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SITTING DAYS—2009

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>February</td>
<td>3, 4, 5, 9, 10, 11, 12, 23, 24, 25, 26</td>
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<td>March</td>
<td>10, 11, 12, 16, 17, 18, 19</td>
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<td>May</td>
<td>12, 13, 14, 25, 26, 27, 28</td>
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<td>June</td>
<td>1, 2, 3, 4, 15, 16, 17, 18, 22, 23, 24, 25</td>
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<td>August</td>
<td>11, 12, 13, 17, 18, 19, 20</td>
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<tr>
<td>September</td>
<td>7, 8, 9, 10, 14, 15, 16, 17</td>
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<tr>
<td>October</td>
<td>19, 20, 21, 22, 26, 27, 28, 29</td>
</tr>
<tr>
<td>November</td>
<td>16, 17, 18, 19, 23, 24, 25, 26</td>
</tr>
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FORTY-SECOND PARLIAMENT
FIRST SESSION—FIFTH 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

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<table>
<thead>
<tr>
<th>Members</th>
<th>Division</th>
<th>Party</th>
<th>Party</th>
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</thead>
<tbody>
<tr>
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## Members of the House of Representatives

<table>
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<th>Party</th>
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<tbody>
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<td>Georganas, Steven</td>
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<td>Kalgoorlie, WA</td>
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<td>Shortland, NSW</td>
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<td>Mitchell, NSW</td>
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<td>Swan, WA</td>
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<td>Fowler, NSW</td>
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<td>Hasluck, WA</td>
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<td>Tangney, WA</td>
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<td>Ryan, Qld</td>
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<td>Eden-Monaro, NSW</td>
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<td>Denison, Tas</td>
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<td>Pearce, WA</td>
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<td>Bradfield, NSW</td>
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</table>
### Members of the House of Representatives

<table>
<thead>
<tr>
<th>Members</th>
<th>Division</th>
<th>Party</th>
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<td>Trevor, Chris Allan</td>
<td>Flynn, Qld</td>
<td>ALP</td>
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<td>Truss, Hon. Warren Errol</td>
<td>Wide Bay, Qld</td>
<td>Nats</td>
</tr>
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<td>Tuckey, Hon. Charles Wilson</td>
<td>O’Connor, WA</td>
<td>LP</td>
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<tr>
<td>Turnbull, Hon. Malcolm Bligh</td>
<td>Wentworth, NSW</td>
<td>LP</td>
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<tr>
<td>Turnour, James Pearce</td>
<td>Leichhardt, Qld</td>
<td>ALP</td>
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<tr>
<td>Vale, Hon. Danna Sue</td>
<td>Hughes, NSW</td>
<td>LP</td>
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<td>Vamvakinou, Maria</td>
<td>Calwell, Vic</td>
<td>ALP</td>
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</tbody>
</table>
Members of the House of Representatives

<table>
<thead>
<tr>
<th>Members</th>
<th>Division</th>
<th>Party</th>
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<tbody>
<tr>
<td>Washer, Malcolm James</td>
<td>Moore, WA</td>
<td>LP</td>
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<tr>
<td>Windsor, Anthony Harold Curties</td>
<td>New England, NSW</td>
<td>Ind</td>
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<td>Wood, Jason Peter</td>
<td>La Trobe, Vic</td>
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</tr>
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<td>Zappia, Tony</td>
<td>Makin, SA</td>
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</tbody>
</table>

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
Deputy Prime Minister, Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion
Treasurer
Minister for Immigration and Citizenship and Leader of the Government in the Senate
Special Minister of State, Cabinet Secretary and Vice President of the Executive Council
Minister for Finance and Deregulation
Minister for Trade
Minister for Foreign Affairs
Minister for Defence
Minister for Health and Ageing
Minister for Families, Housing, Community Services and Indigenous Affairs
Minister for Infrastructure, Transport, Regional Development and Local Government and Leader of the House
Minister for Broadband, Communications and the Digital Economy and Deputy Leader of the Government in the Senate
Minister for Innovation, Industry, Science and Research
Minister for Climate Change and Water
Minister for the Environment, Heritage and the Arts
Attorney-General
Minister for Human Services and Manager of Government Business in the Senate
Minister for Agriculture, Fisheries and Forestry
Minister for Resources and Energy and Minister for Tourism

Hon. Kevin Rudd, MP
Hon. Julia Gillard, MP
Hon. Wayne Swan MP
Senator Hon. Chris Evans
Senator Hon. John Faulkner
Hon. Lindsay Tanner MP
Hon. Simon Crean MP
Hon. Stephen Smith MP
Hon. Joel Fitzgibbon MP
Hon. Nicola Roxon MP
Hon. Jenny Macklin MP
Hon. Anthony Albanese MP
Senator Hon. Stephen Conroy
Senator Hon. Kim Carr
Senator Hon. Penny Wong
Senator Hon. Martin Ferguson

[The above ministers constitute the cabinet]
RUDD MINISTRY—continued

Minister for Home Affairs                Hon. Bob Debus MP
Assistant Treasurer and Minister for Competition Policy and Consumer Affairs Hon. Chris Bowen MP
Minister for Veterans’ Affairs          Hon. Alan Griffin MP
Minister for Housing and Minister for the Status of Women Hon. Tanya Plibersek MP
Minister for Employment Participation  Hon. Brendan O’Connor MP
Minister for Defence Science and Personnel Hon. Warren Snowdon MP
Minister for Small Business, Independent Contractors and the Service Economy and Minister Assisting the Finance Minister on Deregulation Hon. Dr Craig Emerson MP
Minister for Superannuation and Corporate Law Senator Hon. Nick Sherry
Minister for Ageing                      Hon. Justine Elliot MP
Minister for Youth and Minister for Sport Hon. Kate Ellis MP
Parliamentary Secretary for Early Childhood Education and Childcare Hon. Maxine McKew MP
Parliamentary Secretary for Climate Change Hon. Greg Combet AM, MP
Parliamentary Secretary for Defence Support and Parliamentary Secretary for Water Hon. Dr Mike Kelly AM, MP
Parliamentary Secretary for Regional Development and Northern Australia Hon. Gary Gray AO, MP
Parliamentary Secretary for Disabilities and Children’s Services and Parliamentary Secretary for Victorian Bushfire Reconstruction Hon. Bill Shorten MP
Parliamentary Secretary for International Development Assistance Hon. Bob McMullan MP
Parliamentary Secretary for Pacific Island Affairs Hon. Duncan Kerr MP
Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Trade Hon. Anthony Byrne MP
Parliamentary Secretary for Social Inclusion and Parliamentary Secretary for the Voluntary Sector Senator Hon. Ursula Stephens
Parliamentary Secretary to the Minister for Health and Ageing Senator Hon. Jan McLucas
Parliamentary Secretary for Multicultural Affairs and Settlement Services Hon. Laurie Ferguson MP
Parliamentary Secretary for Government Service Delivery 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]
<table>
<thead>
<tr>
<th>Position</th>
<th>Shadow Minister</th>
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<tbody>
<tr>
<td>Shadow Minister for Financial Services, Superannuation and Corporate Law</td>
<td>The Hon Chris Pearce MP</td>
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<td>Shadow Assistant Treasurer</td>
<td>The Hon Tony Smith MP</td>
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<td>Shadow Minister for Sustainable Development and Cities</td>
<td>The Hon Bruce Billson MP</td>
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<td>Shadow Minister for Competition Policy and Consumer Affairs and Deputy Manager of Opposition Business in the House</td>
<td>Mr Luke Hartsuyker MP</td>
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<td>Shadow Minister for Housing and Local Government</td>
<td>Mr Scott Morrison</td>
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<td>Shadow Minister for Ageing</td>
<td>Mrs Margaret May MP</td>
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<td>Shadow Minister for Defence Science and Personnel and Assisting Shadow Minister for Defence</td>
<td>The Hon Bob Baldwin MP</td>
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<td>Shadow Minister for Veterans’ Affairs</td>
<td>Mrs Louise Markus MP</td>
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<td>Shadow Minister for Early Childhood Education, Childcare, Status of Women and Youth</td>
<td>Mrs Sophie Mirabella MP</td>
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<td>Shadow Minister for Justice and Customs</td>
<td>The Hon Sussan Ley MP</td>
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<td>Shadow Minister for Employment Participation, Training and Sport</td>
<td>Dr Andrew Southcott MP</td>
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<td>Shadow Parliamentary Secretary for Northern Australia</td>
<td>Senator the Hon Ian Macdonald</td>
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<td>Shadow Parliamentary Secretary for Roads and Transport</td>
<td>Mr Don Randall MP</td>
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<td>Shadow Parliamentary Secretary for Regional Development</td>
<td>Mr John Forrest MP</td>
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<td>Shadow Parliamentary Secretary for International Development Assistance and Shadow Parliamentary Secretary for Indigenous Affairs</td>
<td>Senator Marise Payne</td>
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<tr>
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<td>Mr Barry Haase MP</td>
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<td>Shadow Parliamentary Secretary for Disabilities, Carers and the Voluntary Sector</td>
<td>Senator Mitch Fifield</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Water Resources and Conservation</td>
<td>Mr Mark Coulton MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Health Administration</td>
<td>Senator Mathias Cormann</td>
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<td>Shadow Parliamentary Secretary for Defence</td>
<td>The Hon Peter Lindsay MP</td>
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<td>Shadow Parliamentary Secretary for Education</td>
<td>Senator the Hon Brett Mason</td>
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<td>Shadow Parliamentary Secretary for Justice and Public Security</td>
<td>Mr Jason Wood MP</td>
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<td>Shadow Parliamentary Secretary for Agriculture, Fisheries and Forestry</td>
<td>Senator the Hon Richard Colbeck</td>
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<tr>
<td>Shadow Parliamentary Secretary for Immigration and Citizenship and Shadow Parliamentary Secretary Assisting the Leader in the Senate</td>
<td>Senator Concetta Fierravanti-Wells</td>
</tr>
</tbody>
</table>
## CONTENTS

### MONDAY, 1 JUNE

**Chamber**

Main Committee—

Private Members’ Motions ............................................................................................................................................. 4851

Business ........................................................................................................................................................................... 4851

Nation Building Program (National Land Transport) Amendment Bill 2009—

Second Reading ................................................................................................................................................................ 4851

Consideration in Detail ..................................................................................................................................................... 4899

Ministerial Arrangements ................................................................................................................................................ 4905

Ministerial Statements—

India .................................................................................................................................................................................... 4905

Distinguished Visitors ....................................................................................................................................................... 4907

Questions Without Notice—

Budget .................................................................................................................................................................................. 4907

Economy ............................................................................................................................................................................. 4907

Infrastructure ..................................................................................................................................................................... 4910

Budget .................................................................................................................................................................................. 4912

Infrastructure ..................................................................................................................................................................... 4913

Education ........................................................................................................................................................................... 4916

Economy ............................................................................................................................................................................ 4917

Nation Building and Jobs Plan ........................................................................................................................................ 4918

Ministerial Code of Ethics .................................................................................................................................................. 4920

Taxation: Policy .................................................................................................................................................................. 4920

Infrastructure ..................................................................................................................................................................... 4921

Climate Change ................................................................................................................................................................. 4922

Youth Allowance ............................................................................................................................................................... 4925

Emissions Trading Scheme .............................................................................................................................................. 4926

Aged Care ........................................................................................................................................................................... 4928

Budget .................................................................................................................................................................................. 4928

Medicare ............................................................................................................................................................................. 4929

Climate Change ................................................................................................................................................................. 4930

Questions to the Speaker—

Question Time ...................................................................................................................................................................... 4931

Personal Explanations ...................................................................................................................................................... 4932

Documents .......................................................................................................................................................................... 4932

Nation Building Program (National Land Transport) Amendment Bill 2009—

Consideration in Detail ..................................................................................................................................................... 4932

Third Reading ................................................................................................................................................................. 4933

Tax Laws Amendment (2009 Budget Measures No. 1) Bill 2009—

Second Reading ............................................................................................................................................................... 4934

Third Reading ................................................................................................................................................................. 4943

Fairer Private Health Insurance Incentives Bill 2009,

Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009 and

Fairer Private Health Insurance Incentives (Medicare Levy Surcharge—Fringe Benefits) Bill 2009—

Second Reading ............................................................................................................................................................... 4943

Business—

Days and Hours of Meeting ............................................................................................................................................. 4969
CONTENTS—continued

Election Petition—
  Court of Disputed Returns.................................................................4969
  Fairer Private Health Insurance Incentives Bill 2009,
  Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009 and
  Fairer Private Health Insurance Incentives (Medicare Levy Surcharge—Fringe
  Benefits) Bill 2009—
  Second Reading.................................................................................4969
Petitions—
  Aged Care...............................................................................4988
  Internet Filtering....................................................................4989
  Coalmining..............................................................................4989
  Northern Territory: Bilingual Education.................................4989
  Indigenous Languages..........................................................4990
  Climate Change.......................................................................4990
  Parliament: Lord’s Prayer......................................................4991
  Responses—Internet Content...............................................4991
  Statements............................................................................4994
  Petition: Youth Allowance..................................................4995

Committees—
  Infrastructure, Transport, Regional Development and Local Government
  Committee—Report ..............................................................4997
  Infrastructure, Transport, Regional Development and Local Government
  Committee—Report: Referral to Main Committee .........................5000
  Health and Ageing Committee—Report................................5000
  Health and Ageing Committee—Report: Referral to Main Committee 5003
  Education and Training Committee—Report .........................5003
  National Capital and External Territories Committee—Report .............5005
  Australian Commission for Law Enforcement Integrity Committee—Report ....5008

Adjournment—
  Economy.............................................................................5009
  Public Transport..................................................................5011
  University of Newcastle.......................................................5012
  Economic Security Strategy...............................................5013
  Iran......................................................................................5015
  Fadden Electorate: Government Spending..................................5016

Main Committee

Committees—
  Migration Committee—Report ..............................................5018

Appropriation Bill (No. 1) 2009-2010,
Appropriation Bill (No. 2) 2009-2010 and
Appropriation (Parliamentary Departments) Bill (No. 1) 2009-2010—
  Second Reading.......................................................................5030

Statements by Members—
  Sutherland Shire..................................................................5047
  Fireworks..............................................................................5048
  Youth Allowance Scheme....................................................5048
  Relay for Life........................................................................5049
  North Coast Floods...............................................................5049
  Blair Electorate: Schools.......................................................5049
  Uniting Church.....................................................................5050
CONTENTS—continued

Kleenmaid ...................................................................................................................... 5050
Pastor Jade Lewis ........................................................................................................... 5051
Moreton Electorate: Tarragindi War Memorial Kindy Fete ........................................... 5051
Private Members' Business—
  Sri Lanka ...................................................................................................................... 5052
  Area Consultative Committees ....................................................................................... 5063
Grievance Debate—
  Youth Allowance ............................................................................................................ 5075
  Death Penalty ................................................................................................................... 5077
  Youth Allowance ............................................................................................................. 5080
  Building the Education Revolution Program .............................................................. 5082
  Queensland and New South Wales Floods ................................................................. 5084
  Tasmanian Scallop Fishery ............................................................................................. 5086
Questions In Writing
  Attorney-General's: Program Funding—(Question No. 463) ........................................... 5090
  Moncrieff Electorate: Program Funding—(Question No. 596) ....................................... 5092
  Financial Borrowings—(Question No. 651) ................................................................... 5094
  Small Business—(Question No. 664) .......................................................................... 5095
  Small Business—(Question No. 668) .......................................................................... 5096
  Small Business—(Question No. 672) .......................................................................... 5096
  Small Business—(Question No. 676) .......................................................................... 5096
The SPEAKER (Mr Harry Jenkins) took the chair at 10 am 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 27 May 2009, I present copies of the terms of motions for which notice has been given by the members for Fremantle and Pearce. These matters will be considered in the Main Committee later today.

BUSINESS

Mr ALBANESE (Grayndler—Leader of the House) (10.01 am)—by leave—I move:

That government business have priority prior to 12 noon for this sitting.

Question agreed to.

NATION BUILDING PROGRAM
(NATIONAL LAND TRANSPORT)
AMENDMENT BILL 2009
Second Reading

Debate resumed from 28 May, on motion by Mr Albanese:

That this bill be now read a second time.

