamentary Secretary for Regional Development and Northern Australia) (4.54 pm)—I rise to bring the debate on Appropriation Bill (No. 5) 2008-2009 and Appropriation Bill (No. 6) 2008-2009 to a close, and I thank all those members who have made a contribution. Since the passage of the nation building and jobs appropriation bills, it has become necessary to introduce a further two annual appropriation bills. The supplementary additional estimates bills propose appropriations that give effect to and complement elements of the December 2008 nation-building package and the more recently announced Nation Building and Jobs Plan. They also include appropriations for enhancements to employment and apprenticeship programs and other urgent measures and variations. The total additional appropriations being sought through these supplementary additional estimates bills is $2.2 billion. This funding will be used to strengthen the Australian economy now and in the future. This will be achieved through the immediate support for jobs at this critical time and the delivering of the long-term investments needed for future economic growth.

Infrastructure is one of the key drivers of productivity growth. This funding will provide for critical infrastructure in transport. It deals with rail and it deals with road. The government will inject $1.189 billion into the Australian Rail Track Corporation in 17 projects to improve the reliability and competitiveness of the nation’s rail freight network. The funding provided
through the Department of Infrastructure, Transport, Regional Development and Local Government includes $580 million for the expansion of capacity along the rail corridors connecting the Hunter Valley coalmines to the Port of Newcastle. This expansion of capacity will more than double the amount of coal capable of being transported to port from 97 million tonnes a year to 200 million tonnes a year.

The Department of Infrastructure, Transport, Regional Development and Local Government will be provided with $392 million in 2008-09 for payments to the states, territories and local government to accelerate the commencement of a number of important projects on the national road network and other strategic roads. This will bring forward expenditure on projects including the Bulahdelah bypass on the Pacific Highway, Melbourne’s Western Ring Road, the Douglas arterial on the Bruce Highway in Townsville, Adelaide’s Northern Expressway, and the Brighton bypass on the Midland Highway in Tasmania. The payment to the states also includes an additional $60 million investment this year in the highly successful Road Safety Black Spots Program.

Consistent with the agreement reached with the minor parties during the passage of the Nation Building and Jobs Plan, the government proposes to bring forward expenditure totalling $500 million over four years, beginning in 2008-09, to assist in expediting the return of water to the environment and to deliver long-term benefits to the Murray-Darling Basin. The Department of the Environment, Water, Heritage and the Arts will be provided with $250 million in 2008-09 for this purpose. The government considers that this is the maximum pace of water recovery that can be pursued without causing unnecessary disruption to the water market, and without compromising the amount of water that can be returned to the rivers over time.

The government is continuing to deliver on its commitment to protect Australian jobs at risk due to the impact of the severe global recession. To support and secure the jobs and training of apprentices, trainees and adult workers who are vulnerable to redundancy in the economic crisis, the Department of Education, Employment and Workplace Relations will be provided with funding for a range of employment and training programs, including an additional $43.6 million for the increase in the commencements and claims under the Australian apprenticeship scheme, which provides financial support for employers and their apprentices; and $38.9 million to assist apprentices and trainees to return to the workforce and maintain their training. Employers will also be encouraged to retain apprentices and trainees through an additional payment on completion of training.

Thirty-four million dollars will be provided to keep 241 ABC Learning Centres open until 31 March 2009. The receiver assessed these centres as being unviable under the ABC Learning business model. However, the government believes that a number could be viable under different arrangements, and that these centres could represent an opportunity to gain greater diversity in the childcare market.

The Department of Education, Employment and Workplace Relations will also be provided with additional funding to provide assistance to recently retrenched workers. Some $36.8 million will be provided to ensure that any Australian worker made redundant will receive immediate and personalised assistance to help them get back into the workforce rather than having to wait at least three months to receive intensive customised assistance. All newly redundant workers will receive this support immediately. A further $70 million will be provided to meet an anticipated increase in expenditure against the General Employee Entitlements and Redun-
dancy Scheme. This scheme assist employees who have lost their employment due to the liq-
uidation or bankruptcy of their employer and who are owed certain employee entitlements.

These bills contribute to the government’s response to the global financial crisis in provid-
ing immediate support for Australian jobs. They also look beyond the crisis to enhance the long-
term capacity required to strengthen the Australian economy, build long-term productivity and promote future economic growth. I commend the supplementary additional estimates bills to the House.

Question agreed to.
Bill read a second time.

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

APPROPRIATION BILL (No. 6) 2008-2009
Second Reading

Debate resumed from 26 February, on motion by Mr Bowen:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.

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

DELEGATION REPORTS
Parliamentary Delegation to Singapore and Indonesia

Debate resumed from 11 March, on motion by Dr Stone:
That the House take note of the document.

Mrs BRONWYN BISHOP (Mackellar) (5.01 pm)—In rising to speak to the report of the official parliamentary delegation to Singapore and Indonesia from 28 October 2008 to 8 No-
vember 2008, I note that I had the pleasure of being a member of the delegation. Members of both the government and the opposition, led by the Speaker, had a particularly useful visit. We first went to Singapore. I might add that my remarks will be brief, as I know that the Speaker has already spoken quite extensively to the report, but I do feel that it is important, having been a member of the delegation, to record many of the things that I thought were useful for us to bring back to discussions here in Australia.

The first part of the tour, as the report sets out, was to Singapore. For me, one of the most important meetings we had was with the Monetary Authority of Singapore. It was timely that we were there, because the effect of the global recession was starting to be felt very much in Singapore. What became evident was that there was a good working relationship between the Monetary Authority of Singapore and the Reserve Bank here in Australia. One of the main levers that they use in their system rather than interest rates is the exchange rate. They went on to discuss with us why that was so.

The usual things that are important between Singapore and Australia were discussed, such as our defence relationship, which is in good condition. We also visited the war memorial at Kranji, which was a very moving thing to do. We had a small service there and the Speaker and I laid a wreath. Once again, one was struck by the enormous service and sacrifice that was given by not only the Australians who were there but also people who were part of the
Allied endeavour through World War II. I think it is a remarkable continuance of the value that we place on the lives of those who served in that way and are buried there that this place is beautifully kept, there is always a sense of reverence and it is a totally moving experience.

From Singapore we went to Indonesia, and it was in a way a difficult time to be there because of the heightened discussion about the impending execution of the Bali bombers and the emotion that that brought up for us Australians as well as for the Indonesians. But we did have very successful meetings with the President of Indonesia. We had very good discussions with his vice president and also with the foreign minister. When I have previously been in Indonesia I have enjoyed meetings with the President and the foreign minister and I found on this occasion that there was a very comfortable relationship between our delegation and particularly the President and those with him, which I think augurs well for our relationship.

Of course, the financial crisis will hit them hard. It hit them hard when the Asian crisis occurred and they remembered that they were dealt with rather harshly. They learned lessons, though, in the way that they would respond and had a positive outlook on how they would deal with the impending difficulties.

We also had the opportunity to go to Kalimantan, which was for me really unexpected. Kalimantan is a place of importance in my memory, I suppose, as a place where many battles were fought during World War II and indeed a place where my father served. Nonetheless, it was a joyous occasion in that we seemed to be one of the first foreign delegations to visit Kalimantan, so their excitement at having a visit was really quite marked. We had the great pleasure of visiting a village and meeting with an extraordinary woman. She was a midwife and had a huge success rate in that she had lost neither a mother nor a baby, and this was not only of enormous importance to them but pretty impressive to us too.

There will be many items that people who are interested in the delegation’s activities can read in the very well presented report. I would encourage those people who are interested in developing our relationship with both Singapore and Indonesia to read the report because it is worthwhile and contains material which would be valuable in judging the strength of our bilateral relationships. I would like to conclude by thanking everybody who had anything to do with arranging that trip for us, both those here in Australia and those people in Singapore and Indonesia. I think it was a worthwhile trip and beneficial both to us and to the countries which we visited.

Ms GRIERSON (Newcastle) (5.08 pm)—I too rise to support the report on the delegation’s visit to Singapore and Indonesia presented by the Speaker in the House, and I commend the comments already made by the members for Murray and Mackellar. I know the member for Blair was intending to speak on this report too. It was a committed delegation. I think the members were committed not only to the delegation itself but also the outcomes that were achieved—and to being part of achieving those outcomes, of course.

It was an important delegation. These two nations, Singapore and Indonesia, are of great significance to our country and the visit came at a time of great significance in the world. In that way, the spirit of discussion and dialogue was so terribly open and frank—surprisingly open and frank—because these are challenging times. To visit countries that are grappling with the same dilemmas as us, the same extreme economic situation that we find ourselves in, meant that all of us were so committed to policy development, policy ideas and the sharing of
them. The level of open discussion surprised me. It was delightful to know the professionalism of these countries and their commitment to finding ways to resolve the dilemmas.

Singapore is, of course, a unique country—a very small city-nation that has had to be extremely resourceful and resilient. Although many would find some of the controls limiting and constraining, especially those of us who are particularly independent in our thinking, in Singapore you get to understand that that is a luxury that cannot always be afforded in terms of the critical economic viability of that country and what it depends upon. But I did find in discussions with Singaporean parliamentarians that their commitment to providing a high quality of life for all their citizens was the driver, and consequently their policies were absolutely honed to outcomes. I found, perhaps more than in any other country I have been to, that their policy not only reflects desired outcomes but is also, particularly, part of a strategic framework.

Their developments in water management were of interest to all the delegation, but for me the observation of a reservoir located in the CBD was quite astounding. The city of Newcastle, which I represent, experienced an extreme flood and storm situation in June of 2007, and internal flooding in that city was something that I suppose was never anticipated. But it is anticipated in Singapore. We are having more extreme weather, and to see a reservoir located in the CBD for that overflow and surge was quite revealing to me. I admire their engineering abilities and their resourcefulness. It was also interesting to visit a union. While it certainly is a constructed union representation group, I found no less commitment to representation for working people than I would find here. I found discussions with the Monetary Authority of Singapore quite illuminating as they came to terms with having to change their thinking about the economic situation.

As mentioned by the member for Mackellar, the visit to Kranji War Cemetery was very special. When you walk around that beautifully maintained and cared-for cemetery, you find that death does not take sides in war. It is very nice to see that all those who fell in battle, no matter what side they were on, have their graves marked and cared for. It is a small world. I always love it when I travel overseas and run into constituents from my electorate. Some of mine were there at Kranji. People from the Boeing picket line were there with their young niece to show her the world.

In Indonesia we started off, as the Speaker so rightly described, with a football match in which the member for Blair astounded us. The weather conditions were horrific, but what a man of stamina and resolve he is. We are very proud of him. I must say to the embassy staff who were playing in the team against a local newspaper: what aggressive girls they were! It was quite illuminating. I would say those things about the embassy staff in Indonesia because they have probably been tested more than most. They have been through terrible events: the bombing of an embassy and the crash of the aeroplane that saw so many of the staff affected. I found them the most amazing group of people. I pay special tribute to the ambassador and the staff and to the ambassador’s wife, who I know was particularly responsive in providing leadership during that air disaster.

Our meeting with the President of Indonesia, His Excellency Dr Susilo Bambang Yudhoyono, was for me a highlight. I found a man committed to his nation’s development and his nation’s role in the region. I found him a very significant leader and I was very grateful to have the opportunity to share in his vision for Indonesia as an important country in our region.
It is of high importance. I suppose we are all fairly devastated to know that, for a country that had such a high growth rate prior to this economic crisis and that was making such strides for its people, it will be even more difficult for it than for most.

I would also say, as my colleagues have, that to go to the province of Central Kalimantan was an absolute privilege. Jakarta was an astounding capital and city to visit, but to go out to a small community and meet with people on the ground was an absolute privilege. We were very pleased with some of the aid projects Australia is involved in, particularly the rehabilitation of the peat lands. It was a wonderful opportunity to see the efforts by the Borneo Orangutan Survival organisation for the orangutans.

These are challenges that have to be met, and they do not come without fairly high costs and commitments. We were pleased to see those attempts. I express my concern that, since we have been, there have been discussions about resuming palm oil plantations on peat lands. I think that is a great disappointment, but perhaps it is a sign of the times—people resorting to that for economic viability. It is the responsibility of all of us in the region to remember that these regions are the lungs of the world. We need to continue our commitment to assisting Indonesia in maintaining and restoring that capacity for the global environment.

We also attended a school—one of 1,000 schools Australia has built in a program of building 2,000. As a former educator I know the hard work that must have gone into that by all the staff. They were so proud. They looked pretty tired but they made sure there was maximum student involvement. The visit was an absolute pleasure. As the member for Mackellar said, we were the first parliamentary delegation to go to Central Kalimantan. We had an entourage that was probably unrivalled by anywhere that I have ever been to. It was a sign of their commitment to their region and their community.

We went to a Dayak village. It was only accessible by boat. It was a very beautiful place in that the people were coming to terms with the 21st century—the modern way of living. Yes, they had mobile phones but they still had a traditional culture that was as old as civilisation itself. To have little children following you around the village trying to give you lollies was quite a change. It was obviously a place of great community pride, and there was a real commitment to developing the prosperity of that region.

I also need to register my thanks, particularly to the Speaker. I have heard the previous speakers thank the speakers of both parliaments—Singapore and Indonesia. I want to also register my thanks to the High Commissioner to Singapore, the Australian Ambassador to Indonesia and to their staff. But I also want to thank the people here in Australia who assisted us. The Speaker, himself, excelled. If you have ever had the pleasure of travelling with the Speaker then you would know that he is a great ambassador for this nation. He certainly intrigued me in that he has kept records of every visit he has ever made to Indonesia—and there have been several—and he could call on those to recollect, for all of us, conversations and issues that were being dealt with then. That meant, I suppose, that a great deal of trust was extended to us.

As mentioned, it was a highly successful visit by a delegation committed to positive outcomes and to working very collaboratively and positively together in times that are challenging for our neighbours and ourselves. So I commend the report to the parliament.
Mr NEUMANN (Blair) (5.18 pm)—I also rise to speak in support of the report and to say what a privilege it was to serve on a parliamentary delegation of such bipartisan spirit and cooperation. It certainly indicates how members of this parliament, some of whom are vilified and criticised from time to time, can work constructively and well together to advance Australia’s best interests overseas. The goodwill and cooperation was clearly evident in the venues we went to, whether they were in Singapore, Kalimantan Tengah, Jakarta or various other locations.

There was certainly a great deal of cooperation with the local authorities, and I want to pay tribute to the Australian High Commissioner to Singapore, Mr Doug Chester, who actually assumed office, I think, on the day we arrived in Singapore, and his staff member Dr Lucinda Bell, who was just magnificent. She managed to find all the nooks and crannies all over Singapore. Her knowledge of the area is quite extraordinary. I think she has a doctorate in international law. One of the most interesting things about the trip to Singapore was when Dr Sharman Stone and I met with some professors of womens studies and talked about the role of women and domestic life and the role of migrant workers, who are also women. I think the member for Murray would agree with me that that was one of the fascinating insights into a society where there are many migrant workers. That society is very different from ours in its philosophy on the rights, roles and responsibilities of women, particularly indigenous women and foreigners.

With respect to Singapore, I have to say that the management of water is a big challenge for Australia and a big challenge for Singapore, for different reasons. I was interested to note that the public utilities board, which is under the ministry of environment and water resources and really is Singapore’s national water agency, has close contacts with the Queensland government. Queensland has been building a water grid at a cost of billions of dollars, a great initiative supported with federal government money as well. Much of South-East Queensland has been on level 6 water restrictions for a long time, so everyone drives around with dirty cars; that is the challenge of life in South-East Queensland. But the representatives from the ministry had close contacts. When I told them I was from Queensland, and represented Blair, which has the Bundamba Advanced Water Treatment Plant, they immediately lit up because they had been over there to look at the plant and thought it was a wonderful facility. Australia is leading the way. I am pleased to say we are cooperating with the water authorities in Singapore to help them. Despite its tropical climate and seasonal rainfall, Singapore has a very small catchment area. The Singaporean government have a fourfold strategy to deal with their long-term problems of water capture and to get long-term water into the area—water from the local catchment and desalinated water. They also have four plants producing what they call ‘NEWater’. We were given an opportunity to drink NEWater—15 per cent of Singapore’s water supply is NEWater. I have to say that it was great. I think the member for Mackellar actually met one of her constituents on that particular day, which lit up her face. She was very excited about that particular occurrence.

We also have close cooperation in terms of defence with Singapore. When they knew I was from Queensland and had the RAAF Base Amberley in my constituency, they were very keen to discuss issues of defence. Also, the National Trades Union Congress of Singapore represents 62 unions, six taxi associations, 12 social enterprises and four related organisations. Their tripartism is a bit different from what we would call the normal union operations in
Australia, but they still retain that primary focus to advocate for and support workers. It is interesting—and those opposite, if I can be political for a sec, should note—that it is a very highly unionised workforce, comprising about 1,000 companies, and over 90 per cent of them have collective agreements. I say: hear, hear!

I want to thank very much those from the Singapore embassy who helped us enormously there. I have to say the highlight for me was the Indonesian aspect, and other speakers have talked about that. People-smuggling and illegal fishing is a real challenge for Australia. I am pleased to say that we are cooperating with the Indonesian authorities on this issue. Indonesia, their politicians and their people, recognise the great contribution Australia has made in terms of education. We have 15,000 Indonesian students enrolled in institutions here in Australia. That is an added contribution to our economy of $500 million. That is a lot of money they are contributing to the Australian economy.

It is good to see that the Rudd Labor government has implemented its election commitment of $62 million for a national Asian Languages and Studies in Australian Schools Program. The Indonesians are aware of that. They are very pleased to see that we are doing that. Our Australia-Indonesia Basic Education Program, which we saw the benefit of, is so worthy in the circumstances. It makes an appreciable difference in the lives of very poor children, boys and girls. It helps our neighbours enormously to educate their children in the way we would expect our children to be educated. Seeing the delight on the faces of these young people on the day that we visited, and also seeing the mirth when the Speaker tried to use his great Indonesian vocabulary, was quite extraordinary. They really are wonderful people.

The trip to the Dayak village was eye opening. To see the cooperation in the village, which is half Muslim and half Christian, shows that the people of the great monotheistic faiths can live together in happiness and harmony, and work together cooperatively in a community setting in isolated areas. There is no reason that people of different faiths cannot live happily and cooperatively in a multicultural society. That village, which is a very remote village, accessible only by a small river, is a perfect example of how society can evolve and change and benefit. It flies in the face of what is said by all those people who believe people of different cultures and faiths cannot live together. There were Javanese and people from other cultures there at the time, as well as the local Dayak people.

I think we are doing great work with respect to climate change over there. Visiting the peat swamps or peat lands of Kalimantan Tengah was an interesting experience. They are a unique form of wetlands. Peat consists of carbon-rich plant matter accumulated over millennia. It really acts as a carbon sink. The deforestation and drainage of the peat lands causes them to dry and results in the loss of carbon. We are talking about high greenhouse gas emissions. Those 22.5 million hectares of peat swamp forest represent about half of the total world habitat for orangutans. The fact that we are ensuring that vegetation is not destroyed is really good, but we have got to take greater steps in relation to orangutan preservation and protection. The Indonesians are doing a lot, but I think we should be thinking more and more about what we can do. We should make it part of our Indonesia-Australia Forest Carbon Partnership, because they are inextricably linked: the destruction of the peat lands and forests in that area has a big impact on the natural environment and habitat of the orangutans. I would like to see that $30 million program expanded, if at all possible.
But I would also like to see the expansion of the sporting program. We have a number of Australians over there from the Institute of Sport helping the Indonesians. I would like to see Australia play Indonesia in soccer three times over two years. Wouldn’t that be great? We could call it the SBY cup or the Rudd cup. Wouldn’t that be terrific? I think that would be great. I commend the report.

Debate (on motion by Mr Ramsey) adjourned.

HIGHER EDUCATION LEGISLATION AMENDMENT (STUDENT SERVICES AND AMENITIES, AND OTHER MEASURES) BILL 2009

Second Reading

Debate resumed from 12 March, on motion by Ms Kate Ellis:

That this bill be now read a second time.