Mr BIDGOOD (Dawson) (10.02 am)—Mr Speaker, in the absence of the scheduled speaker, I would like to speak. I am assuming that is okay.

The SPEAKER—The member for Dawson has the call because he rose and, on the rotation of the call, he gets the call.

Mr BIDGOOD—Thank you very much, Mr Speaker. I rise to speak on the Nation Building Program (National Land Transport) Amendment Bill 2009. This bill is central to the effective delivery of the Rudd Labor government’s $26.4 billion road and rail program, our Nation Building Program, and is essential to our national interest. The bill proposes changes to ensure more effective provisions for major road and rail infrastructure projects on the national network, as well as off the network, and more effective provisions for the Roads to Recovery program and the Black Spot Program.

The Rudd Labor government is delivering for Dawson, delivering on real nation-building infrastructure for the 21st century. We are delivering what those on the other side failed to do, year after year, whilst in government. The passing of this bill will enable the full implementation of the Nation Building Program to properly proceed. We are getting on with the job of nation building—of building up now, not later, desperately needed infrastructure to ensure we have world-class facilities for a world-class economy.

My electorate of Dawson in particular was well served by the government’s focus on delivering infrastructure spending now, not later. With targeted investment now to create more jobs and to protect our economy—an economy affected by the global financial crisis, which, as we remember, started in the USA—we will come out on top and in form as a nation. I am especially pleased that the bill will enable the effective delivery of the additional black spot funding allocated through the Nation Building and Jobs Package. Nationally, this bill will allow $8.5 billion in rail, roads and ports infrastructure for Australia to lift productivity.

We believe it is important to invest in nation building today to support jobs and provide infrastructure for tomorrow. The Rudd Labor government will invest $35 billion over six years in transport infrastructure. The Howard government, by contrast, failed to deliver on Australia’s infrastructure needs and left us with an infrastructure deficit. This is a government that listens and acts.
In Queensland alone we are investing $7.3 billion through the nation building program. This includes work on the Townsville Port Access Road and the upgrade of the southern approach to Mackay in my electorate. There is also $1.75 billion in the Roads to Recovery program; $500 billion in the Black Spot Program, and additional investment in this program through our stimulus packages is seeing an additional 607 black spots addressed right across the nation; $70 million in the Heavy Vehicle Safety and Productivity Program; and $150 million in the Boom Gates for Rail Crossings Program.

In my electorate alone, three Black Spot Program projects worth $152,000 are delivered in the budget. Alligator Creek on the Bruce Highway is receiving $100,000; Ivory Road in the town of Ayr is receiving $40,000; and Cape Hillsborough Road in Seaforth is receiving $12,000. That is three programs in Dawson delivered by the Rudd Labor government this year. But that is not all—there is more. Dawson will receive four boom gates for rail crossings, including those on Maraju-Yakapari Road in Mackay, on Gorman Street in Mackay and on Drysdale Street in Ayr, boosting safety and providing residents with real outcomes. Dawson and surrounding electorates are the recipients of six Nation Building projects, worth $62.7 million, including two new projects: maintenance works on the Bruce Highway between Sarina and Cairns in 2009-10, $30 million; and safety enhancement works in known accident zones between Sarina and Cairns, also in 2009-10, $10 million. These two projects will total $40 million in 2009-10 and $255 million by 2014. With the continuation of the strategic corridor program, the Townsville Port Access Road, the Burdekin Bridge maintenance and rehabilitation and the Bruce Highway southern approach to Mackay making up the remainder, these are projects promised and delivered for the seat of Dawson.

These projects cannot be delayed by those opposite, those without the ideas, without the vision that this country needs. I am proud to be in a government that delivers real infrastructure—not just promises, not just lip service but real dollars to invest in and build the nation’s infrastructure for tomorrow, creating jobs now in the process. I am proud to be a part of a Rudd Labor government that is building Australia’s future today. I commend the bill to the House.

Ms Marino (Forrest) (10.07 am)—I rise to speak on the Nation Building Program (National Land Transport) Amendment Bill 2009. This bill will simply rename and re-badge the coalition government’s very successful AusLink road funding program and name it the ‘Nation Building Program’—once again, a demonstration of the spin used by this government to create the erroneous impression that nation-building initiatives and policies are new. Clearly, they are not new, as the Australian people well know. This government inherited the very successful AusLink program established by the coalition government. The name change was announced at the special Council of Australian Governments meeting on 5 February 2009.

The previous coalition government had a long history of funding state road expenditure, whether it was for national highways as identified under AusLink or local, rural and regional roads under the Roads to Recovery program. The coalition government introduced AusLink, which came into effect in the financial year 2004-05 and consisted of corridors of linked national highways and rail links. It was then extended to focus on rail, road and intermodal transport links to major city ports and airports. The program was further extended to include ports that were the
The final link in the export chain. The subsequent programs, such as Roads to Recovery and the Black Spot Program, were incorporated into AusLink. Then the strategic regional program was added. Finally, AusLink established a long-term multimodal planning framework called the National Land Transport Plan, which was the basis for the investment in the national network.

The coalition government’s AusLink program was very successful because it recognised that councils in local government areas were best placed to directly identify and prioritise maintenance for local roads, whether it be as to uneven edges, fixing potholes from recent flooding, bridge repairs or grading, levelling or bituminising roads to ensure community safety. This work was funded under the Roads to Recovery program and black spot funding for identified accident sites. Initially these funds were directed to the various state governments—Labor state governments, I might add—to distribute to local shires. However, a proportion of these funds were reprioritised within the Labor state governments and distributed to metropolitan areas for other activities, not necessarily targeted at repairing roads. As a consequence the funds did not necessarily reach the local shires. When this became apparent, the coalition took the decision to direct this road funding straight to the local shires to ensure that their much-needed roadworks could be funded and the work completed in a timely manner, as identified by those in the local and regional communities.

Funding directed to land transport networks by this Labor government emanates from funds set aside from the previous coalition government’s surplus budget. The Australian people are well aware that this expenditure is only possible as a result of the coalition’s 10 years of responsible economic management, paying off Labor’s $96 billion debt as well as investing in productive infrastructure. Many of the Labor government’s infrastructure promises and funding announcements are actually previously announced projects funded from budget allocations under the previous coalition government. The Perth-Bunbury Highway is one example. I am pleased to inform the House that this highway is now called the Forrest Highway, named after Baron John Forrest, the first Premier of Western Australia. My electorate is also named after John Forrest. However, the previous government had announced the Perth-Bunbury Highway project, now the Forrest Highway project, and had allocated funding. Procrastination and obstruction by the then Labor state Minister for Planning and Infrastructure, Alannah MacTiernan, did not assist in expediting the actual construction. Notwithstanding previous announcements by the coalition government, and a start date of December 2006, the Labor government in their 2008-09 budget announcements claimed the project as their own and re-announced the previously allocated $160 million funding.

The bill also makes a number of changes to funding arrangements that apply to projects funded under the Nation Building Program. The amendments to section 71 of the AusLink (National Land Transport) Act 2005 allow sites that are on the National Land Transport Network to become eligible for black spot funding. Currently, that is not the case. Black Spot Program funding was always intended to be allocated for projects on local roads and streets.

This bill will also allow AusLink strategic regional projects—now termed the Nation Building Program—to fund non-regional projects. This government is continuously removing vital resources and critical funding from rural and regional Australia. Amendments in this bill will allow metropolitan areas access to black spot funding and the Strategic Regional Program funding that was
previously quarantined for use on our vast networks of regional and rural roads. Another example of the government’s discrimination against regional Australia is the changes to the youth allowance affecting gap year students from regional areas, who will now not qualify for youth allowance when they have to move to study at metropolitan universities to continue their tertiary education.

The name change in this bill is a political one in nature. It is simply seeking to rebrand a successful coalition national transport program. It also seeks to mislead by creating the false impression that the Labor government is increasing spending on new infrastructure programs than is actually happening. The bill moves the Black Spot Program away from local roads and streets to a competitive funding environment with the substantially national highway system. Changing the strategic regional component of AusLink to fund projects in non-regional locations completely alters the intent of AusLink funding and will shift even more federal funding from regional areas into the city areas. I am, therefore, opposed to the changes to the Roads to Recovery program, the Black Spot Program and the strategic regional projects, as they alter the regional focus of these highly successful programs.

This decision ignores the fact that AusLink was a strategic regional program designed to assist regional local governments with building better transport networks to support industry, tourism and economic development. It was funding to foster partnerships between the federal government and regional Australia by providing funding to those worthwhile infrastructure related projects in areas not on the National Land Transport Network. Given the productivity of the regions, this was a very important, on-the-ground delivery of funding in the areas which drive Australia’s export performance.

It has only been the strong export performance of the agricultural sector that has kept Australia out of technical recession in recent months.

This product emanates from the region. This is the reason the dedicated regional productive infrastructure funding is needed through an AusLink program. Funding for such infrastructure related projects is vital to my regional Forrest electorate, and I strongly believe that regional shire councils should not have to compete with metropolitan areas for such funding. This will not provide a level playing field to compete for funds because high traffic volumes and numbers of votes in urban areas will subtract funds from those high-value freight areas on regional roads.

This also raises road safety issues for regional road users. I refer the House to an article by the RAC in Western Australia, dated 22 January 2008, in which it called for ‘a major cash injection’ on road infrastructure ‘after it was revealed there are nearly 1,000 kilometres of substandard highways in WA’. The RAC report identified ‘the state’s worst 10 sections of highway’. The majority of them were in the south-west of Western Australia. It said:

The worst rated section of road was a 73km stretch of the South West Highway—
which was in my electorate before the boundary changes—
between Yornup, south of Bridgetown, to Shannon, south of Manjimup.

The other most-dangerous section of road was identified as ‘the Bussell Highway between Cowaramup and Margaret River—one of the major tourist routes in the south-west’. All the roads were identified as inferior and dangerous, with crumbling or gravel edges, faded markings, poor lighting, short overtaking lanes, and overgrown vegetation and large trees causing roadside hazards. Contin-
ued maintenance of our south-west and regional roads is paramount for community safety. I do not support this bill in its removal of critical funding from regional Australia.

Mr MARLES (Corio) (10.15 am)—I rise to speak in support of the Nation Building Program (National Land Transport) Amendment Bill 2009, which is a bill that seeks to amend and rename the AusLink (National Land Transport) Act 2005. But it is more than just a change of name; it represents a change in the direction that the Rudd government has made in the approach to road and rail investment. It represents a far more comprehensive, flexible and fair system of going about funding land transport in this country. In the last 18 months we have seen the Rudd government move away from the narrow-cast AusLink program, because this is a government which is about looking after all Australians. Nation building allows for the investment in road and rail infrastructure whether it is part of the national network or not. This is about building a land transport system across regional and metropolitan Australia. This is about putting into place a land transport system which acknowledges and understands the integrated nature of regional and metropolitan transport.

A perfect example of that is one project which is being funded under this program within my electorate of Corio: the $50 million upgrade of the connection between the national rail gauge and the grain port in the Port of Geelong. Geelong’s northern suburbs really represent one of the best pieces of transport and logistics land in Australia. There we have located near each other the national rail gauge, an airport, a seaport and Highway 1, all in a geographically strategic part of the country and all surrounded by land that can be used for transport and logistics providers. The issue has always been the connection between those different modes of transport. One of the connections which will be put in place as a part of this program is the $50 million loop which will allow an easy access into the grain pier for both southerly-bound and easterly-bound trains. It will avoid the complicated process which is currently involved in turning southerly-bound trains around. It will save something in the order of 20 minutes per train in getting that train into the grain pier. It represents the possibility of more trains being able to get into the grain pier and, potentially, of a different mix of products being able to leave the Port of Geelong.

That is a really good example which shows that this spending is being done in a way which connects regional, metro and country Australia, and it is a very good example of what this program is all about. This program will also provide, for the first time, federal government investment in delivering safer rail crossings, an area which previously had been a state responsibility. The federal government has never previously invested in boom gates. Last year there were 28 collisions in the state of Victoria, nine of which resulted in fatalities. The federal government is now funding safety upgrades for 58 Victorian rail crossings. One of them is in my electorate, on Geelong Ballan Road at Moorabool. Right now there exists just a set of flashing lights there, but there will be boom gates put in place which will make that a much safer crossing. Overall, the government is funding 292 new boom gates and other safety measures at high-risk rail crossings around the country. This, combined with the Regional Rail Express in Victoria—the $3.2 billion project being funded by the Commonwealth to provide for separation between metropolitan and country trains going into Melbourne, which will be an enormous boon for the many thousands of people in Geelong who commute into Melbourne on a daily basis—represents the kind of invest-
ment in the transport infrastructure of this
country that we have not seen for a very long
time indeed.

For the last 11 or 12 years of the Howard
government, we saw a government which
was sitting on its hands when it came to land
transport infrastructure. If indeed the opposi-
tion ultimately rejects this bill then that is an
effective vote against the Nation Building
Program. It is an effective vote against the
Black Spot Program, it is an effective vote
against the Boom Gates for Rail Crossings
Program, it is an effective vote against the
Roads to Recovery program, it is an effective
vote against the Heavy Vehicle Safety and
Productivity Program, it is a vote against the
investment of this government in the trans-
port infrastructure of this country and it is a
vote against the economic recovery of this
nation. It is for these reasons that I am sup-
porting this bill and I very much urge the
opposition to do the same.

Mr BALDWIN (Paterson) (10.23 am)—I
rise today to speak on the Nation Building
Program (National Land Transport) Amend-
ment Bill 2009. This bill is all spin and no
shovel. I say it is all spin and no shovel be-
cause the primary function of this bill is to
change a name—to change the name from
the AusLink National Project to the Nation
Building Program National Project; to
change AusLink Transport Development and
Innovation Project to the Nation Building
Transport Development and Innovation Pro-
ject; to change the AusLink Strategic Re-
gional Project to the Nation Building Pro-
gram Off-Network Project; to change the
AusLink Black Spot Program to the Nation
Building Program Black Spot Project; to
change the AusLink Roads to Recovery pro-
gram name to Nation Building Program
Roads to Recovery. This is all spin and no
shovel. This will create business and work
for printers and bureaucrats and very little
for the community. I want to give you a clas-
sic example of why I say that. I quote from
the Bills Digest, which says:

The Rudd Government subsumed Auslink into
its Nation Building Program and expanded it to
include boom gates for rail crossings and rest
areas for heavy vehicles. Still, it seems that in
2009-10, land transport infrastructure funding
will be lower than in 2008-09 by about $2 billion
($6.436 million less $4.427 million) as shown in
Table 2. This seems to be at odds with providing
fiscal stimulus to the economy during the reces-
sion.

I suppose that every government deserves to
tag and brand what it does, but the state-
ments by the previous speaker that the gov-
ernment did absolutely nothing in its 12
years are untrue. The former government
established AusLink and AusLink 2, which
was the first time that we had a nationally
established program consolidated for fund-
ing. The previous Commonwealth govern-
ment, under Howard, also took over the rail
corridors and made sure that spending in
investment, particularly in the Hunter, was
concentrated because of the years of neglect
from the state government, and in that I par-
ticularly point to the years of the Carr, then
Iemma and now Rees governments in New
South Wales where investment in infrastruc-
ture was terribly neglected because, at the
same time, the state Labor government in
New South Wales was ripping out all the
coal royalties and the biggest problem was
actually getting our coal to the port and then
exporting it.

As I said, this is the all-spin-and-no-
shovel program designed to brand it so that
this government can take control. But this
bill also reminds me much of the Regional
Telecommunications Infrastructure program,
where programs and money were set aside
for people in regional and rural Australia.
But it was this Labor government that, prior
to the election as part of its nation building,
decided to take the $2 billion set aside in a
trust fund of which the interest could be spent only on rural and regional telecommunications infrastructure and consumed it in the consolidated revenue, I suppose in part to fund the massive debt that this government has created. This government is all about debt. It is about debt and spend.

What concerns me is the hypocrisy that flies fast with this government. I want to bring to account a project which is now called the ‘Hunter Freeway’. People in the Hunter have not worked it out yet, because they still call it the F3 link. The F3 is a road that started many years ago and, for the life of me, it escapes me how under any government—state or federal—there was never consideration or serious determination of the actual link from down the Wahroonga end to the M2. You spend all your time getting down the F3 only to be stuck in a traffic jam. In the northern area, the F3 link road or now the ‘Hunter Freeway’ is an interesting piece of infrastructure where politics has played supreme. According to the Senate estimates and responses from the minister for infrastructure’s own department, I would like to state to the House and make sure it is on the record that, in a written response to question II 40 that Senator Nash asked about the study into the transport needs of the lower Hunter, it was stated:

A proposed route for an external bypass of Maitland was announced by then federal minister for transport the Hon P Morris in 1983 as a part of the National Highway between Sydney and Brisbane.