Ms GRIERSON (Newcastle) (5.29 pm)—I rise to give my support to the Higher Education Legislation Amendment (Student Services and Amenities, and Other Measures) Bill 2009. It is about time we were able to do so; it is a wonderful time to be able to do so. This is a very responsible policy approach from a government that is determined to restore integrity to student services in our universities. This legislation sounds the death knell for the Howard-Costello legislation which allowed the government to wield its ideology over common sense and provided tertiary institutions with very little choice and reduced their autonomy. Rather than good common sense and decency prevailing in our most important institutions—the universities of this country—they were made to slavishly follow an imposed ideology.

I am pleased to say that over the past 15 months we have heard the ringing of a few death knells, each signalling the end of that ideological legacy left over from the previous government. Work Choices was another one that was woven into the fabric of universities wherever it could be. Fortunately, it has found its place on the scrapheap. We do also hope that the era of our country ignoring the urgency of climate change will be over.

It is important that when we look at the Rudd government reforms we can feel some pride that our government’s approach to university services will replace one that caused great harm. The previous government’s approach caused a serious decline in, and in some instances the complete closure of, vital health counselling, employment, childcare and welfare support services. Unfortunately, these extremes, disguised as reform, took an ideological sledgehammer to universities that saw $170 million stripped from valuable student services, all because they suspected that universities were a hotbed of incubating dissent. I would hope so! I would hope they incubated challenge, inquiry and dissent. I think the previous government pursued the provision of student services in all the wrong ways. Instead of doing the hard yards of consulting with students, consulting with the sector itself, listening to student representatives and working to find a balanced and measured approach, they pushed on with legislation that was more to do with their own prejudices. But now common sense, decency and the future of this nation do dictate the legislation before the House.

The bill imposes requirements on higher education providers that receive funding under the Commonwealth Grants Scheme. They are not requirements to be followed slavishly according to ideology. They are actually about goodwill and the needs of students. They are about ensuring that there is information on and access to basic student support services and that there is provision of student representation and advocacy. I am particularly impressed that for the first
time universities are required to provide opportunities for democratic student representation and to take student views into account in institutional decision-making processes. How appropriate this is when revenue from student enrolments represents well over 50 per cent of the budget of all universities! It would seem to me to be very important that students’ voices are heard.

From 1 July 2009 higher education providers will be able to charge a compulsory student services and amenities fee. That fee will be capped at $250. It is negotiable—it can go down—and each university can set their own level. That fee is distinctly for helping to provide student services and amenities within the set guidelines of this legislation. The legislation will allow eligible students the option of a loan, should they not be able to afford that upfront fee, through the establishment of a new component of the Higher Education Loan Program, which will be called the Services and Amenities-HELP—or SA-HELP—scheme.

These are important reforms and the students of Australia’s higher education institutions were certainly crying out for them. In fact, it was not just the students that felt the brunt. I know that during the process of consultation undertaken by the government last year there were strong indications that universities too were finding it difficult to adjust. Some universities indicated that they were having to redirect funding out of research and teaching budgets to support student services because they could see that without those funds, their students would not be as successful and certainly would not contribute what they were capable of. They did that to maintain their commitment to student services and student involvement in the running of their university. No doubt other universities found it convenient to look the other way. But most universities did not choose to do that; they did have to find funds to carry on with essential services for students. I am proud to say I have a daughter who was once a student president at the University of Newcastle. I remember debriefing her many times on the support she gave to students. They included fairly difficult cases of conflict resolution and social welfare. So I do know of the contribution that student representative organisations make to individual students and to the strength of the student body itself.

For those on the other side of the House who claim this legislation is indulgent, I would say that, if it indulges student services in a way that strengthens the ability of students to complete courses, that is a good thing. There is certainly an indication that the other side considers this some sort of quasi-compulsory student unionism. That is totally incorrect. These services are not indulgences; they are important. They help our students navigate their time at university and often, for many students, that is a time of personal challenge, particularly as most students today have to work as well as attend university. So these services provide for them systems of support and advocacy.

Our own universities have recognised this, with some redirecting their funding to support those services. In my own electorate of Newcastle, both the Newcastle University Students Association, NUSA, and the Newcastle University Postgraduate Students Association, NUPSA, secured service level agreements with the university, albeit at lower than previous levels. This was not the case at all universities and I am pleased that my university did support the student organisations. But there was no requirement for institutions to provide that financial support, and this invariably meant that either services were cut or charges were increased at the time. In the case of the University of Newcastle, both NUSA and NUPSA were able to continue providing services, but the funding that could be provided in that way was limited.
Whilst the cooperation and good faith negotiations between student associations and the University of Newcastle meant that some services could continue, services did suffer—so much so, in fact, that when the current Minister for Education visited my electorate early in 2008 I remember us being at the end of the student protest. Students chose to exercise their democratic right to protest and they certainly were concerned for all students. I think it was perhaps the first time the minister had ever experienced a student protest that she had not organised herself when she was a student representative, but she was at the receiving end and we found it a healthy thing for those discussions and that protest to be taking place.

The experience of student associations under the previous legislation was a genuinely difficult one. Student services lost included $300 emergency loans—and I know many students who had taken advantage of those. They lost vouchers for textbooks and food, and if you have ever attended a university on a day when the subsidised food was available you will know it was a good thing to see students being able to benefit. At our university, NUSA went from having seven full-time staff down to two. The former full-time grievance officer now works only a 14-hour week. *Opus*, the newspaper of the university students, decreased from seven issues to four and the printery was closed. The printery provided an at-cost service to students. It allowed them to print off their important theses et cetera, and that was a huge loss to students. The second-hand bookshop was also closed—again, what a waste of a wonderful resource for students. The director of NUsport at Newcastle University at the time of the service reduction said:

NUsport’s current position under VSU is that there has been a significant reduction in employment, less student representation especially women at University Games and in University Clubs, and most significantly, NUsport has had to freeze new infrastructure projects and without ongoing maintenance, our buildings are deteriorating.

Many cultural and artistic programs and festivals also suffered. Many student organisations subsidise the attendance of their students at these collaborative cultural festivals, and as a result the attendance and viability of those festivals suffered. Newcastle experienced that firsthand. We host the This is Not Art festival. It is the largest youth festival in Australia. It includes a youth writers festival and a digital arts festival. It is a great example of the coming together of talented artists, activists and other real talent, but attendance was subsidised by student unions at different universities all around the country, and I am very sorry to see that under the present system that has suffered tremendously. Universities are the incubators of leadership, the people of the future who are going to solve the problems of the world and those who are going to nurture and enrich the souls of their communities.

I would submit to the House that the human cost was too high for the sake of reform. I am pleased to see that the Rudd government is committed to responsible, considered and measured reform. This legislation is not a return to compulsory student unionism. It will ensure that universities provide vital services in health, child care, welfare, counselling and employment. In my office I try very hard to give relief work to students from the University of Newcastle. The Graduate School of Business and the School of Law are just across the road from me, and it has been very valuable to share firsthand with students their experiences at university. One case I am aware of is a couple raising their baby in the city without their families. I know how important those services were to them.
The Student Services and Amenity Fee Guidelines which are part of this legislation set the parameters for what sorts of services can be supported by the levy imposed by universities, and they were formulated through consultation with the sector. There are quite a few services. They cover employment, housing, health care and academic support. One would think that would be rather important. They also cover personal accident insurance for students—something they cannot normally afford or even contemplate. They cover the many clubs and societies that enrich the experience of university, such as sport and recreation and student media—that communication need that binds students together. Orientation information—a very important week in all universities—and support for overseas students are some of the other services that are covered.

Ensuring that the levy is spent on areas of genuine student need will require a commitment by universities and student bodies to negotiate in good faith. That is the expectation of this legislation.

The government are committed to ensuring that students have a voice in universities, and that is why we have introduced the National Student Representation and Advocacy Protocols. These protocols set out a framework that ensures that the voice of students is enshrined in universities. They will allow for the interests of students to be considered in institutional decision making and ensure that advocacy services are made available. I recollect my daughter being a student union representative on the university council. I remember how much work she put into representing her constituency with regard to student services and university decisions that were being made. I think it is very important that universities incorporate this into their governance. Students have a very valuable voice to contribute.

At the heart of this package, though, is the need for consultation. The government has ensured that student representation is enshrined and the consultation between individual institutions and their student bodies will now decide the success of this program. This is a chance for all those stakeholders with an interest in this issue to discuss the best framework for this policy. That includes, of course, university executives, government and student unions. I would like to think that in the future there will be a level of representation and participation that is genuine and inclusive and that training in governance is provided for students. It is a wonderful place for them to learn about democracy and board and management type responsibilities. I think it is really important to make sure that as many students as possible have these advocacy experiences.

As this consultation takes place, it is a good time to ask just what we do require from our higher education institutions. That, of course, is good governance procedures so that students see the best behaviours modelled. There is a strong role for student unions in protecting and advocating for the rights of students. I was very pleased, as were many of my colleagues, to meet David Barrow, the head of the student union movement at the moment. It is good to see that this generation is engaged, interested and keen to hold us all to account. The student union movement is keen to represent the interests of students. We should support that engagement and encourage it in every form.

As a government we should help to create and sustain a strong, transparent and responsive higher education sector that helps develop the future scientists, doctors, social scientists, teachers, leaders of this country, artists and performers.
I would also say that one of the things that this legislation says cannot be done is the funding of political campaigns. What is meant by that is party political campaigns. I hope there is never any need for us to distinguish in universities between students being involved in other sorts of political campaigns. I think of the human rights advocacy that student bodies have taken up, the work on social inclusion and the work on economic models—what a time to challenge economic models of the past. I can remember past protests on such issues. You think, ‘Gee, they may have been right in many of their social equity approaches.’ When we look at the times we live in—and, looking at the people in this room, we have experienced extreme change in the time we have lived in this world—it is important that student voices are listened to and that students are encouraged to analyse how this society works and how it can be improved.

I also note that there has been some concern expressed by members on the other side of the House regarding the cost to students of this fee. I say to you: that is a concern that I always share. Recent media coverage showed that about a third of the students of the University of Newcastle are drawn from the lowest level of economic advantage. They come from a low socioeconomic base. We have one of the highest ratios in the country. Perhaps that is a tribute to the university’s inclusiveness. It runs some of the best second-chance programs around the country. It also shows not just that these students may struggle to pay the fee but, more importantly, that they are students who will genuinely benefit the most and have the highest need for the services that these fees will provide. That is part of the dilemma that this legislation seeks to address. Students will be able to access a loan program, and universities will be able to set a fee, capped at $250. The benefits that will flow to students at the University of Newcastle, who are drawn from lower socioeconomic groups, will be extremely important, and they will certainly be of benefit to everyone.

I recommend this legislation to the House. I have been very happy to support it. It is a reform that has been very necessary. I hope it restores some autonomy to the student-university relationship, because that is a relationship that I think we should not interfere in too much except to protect the freedoms and democratic rights that we think are essential in any institution in this country.

Mr RANDALL (Canning) (5.47 pm)—I am pleased to join with my coalition colleagues in speaking, not surprisingly, against the Higher Education Legislation Amendment (Student Services and Amenities, and Other Measures) Bill 2009. This bill seeks to introduce a compulsory levy on university students capped at $250 a year from 1 July 2009. Frankly, the purpose of this bill is to introduce compulsory student unionism by stealth by denying students their fundamental right to freedom of choice on campus. It will mean that students, irrespective of their wishes, will be forced to fund a student union they may fundamentally disagree with and pay for services that they may never use. This bill seeks to introduce a style of voluntary student representation, VSR, with the ability for payments to be deferred in a HECS type arrangement. However, as we can see from the experience in Victoria and more recently under the Gallop-Carpenter government in Western Australia, the VSR system has a number of fundamental flaws.

On the history of VSU, coming from Western Australia I have seen firsthand the benefits of voluntary student unionism as it was introduced by the Court government in 1994. Their legislation provided true choice to students by allowing them the right to decide whether or not
to join or fund their student union, with no academic benefit being denied because a student was not a member of the student association. We believe in choice in most areas, unlike the other side. I was proud to be a part of the Howard government that introduced legislation to implement VSU across Australian campuses in 2005. That legislation was extremely similar to that introduced by the Court government and has ensured that students’ rights to freedom of association and choice are upheld on campus.

There is a fundamental right of choice. VSR as introduced in both WA and Victoria required the payment of a compulsory student service fee but allowed membership of the student union to be voluntary. This is not a real choice. Any form of compulsory fee on campus forces students to financially support political activities that they may not be comfortable with and fund activities that they may never use. It is my firm belief that students—and neither student unions nor the government—are in the best position to decide which services they wish to use on campus and determine their financial priorities. They are in the best position to determine whether they should fund their student unions, and by implementing this compulsory fee the government is denying them that fundamental right to choose.

Proponents of compulsory student unionism or voluntary student representation commonly argue that the declining membership numbers in our student guilds are evidence of the negative impact of VSU, arguing that the guild is an important element of the social and cultural experience of attending university. We have just heard this ad nauseam from the member for Newcastle, giving many little anecdotes along the way about which, if we were able to stand there and debate each point, I am sure we would have an interesting dialogue.

However, I believe this reflects the importance of keeping VSU. While it is obvious that student guilds have a role to play at universities, they are not for everyone, and in a VSU environment students are able to exercise their right not to fund student unionism. I suspect the member for Braddon, who has just arrived, will essentially disagree with everything I am saying in a passionate way and speak with all the fervour that we have heard him speak with in recent times.

Students are themselves weighing up the pros and cons of membership and deciding that membership does not give them value for money. In an article written by Hal Colebatch, a regular writer for the *Australian*, on 11 March headed ‘Daylight robbery’ the by-line says: Compulsory student charges are a left-wing racket to create cadres …

In the article Mr Colebatch quite rightly points out that the fee is economically constraining. He says:

Some are supported by spouses or parents, some scrabble desperately for study time while juggling employment commitments.

I will refer to more of that article a bit later, but it is just not the nirvana that the other side would have you believe—that you just pay your $250 and you get this magnificent service that everyone is going to enjoy. A lot of people, particularly mature-age students, only attend the university briefly because they have another life to lead. They do not sit around in the guild bar or use the guild facilities and the sporting and other clubs that are provided. They are there for an education and they seldom get use from the union fees they pay.

*Mr Melham interjecting—*
Mr RANDALL—Of course, you would expect the left-wing ideology now being espoused by the member for Banks that it is only the rich kids. Most of my friends who went to university were not rich kids. I was never rich. I did not come from a well-off family, and all I can say is that, to get through university, we had day jobs and night jobs. In fact, Senator Johnston was telling me last night when we coming over here that when he went to the University of Western Australia to study law, he used to drive his taxi from 12 midnight to six in the morning and then he would go off—

Government members interjecting—

The DEPUTY SPEAKER (Ms S Bird)—I think the House can settle down!

Mr RANDALL—He would then go and study after he had had a short rest after his knock-off time at six in the morning. That is how he got through university, because he did not come from a family of wealth or privilege, as those on the other side would have you believe of anybody who goes to university and objects to this compulsory fee.

Where does the money go? I touched on it earlier. It is important to note that under VSR students are forced to fund activities that they may personally object to or do not even want. Under the bill, the services which may be funded by the compulsory levied fee will be outlined in the Student Services and Amenities Fee Guidelines, which will be tabled in the form of a disallowable instrument after this bill has been passed. So you are going to find out what these services and guidelines are after the bill goes through this place. How about that? The unbelievable thing is that you are being asked to sign a $250 cheque for something as yet unknown.

Mr Melham—And you get a disallowance.

Mr RANDALL—Madam Deputy Speaker, I appeal to your good control of this chamber to deal with the member for Banks.

The DEPUTY SPEAKER—Madam Deputy Speaker will intervene to encourage both sides to stop encouraging each other to have a conversation. We are listening to the member speak.

Mr RANDALL—I might be strident in my views, but it does not mean that the member for Banks is allowed to disrupt what has been a beautiful delivery.

The DEPUTY SPEAKER—The member for Canning will not encourage him again but will return to the speech.

Mr Melham—You’re filibustering here, Don, and you know it.

Mr Sidebottom interjecting—

The DEPUTY SPEAKER—That is enough now, please. The member for Canning has the call.

Mr RANDALL—I am sure the member for Braddon appreciates me referring to him by his seat. By not providing this information—

Mr Sidebottom—Yes, he’s definitely filibustering now.

The DEPUTY SPEAKER—The member for Canning has the call.

Mr RANDALL—I will wait in the chamber for a while now. By not providing this information prior to the introduction of the bill, the Minister for Youth and Sport is seeking parlia-
ment’s approval for a measure without even telling us where the money is going to go. The Labor government is holding students in contempt by introducing a bill without being up front with the students and giving them the full facts before this even goes through this place. They are treating them like mushrooms, basically.

In regard to political activities, without having further detail provided it is impossible to know where the students’ money will be going. Some student guilds across the country do not have a particularly strong track record in using students’ money in an appropriate manner. There are numerous examples. For instance, in the past student unions have donated money to the PLO and the Communist Party of Malaya, as it was in those days. In 1999—I wish the member for Newcastle were still here—the University of Newcastle Students Union decided that only stalls displaying anti-VSU materials were allowed on orientation day.

The minister has given her assurance that the legislation will prohibit money being spent for political purposes. However, this is confined to the support of political parties or government bodies, leaving a wide variety of highly political activities such as those that I have previously mentioned still possible. The legislation potentially allows for the funding of campaigns against political parties and the direct funding of other organisations not registered as political parties, such as trade unions.

Even if these other activities were put in the disallowable instrument, this would not fix the problem, as was highlighted in Victoria when the distinction between allowed and non-allowed services became simply an accounting tool. Under VSU, student unions were able to effectively cross-subsidise activities for which direct funding was disallowed. It was concluded by the University of Melbourne Student Union that, in reality, the allowable matters on which compulsory funds could be spent would still allow for the full funding of everything except elections. Under VSU in Western Australia, and more recently when it was introduced across Australia, guilds continued to be involved in political activities, running a variety of campaigns and holding national days of action. The simple difference is that under VSU students who do not want to be involved in such issues are not forced to fund them and, in doing so, fund an organisation they may disagree with.

In addition to being used for political activities, funds may also be used for activities that students do not want or need or services that are better left to other organisations. It has been argued by some guilds that compulsory fees need to be introduced because of the declining number of services caused by VSU. However, evidence of simple reduction in services should not be taken as evidence of declining standards in student guilds. The services that will be maintained are those that students want and need and that are the reason they paid their membership fees in the first place. Whether it be half-price coffee, access to emergency loans or assistance with appeals, if that is what students want and are willing to join their student union to protect then they are services that will continue to be provided by members. I repeat: if they are the sorts of services they want, they can join the guild and get those services. They do not have to do so by coercion.

Additionally, this bill will force Australia’s over 1,300 external students to fund services that they will clearly never have an opportunity to use, as I have pointed out before. What middle-aged student wants to join the rugby club or the Australian rules football club? They might want to join as a social member, but, as much as I have played Australian rules football, I do not think that if I went as a mature age student I would be that competitive these days.
Ultimately, compulsory funding models make student unions less accountable and force students to fund services they do not want. By guaranteeing a constant source of income, the Labor government is encouraging inefficiencies in student unions, a fact noted by a former president of the Australian National University Students Association, who stated:

... organisations which depend on the funds—

Mr Sidebottom interjecting—

Mr RANDALL—I will start again because I am sure the member for Braddon did not hear.

... organisations which depend on the funds of people who are there, by virtue of compulsion, tend to become lethargic ... It is almost invariably tied up with security in the source of funding—the knowledge that, no matter how badly they do, there will still be a pay cheque there for people who run the organisation ...

This was in a report to the Senate Standing Committee on Education, Employment and Workplace Relations, as a footnote.

Labor’s broken promise on this issue is almost unbelievable. It is yet another broken promise by the Labor government. The previous shadow minister for education, Stephen Smith, the member for Perth, said this in May 2007 when questioned:

... I am not contemplating a compulsory amenities fee.

So there he went, on the record. The Labor Party said this before the election but did something else afterwards.

Other members opposite, such as the member for Wills and the member for Melbourne concurred, stating that they would not be increasing the financial burden of our students. This bill does the complete opposite. It seeks to introduce a compulsory payment for non-academic services through the imposition of a deferred fee. Imposing an extra burden on the students at a time of economic uncertainty is surely not in the best interests of Australian students.