Extensive works were undertaken on the proposal, resulting in a recommendation for further investigation into significant changes to the overall concept of the project, due to constraints such as the requirement for long crossings of flood-prone wetland. This resulted in the proposed external bypass route being abandoned in favour of the Kurri Kurri corridor (Seaham to Braxton via Kurri Kurri)—which has been called the F3 link and is now called the Hunter Freeway—which was endorsed by the Federal Minister for Transport in 1993.

The preferred route was announced in May 1994 by the New South Wales government and the EIS was exhibited in August/September 1995. The New South Wales Minister for Planning approved the route and design, subject to 129 Commonwealth conditions and 15 New South Wales conditions, on 7 November 2001.

And this is perhaps the most important part—

The RTA’s modified design for the project to reduce the environmental impact, including minor changes to the route alignment, received planning approval in August 2007.

Despite the fact that the coalition had provided $107 million to the government of New South Wales for planning, property acquisitions—and I understand that all but two of the affected properties in this 40-kilometre corridor have been acquired—the reality is that physical, groundbreaking work could not have commenced until August 2007. With that in mind, on 9 November 2007, Jim Lloyd—who was then Minister for Local Government, Territories and Roads—announced that an additional $780 million on top of the $107 million would be provided for the project. Immediately everyone thought that this was wonderful, including the Support the Link or Sink Group. That group is headed by Fred Brown, who is a long-time stalwart of the Labor Party who made his politics very clear but also made it clear that this road was more important to him than party politics.

I would like to report a chronology of events that was reported in the local papers. On 26 November 2007 the Maitland Mercury reported:

Mr Fitzgibbon was a long-time advocate for the F3 to Branxton Link Road but he was no longer convinced it was the best option for the area and he wanted a new independent assessment of the project.
A couple of days after the election, the newspaper reported that Mr Fitzgibbon—who had been a long-term, no-holds-barred campaigner for the road—was:

… no longer convinced it was the best option for the area and he wanted a new independent assessment of the project.

In his first interview after the election, the newspaper reports that Mr Fitzgibbon was asked: ‘Is the F3 link still the best and right solution for our traffic problems?’ and he answered, ‘Maybe yes, but we don’t know.’ Such was the confusion of the member for Hunter, who was so strong and so blind in his support for the road, that two days after coming into government—when he finally had to deliver something—he did not know what he should do. The newspaper article went on to quote Mr Fitzgibbon, who said that there could be a cheaper and better option but:

I’ve asked the minister to review the cost … I will continue to take up the fight.

The reality is that the community never lost its passion. We went through the facade of Minister Albanese, the member for Hunter, and the then state Treasurer, Michael Costa—and, indeed, the whole Labor apparatchik—coming up to this big powerhouse meeting and the best that the community got was: ‘We didn’t know whether this would happen.’ On 18 February, the Minister for Infrastructure, Transport, Regional Development and Local Government, Mr Albanese, told this parliament that the project did not add up.

There was all a downplay of expectations, and they announced a package of $800,000 from the Commonwealth government and $200,000 from the New South Wales government. Mr Fitzgibbon thought that it was a great victory that he had secured a million dollars to determine whether the F3 should be built. The Cessnock Advertiser at the time stated:

Mr Fitzgibbon described the meeting as successful and that for the first time we have the State and Federal Governments talking to one another constructively.

So proud was he that he boasted:

We have also secured $1 million ($800,000 from the Commonwealth and $200,000 from the NSW Government) to fund a review of both the cost of the F3 link to Branxton and whether it is the best and most cost-effective solution to our traffic issues.

These are the facts as put to the meeting. First, the F3 link was conceived in the mid 1980s and there have been big changes in traffic movements and residential and commercial settlement patterns since then. Second, the cost of the project is now $1,700 million ($1.7 billion) and it has a very low benefit to cost ratio (meaning it provides taxpayers with a low-value solution). Third, notwithstanding these facts, we should not rule out the F3 link as a solution …

So what we have is this: the minister for transport and local government, Mr Albanese, says that it does not add up. The local member, the member for Hunter, says that he is not convinced now; that the project has been going for too long and that he is not sure that it would add up. It was included in the AusLink 2 package by the current government but managed to come in on an ad hoc basis on budget night. For 18 years he was a passionate advocate that the road had to be built—mind you, it did not get the sign-off on the EIS until August 2007—and then, on coming to the treasury bench, the member for Hunter had a dramatic change of heart and all of a sudden it was not the best solution. We all know how he handles the Defence budget and the people in there, so it is no surprise that he has changed his mind and cannot understand where he is going with this.

At least I was honest with the people about the F3 link road. It is not in my elec-
It benefits my electorate but it does not come into my electorate. I have always said to the people that the Pacific Highway is the main road in my electorate. On being elected in 1996 and continuing until now, I always said that once the Pacific Highway upgrade in my electorate had started or was locked in, then I would start to change and support the F3 link road. Prior to the last election, the Pacific Highway upgrade was nearing completion and it was time to divert some support and attention to this project. As you would know in your own position and the work that you have done on the Hume Highway, Mr Deputy Speaker Schultz, it is very hard to push for roads outside your electorate when your constituents expect you to focus on roads within your electorate.

What we have seen is a change from ‘Yes, I support it’ to ‘Now, I’m not sure. It’s a lot of money—the cost-benefit analysis does not shape up.’ I welcome the funding, because we had committed to it as a government.

The Support the Link or Sink Group convenor, Fred Brown, wrote a letter to me. It reads:

Dear Sir,
At the final meeting of the above Group—that is, the Support the Link or Sink Group—it was resolved that I write to you to express our appreciation of your help. I am pleased to accede to that resolution.

While we were an apolitical group our aim was purely political go get funding for the F3-New England highways link. We reasoned your involvement was mainly political but your effort was also driven by the absolute need for the link. Maybe after Weakleys Drive.

It appears that the Coalition always intended to build the Link after completion of the Albury bypass. The fact that preconstruction was almost complete and the job was ready to go proved crucial.

We thank you for your effort and wish you well in the future.
Yours sincerely,
Fred Brown.

Fred Brown is politically diametrically opposed to me but he is a person that I have a lot of respect for because he put the people of his region well above party politics. He was admonished by many in the Labor Party for stating in the media to all and sundry during the last election that if they wanted the road built they should vote for the coalition.

It is 18 months on and we are in the middle of the economic crisis, as the Prime Minister keeps reminding us. He talks down the economy so much that this has now become not the global financial crisis but Kev’s financial crisis. He cannot talk down an economy and destroy confidence without it having a dire effect. But this project has been ready to go for 18 months and we see this spin-and-no-shovel bill debated in the House today. This work could have been tendered out and started and we would have seen jobs committed. The member for Hunter has been deliberately misleading people in the electorate by saying that this project will be completed in four years. I put it to you that the budget papers state clearly that the funding for this project will be over six years. So the member for Hunter cannot even read the budget papers. You cannot keep spinning people all the time. You are either committed to the project or you are not.

The other thing of question in the budget papers is how there is an amount of money allocated in the first year, next year, and there is an amount of money allocated in the final year, the sixth year, but there is no specific allocation for any of the four years between. So we do not know whether it will be front-end loaded to get jobs on the ground and make sure that more people are employed, to get our area and the country
through this economic crisis, or whether it will be back-ended, because with the amount of debt that this government has created it will not be able to financially commit to the road project quickly.

An amount of $1.4 billion is a lot of money, but if this government were serious about having a positive impact on our community and creating jobs, as we see with the photos the Prime Minister splashes around in this parliament, why wasn’t the funding loaded at the very front end? Why isn’t a major amount of money provided right at the very beginning? This 40-kilometre road project could be broken up between two, three or even four contractors, all starting at the same time at different sections of the road to get the road built as quickly as possible. The reality is that what we are seeing is more spin and not a lot of shovel. I would ask the government to seriously consider making sure that the investment is made at the front end and not at the back end.

The second point that concerns me in relation to this bill is the change to black spot funding. What concerns me about the change to the black spot funding is not only the name change but the fact that, for the first time, projects that would normally come under the national highway system as part of the broader government program will now be included in these projects. I can only speak highly of the black spot funding. My electorate has received a very generous amount of money because the roads were in appalling conditions and there were a lot of tragedies. I remind the House that it was the former Labor government that actually abolished the black spot funding program. It was reintroduced to this parliament by Tim Fischer in his role. It is a program that has received continual funding. I only encourage that to be continued because, as people travel greater distances and as some roads improve and others remain in the same condition, people do not change their driving habits and we will see an increase in the number of accidents.

It is also disappointing that in this program of funding we have not seen an increase in funding for roads like Buckets Way. Buckets Way was funded by the coalition government initially under a Roads of National Importance project but it needs more funding. The coalition has provided around $26 million in Roads of National Importance and black spot funding for this road and the state government has contributed very little. It is very unfortunate that on Saturday a week ago there was another fatality on Buckets Way. I heard the transport minister here talking about funding for a road in Queensland that did not fit the criteria and admonishing people for questioning it because there had been fatalities on that road. I say to the minister: Buckets Way is a dangerous road. The upgrades have been very much welcomed, but it is changing driving habits. People are driving a little more recklessly at times and consideration of funding needs to be provided.

Mr RAGUSE (Forde) (10.43 am)—I rise today to talk about the Nation Building Program (National Land Transport) Amendment Bill 2009. I was listening with interest to the member for Paterson’s statements. On every occasion that I hear the member for Paterson talking about infrastructure it is always negative, negative, negative. It is interesting that he is almost labelling his own coalition as the party of spin and no shovel. There is an interesting joke going around the House: how do you confuse the coalition on nation-building programs? The joke goes something like this: you line up three shovels and tell them to take their pick. Listening to the member for Paterson it is clear that he is confused about what we are trying to do as a government.
The Rudd government has committed to major projects, and these projects were announced in the budget. My electorate of Forde was one of those electorates which missed out severely in the previous 12 years of the coalition. Under the coalition, when we talked about road infrastructure, the excuse for not providing infrastructure planning and funding to an area like Forde was simply that it was not considered part of the national effort. The electorate of Forde has the standard rail gauge running right through the electorate. This government has made a commitment very recently and further commitments will be made.

This bill is not simply about changing the name; it is also about bringing the country together and looking at the total land transport effort across this country. As I said, the standard rail gauge runs through my electorate of Forde, and I have spoken many times in this House about that particular piece of infrastructure. The government has recently announced a $100 million upgrade to that piece of infrastructure—$55 million in my electorate and, over the border, another $45 million for what is called the Kyogle loop. It is a very important piece of rail infrastructure. Supplemented with some of the road investment, this will hugely benefit the transport effort in South-East Queensland and the stakeholders in the region.

The Rudd government talks about the three tiers or the three spheres of government working together—federal, state and local government working together. I attended a meeting on Friday with our local council, the Scenic Rim Regional Council, headed by Mayor John Brent. John has been to the national capital on a number of occasions and certainly as part of the Australian Council of Local Governments. He is very, very interested in what we can do with the three tiers of government working together. Last week the state transport minister, Rachel Nolan, announced the release of a draft report on the southern transport network investigation. This is essentially about how governments can work together to not only provide the funding and build the infrastructure but also plan future use. I applaud the state minister for putting forward this document. It has been a long time since that source information was updated. The state minister, Rachel Nolan, has asked that stakeholders—whether government stakeholders or private investment stakeholders—put forward their views on the transport needs of that region. So we have not only a state government doing their part and talking to local government about their local needs but also a federal government that has a system, a process and a series of programs that will deliver vital infrastructure to the regions—and certainly to the region of Forde.

We hear the coalition talk about negativity. We understand and appreciate what governments do when they are in office, but we now have a Rudd government. We have committed to a continuation of what was always Labor government policy in terms of nation building. If we look at the Keating initiatives, we see that the standard rail gauge program way back then was all about linking the nation and ensuring that we get the best and most efficient use out of our land transport. On that basis, I would like to commend this bill to the House.

Mr BRUCE SCOTT (Maranoa) (10.48 am)—It is with great pleasure that I rise on this chilly day in Canberra to speak to the Nation Building Program (National Land Transport) Amendment Bill 2009. Changing the name from AusLink to the Nation Building Program is really a name change that is unnecessary. It will add costs in terms of the signage of roads around Australia—rather than building roads around Australia. In many ways, this is just a political stunt from the Labor Party, desperate to make them-
selves look as though they are doing something out there, when in fact, when you look at the fine print, the devil in the detail, you find that there will be less money spent over a longer period of time than had been committed under the AusLink program by the coalition government.

Mr Raguse—Not true.

Mr Craig Thomson—Rubbish!

The DEPUTY SPEAKER (Mr AJ Schultz)—Order! The member for Maranoa has the call.

Mr BRUCE SCOTT—Thank you for your protection, Mr Deputy Speaker. I know it hurts those on the other side when they start to read the fine print of the bill before the House and realise that they too have not been told the truth by the Treasurer. I would advise them to have a look at the bill and gain an understanding of what it really means and where the money will be spent.

This is a government that in just 18 months has turned a budget surplus upside down. Australia, in the coming financial year, is facing a $58 billion budget deficit. That is an astounding turnaround of some $78 billion in 18 months. It is almost beyond belief. It must be beyond belief for the mums and dads out there trying to comprehend how anyone could turn a household budget or, in this case, the federal budget into such a deficit in 18 months when they had money in the bank. It is just beyond belief. In fact, a child born today will have stamped on their birth certificate a $9,000 debt, compliments of the Treasurer, the Prime Minister and the Labor Party. It will be stamped on their birth certificate. As they arrive in this world as an Australian citizen—

Mr Craig Thomson interjecting—

The DEPUTY SPEAKER—Order! If the member for Dobell persists, I will name him.

Mr BRUCE SCOTT—As they arrive in this world as an Australian citizen, stamped on their birth certificate will be: ‘I owe the federal government $9,000.’ That is the inheritance they will get from Kevin Rudd and Wayne Swan. They will ultimately have to pay off that debt, as will every other man, woman and child. They will have to pay off this massive debt that has been built up in 18 short months—and, as we read the budget papers, we find there is more to come.

The Labor Party loves those emotive words—it is all about the spin and the television image at night. We have heard about the education revolution. They love to make these grand announcements that require no follow-through. Before the last election, under their education revolution, they proposed a computer for every school student. That was the commitment from the Prime Minister—out there with a computer in hand, with a little backdrop, all stage-managed. What has happened? Now it is a computer for every second student. And who is going to have to pick up the maintenance and the ongoing costs? The schools themselves. So much for the education revolution—say something before the election and then wind it back after the election.

Labor do not really have to worry about following through with the apparent new language of their fandangled new Nation Building Program. The Liberal and National coalition government already had laid out the framework through AusLink for the future of road and rail and port access and infrastructure in Australia. It was the Liberal-National coalition that established AusLink in 2005. It was Australia’s first national transport framework to provide long-term planning and funding. AusLink 1 ran from 2004-05 through to 2008-09. AusLink 2 was scheduled to begin in the forthcoming financial year, from 2009 through until 2014. Under AusLink we spent more on infrastructure
than any other federal government since Federation. They are the facts. They are on the record. Under AusLink some $15 billion was allocated over a five-year period. After we had done the hard work, the hard yards of paying off that $96 billion of Labor debt, we put the budget in surplus and we were then able to put more money into infrastructure across Australia without incurring more debt for future generations. AusLink 2, as it was to be called, would have seen some $31 billion allocated to transport infrastructure across Australia.