In conclusion, I say that the purpose of this bill is simply to introduce compulsory student unionism by stealth, by denying students their fundamental right to freedom of choice on campus. As I have said before, it is the students—not the government, universities nor student unions—who are in the best position to determine their financial priorities. This bill will deny students a real choice on campus and will force them to fund activities which they may not need or want. I will return to Hal Colebatch’s article. In his last paragraph he says:

The ALP and the Left would not have fought so hard against voluntary student membership and pushed so hard for compulsory fees to be restored if they did not believe that their ideological allies on campus would benefit very substantially and student guilds would revert to their former roles as cadres-generating institutions for the Left.

It is a very succinct point which I am sure those opposite will not agree with.

I am pleased to join with my colleagues in speaking against this bill. I want to dedicate my contribution on this bill to Jess Finlay and her colleagues, who have gone through the universities of Western Australia and fought hard for many years to see freedom of choice in universities and freedom of association. This bill is a reversion to the dark old days of compulsion, coercion and the ability to garnish favour with students on universities. I recall that there is a song—I wish I could remember its name—that starts, ‘throwing stones at the embassy’. I
wish I could remember the rest of the title because it really explains what these activities are trying to generate in the universities of Australia.

Mr SIDEBOTTOM (Braddon) (6.03 pm)—It is always a pleasure to follow my friend, the member for Canning. I know that if those opposite are citing the Australian newspaper on any legislation that we are putting up then we are on a winner. I am very pleased indeed to speak on what is a hoary ideological chestnut for many opposite in this House. A number of them have memories that flow way back to the 1970s and 1980s—particularly the member for Higgins and the younger acolyte, the member for Indi. It is surely a hoary ideological chestnut for them.

Mr Reid interjecting—

Mr SIDEBOTTOM—Is he asking for something? Like nearly all our legislation, this important bill, the Higher Education Legislation Amendment (Student Services and Amenities, and Other Measures) Bill 2009, is the result of an election commitment, and I rise to speak in support of it. Like so many other pieces of legislation before the current parliament, it seeks to restore a balance, a balance between what was taken away during the Howard era and what existed before, but seeks to do this in a contemporary way. This time we are putting some balance back into the tertiary education system, and accompanying services, after it was hacked at by the previous government in what was really a poorly disguised attack on what they perceived as a political threat to their future on campuses around Australia. What made it doubly troublesome was that this was combined with attempts to stifle the ability of the young to vote in the last election, in the form of the electoral integrity legislation. Through their attack on student unions and the introduction of voluntary student unionism they threw the baby out with the bath water—as they so often did. We want to restore the balance.

Contrary to what the member for Canning said before me, the evidence suggests that the past legislation stripped nearly $170 million from university funding and left universities struggling to cover many valuable and vital services to the students whom the previous government claimed to represent. I would like to share some of those examples that were so conveniently omitted by the member for Canning. For instance, dental services at La Trobe University and Southern Cross University were closed down completely. The University of Technology, Sydney, La Trobe University and James Cook University had to close their legal services. In the case of the University of Technology, Sydney, this affected not only the students but also the local community, who were also able to access the service. The emergency loans scheme once offered at the University of Sydney has now closed, and at least three universities shut down their Centrelink advice services. Nine universities, I understand, shut down their student legal and/or taxation advice services, childcare fees at La Trobe University rose by $800 a year and direct funding for sporting clubs was cut by something like 40 per cent—and so on; the examples go on.

This is not about forcing the hand of students but about providing better services for them across the board in their student days. The ultimate aim is to allow them to complete their studies and become productive and valued members of our society with the knowledge they gain during that time.

But students are more than just in-class, in-lecture consumers. They require services to support and complement their studies, particularly those who come from regional areas. While it is a few years since I graced the halls as a full-time student—I must admit it was only
two years ago that I was doing off-campus study for two years—I do have some more intimate knowledge, as I know those opposite have as well, of current student life, with my two sons both engaged in university studies. Through their experiences in recent years, it has become more evident to me just how vital support services are for the student of today, contrary to the claims of those opposite. We are not talking about glamorous and extravagant services but about crucial support such as health, counselling, employment, child care and welfare support. Due to the heavy-handed nature of the former government, some of these have been in decline or even closed, as I just mentioned.

Contrary to what the member for Canning said, this bill allows higher education providers to choose to implement a compulsory student services and amenities fee capped at $250 per student, indexed annually, to help provide student services and amenities. I reiterate: it allows higher education providers to choose to implement such a fee. It does not say they must do so—contrary to the mischievous comments by the member for Canning.

Contrary to the claims of those opposite, the changes introduced with voluntary student unionism have not reduced costs; they have merely shifted those costs at universities. Evidence demonstrates that students have been hit with increased costs for child care, parking, books, computer labs, sport, food and so on. They are also indirectly affecting academic achievements, with a number of universities forced to redirect, on their own account, funding out of research and teaching budgets to cross-subsidise and fund services and amenities that would otherwise have been cut.

The new fee, if introduced—and I reiterate ‘if introduced’—comes with some room to move. So as not to introduce a financial barrier, eligible students will have the option of a HECS style loan under a new component of the Higher Education Loan Program, SA-HELP. The fee will be indexed along with other loan programs. As is currently the case, international full-fee-paying students will have to pay for services and amenities as part of accessing the courses they require, should that be introduced by the campus they are studying at.

Allowance will also be made for students who are not studying on a full-time basis. The bill will also help to address the skills crisis with the VET FEE-HELP scheme, which I have not heard mentioned by many opposite at all. It will help to turn around the sharp decline in students studying for diplomas and advanced diplomas in the public system. The number of students in these types of courses fell from 197,300 in 2002 to 165,900 in 2007. That is something we just cannot afford when skills shortages still prove to be, even in our declining economic circumstances, one of the biggest impediments to business in so many sectors. The system will help to assist students who may not be able to study at this level due to upfront fees, allowing them to defer the fees until they are able to pay. The amendment provides more flexibility to reduce the loan fee for particular students and streamline credit transfer requirements for a range of students.

Contrary to the comments from many opposite, and particularly the member for Canning, this bill is not about a return to compulsory student unionism. Section 19.37(1) of the Higher Education Support Act 2003, which prohibits a provider from requiring a student to be a member of a student organisation, is unchanged. I reiterate: it is unchanged. We knew that there would be scaremongering about support for political activities on campus, but the amendment is very clear on this point. I find this interesting, given that the member for Indi, not unsurprisingly, has carried out a scare campaign in relation to this legislation, mainly
driven by ideological motivations. I do not know what happened to the member for Indi at university, but her campaign has been to the point of obsession, matched only by the member for Higgins.

I would like to reiterate that the new provisions prohibit the fee from being spent by a higher education provider on support for a political party or a candidate for election to the Commonwealth, state or territory parliaments or local government. This restriction also applies to any person or organisation which receives any of the fee revenue. So we are not harking back to the old days when, as the member for Canning reminded us, there was tremendous warfare on the campuses, with support for the PLO. I remember all that. Universities are very different today. I do not think that they are ideologically driven mad by causes like that. Nor do I expect to see these fees, if they are implemented, used for anything like that. That is prohibited under the legislation. So I do not know what this ideological madness is all about. I think that was the first speech made by the member for Higgins on legislation in this parliament since he was re-elected. I suppose if you were ideologically mad in the past something could stir that, and that is what drove him to his feet. None of us were any more edified when he had finished.

I note that the National Tertiary Education Union has welcomed the bill as the first step in the vital process of rebuilding student culture on university campuses. I notice the mumbling over on the other side. As soon as you mention a union they say, ‘Well, what do you expect? They’re going to get their hands on it and crush any right-wing movement that could occur at that campus, particularly the Liberals and the Nationals.’ But, anyway, back to common sense and reality, the National Tertiary Education Union, which actually does represent many thousands of students, has welcomed the bill as:

… the first step in the vital process of rebuilding student culture on university campuses, devastated by the effects of the former Coalition Government’s Voluntary Student Union (VSU) legislation.

The NTEU president, Dr Carolyn Allport, said recently:

The loss of student services in the university sector has been endemic, with essential health, welfare and academic advocacy services being reduced or abandoned in almost every university in the country. If we take that at face value, that is a pretty sad legacy from the former government’s legislation—a pretty sad legacy. Dr Allport also said:

It is a fact that the introduction of VSU has seen the demise of a number of elected student organisations, with many others only just surviving. As a result, many universities have been forced to redirect funding from their core duties of teaching and research to help support student services, often at a reduced level.

And she further stated:

We welcome measures that will not only guarantee the appropriate and equitable funding of these services, but also ensure university students have democratically elected representative bodies that participate in the governance and provision of student-oriented services and activities at our universities.

The protocols and guidelines that will accompany this legislation as a legislative instrument, which will be presented to this parliament soon, are an attempt to be more prescriptive about how student services and amenities fees are to be used and also more prescriptive about delivering national access and service benchmarks on services and information that is going to be presented to students. They will also outline a guideline or protocol for representation and advocacy by students. So this is not willy-nilly stuff, a carte blanche use of fees for whatever
purposes. There is no compulsion for people to join a union, and the protocols will be clearly set out in the legislation to follow as a disallowable instrument.

The member for Canning again mischievously asked how one could take the government on face value or trust the government with this. Well, it is a disallowable instrument; it will be discussed in the parliament. Those opposite, as should be the case, will have the right to debate it and vote against it or for it—whatever the case may be. I have a feeling it may be against. I do not know why I have that feeling, because I am not a born cynic, but anyway, these things happen—I can see them having some ideological problem with it somewhere.

Going back to Dr Allport, if I may, she said:

NTEU looks forward to working closely with Minister Ellis—
and I do congratulate her on this balanced legislation—
in her consultation with the sector over the important Guidelines and Protocols—
which I just mentioned—
that will ensure independent student representation, participation and student services are returned to all university campuses—
if they avail themselves of the opportunity to present to their students these fees.

Universities Australia, the peak body for the university sector, has also backed the move, and late last year was looking towards a positive future. I know that those opposite would like me to share some of those comments with them. Universities Australia chief executive, Dr Glenn Withers, said:

Universities have struggled for years to prop up essential student services through cross-subsidisation from other parts of already stretched university budgets, to redress the damage that resulted from the Coalition Government’s disastrous Voluntary Student Unionism … legislation.

Dr Withers said:
Universities are facing an uncertain year, where many transition arrangements are in place or expected, and investment and international revenue sources are under challenge, so this announcement comes at a time when all Australian universities require greater certainty about how they plan expenditure for 2009. Knowing how student services and amenities can be funded will contribute to financial planning.

Dr Withers went on to say:
Universities Australia supports the move to allow Australian universities to make the choice—
and I reiterate ‘to make the choice’—
… to levy students for a service and amenities fee, and at what level within the indexed cap, and will seek in consultation with the Government to ensure that universities have the flexibility to tailor those services and amenities to best match individual missions, and the needs of their particular student profile.

So, if I may, I would like to reinforce a few points. This legislation is balanced legislation. It is something that we promised in the election campaign and, as with most of the legislation that we have introduced into this House, we are honouring that election commitment. This legislation gives the universities the opportunity to introduce a capped fee—not a willy-nilly fee, but a capped fee—to introduce important student amenities and services. It will be complemented by a legislative instrument which sets out protocols and guidelines in terms of advocacy, representation, student services and amenities and which also benchmarks those ser-
ervices and information services that universities will be required to give if they are receiving taxpayers’ funds for their students.

It is designed absolutely to support students, to make services available to them and to better service them at a very important time in their learning experiences. Contrary to the statements made by the member for Indi in her ideological diatribe against this very balanced legislation, this is not reimposing a compulsory fee, and her claim that the legislation will allow the funds to be used for student representation and thus for political activities of student unions, funded by all students whether they like it or not, is exactly the opposite not only of what this legislation intends but of what is clearly set out—and I find it disturbing that when trying to have a debate in this House you have absolute, deliberate distortion of the intention of a bill by the member for Indi in particular and, of course, by the member for Higgins.

A division having been called in the House of Representatives—

Sitting suspended from 6.23 pm to 6.37 pm

The DEPUTY SPEAKER (Mr S Sidebottom)—It being approximately 6.40 pm, the debate is interrupted in accordance with standing order 192. The debate is adjourned and the resumption of debate will be made an order of the day for the next sitting.

STATEMENTS BY MEMBERS

Swan Electorate: Fiesta 2009

Mr IRONS (Swan) (6.38 pm)—Western Australia is perhaps best known for the fantastic lifestyle it offers its residents. My seat of Swan, in Perth, is a great example of this lifestyle. On a typical summer evening along the South Perth foreshore, there will be people walking, running, cycling, kicking a football or soccer ball or playing cricket, and families and friends enjoying an evening barbecue as the sun goes down and watching the magical transition of the city of Perth from day to night. Over the next two weeks, there will be even more ways to enjoy the fabulous lifestyle in Swan, thanks to the City of South Perth Fiesta 2009 event. Fiesta 2009 is a cultural event driven by a range of community interests and organised by the City of South Perth. The staff at the City of South Perth should be congratulated on their efforts, and we must not forget all the volunteers who make these events run smoothly with the minimum of fuss.

I have spoken in the House before about the successes achieved within this community. Living locally and having been involved in many community groups, I have often seen these types of successes evolve, and this fiesta is one of them. This event has brought together many sporting associations, such as the Manning Tennis Club; more sedentary pursuits, such as the South Perth Bridge Club; charitable organisations, such as the Esther Foundation and Southcare; environmental organisations, such as the Swan River Trust; and educational institutions, such as UWA and Kent Street Senior High School—and the list goes on. Many of the events are outdoors, which suits our WA lifestyle. I attended the opening concert on Saturday night, where Ian Moss performed. I encourage all local residents to take part in this cultural event. We may not have the big Adelaide fringe style festivals in Perth, but we do have fantastic small-scale local ones.

Coogee Surf Life Saving Club

Ms PARKE (Fremantle) (6.39 pm)—The Coogee Surf Life Saving Club is a community organisation that is a true asset to the people of the Fremantle electorate. It was established in

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2002 and is responsible for surf life saving and medical assistance within the City of Cockburn, including Coogee Beach and surrounding areas. The club describes itself as ‘the family club’ and the club is true to this description, with junior life saving programs, a Youth Active Council to ensure youth participation in their decision-making processes and an ambitious vision for a new environmentally-friendly community facility to be built for the people of Cockburn.

The club is working with the City of Cockburn to build this integrated community facility which, along with club rooms, multi-purpose space, cafe, gymnasium and change rooms, will contain an interpretation centre that allows users of the facility to better understand the Indigenous and environmental heritage of the area. The plans include energy and water savings which will aim to make the facility a sustainability showcase for other buildings in the area. The club also has a strong commitment to rehabilitate and revegetate four hectares of surrounding regional park.

I am pleased to have supported the City of Cockburn in their application for funds for this project under the Regional and Local Community Infrastructure Program strategic projects. The Rudd government’s commitment to increase this fund by an additional $500 million means that this exciting project has a greater chance of receiving funds and providing a much needed facility for the people of Cockburn in the near future.

The Simpson Prize

Mr SIMPKINS (Cowan) (6.41 pm)—Today the parliament hosted the 2009 Simpson Prize presentation ceremony. This is a competition managed by history teachers in Australia on behalf of the government. The theme was Gallipoli and Anzac Day and the meaning of those events. The winner, from Western Australia, was Nicholas Dyer from Shenton College. But today I would like to speak about Christine Hartley, the runner up, also from Shenton College. The school is to be congratulated as it is the first time that a state school has won both the first prize and the runner up as well.

Christine Hartley is a local resident within Cowan and I know her parents, Stephen and Georgina Hartley, will be very proud of her success. Already in the gifted and talented academic program at Shenton College, she is also in the instrumental music program and she is well rounded, being an accomplished netballer and swimmer. The family left Mount Tom Price to make sure that their children could have better access to education. That faith has been well and truly rewarded by the great success Christine has found. She has also been inspired by teachers Gabby Barrett, Chloe Brittan and Adam Pengilly. I congratulate Shenton College, those teachers and Christine Hartley for an excellent, wonderful effort.

Mavis Shelton

Mr BRADBURY (Lindsay) (6.42 pm)—I wish to pay tribute to the late Mavis Shelton. Mavis, a wonderful woman and local identity in the Lindsay electorate, passed away on 25 January this year, aged 77.

Not one for extravagance, Mavis was a hardworking and no-nonsense person who was devoted to her family, the Australian Labor Party and the Canterbury Bulldogs. Losing her husband over half a century ago, Mavis was left to raise her two children single-handedly. Her family has since grown, and she is survived by her children, seven grandchildren and two great-grandchildren.
A no-frills person, Mavis had a strong sense of social justice and an unwavering commitment to the principles of the Labor movement. Mavis was a long-time member and stalwart of the Labor Party, who handed out flyers and volunteered in campaign after campaign. Those of us in the local area who have run for public office owe a great debt of gratitude to Mavis for her dedication, for her tireless work and for her friendship.

As a former dressmaker, Mavis also had an immense talent for crocheting and knitting and, with seven grandchildren, she had an output that was prolific to match. Each of my four children were beneficiaries of her needlework, wearing some of the finest baby clothing I have seen. Mavis will be fondly remembered as a woman dedicated to the things she believed in, and I know she is sorely missed.

RAAF Base Richmond

Mr HAWKE (Mitchell) (6.44 pm)—I rise tonight to express my concern at proposals out in the community to see the RAAF Base Richmond opened to more commercial traffic. We know, of course, that the federal Minister for Transport and Regional Development, Anthony Albanese, has failed to rule out the RAAF Base Richmond as a potential site for a second airport in Sydney. This causes great consternation to the communities in north-west Sydney and indeed my electorate of Mitchell.

It was some time ago, in the 1970s, when Gough Whitlam visited the electorate of Mitchell and said that there would be a second airport built in Galston. Of course, we know that the protests and the outrage that were sparked by such a proposal led to the election of my predecessor, the Honourable Alan Cadman, and 35 years later it is distressing to many members of my community to see such a proposal seeing the light of day again.

The Richmond RAAF base has a very specific and important purpose in our Australian community and it is important that it is not open to commercial or civilian traffic. Indeed, we want to see it maintained as a RAAF base. I call upon the federal government to urgently rule out the Richmond RAAF base site as an option for a second airport for Sydney and to ensure they stay true to their word of the Howard government that a second airport will be built outside the Sydney basin and linked by train or by road.

Ipswich Baptist Church

Mr NEUMANN (Blair) (6.45 pm)—I rise tonight to congratulate Dr Les Sands, who has just written a book called The Continuing History of Ipswich Baptist. It builds on the work of Reverend John White, who wrote a history of Ipswich Baptist Church. For 150 years Ipswich Baptist Church has operated in the middle of Ipswich, and it is a church of which I happen to be a proud member. I married the pastor’s daughter many years ago, so I have to behave and am a member of that particular congregation! It has a great social ministry. It is strong in young people, strong in the women’s ministry and also strong in helping the marginalised.

The church has always helped in the area of homelessness and currently employs someone who operates 241 Ministries, which operates in the middle of Ipswich caring for those who are homeless, with disability or with alcohol or drug addictions. It has been very strong when it comes to caring for the poor, the weak and the marginalised. This particular ministry is a wonderful ministry. It has been picked up by Les Sands, and I thank Les for the great work he has done. He serves as the church secretary and deacon. I have known him for many years and I want to thank him for the kind words he said about me and my family in the book. I
want to say to Ipswich Baptist Church: congratulations for 150 years of faithful ministry, faithful mission and faithful care of the people of Ipswich, particularly those who are poor, those with disability and those who are weak and oppressed.

**Albury Base Hospital: Breast Cancer Screening**

*Ms LEY (Farrer) (6.46 pm)*—Breast cancer screenings and X-rays for undergoing screenings have been cut because the Albury Base Hospital cannot pay its bills. The Greater Southern Area Health Service owes the company that provides the X-ray services more than half a million dollars. In a peculiar twist, the health service is threatening legal action over rental arrears owed by the X-ray provider, who cannot pay because he has not received the fees for service. Cutting clinical services like this is disgraceful. The New South Wales government, as we know, and as is further demonstrated by this situation, is approaching bankruptcy.

My purpose today is to demand that Mr Rudd sort out this mess. It was much talked about before he came to government that he would fix the state-federal health divide, the blame game et cetera. He is able to set up a special bank backed by the government with the sole purpose of bailing out the commercial property sector—and funding commercial property interests which might have owed money to foreign banks is quite an extraordinary use of taxpayers’ money—but he cannot step in and sort out the health problems for ordinary Australians in a situation such as this. I call on the government to act.

**Low GI Sugar Cane**

*Mr TURNOUR (Leichhardt) (6.48 pm)*—I rise tonight to talk about the Mossman Mill and low GI sugar cane. The launch today of a low GI cane was a world first. Low GI sugar that you can buy in a bag from Coles or Woolies across Australia is made and produced in Mossman in Far North Queensland, which is part of my electorate. It is an example of world-class science and world-class innovation in a tropical environment in Far North Queensland. Not only is it healthy but it is sustainable, it has come from a fantastic part of the world and it will make your life much better in the longer term. We have seen increasing problems with diabetes and obesity in this country, and this product will enable people to get a natural, healthy product that they can substitute for sugar. It is a sugar, but it is a low GI sugar, and it is a world first.

I was there today with the Minister for Agriculture, Fisheries and Forestry, Tony Burke. It was fantastic for him to come and launch it. Also there today were Bill Phillips-Turner, the chair of the mill, and the scientists who worked on the low GI cane. It is a great innovation for tropical North Queensland. It will produce jobs and it will support our local economy. We need to have new innovations, new value adding, in areas such as sugar cane, and this is a great innovation for our region and for the nation. I commend it to everybody tonight to encourage local people to get into it as well.

**Gippsland Electorate: Medical Services**

*Mr CHESTER (Gippsland) (6.49 pm)*—I rise to highlight concerns within the health sector in Gippsland in relation to the difficulty in attracting new doctors if the federal government goes ahead with recommendations to change the criteria for rural subsidies. I have written to the Minister for Health and Ageing in relation to this issue but believe it is important to bring the matter to the attention of the House. The concern relates to a government plan to rezone areas that are currently considered rural for the purposes of paying grants to doctors.
Under the proposals, as I understand them, existing areas that are classified as ‘rural’ would become ‘inner regional’, directly impacting towns in my electorate such as Sale, Yarram, Maffra, Bairnsdale and Omeo. It will certainly be news to the good residents of Omeo and the fine hospital that they support in one of the most beautiful but most remote settings in Victoria.

I refer to an article by Leo Shanahan in the *Age* on 31 January this year where it was highlighted that a new distance based measure of remoteness has been recommended by the Australian Bureau of Statistics. As a smaller, more densely populated state, Victoria is set to be the biggest loser. I have been contacted by several leading health professionals in my electorate, including Dr David Monash from Sale, who have raised concerns that, without access to the grants, local services will find it very difficult to attract and retain doctors in rural areas. The board of management of Bairnsdale Regional Health Service has spelled out its concerns that Bairnsdale will be rezoned from rural to inner regional. The board is very concerned. I quote from their letter:

Any proposal that would act as a deterrent for general obstetric/surgical practitioners to relocate to Bairnsdale or indeed to continue to work in Bairnsdale will impact on our ability to provide inpatient services.

Further:

We cannot underestimate the potential impact this may have in regards to the recruitment and retention of general practitioners and, as a consequence the—

*(Time expired)*

**World’s Greatest Shave**

Ms JACKSON (Hasluck) (6.51 pm)—I rise tonight to congratulate one of my local constituents, a businesswoman, Teri Welsh from Forrestfield Photographics, for her brave and wonderful efforts at fundraising on Friday when she was brave enough to shave. I note that the member for Gippsland and, I think, the member for Blair have also joined the ranks of those brave enough to shave. Of course, this is the annual promotion of fundraising for the Cancer Council and leukaemia research. I congratulate them on their efforts, I know Teri had a fundraising target of some $1,000. She did it very publicly in the Forrestfield shopping centre. The fundraising attracted staff from the Bendigo Bank and a number of small businesses within the shopping centre, including my own staff member Mark Reed. I also congratulate him on his support and bravery in shaving.

**Multiple Sclerosis Society of Australia**

Mr FORREST (Mallee) (6.52 pm)—I would like an opportunity to remind honourable members that tomorrow morning there is a breakfast for multiple sclerosis—another of those debilitating physical diseases that we are not on top of yet. It was pleasing to get some funding for multiple sclerosis under the last government, with Minister Abbott. Of course, the MS Society is here to lobby all of us and is hopeful that some budget consideration might be given to commit to ongoing research. We are all organised now: I understand each electorate has a multiple sclerosis advocate. I have no doubt that honourable members have been lobbied, as I have been by the person located in Mildura. It is an opportunity for us to recognise this debilitating disease and I hope you will all organise to show up for breakfast with the MS Society.
Lindsay Electorate: Ulysses Club Annual General Meeting

Mr BRADBURY (Lindsay) (6.53 pm)—I rise today to take note of a significant event that is occurring in my electorate over the coming week: the Ulysses Club 2009 annual general meeting. This event has brought some 4,000 bikes thundering into the main street of Penrith, bringing with them some $10 million worth of injection into the local economy. It is a tremendous event. The whole city has got behind this event. I wish to pay tribute to the Penrith City Council for the great job that they have done in attracting and supporting this event. I acknowledge the National President of the Ulysses Club, Mr Kim Kennerson; and the local Nepean division president Mr Pat Coleman and also the AGM coordinator, Mr Peter Bernard. This is a tremendous event. I never thought I would see the day when so many people would be so happy to see 4,000 bikes come into town. It is something to behold. It will be a great stimulus to the local economy but it also showcases our local community to people who have come from very far afield.

Gippsland Electorate: Road Funding

Mr CHESTER (Gippsland) (6.54 pm)—I rise to raise concerns in relation to road funding and in particular the Princes Highway east of Bairnsdale. A tragic accident occurred near Lakes Entrance on Thursday evening where a 10-year-old boy and a 20-year-old lady from Lakes Entrance both lost their lives. Tragically, this is not the first time we have experienced road fatalities and serious accidents on those approaches from both the western end and the eastern end of Lakes Entrance.

I am concerned by the lack of funding being allocated to upgrades of the Princes Highway in the area east of Bairnsdale. I have raised these issues with the state government and I bring them to the attention of the House tonight. Obviously, at a time like this our thoughts and our prayers are with those who have lost loved ones. I have spoken to the father of the young lady who passed away on Thursday night, and his primary concern, looking forward, is that some good will come of this tragedy, in that there might be extra funding allocated to that particular stretch of the Princes Highway—and I will be working with the state and federal governments to make sure that happens.

The DEPUTY SPEAKER (Hon. KJ Andrews)—Order! In accordance with standing order 192A the time for members’ statements has concluded.

PRIVATE MEMBERS’ BUSINESS

Akha People

Debate resumed, on motion by Mr Forrest:

That the House:

(1) recognises the stateless circumstances of the Akha people of South East Asia occupying the remote mountain regions of Myanmar, Thailand, Laos, Vietnam and China;

(2) accepts that:

(a) a long five century history of manipulation and persecution endured by the Akha people has left them disadvantaged, disenfranchised and virtually voiceless; and

(b) the Akha people are fighting critical health outcomes through depressed economic circumstances and the utilisation of inefficient agricultural practices and that this situation leaves them as one of the most vulnerable nation groups anywhere in the world; and
(3) calls on:
(a) the United Nations to do more to prevent the persecution of this people group by the oppressive Myanmar regime which is forcing many Akha families to flee across the border to Thailand;
(b) the governments of Thailand, Laos, Vietnam and China to do more for this unique people group in their respective countries to assist them towards self determination; and
(c) AusAid to recognise the needs of this unique language group and fund sustainable agricultural aid programs to assist Akha people in growing good food to break the cycle of hunger and depression.

Mr FORREST (Mallee) (6.55 pm)—I imagine that many colleagues are not familiar with the Akha people. They are a people who occupy the mountain regions of South-East Asia, across Myanmar, Thailand, Vietnam, China and Laos. That is why this motion is before us today—to bring some attention to their situation. We are quite familiar with disenfranchised national groups all around the world, whether they are in Palestine, Sri Lanka, Africa, China or Latin America, but this is one distinctive group with their own language that has gone under the radar to some extent over the last 50-odd years.

Their tortured history goes back five centuries, and it is due to their cultural differences. They are not a tribal group like the other 10 or 12 tribal groups in the region. For example, they do not have anything like the concept of war. Even their hunting weapons are not war-like. They are a distinctively different group, with their own language, as I said. I came across this group almost by accident, led by members of my constituency in Swan Hill who were providing volunteer support and donations to an organisation called Children of the Golden Triangle Inc. They are a non-government group who for the last 15 years have been providing assistance and outreach services to the Akha people to meet some of their urgent needs. At that time I was asked to assist that organisation towards its goal to achieve deductible gift recipient status as an overseas aid fund. That was achieved late last year, and I was very grateful for the support of the Hon. Bob McMullan, Parliamentary Secretary for International Development Assistance. They were battling for five years to achieve that status, so it was quite a thrill for them to finally get it. The generosity of the Australian people never ceases to amaze me—and we have seen recently, in the response to the terrible fires in Victoria and the floods in North Queensland, how generous the Australian people are.

It was quite a coincidence that, when this contact came through my office, I was researching an area that is a favourite hobby of mine, weather modification—both deliberate and inadvertent. I was impressed by international publications on the effect of deforestation, particularly by smoke, in South-East Asia and Brazil. This led me to the people of South-East Asia and particularly the Mekong hinterland—which is the upper part of the Mekong catchment—who for many years have been using a method of deforestation which is to slash and burn. The creation of carbon in the atmosphere has been having a dramatic impact on the precipitation outcomes right throughout the region and, I suspect, even some impact on the Australian environment. So it was interesting that both of those things came together.

So I journeyed up to the facility run by Children of the Golden Triangle Inc. You have to remember that this particular tribal group and other tribal groups in the region have a tortured history, with 500 years of oppression. It is the region of the terrible period of the opium trade.
Because of their economic depression and their unwillingness to fight, they simply ran away from their oppressors.

This particular language group have suffered badly and, as a result, their economic depression has caused a whole range of outcomes that have affected their survival dramatically. For example, they have the highest child mortality rate of any dispossessed language group anywhere—50 per cent. There is the terrible subject of child trafficking, which has had shocking outcomes for parents who were fundamentally conned because of their vulnerability and have found their children taken away and involved in the sex trade right throughout South-East Asia. Some terribly tragic human stories are associated with these people.

Then along come members of an Australian organisation like Children of the Golden Triangle, who have reached out for the last 15 years and with the assistance of donations from Australians, people of goodwill, have established an education facility. They call it the Akha Training Centre. It is located in the north of Thailand, in a little village called Maei Suai. I had an opportunity to visit them, and I was greatly impressed with their work—and deeply disturbed that, circulating throughout the internet, is some terribly scurrilous blogging about the nature and intent of their work. I was so determined to do something about this, to increase the exposure of this group in Australia, that I proposed the resolution that is before us. I seek leave to table a report that I prepared as a result of my visit in late January.

Leave granted.

Mr FORREST—Thank you. What I would like to see happen is that AusAID agencies take a little bit more of an interest in the activities of CGT. From my detailed inspection, having spent some time with the people there, I can say that their work achieves goals far above any we set when we consider Millennium Development Goals to bring people out of economic depression. Their programs principally focus on capacity building of the Akha people themselves, teaching them language skills. I met quite a number of the young people, from the young boyhood and girlhood years to late teens, who now speak three languages—their own language, Thai and English. I was quite impressed to see CGT, in that 15 year period, bringing the Akha people right through the education system—even to include university studies in Chiang Mai, where the nearest university is, some hour or so away from where the training centre is located—and to see the transformation of these youngsters, who now have opportunities. All of them wish to come back and do something for their own people. I was quite impressed. And for anyone to criticise their intentions on the internet to me speaks more about the people making the criticisms than an organisation that is achieving an enormous amount.

But I was disappointed to discover in Bangkok—I brought some of the organisers from Maei Suai down to Bangkok to speak with the AusAID counsellor and other people in the mission there—that recently Thailand has withdrawn its bilateral agreement for Australian aid. So Thailand no longer qualifies for AusAID support. But I do call on AusAID to assist. There are so many of these people scattered through the north-west. It is estimated that somewhere between one million and two million Akha people are spread across the highlands of the Mekong upper catchment. Opportunity still exists to assist this organisation to reach into countries other than Thailand—into Laos, right next door, Vietnam and even into China itself. These people are stateless—nobody wants to know them. The King of Thailand himself is to be commended on his outreach, not just to the Akha people but to a number of the tribal groups across the north-west, funding support for alternative agri-forest activity, trying to find
a way to get them out of this dependency on slash and burn—it is called swidden farming. So I am asking that AusAID support that.

The other problem, which I have not mentioned, is the massive number of these people, and people of other tribal groups, now streaming across the Myanmar border into Thailand, creating the need for refugee camps. I think the UN needs to do so much more about that oppressive regime in former Burma to bring them to account for the oppression of these peaceful mountain people and other cultural groups like them that they are creating.

I commend this resolution and thank members for their willingness to speak on this. They may have had some difficulty in finding out what it was. I know other colleagues have said to me, ‘What is this all about?’ I guess I am reflecting my own ignorance, because only 18 months ago I did not know a lot about the Akha people, but they are just another group that has got under the radar and deserve our consideration and support.

Mr DREYFUS (Isaacs) (7.05 pm)—I rise to speak on this motion moved by the member for Mallee which, among other things, calls for assistance in helping the Akha people work towards self-determination and for increased Australian aid for the Akha people. I acknowledge the many difficult issues facing this group, and I would also like to acknowledge the intent of the member for Mallee in moving this motion to seek to draw attention to their plight.

The Akha are a tribal population of nearly half a million who live in the hills of eastern Burma, northern Thailand, south-western China and north-western Laos. The Akha have a rich history stretching back around 1,500 years. It is believed that their tribe originated in Mongolia and migrated south through China to their current locations in the hills of what is sometimes called the Golden Triangle, which, of course, crosses many international borders. Like the Kurds in the Middle East, this complicates issues for the Akha, as relations do not need to be made with one government but with many. The fact that one of the main nations where the Akha live—Burma—is an undemocratic and oppressive dictatorship with an appalling human rights record does not help their cause either. There is no doubt that many Akha have been displaced by conflict, particularly on the Thailand-Burma border, and that relations between the national governments and the Akha need to be substantially improved for the good of these people.

In the case of the Akha, as with a number of other ethnic minority groups, many have found refuge in Thailand. There continue to be issues related to the conditions and the status of ethnic minorities in Thailand, especially hill tribes in northern Thailand. However, I understand the new Thai government has put land reform on its agenda. This could address some of the issues confronting poorer communities and regional Thailand, which would, of course, include the Akha people. I do not, however, fully support the text of this motion. This is not because I do not believe that the Akha people deserve our assistance, nor because I approve of the treatment of this group of people by the Burmese government, but because there are numerous minority groups in the region—the region that has been referred to by the member for Mallee—who face disadvantage. The Rudd government’s policy is to offer assistance to all of them and not to single out one group such as the Akha. Indeed, the member for Mallee, in his speech, referred to many other groups in this part of South-East Asia, which indicates that he too is aware of other groups that are suffering difficult conditions.
The Australian government is committed to promoting and protecting human rights, whether domestically or internationally, through bilateral dialogue, representations and engagement with relevant multilateral institutions, including the United Nations. It is important to bear in mind that, while the plight of the Akha people is certainly worthy of attention, there are many other ethnic minority communities in South-East Asia—and one could name the Shan, the Mon and the Karen minorities of Burma—that are facing similar issues to those confronted by the Akha people.

Ethnic minorities can face challenges such as inequitable access to land, shelter, education and health care. Many of these minority groups are traditionally spread across a number of countries, particularly in the Golden Triangle region, although some have sought refuge in places such as the United States, Canada and Scandinavia, and there are small numbers here in Australia.

Many of these minority communities, not just the Akha, have been displaced through conflict. The Australian government looks to support the advancement of and ensure the equitable treatment of all ethnic minority groups, including the Akha, which is why the Commonwealth provides assistance to displaced persons in the camps along the Thai-Burma border. Since 2003 this assistance has amounted to over $5.2 million. Australia is also supporting the United Nations High Commissioner for Refugees in improving protection for vulnerable refugees, including children, in camps along the Thai-Burma border through AusAID’s International Refugee Fund and the Department of Immigration and Citizenship’s Displaced Persons Program. Australia also supported the placement of 17 volunteer positions on the Thai-Burma border in 2007-08 through Australian Volunteers International, Volunteering for International Development from Australia and Australian youth ambassadors to build the capacity of organisations working with refugees.

The Australian government continues to press the Burmese regime to hold a genuine dialogue with opposition groups and ethnic minorities aimed at political reform and equitable treatment for all Burmese. The Australian government also raises the situation of ethnic minorities in its human rights dialogues with Vietnam, Laos and China. It is important to us as a government that our nation is developing stronger economic and cultural ties with our Asian friends, that our relationship remains open and honest and that we are comfortable raising human rights issues with each of those countries. It is for that reason that the Australian government hosted the human rights dialogue with China in February of this year and with Vietnam in August 2008.

However, I am not convinced that the Australian government should be calling on the Burmese, Thai, Lao and Chinese governments, as the motion indicates, to offer self-determination to the Akha people. It is very difficult and probably not appropriate for us here in this place to make an assessment of whether self-determination is the best course of action for the Akha, nor indeed whether that end is achievable. The best solution is one where national governments work in conjunction with the Akha people to achieve fair and equitable outcomes within existing borders. I have every faith that the Australian government will continue to work towards this goal for the benefit of the Akha people and other minority groups in the South-East Asian region.

That is the basis on which Australia is co-chairing with Indonesia a ministerial meeting of the Bali Process on human trafficking and people-smuggling in Bali next month, on 14 and 15
April. This is the premier regional organisation dealing with these problems and is attended by regional governments. The Minister for Foreign Affairs will lead the Australian delegation and co-host the meeting with the Indonesian foreign minister. It is through these channels that dialogue with relevant governments in regard to the treatment of ethnic minorities can be furthered, and I know that the Australian government has already shown by its dialogue with Asian nations on the issue of human rights that it will stand up as a supporter of those who are being mistreated and persecuted in South-East Asia.

It is, of course, always worth while for this House to consider groups in difficult circumstances, like the Akha people. It is noteworthy that the existence of this group was drawn to the member for Mallee’s attention by works that are being done by people in his electorate, and it is consistent with what we know of Australians that, as a people, we are prepared to reach out and help people in needy and difficult circumstances across the world. We are prepared to recognise the value that, in particular, people from diverse ethnic groups can bring so as to enrich all of our lives. I commend the member for Mallee for drawing the attention of the House to the circumstances being encountered by this group of people living in the hill country in South-East Asia. While I have, as I have indicated, a small disagreement about the appropriate course of action for the calls that might or might not be made on the national governments that presently govern these people, certainly the motion as a whole has my support for drawing attention to the circumstances of this group.

Mrs Hull (Riverina) (7.15 pm)—I congratulate the member for Mallee, who has eloquently outlined the many problems of the Akha people. He has called on the House to recognise and understand the issues that are confronting the Akha people. In particular, he has called on the United Nations to further their programs into recognising the issues that are faced by the Akha people.

I want to spend this time concentrating on health aspects, particularly HIV-AIDS. Statelessness is the most disgraceful situation for anyone to be in. As a member of the Inter-Parliamentary Union HIV-AIDS committee I have been working on this for some time. Statelessness contributes enormously to the vulnerability of children in the sex-trafficking industry. As a result of children being trafficked into a raging sex trade the spread of HIV-AIDS has become rampant. If we are to stem the spread of HIV-AIDS we must address statelessness. People who have been exiled and declared stateless have no rights and are not recognised. They have no access to health treatment and those people who take children and traffic them into the sex trade or slavery are not prosecuted. There are no rights for the parents or the children.