Despite the Labor Party trying to call a spade something else—they often talk about these ‘shovel-ready’ programs, which sounds good on the media at night—Labor are ignoring the road and rail needs of regional Australia. Despite all their rhetoric about nation building in the 2009-10 financial year, funding for land transport infrastructure will be lower in 2008-09 by about $2 billion. They have taken the dollars and stretched them out further, rebadged the program, called it nation building, but when you go to the detail you find the devil. The Treasurer’s fingers are all over it, stripping the money away and stretching it out over a longer period of time. The Prime Minister and his transport minister keep claiming that they are stimulating the economy through infrastructure funding. Yet, while they are happy to throw fistfuls of cash in the form of $900 cheques to people who may have worked in Australia for six months but now live overseas, they have taken away money from important road projects. For instance, there is no funding for major infrastructure programs in rural Queensland. In Minister Anthony Albanese’s second reading speech, he boasts of projects being funded in Queensland. Well, I went and had a look. The furthest west the funding goes is Ipswich—half an hour west of the Brisbane CBD. I should invite the minister out to show him where the real resource centre of Australia is, and that there is more to Queensland than just the south-east corner. There is a lot more to Queensland than that, as I am sure the member for Dawson would agree.

Mr Bidgood—Absolutely!

Mr BRUCE SCOTT—I advise the member for Dawson to support me because I know he and the people he represents in this place live well west of Ipswich and well north of Noosa. My electorate of Maranoa, under the coalition’s plan, under AusLink 2, would have received some $40 million for the Gore Highway, which is an important link between Goondiwindi and Toowoomba. It is the road that links Toowoomba through to Brisbane, goes out through Goondiwindi and then through the Murray-Darling Basin, the great food bowl of our nation. We had $40 million committed, and that would have started to be rolled out in the 2009-10 year to upgrade that highway. AusLink would have provided some $20 million for the Cunningham Highway. So often the Cunninghams Gap road that links Brisbane through to Warwick and the New England Highway down to Sydney experiences rock falls, and the traffic can be delayed for days because of that. That $20 million would have addressed that problem. I re-emphasise the fact that it is a vital Queensland inland link road between Brisbane, Sydney and Melbourne.

AusLink would have provided some $128 million for the important Warrego Highway. The Warrego Highway might start at Ipswich but it goes a long way west of Ipswich. It goes all the way out almost to Charleville. We would have provided some $128 million for the highway. It is an important corridor because it links Brisbane not only to Mount Isa but also to Darwin. It is also a very strategic defence link for this nation, and it should not be ignored. We said we would put $128 million into that road. Before the elec-
tion the federal government committed some $55 billion for that road. It is not enough, and yet I do welcome that $55 million albeit that it is a long way short of what is required for that very important road link between Brisbane and Darwin, feeding out into the whole Surat coal seam and coal basin which is providing so much wealth for our nation, so much tax revenue for the Commonwealth. Of course, all Australians benefit from the development of the resources sector.

Quite apart from the need to upgrade the road between Roma and Mitchell, type 2 road trains—I am sure you would be interested in this, Mr Deputy Speaker Schultz—bring cattle from as far away as Kununurra in Western Australia. They come through the Northern Territory, they come through northwest Queensland, all the way down to Roma, the largest store cattle selling centre in the Southern Hemisphere. Why do they travel more than seven days to bring cattle to a market in type 2 road trains? Because they can get a better margin bringing them to that market. The Warrego Highway between Roma and Mitchell needs, we are told, $50 million to $60 million, maybe more. We, as a coalition, had committed some $128 million to upgrade the length of the highway from west of Toowoomba right through to Mitchell.

Currently the type 2 road trains could have been travelling for more than a week with not just cattle but also general goods, freight and perishables. They have to decouple their loads at Mitchell and leave a trailer behind then the trailers are taken separately by prime mover into the Roma saleyards. They then have to come back and collect the other trailer where they decoupled it. It is in the middle of almost nowhere and there is no security there. It is a pad where the trucks decouple. In fact for the beef industry it adds some $12 per beast just to bring cattle the last 90 kilometres on those trailers. Yet they could have come from Western Australia all the way to the market in Roma. The beef industry in Queensland is our second largest export by value, exported out of the state. It deserves to have the road upgraded between Mitchell and Roma so that we are not adding costs but are reducing costs for the very important beef industry. I say once again to the minister: let us get on with the job and make sure that we do have the money to upgrade the road from Mitchell to Roma.

Of course, then we can deal with safety issues on the road east of Roma right through to Toowoomba including the second range crossing. The second range crossing at Toowoomba is a very important link that the coalition had committed some $700 million towards. It is important because it is, once again, the link of Goondiwindi to Toowoomba and of Darwin through Mount Isa, Roma, Toowoomba and the Port of Brisbane. Right now, because of the failure of the state government to invest in rail infrastructure and rail rolling stock, nearly all the grain that has been harvested there over the last two years has been carried on road transport through Toowoomba to the Port of Brisbane.

Two important coalmines just near Dalby, one at Acland and one at Macalister, are now seeing some of their capacity not moving exclusively on rail but on road. It is an absolute scandal and once again a failure of Labor government planning; in this case the state government of Queensland. It is failure to plan to meet the resource needs and the road infrastructure needs to service these very important resource centres in my electorate. The trucks that go through Toowoomba, had there been a return of the coalition government, could certainly have been travelling on the new alternative route around Toowoomba, which would have removed all the heavy traffic—the grain trucks, the cattle trucks and the coal trucks.
that now go through the beautiful city of Toowoomba. Once again there has been no commitment from the Labor Party. They are not interested in the resource sector and have put no money in this forward Nation Building Program to invest in the second range crossing.

A further commitment the coalition had to regional Australia was that we announced $300 million in a development road funding program, which would have recognised the importance of those resources in the rural and remote parts of Australia. I refer to my own electorate in the Diamantina and Barcoo shires. Those long beef roads not only are beef roads today but are going out to the Cooper Basin into the oil and gas fields there. When you see some of the infrastructure being taken in there, oil rigs and pipes, and the development of this very important resource sector quite apart from the beef industry, you recognise the importance of these roads. We recognise the importance of rural and remote building infrastructure and of improving the road infrastructure in remote parts of Australia. We in fact announced some $20 million for the Birdsville development road and the Diamantina development road. That would have been on the back of other funding that we had put in place whilst we were in government. So I say, once again, it is another failure of this government. They are high on rhetoric, short on delivery and fail to recognise the need to build infrastructure in rural and remote parts of Australia where the great wealth of our nation is contained.

Mr Deputy Speaker Schultz, you would be aware that that part of Australia has seen some massive floods that are now flowing down into Lake Eyre and providing a great tourism opportunity. People who are not travelling overseas in these tougher economic times can travel into that part of Queensland and see a magnificent sight. They will see the rebirth of this ancient land in some of the most extraordinary parts of Australia. The raw beauty is something to see, and of course the bird life is quite fantastic.

Once again it is about road infrastructure. The roads had been improved whilst the coalition was in government, with the help of the great work of the councils of the Barcoo, Quilpie, Bulloo and Diamantina shires. They have done a magnificent job of trying to do the best they can with their limited resources. I encourage anyone listening to this broadcast to note that, if they want to see the outback, they will never see it in better shape. Of course the wonderful bird life—the pelicans and the spoonbills—is quite extraordinary. I recommend that they make the pilgrimage out there and see it this winter. It is a sight that you do not see very often. With some of the work that the coalition had been able to do I just wish that this government would recognise that there should be more money going into those development road programs under a category that would recognise the great importance of our remote and rural resource sectors in Australia.

The other point I want to touch on is about roadside rest areas for trucks. Trucking operators are paying an increase in fuel excise, which is designed to go to those rest areas across Australia. I recently spoke at the Western Queensland Local Government Association in Longreach where I said that on my drive from my hometown of Roma up through to Longreach I passed probably five or six of these. I am sure you, Mr Deputy Speaker, have seen them in your electorate. There are rest areas beside the roads, there are toilets and water facilities and an area where the truck can get off the main highway. I put the point to the local government people, and they accepted the proposition, that I would like the mains roads department, who have the responsibility for the manage-
ment of road infrastructure in Queensland, to talk with the local councils and get some consultative process going as to where they think these rest areas would be best placed.

On my way to Longreach for this Western Queensland local government conference I noticed that these rest areas are so often beside a highway but between towns. There might be 100 kilometres between towns and there are rest areas halfway between those two towns. I say to the main roads department, through the minister, that, if they were to consult with the local councils, the councils would say that those rest areas should be on the edge of town so that the truckies could at least go into town, have a hot shower, have a good meal and probably get into a cabin or a motel for the night and have a good sleep. I can assure you that a night in the back of a truck or even in the cabin of a truck gets very cold, you are not going to get a feed and you will not get a hot shower—but you will in those local towns. Importantly, you will bring some commerce to those local communities. I think it is a better way to deal with this rather than the approach that has been taken. It may be different on the Pacific Highway, the Hume Highway and other major highways but, taking those outback roads and the main highways that link us through to Darwin, think about those small communities and the commerce that could flow by putting rest areas on the edge of town rather than halfway between towns. I know my time has expired but once again I say to the minister—(Time expired)

Mr CRAIG THOMSON (Dobell) (11.08 am)—We have had very interesting contributions from those opposite—including the member for Maranoa—and there seems to be a real difficulty in actually talking about infrastructure. It took the member for Maranoa five minutes before he actually mentioned infrastructure at all, and then his contribution in relation to infrastructure was all negative, talking it down, saying where there had been failures and wistfully talking about what they promised at the last election—of course omitting the fact that they had been in government for 12 years and failed to do any of those sorts of things. He failed to mention that they voted against the biggest infrastructure program that this country has ever seen. Over 70 per cent of the stimulus package is about infrastructure and there is little wonder that those opposite hang their heads in shame and do not talk about infrastructure at all—they are embarrassed that they voted against Australia’s biggest ever infrastructure spending, the biggest Nation Building Program that has ever been before this parliament.

I rise to support the Nation Building Program (National Land Transport) Amendment Bill 2009. This bill will increase the flexibility for funding for local roads while ensuring local councils’ existing funding allocations cannot be reduced. The bill is central to the effective delivery of the government’s Nation Building Program worth more than $26 billion. It will ensure the government is able to effectively fund vital road and rail infrastructure projects. This will increase the government’s flexibility in funding road safety projects at sites which have contributed, or are likely to contribute, to serious motor vehicle crashes regardless of where they are located. One of the funding projects for black spots that the Rudd government announced recently is less than 100 metres from my electoral office. My staff and I have heard on many occasions the sound of a sickening crash coming from the busy spot on Wyong Road. In most cases the numerous accidents at this particular spot at Tuggerah on the Central Coast are caused by drivers losing control, partly in the wet. The black spot project will allow the road surface to be upgraded to an antiskid surface at the round-
Another of the black spot projects in my electorate of Dobell involves the installation of traffic lights at the off-ramp of the F3 freeway at Warnervale—a very busy place on weekday afternoons when thousands of drivers are returning from work and heading home. The traffic lights, once installed at this intersection, will make that spot safer for drivers, minimising the chance of serious crashes. Over one-third of all workers in the seat of Dobell commute on the F3. The F3 is the main road on which they travel. It is absolutely vital that there is funding to make sure that these safety issue measures, such as the traffic lights on the off-ramp of the F3, are actually put in place. At Ourimbah, which is also in my electorate, another black spot project on the same freeway will see the installation of wire rope barriers on the south-bound and north-bound on-ramps, making merging safer as traffic enters the freeway in both directions. In the suburb of Long Jetty, near The Entrance, a raised concrete section will be built at the intersection of the Central Coast Highway and Archbold Road as a traffic-calming measure, again with the focus on safety and reducing crashes. The Long Jetty intersection improvement will be welcomed by motorists, who will be able to drive more safely through the suburb, and pedestrians who will be able to negotiate that intersection with more confidence.

The Rudd government is spending more than $1 million on these four projects in Dobell. All have been assessed and recommended by a panel of independent road safety experts. The Black Spot Program has a proven track record of saving lives, with evaluations showing that it prevented at least 32 fatalities and more than 1,500 serious injuries in the last three years.

On many occasions in recent weeks we have seen much hypocrisy from the coalition when it comes to nation building. Faced with the greatest global economic challenge anyone has ever had to face since the Great Depression, the Liberals and the Nationals have a political strategy to hamper the government’s efforts to reduce the impact of the global recession. They come to Canberra to oppose, oppose, oppose. They oppose this in the House, they oppose this in the Senate, they oppose this in the restaurants of Kingston and they oppose this in the cafes of Manuka. However, something strange happens whenever these members leave this place—they take the opposite position. They get home and the lure of a positive media story—made possible by this government, with a positive nation-building story to tell—becomes far too great. For that one moment as the camera clicks, they must have collective amnesia because they suddenly forget all the times they have opposed these nation-building initiatives every step of the way in this place and around Canberra.

If the opposition vote against this bill, they vote against the effective delivery of a Nation Building Program. They are voting against the effective delivery of the Black Spot Program, the Boom Gates for Rail Crossings Program, the Roads to Recovery Program and the Heavy Vehicle Safety and Productivity Program as well as off-network road and rail projects.

The Rudd Labor government is committed to regional Australia through the nation-building programs. We have invested $21.2 billion in regional road and rail infrastructure. It is clear that the coalition do not believe in nation building or significant investment to improve road and rail safety. That is why they vote against all the nation-building programs initiatives we have put forward in this parliament. I commend this bill to the House.
Mr RUDDOCK (Berowra) (11.14 am)—The Nation Building Program (National Land Transport) Amendment Bill 2009 is not about substance; it is about the change of a name of a program which was in place. It does not provide extra funding. In that context it is appropriate that members of this House direct themselves to the title of the bill. The title of the bill is about nation building. I wish to speak about nation building because it is about providing infrastructure that will help to make Australia more internationally competitive and that will address major choke points in relation to the way in which goods can be moved and the extent to which people can be moved.

I have been very interested to note that speaking on this bill have been members such as the member for Paterson and, more recently, the member for Dobell, because I intend to speak about a major matter that impacts upon both of their electorates—the member for Paterson acknowledged it; the member for Dobell ignored it. The reality is that if you are about nation building you are about connecting our major cities: Melbourne to Sydney, Melbourne to Brisbane and Brisbane to Sydney.

If you look at the infrastructure that moves goods and enables people to move between those great cities of Melbourne and Brisbane, passing through Sydney, there is a variety of choices that you can make. As you come up the Hume Highway, you can use the Western Sydney Orbital, you can use the Cumberland Highway, you can use Villa-wood Road or perhaps you could even go on Silverwater Road through the member for Reid’s electorate. There are four major highways that all converge at one point in Sydney—that is, on Pennant Hills Road, which links the M2 and the F3 highways. It is a choke point that mixes passenger travelers from the Central Coast, those travelling between Sydney and Brisbane and within the electorate of Berowra, with large trucks carrying goods between our great cities. It is extraordinarily dangerous and will occasion a major accident at some point in time, to which people will say, ‘Why wasn’t something done about this?’

It is not as if it is not an issue that has not been thought about. The choke point is recognised. You will not get the commercial traffic off Pennant Hills Road or the F3 through infrastructure spending on an additional freight rail line. I would like to think it would, but the only way you will get trucks carrying containers onto trains is when they can drive their trucks on and off. Nobody likes the double and triple handling when they leave one destination and arrive at another. And I have not counted the number of bridges that would have to be raised on that rail link to be able to get it to operate effectively. There is no way that the freight traffic is going to be taken off those highways by rail infrastructure without an extraordinarily large investment in rail. If people were prepared to make it, I would encourage it. But even within my electorate you are dealing with something like more than a dozen major bridges that would have to be raised in order to be able to move freight effectively.

As I have said, this is not a new issue. When the Labor government in New South Wales wanted support for the building of the Western Sydney Orbital, the M7, Minister Scully, who was the minister for transport in New South Wales, was anxious to have a development that was going to impact on reducing traffic in his electorate. He was keen to see a highway built relatively cheaply on flat lands across the western suburbs of Sydney, but nobody thought about where the traffic was going to be dumped in the end. And of course what it was dumped on was the M2 freeway, a toll road that runs from the north-western suburbs of Sydney to the City of Sydney, and the only point at
which that traffic can then progress northwards is on Pennant Hills Road.

A study was undertaken at that time because it was recognised that this was an issue that was going to have to be dealt with. You were not going to be able to build cheaply a western orbital through the hills of Berowra with another Hawkesbury crossing, so they looked at what other solutions might be able to be undertaken. A study was launched at that time because it was believed that you could not progress with a road development like the Western Sydney Orbital without having a plan as to how you were going to deal with the end of that road. In January 2001 a decision was announced in relation to the funding of the Western Sydney Orbital, but it also recognised that high priority had to be given to establishing a new link from the M2 to the F3 to relieve pressure on Pennant Hills Road and to complete the national highway ring-road around Sydney. Here we have a national highway in which there is no effective link. If you were really about building national infrastructure you would seriously want to do something about it.

There was a study undertaken to identify various scenarios for dealing with that issue. SKM was contracted by the Roads and Traffic Authority of New South Wales to undertake that work. After very extensive consultation, it was announced by the former government that there would need to be a solution. The preferred solution was a tunnel to link the M2 and the F3. Minister Anderson, in 2002, made an announcement that there would be no breaks in it, that it would have effective filtration and would recognise that Pennant Hills Road ought not be degraded, if such a development were to proceed. There was considerable discussion about that. In my electorate, many people, concerned about the possibility of a tunnel, having seen what happened with the Lane Cove Tunnel and the Cross City Tunnel, looked at other alternatives. The former government set up a review under a very distinguished former chief judge of the Land and Environment Court to enable further consultation. Very extensive meetings took place in relation to that process. Importantly, the review confirmed that the tunnel option was the most appropriate to address the immediate needs but also it recognised that at some future point there needed to be a reservation of land for a genuine western orbital which could be constructed at a later time. These very important announcements were made at that time.

A further and most significant announcement was a decision of the former government, under the AusLink program, to recognise that this issue needed to be addressed and to provide funding for that link. I believe the amount committed in the forward estimates was of the order of $2 billion. And here we are discussing a program of nation building. We know there is a significant choke point, we know the issue needs to be addressed, we know that the Labor Party think, in ordering their priorities, that it is not projects of national interest that should be involved but, rather, projects in electorates which they hold or hope to hold. The northwestern suburbs of Sydney have been ignored by the state Labor government over a long period and it appears those areas are being singularly ignored now. As the member for Dobell leaves, let me say to him that the major impediment to his electorate and the access of his constituents to Sydney is in fact the choke point I have identified.

The DEPUTY SPEAKER (Mr AJ Schultz)—Order! The member for Berowra should know that the member leaving the chamber is the member for Dawson.

Mr RUDDOCK—The member for Dobell has already gone! Let me make the point that the substance of these arguments impacts very significantly on Labor electorates.
I am surprised that in Dobell and Robertson, where people are faced with the dilemma of how to travel to the western suburbs of Sydney, to Sydney city or to Melbourne, people are not rioting on the steps of their members’ electorate offices to ensure that this issue is addressed.

I have continued, over a period of time, to raise this issue with my colleagues in the councils of ‘The Hills’ and Hornsby and with my local colleagues in the electorates of Ku-ring-gai, Hornsby and Epping in particular, as well as Castle Hill and Hawkesbury. All of us recognise that this matter has to be dealt with. There are various views about the way forward, but the decisions have been made by the professionals that the next step to be taken should be to look at the underlying geology of the area between the M2 and the F3 to see whether or not the proposals being advanced are feasible.

I understand that the government have, under AusLink arrangements, abandoned the commitment to forward funding of this proposal but have agreed to $150 million to be spent on undertaking the geological and other environmental studies associated with this development. That might be an effective holding operation as far as they are concerned, but I suspect, in the context of the way in which Labor governments operate, it is not even a realistic holding operation. This funding was committed on condition that it was matched by $30 million from the New South Wales Labor government. I have not seen any announcements from the New South Wales Labor government. I have not seen any announcements from the New South Wales Labor government; what I have seen is that, under any proposals that are likely to address the transport needs of the north-western suburbs of Sydney, the state Labor government has been missing in action. I suspect we will find that money will be going back to Treasury because there will be no matching commitment from the New South Wales Labor government. This brings me to the point I have wanted to make in relation to this bill.

Residents of the north-western suburbs of Sydney have been deliberately disadvantaged over a long period. Labor has had no commitment to addressing this issue. Labor thinks that its own constituents in electorates like Bennelong, Robertson, Dobell and even the electorate of Newcastle and its surrounds will not worry about the fact that when they reach Sydney they will be in a choke point of this dimension. I suspect that in time the constituents of those electorates will recognise that their members have been missing in action in relation to addressing this question, which does significantly disadvantage them. I will continue to campaign actively on this matter. I will draw it to the attention of not only the constituents of the electorate of Berowra but also the constituents of surrounding electorates, which are significantly disadvantaged as a result of this failure of policy.

This is the most significant nation-building project that could be pursued by any government in Australia. I know that, when you get on this road and you are held up, as you inevitably are, with huge transport lorries on either side of you, a potential national tragedy is waiting to occur. I suspect that, if such an eventuality occurs, those who have been missing in action on this issue will be very severely judged.

Not many issues that impact upon my electorate are of such extraordinary national significance. I would encourage the minister’s colleague at the table, the Parliamentary Secretary for Multicultural Affairs and Settlement Services, who is familiar with these issues, to draw them to the attention of his ministerial colleague. I encourage the minister’s advisers to be aware that this particular issue is not going to disappear, that we will not be put off by a sop of some research...
without a major commitment to addressing this issue. The former government made that commitment. This government believes that it can save money by putting it to one side. Let me assure the parliamentary secretary at the table: I will not allow the government to forget what it is doing here.

This has been, in my 16 years as the member for Berowra, the one issue which has united all of my constituents. They recognise that it is a matter that has to be addressed. We recognise that there are higher costs in doing so, but we also recognise that not addressing the issue would be a significant impediment to effective nation building.

I have listened in this debate to many of my colleagues advance those issues that impact upon their constituents, and I understand why they address the issues in that way. But this is a matter that does not just affect the constituents of Berowra; this is a matter that affects all Australians. It affects their standard of living and their safe travel, not only in the north-western suburbs of Sydney but beyond. It impacts upon electorates Liberal and Labor. It is a matter that needs to be addressed effectively, and I would like to see the advice that comes forward on these matters.

I suspect the reason that New South Wales was disadvantaged in the level of funding committed to nation-building projects was the failure of the New South Wales government to do the work necessary to identify not only the projects that have to be pursued but also the steps that have to be taken to demonstrate that those projects are shovel ready—I think that is the terminology that is used. Labor federally, in my view, cannot absolve themselves from responsibility simply because of the failure of their colleagues at the state level in New South Wales.

As I said, this is an urgent matter. It requires addressing. It requires politics to be put to one side and it requires a genuine attempt at identifying the nation-building projects that ought to be pursued. I commend that matter for the urgent consideration of the minister.

Mr Dreyfus (Isaacs) (11.34 am)—The Nation Building Program (National Land Transport) Amendment Bill 2009 demonstrates the decisive response of the Rudd Labor government to the global financial crisis. Because of that global financial crisis, the global economy is in recession. It will contract by 1.5 per cent in 2009. And Australia is in recession. Our economy will contract by one-half of one per cent in 2009-10. These are the most serious global economic circumstances which Australia has been confronted with for more than 75 years. The Rudd government is acting now to boost demand, to support jobs through this recession and to build the foundations for our future prosperity through investment in critical national infrastructure, which is what this legislation is directed to.

This government understands the need to lift Australia’s prosperity and productive capacity through building the economy and building infrastructure for the economy. It is worth noting what the OECD economic outlook: interim report released in March 2009 had to say about the Australian government’s response. It noted that the composition of Australia’s fiscal response to the economic crisis has been heavily tilted in favour of investment spending—spending on infrastructure—to a much greater degree than in any other OECD economy.

Under this budget, the government is going to deliver further infrastructure spending, some of which is dealt with in this legislation. The purpose of this infrastructure spending is to protect jobs now and to build the economy for the future. Specifically, there is to be a large investment in metropoli-
Mr TUCKEY (O'Connor) (11.41 am)—Considering there are issues of importance in the Nation Building Program (National Land Transport) Amendment Bill 2009 I intend to speak for some longer period than five minutes, which is apparently all the importance that the government gives to this legislation. There is a good reason for that. I do not always require it, but I thought in looking into
this legislation that I might check the Parliamentary Library Bills Digest. And what did that tell me? Under ‘Purpose’ it says:

The main purposes of the Nation Building Program (National Land Transport) Amendment Bill 2009 are to rename the AusLink (National Land Transport) Act 2005 as the Nation Building Program (National Land Transport) Act 2009, and to replace references to AusLink with Nation Building Program in the AusLink (National Land Transport) Act 2005.

That is earth-shattering stuff, typical of a government that deals in spin. Let me say, of my own side of politics, when we started choosing fancy names for things that once were labelled as what they were, like the National Land Transport Act, we eventually got ourselves into trouble. We chose the name ‘Work Choices’, an excellent piece of legislation that left itself open to a simple TV campaign. It struck me later on, when considering the advertisement showing a woman with two children being threatened with the loss of her job, that in fact that ad should have shown the woman telling her boss to stick his job because, under the Howard provisions of Work Choices, she was getting three job offers a week. Those were the circumstances—long gone, because as we read now there is a massive increase in youth unemployment in particular, as people will no longer commit themselves to full-time employment contracts for fear of what that might mean to the future of their business.

This bill is about changing a name. And we are advised that there will be no financial impact. I assume, as one talks about pulping a whole document associated with the budget, there will be a lot of stationery somewhere being pulped on the passing of this legislation. There will be signs all over the place that one can only assume will have to be either repainted or otherwise taken out. Yes, of course there will be cost—and it is not a cost that helps the nation. That is just the first point, but what a wonderful opportunity it has created for the minister to make a second reading speech and read out pages of the jobs to be done.

There is another issue, of course—that is, that the five minutes that have been granted to each government spokesman have been used almost entirely to make a false statement. The false statement is that the opposition opposes this legislation; we treat it with contempt. Hidden away, as so typically occurs in inconsequential legislation, is a little trick. It changes the places where you can expend money on black spots. The member for Isaacs mentioned a couple which occurred in his electorate under the present arrangements. The Black Spot Program was funded to make sure that local government entities, suburbs and regions had some money to address issues where public safety was of major concern. I well remember in one part of my electorate that street lighting was erected on an out-of-town road where Indigenous people used to cross the road, because people were getting run over. Not wearing orange jackets and hard hats, they were not easily identifiable without some lights. That was the purpose of black spot funding. The Hawke government found that it was rather useless and cancelled it altogether, but the suggestion to a group of what I would have thought were reasonably hardened politicians that you can open up the transfer of that expenditure to national highways without a significant loss of funding from where it was originally targeted is farcical. Clearly, if this segment of the bill is passed and the opposition proposes an amendment that money will just be filtered away.

You might say, ‘Well, the Treasurer had a visit from an ambulance operator who spoke of the difficulties on a national highway.’ Of course difficulties exist, and I want to come back to a specific, but the situation is that
there is a mass of funding. Historically, the Commonwealth took responsibility for national highways. The mistake that was made was to allow state road-building agencies (a) to identify the priority and (b) to spend the money. I can take you to the national highway system in my electorate, which, as you would understand, is very significant in length and substance, and show where sections of road have been built at the expense of the Australian taxpayer—not at the expense of this parliament or this government or that government but at the expense of the Australian taxpayer—and ripped up later on because they got it wrong. The point I am making, nevertheless, is that huge amounts of money are allocated in the budget and always have been.

One would have thought that the decision makers might have looked at these road systems. The previous Speaker has talked in this place about building a length of four-lane highway on the Hume Highway and then stopping it. People think they are still on a four-lane highway and all of a sudden there is a truck on the same side of the road as they are. In other words, one would think that the decision makers, in considering the necessary upgrades of these major highway networks for efficiency and other reasons, would as a matter of form take account of public safety. They do not have to steal the money identified for $100,000 projects which would save people’s lives when they plan a superhighway and make links between capital cities. There is no point at all in that. The member for Isaacs might wait for the next black spot project to boast about in his electorate, if it happens. If he has an interest in the people in his own electorate, if it happens. If he has an interest in the people in his own electorate, I invite him to vote with us on an amendment to leave the status quo in that regard. It is not a lot of money, but it is at least directed to smaller community projects. That is what I said a moment ago about public safety, and I know the member for Forrest has somewhat agreed.

In terms of public safety, there is a major project that is now virtually accepted as being a proposal of the Gallop and Carpenter governments in Western Australia. More particularly, I think it got a mention in the second reading speech—although that is a little bit vague. The Howard government, and in particular the members for Forrest and Canning, where the problem was located, became deeply conscious of one fatality a week on the road that connects what was the Kwinana Freeway through to Mandurah and Bunbury. Bunbury-Busselton is a big growth area, and the member for Forrest is representing it very well. In fact, the freeway had to be extended all the way down as a four-lane highway. It was a state road. One of the great tragedies of the good political by-line ‘we will no longer have the blame game’ is that it was not smart in representing the interests of the public as taxpayers. There is a responsibility on the government that raises 90 per cent of Australia’s taxes and pays 50 per cent of the operating costs of state governments to see that the Australian taxpayer gets a fair go. The reality was that this road had to be extended, and at the time, according to the estimate of the state government, it was going to cost $300 million or $400 million. The Howard government said, ‘We’ll pay half.’ It is not within the normal compass of federal government expenditure, which of course deals 100 per cent with national highways and 50 per cent with roads of national importance, but we said: ‘We can’t go on killing people like this. We’ve got to do something about it.’

There is some suggestion now that this lady—Alannah MacTiernan—might even oppose the member for Canning at the next election. Let us talk about her. When the proposition was made, she refused the money. She continued to refuse the money:
‘Don’t let’s worry about a few people knocking themselves off on the road; that happens every year.’ This was preventable by government expenditure. At a meeting with WA state Liberal members it was proposed to the minister for transport that all roads moneys to Western Australia be discontinued until the state government accepted the money and committed to building this road. Do you know what MacTiernan’s response to that was? She put an ad in the paper brutalising the Howard government for stealing money from the Western Australian road system when in fact the truth was that we were offering $170 million. During the negotiations she upped the ante and said, ‘We got the estimate for this road wrong.’ As time has gone by, it has gone up. It would now probably cost $600 million. I think this government has continued to make contributions, and I applaud that. But the fact is that she would not take the money.

Because of the publicity campaign, our minister was concerned. He was concerned that the other money was a matter of agreement, and he called us together again and said, ‘I think I should just give them the standard grant’—of which $100 million was going to be spent in my electorate—‘and we’ll fight about the other bit.’ I and others who had a substantial interest in where that money was going said no. We had this funny idea that saving people’s lives was some responsibility of federal members of parliament. We said, ‘You just stick with it.’ To his credit, the minister did stick with it. Then the state government caved in. They suddenly discovered that the people of Bunbury thought the road project was a pretty good idea and they were getting close to sacking the then sitting Labor member. That was a pretty lousy reason for caving in.

I think the road will be opened within weeks. Another interesting factor is that half the world does not know a major project of this nature is going on because there has not been one day lost to strike. Why? It is because a condition of our funding was that it had to be run under Commonwealth industrial law as it existed then. Compare that with another infrastructure project which the WA state government can take full responsibility for—the Mandurah passenger railway line. There is nearly a 50 per cent increase in costs for that project, mostly attributable to the bastardry of the Construction, Forestry, Mining and Energy Union. That is still being debated in court and hundreds of millions of dollars in extras are being claimed by the contractors.

Let us have a look at how this is going to work. It has been established that this is a bill about a name change, with a little thing stuck in there—a bit like in the American congress, where you get a bill on immigration and there is something on the end of it about defence, social security or something else. That in itself is rather a waste of time. I looked at what the minister chose to tell us about it. There are all these particular references and rhetoric within this debate, like that it is ‘shovel ready’. I was a minister for five years. Most of those members making speeches would not have been further inside a department than the reception desk. I will tell you what ‘shovel ready’ means. It means identifying, as the AusLink program did over four or five years, an actual list of roadworks, in particular, and railway works that were going to be funded in due course. The list was published and people could argue about it if they thought it was wrong. But, of course, as a consequence, works commenced in the department. Even some of the state departments got their acts into gear. A common criticism in our party room during government from backbenchers was the fact they fought bitterly to get Commonwealth funding for a road project and it would not happen, as the member for Berowra frequently
pointed out, simply because the state authorities either did not like the idea or just had not got their act together and done it. ‘Shovel ready’ is a significant part of the process.