The Akha people in particular are viewed as dirty and worthless. Therefore, they have no rights and are given no consideration. Their children are taken and trafficked in the sex industry where they are raped repeatedly and subsequently suffer with an enormous number of sexually transmitted diseases. Ultimately, this results in AIDS and other diseases and they then die at a very early age. This should not happen to any child anywhere in the world. All governments in developed countries across the world and the United Nations need to start to earnestly address the issue of statelessness and the problems that statelessness causes, including the lack of access to fundamental human rights. This is about access to fundamental human rights.
In some of the material there is a report written by doctors about 12 Akha girls aged between 12 and 16 years of age. They had been rescued from the sex slave trade after they had been constantly raped and had contracted every venereal disease there is from gonorrhoea, syphilis to AIDS—and some diseases I have never heard of. Basically these children are given no access to treatment, thus we have the indiscriminate spread of HIV-AIDS.

This is a worldwide problem. It is up to us, men and women in developed countries, to take this seriously. We should look at the private member’s motion moved by the member for Mallee with all his good intentions and at his report which outlines many of the trials and tribulations that the Akha people are exposed to. Most of all, countries and the United Nations need to start working their way into these areas to offer AIDS prevention programs, AIDS prevention support and treatment for HIV-AIDS and to assist these children out of the depths of despair.

The Akha people simply have no rights. They are considered not worthy of rights because they have no country to call their own. This is the problem that you see time and time again. It exposes the vulnerable children of the world to the disgusting practices of the sex slave industry. I commend the member for Mallee for bringing this issue to my attention. I will do all I can to support him in getting assistance for the Akha tribes.

Ms PARKE (Fremantle) (7.20 pm)—I commend the member for Mallee for bringing to light the situation of the stateless Akha people of South-East Asia, who occupy the mountainous Mekong hinterland regions of Burma, Thailand, Laos, Vietnam and China. Through my previous work with the United Nations I have been aware in a general sense of the situation of the estimated 100 million indigenous people spread throughout Asian countries. However, it was not until the member for Mallee showed me the report of his study tour from his January visit to Thailand that I became aware of the particular plight of the Akha hill people.

As the member for Mallee noted just now, the Akha are a historically peaceful people who have tended to avoid conflict by retreating to more and more remote areas. They have no culture of weapons or concept of army within their language. As stateless persons their disenfranchisement has led to subjugation by oppressive governments, military regimes and criminal elements such as opium producers. It is the Akha’s situation of being both indigenous and stateless—of being an ethnic minority group—that makes them particularly vulnerable as targets for discrimination, forced relocation, forced labour and sexual exploitation.

In the last 50 years the lucrative tropical timber market has seen the encroachment of logging and destruction of old forest areas where the Akha have traditionally lived. In 2003 the UN Special Rapporteur of the Commission on Human Rights on the situation of human rights in Myanmar described a pattern of confiscation of property, forced labour and portering, and rape, in ethnic areas by the Burmese army and other militia groups. Furthermore, the Akha have been easy targets for child traffickers for the sex industry in Bangkok and elsewhere. In April 1999 in a statement to the former UN Commissioner on Human Rights in a session relating to protection of children, a spokesperson from the Terre des Hommes International Federation spoke of a strong correlation between the worst forms of child labour and children coming from specifically vulnerable groups, such as ethnic minorities, tribal populations and refugees, and said the Akha hill people in northern Thailand are an example. Heavy discrimination against them means that many Akha children are being forced into slavery like situations, including prostitution and work in illegal factories. Children caught up in armed
conflict are also very vulnerable to sexual exploitation. As the member for Riverina has highlighted just now, the eventual return of some sex workers to their villages has further led to the spread of AIDS to Akha communities.

Malnutrition has resulted in critical health issues, with preventable enteric and respiratory diseases dramatically reducing the Akhas’ life expectancy. In some villages child mortality is among the world’s worst, at around 50 per cent. In 2005, the Committee on the Elimination of Discrimination against Women examined the periodic reports of the Lao People’s Democratic Republic. It found that, while literacy rates were extremely low among Lao women—at 66 per cent—literacy rates among ethnic minority women were far worse. For instance, Khmu women had a literacy rate of 22 per cent; Hmong, eight per cent; and the Akha women, an extremely low 0.74 per cent. In 2007 the UN Special Rapporteur on the situation of human rights and fundamental freedoms of indigenous people summarised the plight of indigenous peoples in Asia as follows:

They are discriminated and victimized for their origin and identities, specially in the case of women. They are excluded from full participation in the political life in the countries in which they live. They remain at the margin of national development efforts, and they score low in all indicators in relation to their enjoyment of basic rights such as education and health. They are impoverished as a result of the loss of their traditional lands, territories and lifestyles.

I understand from the member for Mallee’s parliamentary report that the Akha people in northern Thailand receive some assistance with aid projects from NGOs and Australian and other aid agencies as well as from the King of Thailand. However, it is clear from the available evidence that significant further assistance is needed for the Akha people to achieve basic health and literacy levels in the various countries in which they live. I am aware that this is also the case for other ethnic minority groups across Southeast Asia.

Achieving significant improvement in the situation of all ethnic minority groups requires the support of the United Nations, the international aid community and active dialogue between and assistance of UN member states, particularly within this region. The member for Isaacs has noted the various ways in which the Australian government is assisting in this matter. I look forward to Australia continuing to play an important role in promoting the advancement and equitable treatment of indigenous peoples in Asia who are, in the view of the special rapporteur, among the most discriminated against, socially and economically marginalised and politically subordinated parts of the society in the countries in which they live. (Time expired)

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

Microbrewers

Debate resumed, on motion by Mr Adams:

That the House:

(1) notes that:

(a) micro-brewers in Australia have an excellent product that has provided a niche market and is complementing boutique wines as a regional tourism product; and
(b) these micro-brewers are suffering disadvantage because they are treated differently to the small wine industry in relation to tax; and

(2) calls on the Government to:

(a) support a review of the tax system in relation to micro-brewers, with a view to making the tax more equitable and in a similar tax regime as for the boutique wine growers and the Wine Equalisation Tax; and

(b) continue to support the development of rural and regional areas with innovative new products such as those being developed by micro-brewers.

Mr ADAMS (Lyons) (7.26 pm)—I have moved this motion on microbrewing in Australia because I believe that, if we are to promote innovation in Australia, we need to allow micro-brewers to compete on an equal footing with boutique wineries. These microbrewers are suffering disadvantage because they have to pay considerably more tax than the equivalent small wineries. I do not believe that they are asking for special treatment. They just need to be treated equally to similar boutique-type alcoholic drink producers. These products are outside the argument on alcopops as they are in an expensive boutique bracket not for bulk buying or aimed at the young.

The main concern of the microbrewers can be considered as being the complexity and the inequity of the taxation system in relation to alcoholic beverages. These businesses are based in rural and regional Australia in the main. There is a high excise burden on those small businesses, which are trying to encourage work and development in these areas. There is an inequity in the taxation on beer produced by small brewers compared with wine production by small wineries.

As far as I know, there are seven microbrewers in Tasmania and they are value-adding to their farm produce. We are asking our primary producers to do more before their produce leaves the farm gate, to add value to their product and this is what these microbrewers are doing in many cases. Some attach their brewing operations to primary production and normal farm activities, including growing beef and crops. There is a honey producer who has been involved in the development of bees and pollination. Another microbrewer has joined in the development of a beer product with an already successful winery. Another is developing a microbrewery along with a tourism activity while another has a brewery, a meadery and a hop garden—all very productive, innovative projects adding to the Tasmanian economy.

Microbrewers also add to the tourist experience of specialised products which can be taken around the world, spreading the word of Tasmania’s excellence in all we put our hand to. Microbrewing is a welcome addition to the tourist push for Tasmanian fine foods and wines and will be just as advantageous as for other parts of Australia well known for their premier fine food and wine. This government is currently providing assistance to a maximum of $10,000 to microbrewers producing less than 30,000 litres. However, most microbrewers exceed this quantity in annual production and therefore do not receive a subsidy.

According to the Association of Microbrewers, 84 breweries currently operate in Australia and the sector is making a $295.5 million contribution to the government through excise tax. This is estimated to rise to $783 million by 2010. I would like to see the government review the excise regulation to work out a proposal for an excise tax refund on the microbrewers’ product so that the current maximum rebate of $10,000 is increased to the same maximum amount as the wine industry producers rebate, a sum of $500,000 per annum, or about 60 per
cent of the excise duty paid. The definition of a microbrewer caps production at 30,000 litres, and that should be removed from the regulation. It is worth noting that the wine industry producer rebate has increased on several occasions since 1999 but that the beer excise rebate has not been revisited in 11 years. It is about time to review it again. This would bring equality into the system, would encourage existing and new producers to further develop enterprises involving craft beers and would help rural and regional Australia.

In the five minutes allocated to me, it is hard to fully explain the potential of this industry. It would provide substantial employment growth in rural and regional Australia, as well as allowing entrepreneurs among primary producers to gain a worldwide reputation for their quality beer production, along with, of course, quality wine. I will continue working to get equity for my growers and brewers at this time of belt tightening for our local producers all over the country. (Time expired)

**Mrs Mirabella (Indi) (7.31 pm)**—I rise to support the efforts and campaigns of microbrewers right across the country for tax reform. Coming from a small business background myself, I know only too well not only the burden that unnecessary government regulation places on small businesses and how that impacts on their bottom line but also how unfair taxation can be. Isn’t it strange that often it is the smallest businesses that are affected by taxation?

The microbrewers industry has developed significantly. My electorate has seven microbreweries—arguably the largest concentration of any electorate in the country. I will list them, for the information of the House. There is the Sweetwater Brewing Company in Mount Beauty, the Jamieson Brewery in Jamieson, the Buffalo Brewery in Boorhaman, the Bright Brewery in Bright, Bridge Road Brewers in Beechworth, Boyntons Feathertop Winery at Porepunkah and Bintara Brewery in Rutherglen.

I would like to inform the House that these breweries have added value in a very real way to the tourist product in the north-east. They have employed people. They have developed the tourist product. They have given visitors yet another reason to come to the north-east. We are blessed with some of the best wineries and wine regions in the country. I know my friend from Mayo would disagree and say that there are significant wineries and wine regions in South Australia, but anyone who has visited the north-east will know that we are blessed with a clean, green environment and we produce terrific wines. Now we produce wonderful beers as well.

The current tax system is a burden on local microbrewers. I support the campaign for change and would like to see a system akin to the WET scheme. Having campaigned for changes to the excise on wine for boutique wineries even before I was elected, I can empathise with microbrewers. They are in the same position as those small wineries were. We had to fight for several years but we were successful in the end, under the previous government. I would hope that, with the efforts of members on both sides of the House who have an interest in rural and regional development and who have a knowledge of the economic advantages that microbreweries are providing not only in their own electorates but around Australia, we can achieve this.

The current definition of ‘microbrewer’ is far too small. It is capped at 30,000 litres. That needs to be removed. The excise tax refund of 60 per cent of excise duty on beer needs to be increased from the current maximum of $10,000 to the same maximum amount as the wine.
industry producer rebate under the WET, which is $500,000 per annum. That would go a sig-
ificant way to removing the current restrictions on expansion for microbrewers. It is not go-
ing to have a significant impact on government revenue. It is estimated that the proposed
changes are going to cost $5 million annually, but that is a very small loss to the revenue
compared to the jobs and economic activity that will be generated and the tax revenue that
that activity will create.

In the current environment, where jobs are being lost left, right and centre—thousands of
jobs—week after week, it is encumbent on us to do all we can to remove the impediments of
unfair laws, particularly unfair taxation laws, on an industry that has shown that it does have
growth. We have seen in recent times that, at a time when there is a decrease of two per cent
in employment in larger breweries and the brewery industry generally, there has been more
than a 10 per cent increase per annum in employment in the microbrewing sector. That shows
a trend and tells us what Australian consumers are wanting to see.

In the remaining time that is left to me, I would like to thank those entrepreneurs—those
young people, middle-aged people and the broad cross-section of individuals—who have
taken the risk to establish microbreweries in my electorate of Indi. I do enjoy your product, as
do many of our visitors, and I will fight with you and on your behalf to get a fairer tax system
for you.

Ms PARKE (Fremantle) (7.36 pm)—I commend the member for Lyons on his motion and
I join with him and my other parliamentary colleagues in calling for the craft brewing sector
to receive appropriate government support in the form of an excise concessional refund that is
the equivalent of the wine equalisation tax producer rebate. I will risk at the outset the pros-
pect of an argument with my colleagues by saying that Fremantle claims the title of both the
birthplace and the spiritual home of craft brewing in Australia. It is certainly a very significant
part of the social, cultural and commercial fabric of Fremantle, and we are very proud of its
historical and contemporary place in our community.

It was in the early 1980s, following the sensational America’s Cup victory by Australia II,
that the owners of the Sail and Anchor Hotel decided to commence on-site brewing operations
at their premises on South Terrace in Fremantle. This in turn led to the creation of the Matilda
Brewing Company, whose signature product, Redback—a wheat beer—became a national
sensation. Other Fremantle microbreweries have followed. The Sail and Anchor is now an
independent, on-site brewer selling draught beer. Further down South Terrace is the Mad
Monk brewery and restaurant, at which I would one day like to get a photo taken with the
member for Warringah. Gage Roads in Palmyra is a medium-sized operation with a range of
excellent bottled and draught beers. Little Creatures—so named for the live yeast that does all
the hard work—is a brewery/bar/restaurant on Fisherman’s Harbour, whose signature Pale Ale
was named champion ale in the 2007 Australian International Beer Awards. In 2006 Little
Creatures was named Champion Australasian Brewery. Of course, there are now many other
microbreweries in Western Australia and indeed across Australia, with 88 known microbrew-
eries operating mostly in regional and rural areas and providing 600 full-time equivalent jobs.

The craft brewing sector is at a critical point in its development. It is a small but growing
industry which makes a significant contribution to employment and tourism in Australia, to
rural and regional development and to our export profile, and it needs financial encourage-
ment. In the UK, Canada and the US, excise concessions to craft brewers have led to industry
growth from one per cent to five per cent market share, with consequent increases in the number of jobs created because of the labour-intensive nature of microbrewing operations. This is a significant consideration in the current economic climate.

The wine equalisation tax producer rebate was introduced in 2004 and has been updated since that time so that the maximum available rebate has increased from its initial level of $290,000 to the current level of $500,000 per annum. Though all wine producers qualify for the rebate, its stated aim has always been to support small and regional wineries, for whom the rebate is of proportionately greater value.

At the same time, support of this kind for micro or craft brewers is limited to the microbrewery excise refund, which allows brewers who produce fewer than 30,000 litres to claim 60 per cent of excise, paid up to a maximum of $10,000. The contrast is stark—up to $500,000 for wineries, compared to $10,000, or one-fiftieth, for microbrewers. And the current eligibility test, based on the quality of beer produced, is set at a level so low that it only applies to a tiny proportion of microbrewers, some of which are not, strictly speaking, commercially viable.

The argument that microbrewers and their representative associations have been patiently making through several budget cycles is that microbrewers operate in the same market sector, have a similar urban and regional distribution, make a similar contribution to the hospitality and tourism sector and to employment and face the same economic challenges as small wineries, and for all those reasons should receive the same degree of support from government.

It should be noted, at this time of increasing concern about alcopops and young people’s consumption of alcohol, that craft beer tends to suit a mature palate. It is hand made, with a focus on quality ingredients and intense flavours, and for this reason the microbrewer clientele tend to be beer connoisseurs rather than beer guzzlers.

I support the Australian Association of Microbrewers, the craft-brewing peak body, in its call for an excise concession equivalent in scale to the $500,000 per annum WET producer rebate to apply without reference to the volume of beer produced. It is my understanding that the budgetary impact of such an excise concession would in the short term be in the order of $7 million per annum, which I believe is a small and fair price to pay for fostering—if you will pardon the pun—the development of a new and promising domestic and export industry and more jobs. Furthermore, in the medium term it is expected that industry growth will result in a revenue-positive budgetary impact. I join my parliamentary colleagues here tonight in supporting this motion and in arguing the case for fair excise treatment of microbrewers in Fremantle and across Australia. (Time expired)

The DEPUTY SPEAKER (Mr S Sidebottom)—The question is that the motion be agreed to. The chair recognises the member for Lyne and welcomes his little friend!

Mr OAKESHOTT (Lyne) (7.41 pm)—Political satire was drawn with one particular beer called the Mad Monk, and probably the most popular beer in our area is Wicked Elf! So I am not sure whether it is sitting behind me or it is another member of parliament in this place, but it is certainly a good beer which I am happy to bring down and have everyone enjoy.

Mr Adams interjecting—

Mr OAKESHOTT—Yes, anything for a free beer! The motion put forward by the member for Lyons this evening is good policy and it is sensible, and that is reflected by the triparti-
san support of government members, opposition members and Independent members. Having talked on the ground with several of the microbrewers on the mid North Coast, which represents one of the most important tourism areas in New South Wales, where the food and wine trail is one that certainly many in the tourism industry are trying to grow, I know there is frustration that a government policy can inhibit people wanting to invest in small businesses. While we within government—federal, state and local—are comfortable with the concept of food and wine trails, we do not seem to have grasped yet the concept of food and beer trails. We certainly seem to have struggled with the concept of separating big brewers and small brewers just as we separate big business and small business. I would hope that tonight, with this motion, we do start to see some reflection on this by government that leads to some policy reform that will encourage the small business operators and entrepreneurs trying to grow microbreweries and, therefore, grow the tourism industry throughout Australia, particularly in regional Australia.

The proposal is that existing provisions of the excise regulations be modernised to permit brewers to obtain a refund of 60 per cent of excise duty paid in any one financial year, up to a maximum of half a million dollars per year, and that the definition of ‘microbrewer’, which caps production at 30,000 litres a year, be removed from the regulations. As I say, it seems sensible policy, and the cost to government is minimal. In fact, picking up on what the previous speaker said, over time I think we would see a benefit to government by encouraging some entrepreneurship within Australia, and I would certainly hope that we see if not in this budget round then in one very soon some positive reform and reflection by government on this area.

The point with regard to current times of global financial pressures which I think is a standout for government to reflect on in the short term is the figure of three per cent. Three per cent of Australian-made beer is drunk within this country. We hear lots of debate in this place about retail sectors and monopolies or duopolies. Also, in recent times, I notice one newspaper—the Daily Telegraph; I do not know whether other papers around Australia are doing it—running campaigns trying to up the ante on the ‘made in Australia’ message. Here is a classic example before most people on most nights of the week as a true example of an opportunity to do something about the ‘made in Australia’ message. If we can get the policy settings right, and if we can at the same time—also picking up on the message from previous speakers—through some good policy change, drive home the message of the boutique and craft beer market about drinking less, drinking safer and getting away from the binge drinking culture and actually enjoying the different opportunities that the boutique beer markets provide, then I think that we in this place would be doing some good work.

For those within the media who want to drive campaigns at the moment about ‘made in Australia’, the message that we are talking about tonight in a tripartite way is a beauty, if they want to effect an outcome within executive government to promote, not in a protectionist way, entrepreneurship and small business within Australia. It is sad that only three per cent of the beer all of us drink is made within this country. I think that as policymakers and as a country we could do an awful lot better.

The DEPUTY SPEAKER (Mr S Sidebottom)—Order! The time allotted for this debate has expired. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting.
Debate resumed, on motion by Mr Briggs:

(1) condemns the Rudd Government for its handling of the water crisis;
(2) demands the Government release a minimum of 30 gigalitres into the Lower Lakes and Coorong as recommended by the Senate inquiry;
(3) notes that:
   (a) low water levels in the Goolwa area are seriously affecting small business and tourism operators;
   (b) flooding the area with sea water would destroy the natural environment; and
   (c) the trade for some businesses has dropped by nearly 90 per cent; and
(4) calls on the Government to:
   (a) provide immediate financial assistance to the affected communities; and
   (b) stop playing the blame game and take decisive action.

Mr BRIGGS (Mayo) (7.47 pm)—It pains me to rise on this motion tonight about the government’s handling of the water crisis, which affects my electorate more than any other throughout the country, because I have half the Lower Lakes in my electorate—the other half being in the electorate of Barker. The Lower Lakes are now at the point of no return; they are at the point of environmental crisis. Last Friday I was lucky enough to be part of an outdoor broadcast by the 891 Morning Show hosts David Bevan and Matthew Abraham, who went down to what used to be the Goolwa yacht club—the oldest yacht club in the country—and had an outdoor broadcast with interested members of the community, and there would have been at least 200 people there. For a small community like Goolwa, that is a reflection of the intense interest that these people have in the water crisis.