Throughout their tenure the Gallop and Carpenter governments refused to do an upgrade of the Great Eastern Highway from Kooyong Road to the Tonkin Highway in Perth. It is only three or four blocks, but it is the road to Perth Airport and it is a monster. It is really not the responsibility of Australian taxpayers. Furthermore, the response of the minister, Alannah MacTiernan, to this was, ‘The airport out there is a federal facility; therefore, it is the federal government’s job to maintain a major highway.’ I might add that it is the road to the eastern states as it leaves the metropolitan area. The Great Eastern Highway goes up through Kalgoorlie et cetera.

I just want to close on this point when it comes to funding and the blame game: taxation reform required a VAT/GST. It required it. The sales tax system was dead on its feet. There was every reason why it could not continue as a mechanism of tax management. And so the Howard government bit the bullet on that. But in so doing it said, ‘When the money is collected, every cent’—with no administrative fees or bleeding off to state treasuries practised on every federal grant—‘will go to the states, and their share will be determined by the federal Grants Commission under the available state-Commonwealth funding formula.’

We took a belting. For a start, it was voted against by the Beazley opposition. They saw the political opportunity of saying ‘just another tax’. I might add to a few marginal seat holders on the other side: wait until that issue is debated in the context of the emissions trading scheme—just another tax. The fact of life is that they opposed it and we lost 15 seats, I think, in delivery. I well remember the then Prime Minister, John Howard, saying, ‘We have to do this; we have to provide a revenue stream for the states, a growth tax that provided them the capacity to provide for roads, for state rail, for health, for education and for law and order.’ They got the money. Is anybody sitting in this place at the moment prepared to say that all of those areas of their responsibility are now bright and shining, notwithstanding a very significant increase in the amount of money that was delivered? So when do you make the difference?

Finally, I noted with great interest in the Bills Digest just how much of this money—nearly $4.5 billion—is going to passenger rail, and I think the member for Isaacs thought that was a good idea. I can tell you something about passenger rail: it will be an ongoing cost to the Australian community forever, outside of the borrowing costs and, more particularly, so will social housing. I thought we had worked that out. You paid rent subsidies and you let people go to the private sector to look after those things without ongoing costs. Now we are going to get 20,000 houses. (Time expired)

Mr ZAPPIA (Makin) (12.00 pm)—I rise to speak in support of the Nation Building Program (National Land Transport) Amendment Bill 2009. This bill gives effect to the Rudd government’s $26 billion nation-building infrastructure projects—infrastructure projects that will lift Australia’s productivity in the years ahead; infrastructure projects that will create and support jobs for Australians right now; infrastructure projects that will make our transport systems safer; infrastructure projects that will make the lives of Australians travelling around Australia or within their local communities much easier; and infrastructure projects that will be welcomed by transport operators, by industry sectors and by suburban, regional and rural communities around the nation.
I have listened with interest as a number of opposition speakers have wanted to take credit for many of the projects that have been outlined under this proposal. In some cases they even added projects to what should be funded. Yet, while they want to take credit for some of the projects and want to add to the list, I understand that they now want to oppose the funding measures required. You simply cannot have it both ways: either these are good projects, which they would want to take credit for and would vote for, or they state their case clearly and tell the Australian people that they are against all of the projects that this proposal will be funding.

Coalition members were in government when the country benefited from a resources boom. It was a time when funds were flowing into government revenue, yet the very sources of that government income, particularly the mining sector, were being constrained because of inadequate road, rail and port facilities—projects which the previous coalition government did not fund but which the Rudd government is getting on with the job of doing. A classic example of that are the Hunter Valley rail corridors. The upgrade of those corridors will double the coal-exporting capacity of the Hunter Valley. Australia would today be in a much better position to withstand the global economic downturn if these projects had been built by the previous coalition government.

Within the nation-building proposal, $1.7 billion is being invested in projects in South Australia. Those projects include seven major projects, and I would like to list what they are: the Northern Expressway and Port Wakefield Road upgrades; the Dukes Highway upgrade; work on Victor Harbor, Main South Road and Seaforth Road junction; work on the Main North Road between Gawler and Tarlee; the Mount Gambier northern bypass; work on Crystal Brook to Redhill roads; and work on Montague Road. All of those seven projects are important to South Australians and important to the people I represent. People from my own electorate, from time to time, use all of those transport modes, whether it is for employment purposes or for personal reasons. Since being elected I have frequently been lobbied by people I represent about the need to upgrade many of the roads that are the subject of this budgetary measure.

With respect to the Montague Road project, I personally welcome the federal government’s $1 million funding towards a $2.5 million project. The balance of the funds will be coming from the Tea Tree Gully council and the state Labor government. The Montague Road project is in fact a difficult project to design an upgrade for because of the complex arrangement of the entrance ways to the adjoining commercial properties, the land ownership of properties affected and the proximity of the works required being close to a substantial roundabout. I know that the state member for Florey, Frances Bedford, has been negotiating a solution for the Montague Road widening for some time and since being elected to this place I have discussed the proposal with Frances Bedford on several occasions. This is a long-overdue project that is now being funded under the Rudd government’s nation-building projects.

I want to describe the project for the benefit of the people who will have a very personal interest in it. The project will result in the upgrading of approximately 450 metres of Montague Road near the Clovercrest shopping centre, which will comprise one 3.5-metre lane in each direction, a centre median for right turn storage, intended bus bays, 1.5-metre bicycle lanes, improved access-egress for the local commercial precinct, improvement to facilities for pedestrians and cyclists, improved traffic control parking for the Clovercrest shopping centre and stormwater disposal. The question of
undergrounding the powerlines in the area is also being considered and will be dependent on the Power Line Environment Committee application that has been lodged.

I am very familiar with this road—and have been for most of my life, for that matter—because it is a road that I frequently use. The traffic congestion in and around the intersection of Montague and Kelly roads, particularly at peak times, is horrendous. It impacts not only on people using it but on all of those businesses that are in that locality, and I welcome that an engineering solution appears at last to have been agreed to and that the funding has been put on the table to ensure that this project goes ahead.

In recent weeks in South Australia, we have had, regrettably, a number of fatalities on our roads. You may argue that some of those road fatalities were because of negligent driving, but I have no doubt whatsoever that investing funds in road infrastructure, wherever that might be in Australia, will improve the condition of those roads and, in turn, improve the safety of them. For that reason, if for no other, investment of these kinds of funds into national infrastructure projects that include roads are a welcome measure for all Australians, and I commend the bill to the House.

Mrs HULL (Riverina) (12.08 pm)—Let us be under no illusion. The real purpose behind the Nation Building Program (National Land Transport) Amendment Bill 2009 and this waste of money, time and resources is the government’s attempt to mislead the public into believing that AusLink expenditure committed by the coalition two years ago is new infrastructure spending. However, the government’s proposal to scrap the name AusLink and replace it, at great expense, with the Nation Building Program term, has some fine details which are of grave concern to regional Australia and which should be of grave concern to those regional members of the Labor Party government.

Once again, this Labor government is abandoning our regional Australia. This bill will allow the AusLink strategic regional projects, now termed the Nation Building Program Off-Network Project, to be funded in places that are not in regional areas. When it was in government, the coalition understood the importance of allocating specific funds to meet the needs of regional Australia. Now this government has introduced a bill that abolishes the AusLink strategic regional project category and replaces it with the Nation Building Program Off-Network Project. This is just a smokescreen to again attack the heart of regional Australia.

It was, in fact, the coalition that established this AusLink program. It is not a Labor program. In order to establish that smokescreen, it is probably the government’s intention to change the name so that it can try to re-badge it as its own. You often see that happening with cars that have come from a particular car maker—a second car maker tries to re-badge a car as if it were its own. You have now seen the Labor Party re-badge a program to try to make out that the program was its own. But the one thing that it did not want to re-badge as its own was any support for regional Australia; should we be surprised?

The coalition developed Australia’s first national land transport plan since Federation and the means by which the federal, state and territory governments work together to develop a single, integrated national land transport network. Under AusLink, the coalition government spent more on nation building than any other Commonwealth government since Federation. The coalition allocated over $15 billion over the five-year period from 2004-05 to 2008-09. In terms of AusLink, too, the former government, in 2007-
pledged to invest $31 billion in transport infrastructure.

The major duplication of the Hume Highway was funded during the 2004-05 to 2008-09 years. The former government’s funding plan was money in the bank, especially for the New South Wales RTA, to go ahead and do these works—for example the Coolac bypass and the duplication of the Sheehan Bridge in Gundagai. Last week, we were fortunate enough to open the duplicated Sheehan Bridge in Gundagai. I welcomed Minister Anthony Albanese into the electorate of Riverina in order to open this real-term infrastructure project, not a sod-turning to depict infrastructure that might come in the future but an actual delivery of infrastructure that happened under the coalition.

As I have said in this House before, there is argy-bargy on both sides of politics. The duplication of the Sheehan Bridge was commissioned and paid for by the former coalition government and opened by the minister under this government, who declared it part of Labor’s Nation Building Program. But the one good thing that will happen as a result of this project is that it will benefit the people. I am not going to be out there screaming and shouting that Minister Anthony Albanese came in and opened up a project, labelling it a Labor nation-building infrastructure project when, in fact, it was not; I am going to be welcoming the minister here, saying, ‘This is a piece of infrastructure that has been built in regional Australia and that was needed, and it has helped not just the people of Gundagai but all users of the highway.’ However, I do make reference to the fact that this infrastructure was funded under the previous government’s AusLink program.

Regional Australians should be aware that the government has gone out of its way to try to remove a support system that was specifically set up for them. Item 64 changes the title of section 52 and, accordingly, section 52 itself. Section 55 of the act deals with when it is appropriate to approve a strategic regional project. In essence, section 55 contains criteria that the minister must consider when deciding whether to fund a project. In particular, the minister must consider the regional consequences of the projects. Item 67 removes the word ‘regional’ from paragraph 55(a) so that it reads ‘industries’ and not ‘regional industries’. Similarly, item 69 removes the word ‘regional’ from paragraph 55(e) so that it reads ‘communities’ and not ‘regional communities’. Item 68 deletes paragraph 55(b), which requires the minister to consider ‘the extent to which the project is likely to improve a road, railway or intermodal transfer facility that is regionally significant’. What an amazing number of changes. Have we heard one word in opposition to this from any regional member? The member for Ballarat is in the chamber, but we will not hear one word from any speaker from the government. Not one regional Labor speaker will come in here and oppose these changes, because you are simply not allowed to do so. When you are in the Labor Party and you are a member of the Labor government, you are not allowed to speak out in the interests of the people you represent for fear that something may happen.

What about the member for Dawson, the member for Flynn, the member for Eden-Monaro, the member for Page and the member for Ballarat? The removal of the word ‘regional’ affects your people—the people you represent and purport to represent fairly. There has not been not one word of opposition to this bill and the removal of the word ‘regional’. We know what will happen when you remove the word ‘regional’ from all of this. Funds will not be spent in any of those regional areas; it will go to a city-centric government that are only
concerned with city people. That is proven by the removal of the word ‘regional’ and the ability for regional people to access these programs. We know what will happen. We all know exactly what this Labor government think about regional people. If they can impact upon regional people then they most certainly will. There are obviously fewer votes for a Labor government in the country than there are in the city. I am disturbed by the fact that none of the regional Labor members are speaking out in opposition to what will obviously be a drain from any funding opportunities for rural and regional Australian infrastructure, particularly under this program.

As well as manoeuvring funds from regional Australia to urban areas, the government’s naming game is also at the expense of Australian people. There are road signs all over Australia that currently read ‘AusLink’ and they will have to be replaced because there is a new name. I just do not understand the value of money in removing these signs just in order for this government to convince Australia that investing in infrastructure is their idea. It is like treating the Australian people like idiots. I do not think that the Australian people are going to wear this for very much longer. The commitment to infrastructure lies with the coalition in the last AusLink proposal. I think that the publicity stunt that is now being undertaken by the government is, as I said, pretty much taking the Australian people as fools. It is an insult to them, in my view.

We would have hoped that there would be a focus on money that would deliver resources to rural and regional communities, but the fact is that is not the way it has panned out. As we saw with the last round of Infrastructure Australia funding, none of the projects that I believed were extremely well costed and would see the blueprint of the future of Australian freight movement realised were funded. Funds went to infrastructure in city and urban areas—platform resurfacing, rebuilding of urban platforms et cetera—when, in fact, there is an absolutely dire need for continued infrastructure building in many regional communities. That has been going on for many years.

When in government we heard the opposition carping along the side: ‘You don’t take responsibility for yourself.’ Now I am in opposition and I hear the government carping the same story they carped when they were on this side. You cannot go back. We had to first pay off a debt when the coalition came into government in 1996. There had been such a run-down over 13 years in rural and regional Australia. Nothing had been spent on infrastructure building in rural and regional Australia over the 13 years of Labor Hawke-Keating rule. When the coalition came into government, there was an enormous debt of $96 billion to pay off—$9 billion per annum in interest—before they could start delivering, in 2004-05, the infrastructure programs that were required to try and rebuild regional Australia from the deficit and lack of interest of 13 years of Labor rule. And, yes, infrastructure could have been built earlier if we had put the nation into further debt. Infrastructure in regional Australia could have been rolled out, but it was determined to take advantage of the minerals and mining resource boom, pay off the extraordinary debt, save $9 billion a year and put in a full national transport integration plan, which we did. We are now seeing the delivery of that real-term infrastructure rolled out and being opened by Labor ministers and members. They are delivering it and opening it as theirs when they know it is nothing to do with them. Real infrastructure was built. It did not turn into just sod-turning and looking to see how much infrastructure could be built in the future. It is real-term infrastructure; it
is happening; and it is being opened right now.

The fact is that a significant number of regional programs have been cut or abolished by this government. It failed to deliver specific regional development programs in the 2009 budget. That budget has confirmed that this Rudd Labor government has broken almost all of its regional development election promises. Labor promised to offer the Better Regions Program to support community, economic and environmental projects. However, the program was never opened to receive applications. What a disgrace. After promising to increase transparency and accountability, Labor has used the program to fund only those commitments made by Labor candidates in electorates it targeted at the 2007 election.

Election promises are always made by governments and by hopeful oppositions wanting to go into government. But do not then be fibbers. Do not cheat and lie about it. Just say exactly what it is. I have had members coming to open Regional Partnership programs—and I am sure others have had members come into what are now opposition electorates—saying, ‘This is tremendous for the community.’ Yet the Regional Partnerships program was dumped by this government. It continually gets labelled in here as having been the National Party slush fund, but it delivered regional infrastructure. We have exactly the same thing happening here, with the government going out with its election promises and delivering them only in Labor electorates. And Labor is saying accountability for this government!

Labor promised to retain and enhance the Regional Partnerships program and the Sustainable Regions Program. However, the government has abolished them, and has even cancelled grants for projects that had been approved for funding by the former government—except of course when they were in Labor electorates. Labor promised to ensure that all funding applications for projects would be developed in consultation with Regional Development Australia. However, Regional Development Australia does not have access to a regional development funding program that could support local initiatives. So I cannot quite work out how liaising on all these applications will actually bring about any benefit when there simply is not any access to a funding program.

It is incredible that in a budget predicting that over one million Australians would lose their jobs—and which saddles every man, woman and child with a $9,000 debt as a result of the last stimulus rollout payments—the government failed to establish a regional development program that would support economic and social opportunities and create jobs in local communities. It is these jobs that are so important to regional communities. On Thursday I sat in question time and listened to the Prime Minister wax lyrical about the $303 million worth of water that he and the Minister for Climate Change and Water, Penny Wong, had just purchased from Twynam. Ninety-seven per cent of that water was purchased out of New South Wales, much of it from the electorate of Riverina, with not a skerrick of thought for the jobs of the people of the Riverina and many other areas across New South Wales. Ninety-seven per cent of that water came out of New South Wales alone, but have we heard one comment from the other side to say, ‘What social impact study was done prior to the purchase of this water to see how these communities will socially adjust?’ What modelling was done on that water purchase to see how many jobs would be lost? What modelling was done to see whether there would be any capacity or opportunity for all those regional people who are losing their jobs as a result of this water purchase to find jobs? What real
study was undertaken by the Prime Minister and his minister to find out how much of their $303 million worth of water would actually achieve that being waxed lyrical about in question time last Thursday?

I tell you that this is seriously flawed. And here we go again: no consideration for regional people; just rip the heart out of regional communities. Nobody from this Labor government is ever going to stand up for regions. It does not matter whether you get up and represent. They have this thing: lions in the electorate and lambs in the House. Let me tell you: the major lions in the electorate are the Labor country members, but they are not even lambs in the House because their voices are invisible. No talk about the impact on people who live in regional Australia, as a result of this government’s legislation, ever comes from the mouth of any Labor regional member. We will not stand here holding our breath waiting for a Labor regional member to raise issues of discontent, issues of jobs losses in Dawson and many other communities due to an ETS or issues regarding the removal of funding from transport links and regional transport programs—funding to ensure that freight can make it and that regions can stay strong. You will never hear one word from them in this House— (Time expired)

Ms KIng (Ballarat) (12.28 pm)—As a regional MP and someone who will benefit significantly from it, I am very proud to be supporting the Nation Building Program (National Land Transport) Amendment Bill 2009. I think we have again had from the member for Riverina a lack of reality about what happened to regional areas under the Howard government. Under the Howard government there were regions, and there were National Party regions. That is the reality of what happened under the Howard government. So if you were not a National Party region the reality is that you rarely benefited from any of that government’s largesse. What this government has done is ensure that all regions will benefit. The $800 million local and community infrastructure funds, the funds that come in under this bill, the funds that will go directly to local government, the funds that will go to our school programs mean that all regions will benefit, not just if you are a regional National Party member.

This bill is absolutely vital in delivering the government’s Nation Building Program for road and rail and is worth some $26 billion. In my home state of Victoria, the government is investing $4.3 billion through the Nation Building Program. I would like to touch on two projects in my electorate: the realignment of Anthony’s Cutting on the Western Highway and the duplication from Ballarat to Stawell of the Western Highway, both in country Victoria. Both of these projects are coming on the back of the completion of the Deer Park bypass opened in April. The bypass has already delivered real benefits to the Ballarat community by cutting down on commute times and making Ballarat even more accessible by freight.

As part of the federal government’s budget, we also announced that the realignment of the Western Highway at Anthony’s Cutting is scheduled to be delivered in 2012. It delivers on my election commitment to the people across the Ballarat district. This $200 million project is jointly funded by the federal government and the Victorian government. The realignment of the Western Highway will see drivers diverted around the steep hills and dangerous curves at Anthony’s Cutting. Motorists who have travelled along this five-kilometre strip of road know firsthand the dangers that exist in this area. There were 21 casualty crashes recorded over Anthony’s Cutting between 2003 and 2008 and, of these, 15 were run-off-the-road crashes—more than double the state
average. A report in the *Moorabool Leader* on 15 May highlights just how bad this road is, with Ambulance Victoria having to attend the third car rollover at the cutting in just a five-day period. This funding will support some 500 jobs. The project was always slated to begin mid-2010 under the former AusLink and AusLink 2 programs and now, with the project having been brought forward and with all the planning work now being done, it is anticipated that the tender will be let by the end of the year and work started shortly after. In 2012 this project, combined with the Deer Park bypass, will considerably improve the connection between Melbourne, Ballarat and western Victoria and will certainly make Ballarat a regional hub for western Victoria.

In the north-west of the Ballarat electorate, we are also duplicating the road from Ballarat to Stawell. As part of the federal budget, we announced that the duplication of the Western Highway between Ballarat and Stawell is scheduled to be delivered to Victoria by 2015. The project costs some $520 million and is also jointly funded by the federal government and the Victorian government. In mid-April, the federal government brought forward $5 million to ensure swift commencement of the planning study and, once again, we are keen to deliver this project early. By starting the necessary planning work sooner, we are in a position to start construction on this vital project earlier than previously anticipated and planning of the project has already commenced. As with Anthony’s Cutting, construction is to begin early next year.

This bill also makes improvements in the eligibility under the black spot funding to sites that are on the national land transport network. These changes will ensure effective delivery of the Black Spot Program and will also assist the release of funds from the $150 million boost to the Black Spot Program announced previously by the government. In only late April I announced that our government was investing some $5.3 million to fix 18 dangerous black spots in my electorate. Time does not permit me to talk about all of these, but I particularly want to mention some $1 million going to Moorabool shire for road works east of Ballan, for street lighting in Hopetoun Park in the city of Ballarat, installation of traffic lights at the Sturt and Armstrong streets intersection, installation of roundabouts at the intersection of Bell and Ripon streets and more roundabouts at Armstrong and Market streets. These are all extremely dangerous areas for people traversing my electorate. Hepburn shire is also to benefit with funding going to Clunes and also to Back Hepburn Road.

The government is absolutely committed to delivering on road safety and the projects that have been announced by this government in the electorate of Ballarat will save lives and provide real benefits, both economically and socially, to people across my electorate. On top of investing in major nation-building infrastructure like the Western Highway, realignment of Anthony’s Cutting, the duplication from Ballarat to Stawell and the Black Spot Program, the government has also increased investments in Roads to Recovery, a large proportion of which goes to regional local councils, and to boom gates for rail crossings programs, again many of which are in regional towns. As I have noted today, these projects are all crucial in building infrastructure across my electorate. Since being elected, the Rudd government has shown that it is the party of nation building. The coalition has voted against every nation-building bill that we have put to this parliament. In direct contrast, the Rudd government is committed to delivering road and rail infrastructure projects, and I commend this bill to the House.
Mr HAASE (Kalgoorlie) (12.34 pm)—I rise today to speak on what I believe to be an offensive piece of legislation, a preposterous piece of petty politicking, titular pilfering and spin. I refer of course to the Nation Building Program (National Land Transport) Amendment Bill 2009. On the topic of land transport, some people like to go for a spin in the country; Mr Rudd, our Prime Minister, does it all the time. In fact, he has personally injected so much hot air into rural Australia I am not surprised he is concerned about global warming. He is a walking and, unfortunately, talking mobile greenhouse effect; but more about that later.

The apparent fundamental purpose of this bill is to rename the coalition’s highly successful AusLink program as the Nation Building Program. The bill changes the AusLink (National Land Transport) Act 2005 into the Nation Building Program (National Land Transport) Act 2009 and changes relevant AusLink references to the Nation Building Program. I am not one of those technophiles who carries a laptop everywhere but I do know what copy and paste is. I reckon that is what has happened here with a little bit of search and replace to swap every occurrence of ‘AusLink’ for ‘Nation Building Program’. But you have to be careful with copy and paste, though, because if you are not careful you might be accused of plagiarism. Of course, plagiarism is where someone is not clever or motivated enough to have their own ideas or do their own work, so they take somebody else’s ideas and somebody else’s work and they then claim them as their own. I am told that plagiarism is the No. 1 sin at university today, and I am not surprised. Taking credit for something that you did not do rates pretty low in my book also.

I have also heard the saying ‘Imitation is the most sincere form of flattery’. Obviously, the ALP love our work. How could they not, considering the coalition left them with a very tidy $20-plus billion surplus which they have somehow managed to multiply by a factor of about minus 15? Perhaps this little matter of inflicting record generational debt on the Australian people has convinced those opposite to stop trying to write their own legislation, which brings me back to their corruption of the coalition’s AusLink bill. I use the term advisedly because in trying to pass this legislation off as their own work Labor also wrote in a few tweaks of their own. Yes, there are a few little modifications here that put their distinctive stamp on it and that really evidence Labor’s disregard—no, utter contempt—for rural and remote Australia. This bill also amends funding arrangements for road and rail projects both on and off the national road transport network.

The Howard government established AusLink several years ago as Australia’s first national transport framework to provide long-term planning and funding for the national transport network. AusLink 1 ran from 2004-05 to 2008-09 and AusLink 2 was scheduled to run from 2009-10 to 2013-14. Mr Rudd and his colleagues talked about AusLink all through the 2007 election campaign. Once in power, however, it became evident that although they still liked AusLink they did not like the term ‘AusLink’. It had fallen from favour with the Prime Minister and his colleagues primarily because, of course, whenever the term was used those recipients of this fine funding program were reminded that it was the Hon. John Howard who introduced this program, and the thing that our current Prime Minister hates most of all is to be reminded that the good things, the great foundations laid in Australia, were the responsibility of the Howard-led government.

Personally, I think AusLink was a little too practical for them, a little too simple, a little too self-explanatory. AusLink—linking Aus-
tralia. AusLink, with only two syllables was far too short a term for our obfuscatory, polysyllabic and frequently sesquipedalian Prime Minister—check them later. So we now debate the Nation Building Program (National Land Transport) Amendment Bill 2009.

One of Mr Albanese’s modifications to this bill allows locations on the national land transport network to be eligible for black spot funding. This is a new development because the black spot funding was intended for projects on local roads and streets. It was a funding program to be accessed when it could be proven that a particular intersection or section of local road or street was causing accidents resulting in injury or fatality. Black spot funding could then be called on. That has gone; it has simply been shovelled into the whole bucket of funding and is no longer specific, no longer put to that fine scrutiny that proved the system to be so effective in the past.

Another little tweak provides more flexibility with Roads to Recovery so that the minister can increase the amount of funding to local government authorities if he so chooses, and this of course makes the program more able to be accessed for the government to place funds where they, for various reasons, want—maybe to fulfil a pre-election promise to a local area. So once again that money is able to be accessed with less scrutiny and is able to go to projects that are possibly, on a national scrutiny basis, less deserving. Currently, once the initial list for a funding period has been determined, no increases can be made to the specified amounts on the Roads to Recovery list.

To my mind and certainly to the minds of those in my electorate, the most offensive change to this legislation is the renaming of the AusLink strategic regional projects funding to the Nation Building Program Off- Network Project funding and, of course, enabling it to be dispensed in areas that are not regional—which is to say, Mr Rudd and Mr Albanese have taken regional specific funding and taken the regional specific criteria out of it, making it just funding. So if country areas are competing with metropolitan areas for funding, which one will be successful? This government will put the funding where they think the votes are; the votes that they hope will get them re-elected. So needy projects in my electorate or in the electorates of my colleagues—the previous speaker, the member for O’Connor; the member for Pearce; or the member for Forrest—will be effectively competing for funding against projects in the electorate of Perth, possibly Fremantle, perhaps the inner metropolitan patch of Grayndler or even Griffith. It does not really matter which way you look at it, it is less funding for the regional transport network.

As for nation building, let me reiterate my initial point: it is a political stunt. AusLink has been such an effective program that I dare say Labor is seeking success by association. I have heard that nation building is nothing more than a photo opportunity for Prime Minister Kevin—also known as Bob the Builder with his yellow hard hat and his hi-vis vest. I do not see how photo opportunities are going to upgrade the land transport network in my electorate.

These changes to the strategic regional projects funding and the Roads to Recovery program are simply offensive. They are a corruption—a bastardisation, if I may say—of these very successful programs. On announcing the legislation for its second reading, the member for Grayndler said:

I am pleased to introduce the Nation Building Program (National Land Transport) Amendment Bill 2009. It renames the AusLink (National Land Transport) Act 2005 (the principal act) as the Nation Building Program (National Land Transport) Act 2009.
Act 2009. This is central to the effective delivery of the government’s road and rail infrastructure investment through the Nation Building Program. Of course it is. The member for Grayndler is there acknowledging the very success of AusLink.

AusLink has funded numerous projects across my vast 2.3 million square kilometre electorate of Kalgoorlie. It has done it on a selective analysis basis, looking at where the most important projects and therefore where the funding would make the most difference. I will give a couple of examples. There was the upgrade to the Great Eastern Highway. The road was so narrow that it was causing concerns, especially with the movement of road trains et cetera. There were problems and potential for accidents. They funded the upgrade, which included the widening and the smoothing out of the road and the installation of better safety facilities along that section of road.

On the Great Northern Highway, a section between Muchea and Wubin was upgraded and continues to be upgraded with that initial AusLink funding. This means greater convenience and safety for the multiplicity of vehicles, which include road trains with over-wide loads, caravan towers, sedans and trucks. There is a whole mix of users on that highway and they need to be accommodated. And they are not accommodated unless roads are made wide enough, have overtaking lanes and have bays for parking so that those in the transport industry can get their designated rests et cetera. The Durham River Bridge was constructed with money from the regional funds.

Those programs would not have got funding simply on the basis of asking where the votes are. The new regulations for this legislation will see the regional nature of that funding program removed and projects will have to compete regardless of where they are in this nation. That is going to mean that when a mischievous government looks to shore up its position at the next poll they will putting money into those populous metropolitan areas and the bush will miss out again. That will be to the detriment of Australians who want to take to the nation’s highways and live in regional Australia.

The reason that that has been done and the reason that section 5 has been totally removed is that they do not want any mention of the word ‘regional’ when it comes to the criteria for selecting programs that will receive funding. An additional $763 million that would not have been available under this fund previously will now be available to spend on metropolitan programs where the votes are not regional programs. It will fund commitments that were made prior to the 2007 election.

I have given you some great examples of regional projects that have been funded. Projects like those are not going to be funded in the future. It is a change that this House ought to oppose. It is a change proposed by the government for which they ought to be ashamed. The backbenchers of the government who have some interest in regional Australia will rightly be slammed over this. This is simply another poke in the eye to anyone who lives outside metropolitan areas. It is a vote-grabbing exercise. It is a cheap political move to rebadge this at the expense of the Australian taxpayer and at the expense of those who are living in regional Australia. It is something that I deplore. It is something that my constituency will be made more and more aware of from today. As this news filters down to rural constituencies, they will become more and more disposed of this government. That is my wish.

Mr RIPOLL (Oxley) (12.49 pm)—The member for Kalgoorlie is right on one thing. As the news filters down through the com-
munity, they will have a very clear picture: a picture of a government that is committed to delivering infrastructure right across Australia, regardless of electorate. They will also have a very clear picture of an opposition—a Liberal Party and a National Party—hell bent and determined on doing anything that it can to stop infrastructure spending in those very same electorates. This is a preposterous position from an opposition that, while they were in government for 12 years, did not spend the money to fix up the roads, railways and boom gates. They did not spend the funding that was available in boom times in their own electorates.

The programs and infrastructure spending that they are talking about blocking and denying their own constituents are not new programs in terms of the work that is needed. These projects have been around for a decade or more. They sat on their hands and did nothing. They did not deliver infrastructure. And now that they are in opposition they take every opportunity to continue to block funding and prevent these projects taking place in their own electorates. What sort of thinking does it take from an opposition, hell bent on their own future and outcomes, to disregard its constituency? It is not a credible position. After 12 years of not funding good and worthy projects—after 10 to 12 years of not doing the things that they should have done; after not taking that responsibility on—they find themselves in opposition in this place and, when a good Labor government has the opportunity to spend that money and to provide that infrastructure, the road and the rail projects, what do the opposition do? The opposition attempt to block them in the Senate and oppose the Nation Building Program (National Land Transport) Amendment Bill 2009, which we are discussing today.

When I listen to the debate either on the monitor or in here in the House directly, what are the main concerns that I hear? What is this opposition’s number one thing that they are more upset about than anything else? It is not the fact that they are going to get a very serious and dangerous rail crossing fixed; they do not come in here and talk about that. It is not the fact that finally someone is going to take responsibility for and fix a project that has been sitting on their books for a decade or more; it is not that. No, it is the name change. They are more upset about the legacy of former Prime Minister Howard. They spend so much time in this place in the limited time we have available to us talking about legacies and great contributions, but it is us who have to deliver the infrastructure. It is us who in the tough times, in a global financial crisis, are left holding the can, who are having to do the work that they should have done. But they did not have the fortitude. They come in here and talk about getting re-elected and all the rest of it, but, before you even think about elections, think about doing something in your own electorate. Think about delivering the infrastructure projects; think about doing something for your own community.

The opposition may laugh but, if they will not do things in their own community, we will. We will take on that responsibility. We will do it in the good times and we will do it in the tough times. We will do it whether we have to borrow to do it or whether there is spare cash floating around. I am not afraid to talk about debt or about borrowing, because people do understand the difference between a good government and a bad government. They know a good government is one that is prepared to invest in them, that is prepared to borrow money to make sure that you drive the economy, that you prevent jobs disappearing, that you save industry, that you save lives, that you build the legacy projects and the infrastructure projects needed in this country so that we as an economy, as a peo-
ple, as a community can actually get through this. We will get through this, soon enough, and when we do it will have been all those great legacy projects that this government have provided that will have made the difference.