I recognise that this has no simple solution. This is not an issue which can, at the click of the fingers, be fixed by some easy policy move or some easy decision. We are in this situation for a couple of major reasons. Firstly, over a period of time both sides of politics, particularly at the state level, in multiple states have made decisions which have made our great Murray-Darling Basin system reach this point. We are also in the middle of the worst drought in the southern part of the basin that our country has seen in many, many years. So there are a couple of reasons for where we are, and I do not lay the whole blame for the situation at the feet of the current government. But what I do condemn them for is their lack of action since they came to government. They will stand up and say that they have purchased water and done certain things, but we are seeing no real improvement in the situation. That is because they have not done the really hard and necessary job of investing in on-farm and off-farm infrastructure, particularly in New South Wales and Victoria, which would get real savings back into the river system and would mean greater environmental flow into the system. As we stand here today there is no environmental flow into the Lower Lakes. The government will claim that 350 gigalitres a year flows through environmental flow but, if truth be told, that is conveyance flow—that is, flow to flush salt out of the system so that the Adelaide water supply is not putrefied.

So we have a situation where there is actually no environmental water flowing into the Lower Lakes. Just Thursday a week ago I was fortunate to take the Leader of the Opposition
and the member for Barker to Mannum to see the situation. The pool level in Mannum is 1.5 metres below the average pool level. The situation in the Lower Lakes as of Friday a week ago was that the water had dropped to 1.48 metres below sea level. So we are now at the point of no return. We need some real action very quickly. I urge the government to purchase 30 gigalitres off the water market—which they can do; it is available there today—in temporary allocations to get the Lower Lakes through this crisis period. And I urge them not to flood the Lower Lakes with salt water, not to install the Wellington weir.

I do bemoan the national agreement, which we were told last year was historic, because I believe the government took the easy way out—I suspect the minister for water was focused on the ETS at the time, rather than on the river crisis—and let Victoria off the hook. That is what has caused this agreement to capitulate. How do we know the agreement has capitulated? The Rann government underlined this two Thursdays ago when they announced they would look into a High Court challenge into the very agreement that they signed not 12 months ago.

The Rudd government has failed so far, in the first 16 months of its government. I genuinely hope it improves, because no-one wants to see this area die. I am sure the member for Kingston, in her remarks following mine, will agree that no-one wants to see this area die. I do not think the government wants to see this area die, but I think it can do more to make sure it does not.

I also bemoan the way the state government is going about managing this issue. For instance, on Friday we had a representative of the state government—the minister was not able to make it, which is understandable; I am not criticising—in the so-called independent water commissioner, Mrs Robyn MacLeod, who claims to be an independent authority on this issue. It just turns out that, with a little bit of research, we can establish that Mrs Robyn MacLeod was a candidate for the Australian Labor Party in the Victorian seat of Mordialloc, at the state election in March 1996 and also in March 1999. (Time expired)

Ms RISHWORTH (Kingston) (7.52 pm)—I am very pleased to have this opportunity to speak about the serious issue of water and the Murray-Darling Basin. Certainly, there are a lot of problems that are facing South Australia. I recognise the part of the motion relating to the negative impact that the drought is having on water levels at Goolwa and the effect it is having on tourism operators and small businesses. On my last visit to Goolwa I heard from accommodation providers of their concern with the lack of water and the impact that it was having on the tourism industry. In particular, I heard a lot of concern about the biennial wooden boat festival. I am pleased to hear that the festival did go ahead this month, although I recognise that organisers were forced to put limits on participation due to the low levels of water.

However, in saying that, I will reject outright the first part of this motion, because it is this government, the Rudd government, who has acted and continues to act to address the difficult issues that affect the Murray-Darling system. Governments on both sides in the past have continually ignored the issue of water and the Murray-Darling system. In particular, the previous Howard government did nothing to modernise or invest in infrastructure to address the overall location of the system. With the Howard government achieving nothing in 12 years it has been up to the Rudd government to begin to address this extremely important issue.

Soon after being elected the government announced Water for the Future, a $12.9 billion plan to start fixing the Murray-Darling Basin. Since this announcement the government has
been getting on with the job, despite what the member for Mayo has suggested, of implementing this plan. One of the most important planks of this plan includes $3.1 billion to purchase water in the Murray-Darling Basin. This is critical to ensure that the historic overallocation is redressed. But, importantly, this government has also implemented the establishment of a basin-wide cap of water to improve the health of the whole system.

I assume with this motion that the member for Mayo does support the buying back of water, but it is a pity that his party is divided on this issue. His colleagues further upstream have regularly been on record disagreeing with buybacks. In fact, the division in the Liberal Party is clear on water buybacks and that can no better be demonstrated than by a media release from the Leader of the Opposition. On 5 May the Leader of the Opposition put out a media release when he contradicted himself in the one document on water buybacks. While urging the government to buy 30 gigalitres of water for the Lower Lakes, he also claimed that buying back water would destroy jobs and should be avoided.

So my question to the Liberal Party and to the member for Mayo is: if you do not want to buy back water because it would destroy jobs but you do propose to fix the Lower Lakes, how do you do this? Perhaps the Leader of the Opposition thinks that he can make it rain, but even he is not quite that good.

Mr Craig Thomson—Cloud seeding.

Ms Rishworth—The member for Dobell mentions the cloud-seeding proposal, which the minister for the environment contributed to significantly—and overall that area is his own department. But I urge the member for Mayo to speak to his leader to find out which of these positions on buying back water the Liberal Party takes. What is their true position? The Liberal Party is walking both sides of the fence—or, in this case, both sides of the river.

We have heard a lot from the member for Mayo about infrastructure. He will be pleased to know, if he reads the Water for the Future proposal, that it includes a significant investment in infrastructure, for the Lower Lakes in particular. We have already started to deliver pipelines, including $120 million for piping works around the Lower Lakes to secure drinking water for these communities. The government has also made available $200 million to the South Australian government to find a lasting solution. In addition, of course, we need to reduce Adelaide's reliance on the Murray-Darling system, so we have also committed $1.5 billion to reduce the reliance that towns and cities have on the Murray-Darling system through infrastructure that supports stormwater harvesting, recycling of waste water and desalination. The government has also already announced assistance to communities and, in particular, grants to affected local councils.

I have to say that the last part of the motion is completely false. The only people playing the blame game when it comes to water, the only people playing cheap politics, walking both sides of the fence, are the Liberal Party. (Time expired)

The Deputy Speaker (Mr S Sidebottom)—Order! The time allotted for this debate has expired. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting.
Nation Building Infrastructure Policies

Debate resumed, on motion by Mr Craig Thomson:

That the House welcomes the Government’s national building infrastructure policies to deal with the global financial crisis and specifically notes its investment in outer metropolitan transport.

Mr CRAIG THOMSON (Dobell) (7.57 pm)—This is an important motion because it recognises the government’s action on long-term infrastructure as well as in making sure that the financial crisis is met head-on in terms of what can happen in Australia. It should be no surprise that there are many people who would support this particular motion, because when you look at the government’s action on infrastructure and who has supported the government’s position there is such a long line of different organisations, starting with the Australian Industry Group and the National Farmers Federation. The Reserve Bank governor himself at the last public hearing of the House of Representatives Standing Committee on Economics said that no-one could describe as excessive the amount of stimulus that the Rudd government has injected into the economy to try and deal with the global financial crisis.

Of course, as recently as yesterday President Obama mentioned Australia and the tactics and strategies that have been adopted by the Rudd government in a positive light to meet the global financial crisis. If you look at the supporters of the government’s action, the only people who are in opposition to this are the opposition themselves. They are so confused and so out of touch with what people are thinking, because their main preoccupation at the moment is not the economy and it is not their constituents; it is where the leadership actually sits this week. We have the situation of rotating leaders of the Liberal Party. People are jockeying to see which frontbench position they will get. This has absolutely paralysed the Liberal Party in terms of any effective policy debate.

The position of the opposition leader is so confused. He welcomed the first stimulus package and said it was a good thing. Now, some months down the track, not only have the opposition opposed the $42 billion stimulus package outright but they have been talking in opposition to the original package that they had supported. That is how confused the Liberal-National Party coalition are on these issues. They are not motivated by what is right and what is going to work for the economy; they are motivated by the short-term politics of the Liberal party room. That is a very sad state to be in.

This government came to office with an agenda of nation-building infrastructure. Because of the global financial crisis we have had to accelerate this in a whole range of areas. If you look at the last 12 years of the Howard government, you will see why there are so many infrastructure projects that need to be done. We had a government asleep at the wheel. They had a mining boom and money poured into Canberra but nothing was done with the major infrastructure. Nothing was done for our hospitals, our schools or the water infrastructure that the member for Mayo spoke about. The Rudd government had a plan for these things when it came to office. In addressing the global financial crisis there is a specific plan too.

We are talking about the largest school modernisation program in Australia’s history, massive infrastructure spending on our roads, rail and ports—and I will come back to that area in due course—the construction of over 20,000 new homes, the solar hot water rebate, the help that has gone to the Australian car industry and the most important and historic agreement with the states and territories in the COAG process about freeing up long-term money for the service delivery areas of health and education. These plans for major long-term and medium-
term infrastructure will ensure that Australia is a better place. They will ensure that economic activity will continue and is encouraged and that we are cushioned as best we possibly can be from the global financial crisis.

The other area is the local council stimulus. Wyong shire—80 per cent of which is in my electorate—received over $1½ million in the community infrastructure program. It was with a great deal of pleasure that only two weeks ago I was with Mayor Bob Graham looking at where the money is going to be spent on the new netball courts at Wyong.

Mr Briggs—You could build a bikeway with that.

Mr CRAIG THOMSON—For some $400,000, there will be eight new netball courts. While we were there announcing the project the surveyors were behind us starting the work. It is about getting the local infrastructure there too. This is a project that the local council have been trying to get done for the last 10 years. They had no help from the previous government. Now we have local jobs in the local area as part of these infrastructure projects.

Mr Laming—that will get us out of recession!

The DEPUTY SPEAKER (Hon. D.S. Vale)—Order! The member is entitled to be heard in silence.

Mr CRAIG THOMSON—These important infrastructure projects are being addressed not just in my electorate but right through electorates all over Australia. These are infrastructure projects that the coalition have opposed and have not come to the party on.

It is interesting to see what my local mayor, Bob Graham, said about it. He said this was one of the greatest injections into local jobs that he had seen in his 15 years on local council. This is not a bloke who is a Labor Party hack; this is a bloke who is actually a former member of the Liberal Party. In fact he sat in state parliament as the Liberal member for The Entrance. But like the Australian Industry Group, like the National Farmers Federation and like all intelligent people they can see the advantage of getting this infrastructure in there.

The area that I want to spend the rest of my time talking about is roads and transport in particular. My electorate is an hour and a half from Sydney. We have a rail link there and we have roads everywhere. So to get around in my electorate you need to have a car and drive or to get to the train station and commute. This government, even as recently as today, under the $4.7 billion nation-building package announced over $850,000 worth of roadworks in my electorate—in particular, the installation of traffic signals at the intersection of Sparks Road and the F3 freeway ramps. This is an area that has become very busy and dangerous. This sort of infrastructure investment in our roads will make sure that traffic flows better and make sure that we can drive around in a safer way. It will also make sure that jobs which are needed locally are actually there locally.

In terms of rail, one of the big promises at the last election was in relation to building a dedicated freight line. That goes up much of the east coast. For my electorate in particular what it does is take 1,900 trucks per day off the F3. If you could imagine driving up and down the freeway, just through my electorate, 1,900 truck trips is an incredible number of trips that is now going to be taken off the road because of this very good rail infrastructure that the Rudd government has committed to.

So these issues of nation-building infrastructure, particularly in terms of roads and rail, as part of this infrastructure program to make sure that we are cushioned from the worst impacts
of the global economic crisis are vitally important for electorates in the outer metropolitan areas and those regional electorates like my own of Dobell. What a breath of fresh air it is to have a government that is out there saying: ‘We are actually going to build this nation. We are actually going to go out there and put infrastructure in where it is needed to make sure that we have a better nation and that our citizens have a better life.’ This is an important part of the economic stimulus not just because it creates local jobs but also because it builds long-needed infrastructure in areas where it is required. This is a motion that should be supported by all members.

Mr LAMING (Bowman) (8.08 pm)—Every now and then in political life you are bowled a ball that moves so slowly and so predictably, bounces that little bit short and simply does not spin but rather falls into the corridor and is ripe for the picking to be sent over the grandstands and out of the field, and this is one of those motions. When the inexperienced member for Dobell came forward with this motion there was a cacophony of desire on our side of politics to speak to it tonight. There was a cacophony of voices on our side of politics wanting to talk about the lack of infrastructure that we have seen in decades of state government mismanagement and then to look at the stimulus package, which is intended to address the needs of infrastructure.

If you are after a basic summary of what has occurred in the stimulus package on infrastructure then, without embarrassing anyone, the Parliamentary Library quote was, ‘The only thing that has happened with transport infrastructure is boom gates.’ So I thought, ‘We must read it in a little bit more detail just to see exactly what is happening in the stimulus package that pertains to transport.’ After seeing the member for Dobell speak about netball courts until he had two minutes and 33 seconds to go, I thought to myself, ‘Clearly we are completely off the rails.’ Through some incredible revelation, with two minutes and 33 seconds to go he got us back on the topic, because the government know that they have about two minutes and 33 seconds of economic sunshine before they are looking down at the true impotence of their stimulus package, and they only have about two minutes and 33 seconds of things to say about transport infrastructure in toto.

I see across from me a Queensland colleague who knows just what the struggle was like on the issue of the Ipswich Motorway. It was so tough. When the money was committed by the former federal government, was that money spent? Was it committed? Was it actually used on the ground? No, it was not. It was hunkered down in state government coffers as they struggled to find ways to roll that money out.

We have been up there in Queensland and seen what 12 years of the Beattie and Bligh government has done to our state. Before we all draw breath, let us remember precisely what the debt is in Queensland. At the moment it is $74 billion and ticking. That is approaching Australia’s total government debt from 1993 to 1996. Of that amount, $68 billion was accrued prior to the economic slowdown, so let us not for a moment think that we are running into troubles due to the slowdown in Queensland—oh, no; this has been a problem running for years. The rivers of gold ran to nothing and the providence that Queensland knows, that economic wealth, was frittered away. What we have seen in the last month is a discussion about the lack of transport infrastructure available to Queenslander.

Given the complete enthusiasm on our side of politics to talk about this motion, why did I prevail? It was because I am from Queensland, I am from an outer metropolitan seat, I have...
seen the neglect by the Queensland Labor government and I have seen the futility of the stimulus package to deliver on economic infrastructure. If you were to do a simple matrix and have a look at the stimulus packages around the globe, you might look at where the tax incentives and tax breaks are compared to where the cash splash is and where the economic infrastructure is compared to the social infrastructure. While our Prime Minister makes great mileage of having moved swiftly and decisively, his stimulus package virtually neglects economic infrastructure. Let me say that there is never a bad time to invest in schools and, for the benefit of the member for Dobell, that there is never a bad time to invest in netball courts. I am not about to criticise that. You may employ two people, a cement truck and a netball ring. But let me say this: there has never been a better time than now to invest in economic infrastructure.

What will we be looking back on that arose from when we went into debt to the tune of $60 billion? I will answer my own question: we will be looking back on a cash splash, proven once to be completely impotent but repeated this month and next in the hope that, having lost at the roulette wheel in December, we will somehow get a different result from the same act in March and April. Let us look at the retail figures and at the final household consumption in May-June. When people reflect in a sober moment, having received the payment gratefully from their government and worked hard to earn that payment, let us see what it does to deliver on transport infrastructure. That is a fair question.

Let us take my electorate, on which I can speak with some authority. We have Mount Cotton Road, which regularly leads to deaths, which has been nominated as a non-priority road and which, in the stimulus package, receives sweet nothing from the federal government. We have the Cleveland-Redland Bay Road, a road that is travelled daily by thousands of cars and is a single-lane byway. I point out to those who have not visited those undulating hills of Bowman—that soporific route down from Brisbane as you go over the hills, through Bonner and through the koala corridor—that when you get to Bowman you find communities of the size of Redland Bay and Victoria Point. These are thriving megalopolises of 22,000 people, and to leave those communities you have to use a single-lane road. There is not a byway or a highway with more than a single lane by which you can leave those communities in 2009.

Mr Sidebottom interjecting—

Mr LAMING—I have a Tasmanian colleague here shaking his head. After decades and decades of pork-barrelling, you know nothing of the suffering of the people of Bowman. Let me tell you what the state Labor member had to say when he was pressed about transport infrastructure by a facility whose CEO said, ‘We’re concerned that, when you four-lane this highway with either federal or state resources, it will be difficult for ambulances to enter or egress from this property.’ The response was simple. The MP said: ‘Don’t worry; the dual-laning of this road won’t happen for years. We will just upgrade the intersections to keep the whingers happy.’

What is driving transport infrastructure in my state of Queensland if that is the attitude of a sitting state member up for re-election and the sentiment held by a local member in my area who should be fighting hard for the infrastructure our community needs? It should not even require a debate to understand that you would need a dual-lane carriageway leading from communities the size of Victoria Point and Redland Bay. Is that too much to ask from colleagues on the other side who are focused so much on delivering netball courts and netball
rings to their schools? As I have said, there is never a bad time for a netball court! But there has never been a better time for economic infrastructure than now, and it is not happening.

I do not like to bore those opposite with details about their own state government, but let me remind them of the $3 billion blow-out, year-on-year, for infrastructure projects. Let me remind you of the $2.4 billion budget blow-out for this year alone. This is a state government that was just as blind as our federal colleagues in identifying the recession that we were entering in 2009. Could we get any preparatory position from them on transport infrastructure? The answer is no. At the budget in 2008 it was just more Labor spending and no provisioning for the future. This government simply profited from and fed themselves profligately on the budget they inherited from the previous administration. That is nothing to be proud of. And if this government thought truly about this motion, it would realise that it really achieves nothing more than highlighting how little has been delivered by its state colleagues.

Let us remember that there is an interest component to all of this borrowing—and this is a lot of money. I often say to my constituents, ‘This is the figure of two followed by 11 zeros,’ to give them a sense of how far the federal government is going into debt. In Queensland—well, it is only $74 billion! And the interest on it is only $2.6 billion! Where is that sort of money—that interest payment—to be found when you are trying to run hospitals and schools? The answer is simple: ‘We will borrow that, too. We will borrow to make the interest payment.’ There is no provisioning for the future. And, when you think about how hard it was to pay off debt from 1996 to 2004, when we finally paid off the debt—

Mr Craig Thomson—What about the sale of Telstra?

Mr LAMING—The member for Dobell highlights the sale of Telstra. It was the painful, unpopular but ultimately successful sale of state entities that even got us there in the first place. I ask you: what public infrastructure are you going to sell to pay off your debt? It is all gone. The low-hanging fruit is gone. What are you going to be selling? Your highways—and putting tolls on them? Where will you find the money to pay off debt? You have a Ruddbank that will send us another $28 billion into debt. This is a government with no idea and no clue.

I will finish as I started. My people in Bowman are good-hearted, resourceful people. They settled the area of Redlands as small farming communities which have been enveloped by the outer metropolitan spread of Brisbane. That is what gives me a right to talk about this motion and about how the infrastructure has not kept up with the population. The Labor notion that you roll out the community, borrow to pay for the infrastructure and then find a way to deliver it, years and years later, is why we are in the predicament we are seeing in this Queensland state election, whether you are looking at Mount Cotton Road or the Cleveland to Redland Bay Road; at our hospitals, which get a helipad when they need decent services; or at our bay being closed up—all they get is a concrete reef. I urge you to get more infrastructure delivered—(Time expired)

The DEPUTY SPEAKER (Hon. DS Vale)—Order! The member for Bowman’s time has now expired and I thank the member for his very spirited contribution.

Mr SIDEBOTTOM (Braddon) (8.18 pm)—I would just ask the member for Bowman how long he has been in this place. He seems to believe that the Labor government has been in for 18 months and yet we have caused the complete de-infrastructure of Australia! He was a member of the previous government. I do not know what he did—well, I have read some
things—as a member in the former government to influence his government to spend money on infrastructure in that beautiful place he calls Bowman. I do not know what his story is. It would have been good if he had been prepared to speak about infrastructure in general and its importance as an economic stimulus, whether in this economy or any other. But I can tell him that infrastructure is, first and foremost, part and parcel of our $42 billion stimulus and was part of the $10 billion stimulus before that, because infrastructure is about jobs. Infrastructure is about sustaining employment—hopefully improving and increasing employment opportunities—and about giving skills development to those involved in it. And, most importantly, it is about providing valuable assets, both social and physical, to our community.

Under any objective observation of the last 12 years, the federal investment in significant national infrastructure has been lacking. We have seen those opposite point the finger at state governments; and maybe we can indeed point the finger at state governments—but we can also say that the federal part of our system did not support willingly and wholeheartedly the development of important economic infrastructure in this country. This stimulus package seeks to do that. I said earlier today that we do not have all the answers and we have produced a package with warts and all. This is about stimulating the economy. It is about developing infrastructure which we need not only now but also into the future, so I was disappointed that the member for Bowman wanted to rant and rave about his goat track into and out of the particular place he was talking about. He had a responsibility as a federal member in the former government to do something about that. I do not know what he did, but ranting and raving like that would not have got him much of a hearing from Mr Howard and his acolytes in terms of the distribution of infrastructure funding.

I looked through this $42 billion stimulus package—the Nation Building and Jobs Plan—seeking infrastructure. I can point to my electorate and say that, after a lot of lobbying, and I would put to you that it was evidence based lobbying, we already have a commitment of at least $8 million for local infrastructure. Each one of those projects is going to involve jobs. Each one of these projects is going to be an asset to my community. I am glad we did it and I wish the previous government had done it. I hope future governments do this as well so we all share these benefits.

Let us look at the education component of the stimulus package, for instance, something that unfortunately those opposite voted against—but I know that deep down they are very happy because we have invested $14.7 billion in infrastructure projects, particularly in primary schools. Each of those schools is going to have a facility for better teaching and learning, which I mentioned earlier today. But most importantly, each of those schools is going to have a project or projects that are going to lead to construction jobs and jobs in the industries that service those construction jobs. There will be new carpets and air-conditioning. You name it; it will be made available. That is going to stimulate our local economy. If you do not support that, you do not support infrastructure investment and you do not know what infrastructure means in our community. What about the $6 billion for the construction of new public housing and $400 million for repairs and maintenance to existing public housing? What about the $252 million for the Defence Housing Authority to build an extra 802 residences? Those are just some of the examples of infrastructure spending that is going to stimulate this economy. That is what we should be talking about; that is what those opposite should be supporting.
Mr LINDSAY (Herbert) (8.23 pm)—The motion before the parliament tonight talks about the government’s nation-building infrastructure policies for dealing with the global financial crisis. It especially notes the investment in outer metropolitan transport. I have to report to you tonight that I am extraordinarily disappointed with the performance—or, in fact, the non-performance—of the Bligh Labor government in Queensland. My Labor colleagues opposite will also be extraordinarily disappointed.

The Australian government has provided money for infrastructure development, and well it might. But the Bligh government is blocking the expenditure of that money. Let me tell you about the Douglas arterial road in Townsville. The Douglas Arterial Road was North Queensland’s first motorway. After an enormous fight with the state government I was able to get that built but it is built to two-lane standard. It has been so successful as a bypass, with a benefit-cost ratio of nearly 13 to one, that it has reached a situation where it is carrying more traffic than it can. It needs to be four lanes.

So, at the last election both the then opposition and I promised that we would make the Douglas Arterial Road four lanes. Fifty-five million dollars was announced by the current Australian government as its contribution to the four-laning of that most significant road in Townsville, but it needed a state contribution. And what has the state government done? The state government has done zero—nothing. It will not commit; it will not provide any state funding. So the project will not proceed. Here we have a national infrastructure building project funded under that program that cannot proceed because of the Labor state government in Queensland. How wrong is that? We all want to sustain jobs. We want to build a road for our community.

The Douglas arterial connects the Lavarack Barracks, the Townsville Hospital and the university to the northern beaches. But we cannot four-lane it. It also connects with the new Townsville Ring Road, which will be opened in the next few weeks. The Townsville Ring Road is a logical extension from the south through to the north to the Bruce Highway—another high-speed motorway, but there is no four-laning. That is wrong, and our community will mark down the Bligh Labor government for the utter contempt that they have shown us. I think the Australian federal government will mark down the Bligh Labor government, because we want to get on with these infrastructure building projects. We want them to happen.

And why won’t the Bligh Labor government provide its share for the construction of this new highway? They are now $74 billion in debt. I worry about that; I worry in the sense that it took the former Australian government 10 years to pay off $96 billion of Labor debt—10 years—with the resources of the Commonwealth. With Queensland $74 billion in debt and with only the resources of the state, I put it to you that I do not think Queensland will ever pay off its debt. What an extraordinary position to find ourselves in: we cannot pay off the debt of the state because Labor has borrowed too much. And you all know what has happened with Queensland’s credit rating; it has been downgraded. The government itself cannot borrow any more money. It is just an amazing situation. I call on the Bligh Labor government in Queensland to immediately address its responsibilities and to get this—

Mr Ripoll—You should be running in the election for Premier of Queensland!

Mr LINDSAY—Yes, I should! I join with my colleague the member for Oxley in calling on the Bligh Labor government to fund its responsibilities and get on with what the Com-
monwealth wants to build for the benefit of the people of Australia and the benefit of the people Townsville.

Ms HALL (Shortland) (8.28 pm)—Listening to the speakers from the other side of the House, you can tell how out of touch they are. They are totally unable to come to terms with the fact that the global financial crisis was not caused by the Rudd government: it is a global financial crisis. I put it to them that the Rudd government is leading the way and being a model for the rest of the world in how to deal with the global financial crisis. One of the Howard government’s legacies to Australia is the fact that in the good times they failed to invest in infrastructure. Now the Rudd Labor government is showing them just how it should be done, by making a massive investment in infrastructure through its national infrastructure fund.

In my own electorate, there have been numerous projects funded. As recently as today, through the nation-building package, I was notified that $80,000 is going to be spent on local roads—on the Pacific Highway at Flowers Drive and at Cams Wharf and $30,000 at Gorokan. These are very important policies that invest in local infrastructure whilst at the same time investing in local jobs. The Rudd government has also invested over $500 million in the ARTC in the Hunter, which will lead to indirect investment of more than $1 billion.

The DEPUTY SPEAKER (Hon. DS Vale)—Order! The time allotted for this debate has expired. The debate is interrupted in accordance with standing order 41. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting. The member for Shortland will have leave to continue speaking when the debate is resumed on a future day.

GRIEVANCE DEBATE

Debate resumed from 23 February.

The DEPUTY SPEAKER—The question is:

That grievances be noted.

Economy

Mr JOHNSON (Ryan) (8.30 pm)—I am pleased to speak in the Australian parliament today as the member for Ryan. I want to grieve on behalf of the people of Ryan and the wider Australian community. Of deep concern to me, not only as a member of the opposition but also as a citizen of this country and as the father of a little 2½-year-old boy, is where our economy is going. I want to grieve about the direction of the Australian economy and I want to express some thoughts on behalf of the hundreds of Ryan constituents that have contacted me in the last couple of months, particularly over the last month following the Rudd Labor government’s February expenditure package of some $42 billion. I think there is great concern in the community about the direction and the mismanagement of the Australian economy and I want to express some thoughts about government policy and about some alternatives that would have been better for the economy if they had been delivered. They would have been more sustainable, more visionary and more effective in getting the outcome that the Rudd Labor government sought to obtain—and it has failed miserably in its endeavour to do so.

In the past three months alone, we have seen the Rudd Labor government spend a massive amount of taxpayers’ money. I think that this has largely been misdirected. It goes to the ques-
tion of the judgment of those in the senior echelons of the Labor government. As we all know, the first package was delivered in December 2008 and consisted of some $10.4 billion of taxpayers’ money. The second package was delivered in February and consisted of some $42 billion of taxpayers’ money. This is serious money: this is some four per cent of GDP alone. In anyone’s language this is a massive amount of money.

I want to give some context to this amount of money because I think it helps tremendously to put things into perspective. When the Labor government took office in 2007, they inherited a massive budget surplus. They inherited a surplus of some $20 billion, which was a legacy of the financial prudence of the Howard government. As an indication of the seriousness of the issue of financial management, consider the fact that it took the Howard government nearly 10½ years to pay off the deficit that it had inherited, some $96 billion of debt left by the Keating Labor government—a debt which drained the budget of some $9 billion in interest payments annually. So that puts it all into context. If it took more than a decade for the coalition government under Prime Minister Howard to repay some $96 billion in debt left by the Keating Labor government, one can only imagine the length of time that it will take for future Australian governments to repay the future deficits that will accumulate and be a chain around the necks of the taxpayers of Australia, in particular the generation of Australian taxpayers to come.

The Leader of the Opposition and the opposition have said that, considering the current difficult financial times that we have, we do not contest the point of stimulating the Australian economy with taxpayers’ money. But I think we have to draw the line somewhere and realise that this is taxpayers’ money and we do not know what lies ahead.

Ms Hall—Is it a global financial crisis or just an Australian crisis?

Mr JOHNSON—I regret to divert for a moment, but I will state on the record for those who will read this speech in the future that courtesy and respect for the opposition, as shown by colleagues in the parliament, should be noted. A member of the opposition is unable to express his thoughts without some discourteous intervention by Labor MPs. For the record, I note that.

As I said, the coalition does not contest the fact that we are going through remarkable global economic challenges, so there is a case for government to play a part and stimulate commercial and economic activity. We do not contest that. For those who try to persuade differently, I think it does them a great disservice and discredits them. It is about the amount that one spends; it is about where one draws the line. We do not know what is ahead, we do not know what is in the pipeline and we have no idea whether or not we are at the very beginning of a decade-long financial crisis. We do not know the timelines, so we must row forward with great prudence as to how we spend hard-earned taxpayers’ money.

We support the $4.8 billion in payments to pensioners. In fact it was the then Leader of the Opposition, Dr Brendan Nelson, a man of remarkable integrity and compassion, who called for the government to pay some respect to pensioners to make their lifestyle a little bit more generous. If one does not endorse what I say, all one needs to recall is the fact that aged Australians got on the streets of Melbourne and stripped down to make a political point. It is an affront to the government that they would have to do that to make their political point. They could not do it through normal channels of communication and representation; it took some
very courageous pensioners to make a political point of such significance before the payment was made. We acknowledge that; it was important.

We support the business expenditure of the government because that is important. At the end of the day, it is about the creation of additional wealth. Small businesses and medium sized businesses create jobs in this country. Governments do not create sustainable jobs. It is very important that businesses in Australia get the support that they deserve. I have received so many communications, via email and telephone, about the opposition’s position was in contrast to the government’s position. I want to highlight that because I think it really does distinguish the position of the Labor Party and the Liberal-National coalition. The proposal that we put forward as an alternative was to pay a portion of the superannuation guarantee levy on behalf of small employers for the next two years. This measure, as the Leader of the Opposition indicated, would meaningfully help small businesses. It would improve the cash position of small businesses and, as a consequence, reduce the cost of employment and directly contribute to preserving jobs.

Anyone who receives money from the government is, of course, not going to turn their back on it. Who would turn their back on the money? The questions that need to be raised are these. Is this sustainable? Is this prudence in the context of what lies ahead? We do not know what lies ahead, so one cannot just continue to give money to individuals to spend as an artificial stimulus to the economy. So, if we are going to spend this kind of money, the federal opposition supported something along the lines of $20 billion—half the amount that the government passed in the parliament. We felt that there was a better way to stimulate the Australian economy. I certainly endorse that, particularly with the creation of wealth.

There is the idea of supplying pink batts, for example—that is, free ceiling insulation for some 2.7 million homes. All Australian homes that are owner occupied are entitled to free ceiling insulation, worth up to $1,600, if their home is currently not insulated. Anyone who thinks this is a strategic, targeted and common-sense allocation of taxpayers’ money is misdirected. That is not sustainable. To use American vocabulary, that is just Labor pork-barrelling.

(Time expired)

Ageing

Ms HALL (Shortland) (8.40 pm)—I thought I would use my time in this grievance debate to discuss an issue that I believe is of utmost importance to Australia and to our future as a nation. I suppose this issue is highlighted even more to me because I come from an electorate that is ageing. Just in case you did not pick this up, I will be talking about ageing. I want to talk from a positive perspective about what we need to do as a society to utilise and appreciate those people in our society who are getting older and are still quite fit and healthy. On the other hand I would like to talk a little about issues that confront people—

Mr Johnson interjecting—

Ms HALL—I suggest the member for Ryan check out the items that can be talked about in the grievance debate. In the grievance debate you do not necessarily have to attack the other side. The grievance debate can be used for putting forward positive and creative ideas. Maybe the member for Ryan does not have a positive or creative idea in his head.

I am also going to concentrate on issues that are confronting frail aged people. As I have already mentioned, one of the biggest issues confronting Australia is our ageing population. We
have a declining birth rate while at the same time people are living longer. Former Treasurer Peter Costello took a first step towards looking at our ageing population through the Intergenerational report. Unfortunately, I feel that he looked at it only from the point of view of the economic cost to Australia. There are many other dimensions to ageing than just the cost. When people, governments and organisations look at ageing it is from a very negative perspective. Ageing equals aged care and ageing equals a cost to the community: ageing is a very negative thing.

I remember when I was younger being with a very active and fit person who had grey hair. A friend walked up behind her when she had dropped something, put her hand on her and said, ‘Dear, can I help you?’ The friend then saw that the person I was with was younger than she was. Quite often you find in hospitals that older people are talked to in a way similar to how children are talked to. That older person is still an intelligent, vibrant person but because they are older they are thought of as being a lesser person and not having the same level of understanding as someone who is younger. By adopting this approach to ageing, we as a society are losing a lot. We are losing the wisdom that older people can provide us with and we are losing a very important resource in our community.

From the perspective of ensuring that we have a society that embraces a positive lifestyle in ageing, we need to make sure that older people are connected to the rest of our society. We need to ensure that they are included in activities. If a person is a little older and has not been as active and as involved, one of the best things that we can do is put in place the support that is needed to help that person connect again with their community. Active ageing is about being involved in exercise and ensuring that the right sort of environment is created to prevent falls. Active aging is the recognition of the fact that just about every volunteer organisation in Australia manages to continue operating only because of the older people that are involved.

One of the areas where I think our nation is really being deprived is that of employment. In that area older workers are severely discriminated against. If a person is older they are thought of as being out of touch and not as au fait with the latest technologies. They are thought of as not having knowledge about the latest computers and the latest workplace practices. They are even thought of as being an occupational health and safety risk. That is not true—not true at all.

Older workers are a resource that exists within our community. They are a resource that is being ignored, but not every employer has ignored that resource. Westpac bank is one of the employers that have embraced older workers and made a point of employing older workers. Westpac has found that as customer service officers older workers are quite often much more effective than other employees. I think its oldest employee 75 years of age and operating very effectively.

If, as a society, we are to move from the cost approach to an ageing population to a positive approach, we need to develop some innovative approaches. We need to put in place the right sorts of programs that are going to encourage employers to offer jobs to older people. We need to put in place programs and advertisements that send out positive messages into the community that people, as they get older, are still valuable members of our society. Older people are members of our society and they provide so much support. They provide support to children through grandparenting and to volunteer organisations, as I have already mentioned.
It is only by recognising this that we can calculate the true advantage of having an older society.

I think there are numerous missed opportunities because of the fact that we do not recognise that older people are a particular market. If businesses look at, cater for and embrace the needs of the ageing population, those businesses will find enormous opportunities. As a nation we need to move from where we are now—of seeing an ageing population only as a cost to our nation. We need to embrace the opportunities that exist. We need to embrace the older citizens of this country and develop their special attributes and use those special attributes for the benefit of our nation. (Time expired)

Religious Persecution

Mr SIMPKINS (Cowan) (8.50 pm)—I was recently handed the magazine of the Barnabas Fund, Barnabas Aid, which supports hope and aid for the persecuted church. I was fascinated to read of an issue of great importance to me and a great many people in Cowan. The issue is apostasy, which in this case is where a Muslim converts to Christianity and faces extreme consequences that in various countries include murder, imprisonment, harassment, beatings, torture, rape and a wide range of other persecution undertaken either as a legally sanctioned punishment or by family or others in the community who believe that their actions are justified under the scriptures. This issue is about religious intolerance, and this is the grievance I wish to speak to.

To begin with, I would like to speak briefly about the petition to this place being advanced by the Barnabas Fund. The petition calls on the House to support efforts by Muslims to have the apostasy law reformed and for the House to encourage other governments to pursue abolition of the offence and of punishments for apostasy. I encourage the Barnabas Fund to continue to highlight this important issue and progress their petition. It is neither right nor legitimate for any religion to justify threats against and punishments and persecutions of those who choose to leave one religion for another. In my view it is clear that such a position of persecution of dissidents is wrong and should be opposed. Furthermore, any religion that promotes or justifies the persecution of apostates cannot be considered true or genuine.

Sadly, it appears that only in 2007 in Norway did a nationally representative Muslim organisation affirm the right to convert from one faith to another without fear of harassment or violence. This is not reassuring, and I wonder where the leadership is on this matter here in Australia. By that I mean: what is the Islamic leadership’s position on such matters? Surely condemnation of such barbarism can be expected. Of course, the actions of a few can always be dismissed as misinterpretation of the scriptures, so I will just speak briefly of that. Such misinterpretations could be quickly cleared up by unequivocal public statements by the leadership. It would be great to see public condemnation of the ill-treatment of converts to Christianity. It would be great to hear of clear public statements that the Koran does not justify or condone any ill-treatment of converts. It does not seem that there have been any such statements, and I wonder what the silence really means. It is unclear whether it is a lack of will or it is just not possible.

I say this because, under sharia’s five main schools, death sentences are prescribed for men. This is correct, because it is required under the four Sunni options—Hanafi, Shafi’i, Maliki and Hanbali—and is also prescribed under the Shia Jafari school of sharia. It seems that the differences in each school revolve around the time allowed to repent, whether the apostasy
needs to be spoken, the manner in which it is spoken, the number of witnesses et cetera. The
punishment for women is death in most cases, but under the Hanafi school it is imprisonment
until the woman repents. Under the Shia version she can be imprisoned and beaten with rods
until she repents or dies. I struggle to identify evidence of a civilised or tolerant religion when
these are the only possible outcomes prescribed under sharia.

I would now like to draw on some examples of the application of the Islamic attitude to
those who turn away from Islam to Christianity. Firstly, in Saudi Arabia, we have the case of
Fatima al-Mutairi, who became a Christian after discovering Jesus on the internet. Her brother
cut out her tongue and burnt her to death. Saudi law allows execution as punishment, but, be-
cause her brother did it, a lenient sentence seems likely. I understand that some of her family’s
pride has been restored because she was murdered by her brother. This is nothing short of
barbaric. Sudan also has the death penalty for apostasy, or converting, from Islam. In Iran in
recent years apostates have been murdered or beaten to death. On 2 September last year, pro-
visional approval was granted by the Iranian parliament for the establishment of the death
penalty for apostates, where before judges had used other laws to justify the death penalty for
men and lifelong imprisonment for women.

I find there are two problems with the continuation of medieval laws. One is the very fact
that the death penalty can be imposed in many countries around the world, especially consid-
ering the rationale behind it being religious preference. This by itself is outrageous enough,
but to allow the continuation of it represents a terrible influence on Muslims who can then use
that very law or even text from a holy book as an excuse for persecution, harassment or even
murder. These actions taken against converts to Christianity have even been taken by family
members. The reality of this is that there are deep matters at the core of the problem.

These are deep problems at the core of a religion that many of us find incomprehensible
and, in many ways, reprehensible. I say these things at the risk of being branded an Islamo-
phobe, a term designed to repress free speech and alternative views. The subjugation of
women, arranged marriages and even punishment by rape have been reported and justified
under Islam. These are not consistent with Western attitudes.

Why then, in contrast, are converts to Islam celebrated in the West as evidence of great tol-
erance? Those who convert away from Islam to Christianity are not similarly supported or
protected. In the United Kingdom, the government and some parts of their society have gone
out of their way to demonstrate their fair treatment and acceptance of Islamic people by such
celebrations of Muslim converts and by allowing limited sharia law. This sometimes gives me
cause to wonder, in the case of Muslims converting to Christianity, if this is some source of
embarrassment for those who seek to demonstrate their lack of bias against Muslims.

What concerns me is that in the United Kingdom and perhaps elsewhere governments
have, in their attempts to demonstrate equality and fairness, provided additional rights or
promotions to Muslims rather than just ensured that they have no fewer rights than anyone
else in society. The greatest example of this remains the introduction of sharia law. Regardless
of it being limited or unlimited, it is an additional right given to a narrow section of the com-
unity and it is wrong. Any attempt to introduce it in Australia in any capacity and in any
location should be rejected and vigorously opposed.

People in Cowan raise these matters with me frequently—it is almost surprising how fre-
fently—and this demonstrates to me that the subject is of great concern to a lot of my con-
stiuents. However, when they raise it with me, I always say to them the following: Australia is a very tolerant country. If someone wants to come here and work to provide for their family and they have respect for the values and institutions of our society then it does not matter about the colour of their skin or their choice of religion; we welcome them. The opposite of this is where someone wants to come here and impose different institutions or values on Australia; then I say they are not welcome. Sharia law is exactly such an example, and I join with the majority of Australians in rejecting any attempt to establish it here. From the examples of the Islamic approach to converts away from the Muslim faith in almost every place in the world, this system of religion based law is inconsistent with our values and the institutions of Australian society. This truth remains self-evident now and forever more.

Economy

Ms JACKSON (Hasluck) (8.59 pm)—I would like to commence tonight by acknowledging that small- and medium-sized businesses are an important part of the lifeblood of the Australian economy and the generators of many jobs. They contribute almost a third of gross domestic product and employ some 5.5 million people. That is why the Rudd government are committed to supporting Australian small businesses through the global recession, and we recognise that small businesses are often the first to feel the effects of an economic downturn.

This is the most severe global economic crisis since the Great Depression. We all know it started in the United States of America and has now spread across the world, causing a global recession. It was caused by unrestrained greed and unregulated markets. Around the world we have witnessed more than 30 banks collapse or be bailed out, and we have seen major economies like the United States, the United Kingdom, Germany and Japan fall into recession and unemployment rise in practically every country around the world. The Prime Minister and the Treasurer have said that Australia will not be immune and the situation will get worse before it gets better. The government has been upfront with the Australian people about the future. This will be a long, drawn-out global crisis which will have a real impact on Australia. Growth will slow, budget revenues will be reduced and unemployment will go up. But the government is taking early and decisive action to cushion Australia from the impact of the global recession to try to stimulate our economy and protect our financial system. We have heard about the guaranteed bank deposit accounts and the term funding of our banks, building societies and credit unions to maintain the stability of the financial system and to protect people’s savings. We also saw the need for an immediate economic stimulus to the national economy and, while the majority of the stimulus package is on infrastructure and skills, it will take some six to 12 months to stimulate the economy and a more immediate stimulus like cash payments is necessary to provide an urgent boost to our economic activity.

As I indicated, both the Treasurer and the Prime Minister have said that are were no easy solutions or quick fixes to this global crisis. There are no silver bullets. There is not just one thing the government can do to make the crisis go away, but we as a government have said that we will do whatever it takes to reduce and cushion the impact of the crisis on Australia. Small business, in particular, will benefit from the government’s $42 billion Nation Building and Jobs Plan, introduced to support jobs and invest in long-term economic growth. I know from my own discussion with local businesses throughout the electorate of Hasluck that there is a great deal of goodwill and support for both the Economic Security Strategy, announced in October last year, as well as the more recent Nation Building and Jobs Plan. Certainly the re-
tailors in my local stores know that the economic stimulus package in December was a great bonus to them prior to Christmas.

Some of the government’s other measures include: a $2.7 billion small business and general business tax break, providing small businesses with a turnover of $2 million a year or less; an additional 30 per cent deduction for eligible assets costing $1,000 or more acquired between December 2008 and 30 June 2009 and installed by 30 June 2010; a 20 per cent discount on the pay-as-you go tax instalments payable by 3 March 2009, which provided an immediate boost to cash flow; a share in the $12.2 billion immediate stimulus package for low- and middle-income households and individuals; the government’s direct investment in schools, housing, energy efficient homes, roads and local infrastructure, which will all benefit small business; a $4 billion Australian Business Investment Partnership to support the commercial property sector and the thousands of small businesses, independent contractors and tradespeople who service it; and a $46 million investment in small business advisory services. The Nation Building and Jobs Plan was carefully designed to support jobs and bolster the economy in the short term but, even more importantly, it will lay down the groundwork for a stronger economy when we emerge from the global recession.

Those small business initiatives I went through are in addition to a program of initiatives already in place to assist small business, a program of cutting red tape in 27 areas of state and federal regulation affecting business. I congratulate the Western Australian government on its cooperative approach with the federal government following COAG agreements. We are moving from nine separate markets in Australia to one. We have also ensured that small business contracts of up to $1 million with Commonwealth departments will be paid within 30 days or penalty interest may be charged by small businesses. As well, there is the introduction of a simpler process to make it cheaper and easier for small business to tender to sell goods and services to government agencies. From 1 July 2009 small businesses will be able to send their superannuation payments to a single clearing house that will distribute the money to the employees’ various superannuation funds free of charge.

Earlier this month we saw the Minister for Small Business, Independent Contractors and the Service Economy, Craig Emerson, convene a roundtable meeting between the banks and small business organisations to respond to issues associated with the availability of credit to small business. Members would be familiar with the communique that arose from that roundtable discussion, and it is pleasing to note that they tackled and addressed a number of issues affecting the price of credit and looked at ways of assisting small businesses experiencing repayment difficulties as well as those experiencing difficulty obtaining credit. I urge all members of the House to become familiar with the communique. In particular, I note that Minister Emerson announced that his office will establish a small business complaints clearing house to ensure that the government continues to be responsive to small business in these economic times.

You can imagine my distress, then, when last month the CEO of one of my four local chambers of commerce circulated an email to all WA federal MPs that had been sent to her by a small business member. She rightly assumed it was not his message and that it had been widely circulated. Nevertheless, she believed that, ‘It is not a one-off story; it is the story of the majority of small to medium enterprise owner-operators in Australia.’ The text of this email, allegedly from an employer to ‘valued employees’, says, amongst other things: ‘The
economy doesn’t pose a threat to your job. What does threaten your job, however, is the changing political landscape in this country.

It goes on and on. For example: ‘On 15 October I wrote a cheque to the Australian tax office for $288,000 for quarterly taxes. You know what my stimulus cheque was? Zero, zip, zilch. The question I have is this: who is stimulating the economy—me, the guy who has provided 14 people good, paying jobs and who services over 2.2 million people per year with a flourishing business, or the single mother sitting at home pregnant with her fourth child waiting for her next welfare cheque? Obviously the government feels the latter is the economic stimulus to this country.’ That is the flavour of this email. Its last paragraph is: ‘So if you lose your job it won’t be at the hands of the economy. It will be at the hands of the politicians that swept through this country and changed its financial landscape forever. If that happens, you can find me sitting on the beach, retired and with no employees to worry about.’

I am sad to say that this email has been around and around for some while. Its genesis was in the United States of America. It is not based on a true story at all and it fails to understand this simple message: the only way we will get through this global financial crisis is to work together. This is a time for national unity, a time for us to put our differences aside and work together to ensure that Australia gets through this global recession. I urge businesses, unions, employers and employees, all levels of government and the community: together we can work through this difficult period ahead. Let us not point fingers and lay blame on other people. Let us work to ensure that businesses receive reliable information to assist them, advise them and support them as well as tell them of the opportunities available to them.

Defence

Mr BALDWIN (Paterson) (9.09 pm)—I rise tonight to speak on two very serious issues within my shadow portfolio area of defence. These issues highlight the continual failings and mismanagement of this government and the Minister for Defence. On the SAS pay issue, it is now some five months since the opposition exposed at Senate estimates hearings the pay scandal affecting scores of special forces soldiers which saw some soldiers facing debts of up to $50,000 and having their salaries reduced by tens of thousands of dollars.

The problem arose when a Defence Force Remuneration Tribunal ruling came into effect in August last year and was backdated to 9 August 2007. A number of serious anomalies occurred in the implementation of this ruling which resulted in numerous SAS soldiers being assessed as not being formally qualified for many of the competencies for which they were being paid. As the decision was backdated these soldiers incurred debts, in some cases as high as $50,000. Further to questioning within Senate estimates hearings I also raised the issue in the House on 22 October 2008, referring to documents tabled that revealed that a significant number of SAS members had incurred debts and that, due to debt recovery action, these soldiers had in some cases been left with a take-home pay of only $250 per fortnight and that interest on their debts was at 7.2 per cent.

I asked the Minister for Defence to immediately intervene to overturn this and the minister unreservedly guaranteed in the parliament that the problem would be fixed. He said:

I am aware of the very, very serious issue he raises and can report to the House that the problem facing our special forces soldiers relates to a decision of the independent Defence Remuneration Tribunal of August 2007. I can also report that special forces headquarters has been working on this issue for
some time. I can further report that Defence has agreed to stop any recovery of those, what might be deemed to be, overpayments.

... ...

I know that all members of the House will agree and, indeed, all members of the Australian community will agree that all of our servicemen and women, but in particular in this case our special forces who are doing such important and dangerous work in Afghanistan, are due every consideration and every reward for the work they do. I can guarantee to the House that this problem will be fixed.

That was Minister Fitzgibbon, Hansard, 22 October 2008. On 25 October 2008 the minister travelled to Perth and gave similar assurances to the regiment in person. Yet despite these assurances the problem was not fixed. Recently, the opposition was able to produce documentation in the form of Salary Variation Advice that clearly shows that this problem continued long after the minister’s assurances and that debt recovery action was still being taken as late as 22 January this year despite repeated assurances that it had ceased. The simple truth is that this minister gave his assurance that this would be fixed, and it was not.

These guys are out there doing the hard yards in the war on terror. They are away from their family, operating in the harshest of environments and putting their life on the line every day. It is an absolute disgrace that they should face this kind of stress and hardship when the minister was aware of their plight and gave his repeated assurances that the problem would be rectified. These soldiers tried for months to get this problem addressed and yet, despite being made fully aware of the issue, their minister failed to intervene and failed to help. He sent them to the war and then sent them the bill!

Only after exhausting the options available to them did a number of these soldiers seek the help and advice of their member of parliament. And what happened? They were threatened. These young men from whom we ask so much were threatened. In an email sent to members of the SAS Regiment on Friday, 20 February 2009, they were ordered not to go outside the regiment to resolve or discuss this or any other pay related issue regardless of what it was. It went on to inform them that any personnel found contravening this order would have disciplinary action taken against them under the DFDA, with possible removal from the unit.

In an attempt to avoid embarrassment in a second round of Senate estimates hearings these guys were threatened. This amounts to more than embarrassment. The minister’s handling of this issue has been nothing short of a national disgrace. We have been told that this threatening order came from a genuine desire for soldiers to raise their concerns in an appropriate manner. I would suggest that a soldier raising very genuine concerns with their member of parliament, their elected representative, after months of frustration, dissatisfaction and uncertainty is entirely appropriate.

This is an issue of confidence. Just as we, in parliament and as citizens, need to have confidence in our Defence Force personnel, our soldiers need to have confidence in Defence and in their Minister for Defence. How can the members of the SAS Regiment possibly have that faith and confidence in a minister who for five months was at best ineffectual and at worst negligent, while they experienced what, in many cases, has been a very distressing circumstance? There has now clearly been a complete collapse in confidence and relations between the minister and the defence department. This has serious ramifications for our troops serving on the ground in Afghanistan and elsewhere, who need to know their minister will go to bat for them.
This issue has dragged on for months now and, despite the engagement of an independent auditor, is no closer to resolution today than it was in October last year. This minister failed in his duty to protect the wages and conditions of these soldiers. He has failed to honour his repeated promises in this House that these problems would be fixed and he has failed to maintain the critical relationship the minister must have with his own department.

The problem will not be solved until these soldiers are recognised as appropriately qualified and are paid what they are owed. These are soldiers who were previously judged as fully qualified with all trade competencies by special operations command and who are now, because of a bureaucratic nightmare, not recognised in the system as properly qualified to receive the pay to which they are entitled—the pay which they had been receiving up until this mess. It will not be solved until it is guaranteed that no disciplinary action or acts of retribution will be taken against any soldier for discussing this matter with their member of parliament or anyone else. It will only be solved when it is guaranteed that not only all the debts relating to trade competencies or qualifications incurred as a result of this determination will be waived but all of the moneys deducted and interest charged will be reimbursed to the soldiers. It will only be solved when the minister takes responsibility for this mess. This happened on his watch and he has failed to intervene effectively on the soldiers’ behalf.

The second issue I wish to raise is the security of local defence industry jobs. Today I called on the Prime Minister and the Minister for Defence to take immediate action to protect the hundreds of Australian defence industry jobs currently at risk as a result of the government’s $40 million investment in the American Joint Light Tactical Vehicle program, a decision that is threatening any chance for Australian industry to compete for the LAND 121 Phase 4 program. The LAND 121 Phase 4 program will see around 1,300 light protected mobility vehicles acquired to replace some of the Army’s 4,000 Land Rovers.

The government has invested $40 million in the US program to fund nine joint light tactical vehicle prototypes to be built in the US. There has, however, been no funding as yet allocated for a locally developed prototype and no clear statement on the process for engagement with local industry. Local industry has effectively been shut out of the process at the expense of hundreds of Australian jobs. Defence contractor Thales delivered the highly successful Bendigo built Bushmaster vehicle and there is no reason to believe that a smaller, lighter variant of the Bushmaster cannot also be developed right here. In fact, plans for a ‘Baby Bushmaster’ already exist. The development and delivery of a project like this would directly employ hundreds of people from the various trades through to highly skilled engineers and industrial designers and indirectly hundreds along the necessary supply lines.

The importance of defence industry to a regional community such as Bendigo cannot be overstated. The current Bushmaster contract runs out in 2011 and this is a golden opportunity that local industry cannot afford to miss out on. The government must take immediate steps to ensure that local industry has a fighting chance to participate in this critical program. The government must engage with local industry and there must be funding allocated immediately for a locally developed prototype. Australian jobs should be the government’s first priority, and there are 300 to 400 Australian defence industry jobs on the line, not to mention an export potential for a lighter variant of this even greater than that of the current Bushmaster.

This government’s failure to invest in Australian industry and failure to protect Australian jobs is inexplicable. That the government would sacrifice local jobs in industry and invest $40
million in an offshore prototype project when we have the proven capability to produce such a product here simply beggars belief. I repeat the calls I made publicly today—that is, for the government to step up and immediately provide funding so that an Australian prototype can be developed. It is no good waiting until the prototypes are developed in the US and the intellectual property is held in the US and then expecting Australian companies to compete when timelines will be against them. The time to provide that funding for Australian industry is now. The time to protect the long-term viability of those jobs in Bendigo is now. I am surprised that the member for Bendigo has been absolutely quiet on the ‘Baby Bushmaster’ program, considering he had an awful lot to say about the Bushmaster program when the Howard government was developing such a device.

Nation Building and Jobs Plan

Mr BIDGOOD (Dawson) (9.19 pm)—I am aggrieved at the failure of the previous Howard government in delivering education facilities to the people of Dawson. Many times the former member for Dawson promised that she would deliver a science precinct at the university, and she failed on two occasions to deliver on that promise.

In contrast, the Rudd Labor government is delivering for the people of Dawson. Under the Nation Building and Jobs Plan the government will deliver a $14.7 billion boost to the education revolution over the next three financial years. The Building the Education Revolution initiative commences in 2008-09 and provides new facilities and refurbishments in schools to meet the needs of 21st century students and teachers. All of Australia’s 9,540 schools, including the schools in my electorate of Dawson, will benefit from the immediate funding for major and minor infrastructure projects. This program builds on the government’s commitment to all Australian schools by targeting primary and secondary school infrastructure requirements in both the government and non-government sectors.

The three key elements of the Building the Education Revolution initiative are as follows. First: Primary Schools for the 21st century—$12.4 billion to build or refurbish large-scale infrastructure in primary schools and special schools, from kindy to year 12, including libraries and multipurpose halls. Second: Science and Language Centres for 21st Century Secondary Schools—$1 billion to build up to 500 science laboratories or language learning centres in our secondary schools. There will be a competitive process for proposals. Funding will be allocated to schools that demonstrate need, readiness and capacity to complete construction by 30 June 2010. Third: renewing Australia’s Schools—$1.3 billion to refurbish and renew existing infrastructure and build minor infrastructure in all schools. This works out at up to $200,000 per school, depending on the population in the schools.

On top of this, the government is building the education revolution through the computers in schools program, and I am pleased to report that, in the second round of computers in schools, 13 schools in my electorate shared in over 1,400 computers—$1.4 million in funding—and those schools included Carlisle Christian College, Whitsunday Christian College, Calen District State College, Home Hill State High School, Whitsunday Anglican School, Mercy College, Mackay Christian College, Ayr State High School, Bowen State High School, Holy Spirit College, Proserpine State High School, Pioneer State High School, and Mackay North State High School. Needless to say, the principals of all these schools were over the moon with the delivery of such commitment.
Putting trade training centres in schools is another of the government’s commitments to Building the Education Revolution. The second phase of this program was recently announced by the Minister for Education, and I am pleased to say that five schools from the Mackay area, including three from Dawson—North Mackay, Mackay and Pioneer state high schools—will share in almost $6 million in funding to construct a purpose-built, industrial workshop catering for the manufacturing, engineering and mining industries. What is unique about this is that they have joined together and pooled their resources, and this centre will address skills shortages in the manufacturing, construction and property service industries and will enable the delivery of a range of qualifications in engineering. The beauty of this working together is that they are going to build this complex on the Central Queensland University site adjacent to the proposed new SkillsTech Australia facility. So this really is delivering, which the previous government did not. The previous government promised many times—it gave lots of lip-service—to deliver a $6 million science precinct. They failed. We, the Rudd Labor government, are delivering in full.

Funding will also be used to purchase equipment relevant to current industry standards and to refurbish the schools’ manual arts facilities to current industry standards. It is clear that, with the delivery of these programs, the Rudd government is delivering for the education revolution, for the people of Dawson and for the students. We deliver on-the-ground infrastructure and facilities—not just lip service, like the opposition did when they were in government, but real promises, real commitment and real delivery. I am so pleased and so proud to be part of a Rudd Labor government that not only says it believes in education for the next generation of Australians but actually delivers. Never before has so much been given to education, and I am so proud to be a part of that because we are planting the seed of education in future generations. In 10, 15, 20 or 25 years this nation will reap vast benefits and rewards in the form of their skills and innovations, discoveries and scientific pursuits. So it is a real promise, a real commitment and a real delivery. I commend this to the House.

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

Main Committee adjourned at 9.25 pm
QUESTIONS IN WRITING

Governor-General
(Question No. 389)

Mr Melham asked the Prime Minister, in writing, on 12 November 2008:
Further to the answer to question No. 104, *(Hansard, 25 May 2008, page 3746)*, why is the Governor-General provided with copies of Cabinet minutes, but not copies of Cabinet submissions.

Mr Rudd—I am advised that the answer to the honourable member’s question is as follows:
Cabinet submissions have not been provided to recent Governors-General. The arrangement with Her Excellency Governor-General Bryce mirrors the arrangement that had existed with her predecessor, His Excellency Governor-General Jeffery. Previously, Dr Hollingworth and Sir William Deane had opted not to receive any Cabinet documents.
Cabinet Minutes are returned to the Cabinet Secretariat for destruction when the Governor-General no longer requires them.

Abortion
(Question No. 574)

Mr Georgiou asked the Minister for Foreign Affairs, in writing, on 3 February 2009:
When will the Government decide whether or not it will remove the restriction on Australian foreign aid being spent on abortion services and training under the Australian Agency for International Development’s Family Planning and the Aid Program: A Comprehensive Guide.

Mr Stephen Smith—The answer to the honourable member’s question is as follows:
There are strong views, genuinely held, on both sides of this issue and all views will be considered. There has been no date set for the finalisation of the process but I have indicated a decision will be made soon.