Opposition members talk about all these things, but just remember that they are talking about their opposition to school funding in their own electorates. They are actually going to vote against their own schools. Think about that for a moment—they are going to vote against funding for their own schools, they are going to vote against funding for road and rail projects in their electorates. They are going to vote against the need to upgrade serious high-risk, high-fatality areas such as railway crossings and boom gates. They are going to vote against Roads to Recovery programs. They are going to vote against black spot funding. Why? Why would they vote against all that? I do not know—why would anyone vote against funding in their own electorates? Maybe we ought to pay very close attention to the speeches that we are going to hear from opposition members as to why they actually oppose this. So far all I have heard is because it is a name change. So, for the sake of a name on a piece of paper in legislation they are prepared to forego funding for their schools. What bighearted Liberal and National parties we have in this country!

This is the first opportunity they have had in more than a decade to actually do something for their own electorate because they did not have the gall to do it while in government. They had the opportunity; they just did not take it. They come in here and talk about projects that are not funded—we could do this in our electorates and we could do that in our electorates. Why did they not do it when they were in government? Why did the members of the now opposition, the Liberal and National parties, not actually take it upon themselves to argue for it in their own caucus room, within cabinet, with the then Prime Minister to actually deliver on road and rail funding; on funding for ports and all the other great programs. No, that is not of concern to them. What is of concern to them is the legacy in their own minds of the former Prime Minister. It is all about name changes, about who gets recognised for delivering these programs.

As I said earlier, before you think about getting recognised for what you have done, do it in the first place. Do not wait for another government to come along, as we have done, to actually do the job that the Liberal and National parties would not do. They come into this House and say one thing but in their electorates they do another. They do one thing here, but say something different somewhere else. It is exceptionally dishonest to turn up to a school in your electorate that is getting funding and say to them that you are absolutely in favour of the funding they are getting, but then come into this House and vote against it. The Liberal and National parties should be ashamed. Their behaviour is disgraceful and all of the House should support these measures and other measures delivering vital infrastructure for the Australian economy.

Mr SECKER (Barker) (12.56 pm)—It is interesting to see that all the Labor members have been told they can speak for only five minutes on what is supposed to be one of the great programs of this government. The gabbling member for Oxley must have been hugely disappointed that he was allowed to speak for only five minutes. I note he is leaving the chamber now.

Last week in this place I heard the member for Longman quoting Shakespeare—Julius Caesar, I believe. I did not think it was particularly relevant, except perhaps the words ‘in shallows and in miseries’, which
brought to mind the current government’s administration. However, in considering this Nation Building Program (National Land Transport) Amendment Bill 2009 and the name changes and the rebadging that it brings, I am also tempted to quote Shakespeare, this time from *Romeo and Juliet*: ‘a rose by any other name would smell as sweet’. The meaning of that is that what matters is what something is, not what it is called. There is no doubt that the AusLink program was a very successful Howard government initiative. It has been associated with the Howard government and it is no strangeness to me at all that this government are trying to get rid of a badge that was very closely linked to the Howard government. They are bringing in this legislation and are hoping to get it passed on the basis that they want to get rid of any reference to the name AusLink because of its success and its connection with the Howard government.

That is the case with this bill—it does not matter what you call it and what spin you put on it; this is fundamentally Labor seeking to rebadge a successful Howard government national transport program and, in so doing, attempting to fool the Australian people that they are actually spending more when in fact they are spending less. I will come to that later. In the early days of my term as the member for Barker I was very vocal about the inequity in the local roads funding formula for South Australia. In fact, my first speech after my maiden speech was about the need for improved road infrastructure in rural areas. I certainly have continued to speak on that matter wherever I am because it is a very important issue in my electorate of Barker.

This bill changes the name of the AusLink program. AusLink offered a single funding regime and a defined national network of important road and rail infrastructure links and their intermodal connections. It had a range of funding categories, the three of particular importance to my electorate being Roads to Recovery, black spots and the strategic regional program. I can certainly vouch for the fact that the electorate of Barker received more funding from those areas than any other electorate in South Australia.

The Howard government’s Roads to Recovery program became an essential element in local government’s ability to maintain and upgrade the local roads network. The Howard government established the Roads to Recovery program in 2000, and in July 2005 the program became part of AusLink. AusLink was a successful program under the Howard government and the funding initially was $2.24 billion including $304 million for Roads to Recovery. It was an outstanding example of a partnership between the national and local governments to provide direct funding to local communities. It bypassed the state governments so we did not have the cost shiftings. It was particularly important in my electorate of Barker, where we have thousands of kilometres in rural roads.

In rural areas it is the local roads which link our homes and farm properties to our schools, shops and sporting facilities that take us to the arterial roads and national highways. In regional areas in my electorate they also link entire communities. Roads to Recovery had a strong rural and regional focus and the funding helped local councils begin to address the backlog of regional and rural road maintenance, thereby improving safety, transport efficiency and stimulating economic development across the country. I was particularly pleased that the budget in 2005, when we gave over $1 billion to the Roads to Recovery program, included an additional $26.3 million specifically for councils in the Barker electorate.
AusLink Roads to Recovery has been a great program for all the roads in local government areas in this country and it has certainly helped their funding for roads. In fact in South Australia we got the best deal of the lot, probably because we were not getting such a good deal in other areas, but we argued that we should certainly get a greater share than other states. Our funding increased by 118 per cent for every council in South Australia whereas the Australian average was about 70 per cent, which in any terms was still a very substantial increase in funding for roads.

I was in local government for 11 years before coming to this place and when I talked to my local council people they were very thankful for the Roads to Recovery program. In fact they often expressed it in terms such as, ‘It was a godsend for our council. It actually meant we could fix up our roads and build new ones.’ Local councils in my electorate regularly told me that the program made an enormous difference in reducing the backlog of necessary maintenance whilst creating more jobs, provided safer travelling and reduced costs to local businesses.

The $205 million we gained for the Sturt Highway, which leads up to the Riverland in my electorate and is also the main highway to Sydney from Adelaide, certainly made it significantly safer as well as reducing travelling time for the thousands of vehicles that use it daily. The Dukes Highway was another major improvement where we funded over 30 overtaking lanes built onto the road to address a horrific crash rate, thereby increasing traffic volumes, particularly the number of commercial and heavy freight vehicles using the road as it is the main road link from Melbourne to Adelaide. Other improvements have included shoulder sealing over the full length of the Dukes Highway and major reconstruction of the section between Bordertown and the border. I was able to get a grant of $15 million to spend on 17 kilometres of road from Bordertown to the Victorian border because that road infrastructure had deteriorated quite badly.

Regional roads funding was a priority under the Howard government which recognised that transport and regional service are integral to the economic wellbeing of Australia. I might make the comment that when the road was in bad condition, the state government, rightly, reduced the speed limit from 110 to 100 kilometres an hour. I agreed with that. But when the road was fixed and it became the best part of the Dukes Highway in South Australia they kept the speed limit at 100, whereas the rest of the highway was 110. And guess where the state government put their police patrols to try and pick up people speeding? On the only section of road on the Dukes Highway with a 100 kilometre an hour limit!

Examples of direct benefits to local government and local businesses and communities are many, including the upgrade of the Kadlie Bore Road at Tailem Bend so it could accept B-double vehicles, which are very important to the transport and agriculture industries, and its widening to accommodate trailers behind prime movers. In Robe we resurfaced Boatswains Road to service local and tourist traffic needs. The reconstruction of the Canunda Frontage Road in Wattle Range facilitated tourism in our south-east. The extension of Stirling Road in the Tatiara provided a better strategic freight route linking the Dukes and Riddoch highways. Indeed, I use that road myself quite a bit.

The Black Spot Program in regions was always a priority under the Howard government’s Roads to Recovery. Federal Labor flip-flopped on the importance of the black spot funding over the years. Despite clear evidence of the lives saved and the crashes avoided, the Hawke and Keating Labor gov-
ernments actually abolished this program. It took the coalition’s return to government in 1996 to reinstate the highly valuable program and fund it at an appropriate level. That allowed a large number of black spots in my electorate of Barker to be fixed, despite the failure of the state Labor government to meet its own infrastructure responsibility. In fact the Black Spot Program has been so well recognised that our state government and I suspect other state governments have copied it—even using the same name. It shows the necessity of the funding.

It was a Black Spot Program that installed 4.5 kilometres of guardrails for hazardous embankment drop-offs along the Angaston to Loxton road. Shoulder sealing and edge lining along the Mount Pleasant to Walker Flat road made the road considerably safer. The installation of a staggered cross intersection at the Carpenter Rocks Road, Dickson Road and Burrungule Road intersection in the lower south-east are many other examples. Importantly they are local roads and they are very important to the safety of local residents and rural and regional communities, which have already suffered under Labor slashing years of numerous rural and regional programs.

This bill moves the Black Spot Program away from local roads and streets and allows the Rudd Labor government to direct it instead to the national highway system, which already has substantial funding. Importantly, AusLink separately earmarked funding for local and regional transport improvements and, sadly, that is lost in the bill before us. This bill removes the requirement for the minister to consider the regional consequences of projects and, in doing so, it takes away protection for rural industries and the rural infrastructure needed to support them. In reality, this will mean less funds being spent in regional areas—a Labor trait that is becoming all too evident. This will come back to haunt Labor members in rural areas who have been as quiet as a church mouse on this reduction in spending on rural areas. Where are the Labor members for Leichhardt, Capricornia, Dawson, Flynn and Forde in Queensland, for example? Where are the Labor members for Page, Richmond, Dobell and Macquarie in New South Wales? Where are the Labor members for Corangamite and Corio in Victoria? Why do all these Labor members in rural areas let road funding be reduced by a city-centric Labor government?

When you take road funds away from regional Australia, you take away safety. You take away the ability for people to go safely about their business and to transport their families to school and sporting facilities many kilometres away. A child sitting next to mum or dad in a car being driven from the family farm to Saturday morning school, 40 or 50 kilometres away, has as much right to road transport safety as does any city child. The Black Spot Program saves lives, as it prevents serious accidents by upgrading serious accident sites, and rural and regional families should not be denied that protection because Labor decide to change the nature of the program so that moneys will go to just a few projects on the national highway system. The strategic regional program supported the growth of regional industry and enabled major infrastructure such as the $3.1 million project for the Millicent heavy-vehicle bypass—and I was down there recently seeing the work being done on that very important bypass.

This bill permits the strategic regional component funding of AusLink to go to fund projects in non-regional locations. It will shift funds from regional areas to the cities, and that is to the direct disadvantage of rural and regional Australians. The Rudd Labor government have now decided to subsume all of the components of AusLink into the Nation Building Program. I said earlier that
this was an attempt by Labor to fool the Australian people that they are spending more. A quick look at the figures shows that in fact they are spending less. Land transport infrastructure funding in 2009-10 will actually be about $2 billion less than in 2008-09. Many of the new infrastructure projects are simply re-announcements of projects proposed by the Howard government. Unfortunately, none of these are in the electorate of Barker.

The O-Bahn extension, which was not recommended for funding by Infrastructure Australia and was not a priority of the state Labor government, might be good news for city dwellers in Adelaide even if they want it—and there is still considerable argument about where it would go—and the modernisation of the Gawler railway line will be good news for the residents of the Labor seat of Wakefield, and likewise the Noarlunga-to-Seaford rail line extension will give the member for Kingston something to crow about. Unfortunately, the funds would have been better spent on the Southern Expressway, which must be the only one-way expressway in Australia. It runs one way for part of the day and then runs the other way for the rest of the day. Just to confuse things even more, on weekends it changes around again so you never know whether you are coming or going on the Southern Expressway, although some barriers are put in place to ensure that you do not go down the wrong way at the wrong time. So the funds would certainly have been better spent on that road infrastructure. None of these projects will reach the electorate of Barker or anywhere near it. They will do nothing for the heavy vehicle drivers transporting fresh produce from the Riverland to city markets. They will do nothing for the heavy-transport industry in the south-east of South Australia. Wineries in the Barossa will not get more passing lanes to facilitate bringing their goods to Adelaide, just as I am pretty sure their hundreds of thousands of cartons of the good drop will not get a seat on the modernised Gawler-to-Adelaide railway. Regional infrastructure is as essential to Australia’s economy as its metropolitan infrastructure—not so under a Labor government which has again turned its back on rural and regional Australia.

Ms LIVERMORE (Capricornia) (1.12 pm)—In his remarks on the Nation Building Program (National Land Transport) Amendment Bill 2009, the member for Barker asked where was the member for Capricornia. I can assure him that I am here speaking on this bill about nation building. That is not something that I was ever able to do in my years in opposition because there were not any bills about nation building coming before this parliament during the Howard years. In contrast, we are a government committed to nation building and this bill is a central part of that aim. It will ensure the effective delivery of a program worth more than $26.4 billion for our roads and railways. In essence, this bill is about delivering greater efficiency for the provision of funds to these important projects. Of course, that has been the mantra of the government since we took office, especially since the global financial crisis and its effects began unfolding last year. It is clear from everything that we have seen before the House this year that the government are not only taking action but are taking swift and effective action to counter the effects of that global financial crisis and also to undo the neglect of infrastructure that we saw under the previous government.

This bill introduces changes that expedite the process of getting construction works started sooner. It will mean jobs are created sooner and important infrastructure will be available for our economy and for our community sooner. Making these changes now will ensure that we can deliver our road and rail infrastructure program in the most effi-
cient way. I see that throughout this debate the opposition have continued their obstructionist games. They are looking to oppose some of these measures and to seek some amendments, something that we have seen all too often from the opposition as we try to get on with the job of protecting Australian jobs and the Australian economy from what is unfolding globally.

From the outset the opposition have stood in the road of our plans for nation building in this country. They have voted against new infrastructure for primary schools; they have voted against community infrastructure projects—and in so doing they have voted against protecting the economy and Australian jobs. I guess we should not be surprised by that attitude, because it is consistent with the Liberal and National parties’ record in government, where we saw a total neglect of infrastructure throughout the country, particularly in regional areas. An example of their neglect and poor attitude towards infrastructure is the cut to road funding in 2006-07. For them, infrastructure, like everything else, was all about politics. We have seen that played out again here in the House in the last few months, when opposition members voted against nation-building projects and nation-building initiatives and then went back and spruiked another message to the local papers in their electorates, claiming credit for projects that they had opposed when they had the opportunity in this House.

The opposition want to amend this legislation so that it cannot include funding for black spots on the national network. I do not how they explain that position. It beggars belief that they would want to exclude dangerous parts of our roads from receiving funding and upgrades. These black spot projects, after all, are upgrades that reduce accidents and protect lives.

In fact, there are two projects on the national network in Capricornia that the government has committed to that fit into this category. These are both on notorious parts of the Bruce Highway—one north of St Lawrence and another north of Sarina. The government is installing rumble strips and fatigue markers at these black spots. I drove this road at night just a couple of weeks ago, and I can testify to the importance of these rumble strips. Too many accidents have occurred because of fatigue on the long and sleepy stretch of highway between Mackay and Rockhampton, but it seems that if the opposition had its way these black spots would be robbed of important funds.

I am pleased to see that this legislation will allow the minister to approve funding for black spots projects on the National Land Transport Network. The success of the Black Spot Program has been well documented, and recognised, I must say, by speakers on both sides of the House. The Department of Infrastructure, Transport, Regional Development and Local Government has some key numbers which really demonstrate why it is such a good investment. The numbers indicate that this program has prevented at least 32 fatalities and more than 1,500 serious injuries in just three years. The program also returns $14 for every $1 invested, by reducing the number and cost of crashes.

In March this year I had the pleasure of announcing to the people of Capricornia $2.2 million in black spot funding. That included seven extra projects worth $1.7 million funded under the government’s nation-building packages. These included the two projects on the Bruce Highway I have already mentioned. It also included widening, sealing and line marking at Nine Mile Road, Fairy Bower, not far from Rockhampton; widening a causeway and realigning the intersection of Rifle Range Road at Sarina; realigning and sealing a section of Courtneys
Gap Road, west of Sarina; line marking and new traffic signals at High Street and Ford Street, Berserker in Rockhampton; and upgrading signage, line marking and pavement at Pacific Drive and Barfield Street in Salonika Beach not far from Sarina. These projects were assessed and recommended by a panel of independent road safety experts including the RACQ, Queensland Police, Bicycle Queensland and the Queensland Trucking Association.

I also want to mention the Roads to Recovery program, which is a great boost to local councils in my electorate. Roads in Capricornia are getting funding through the Roads to Recovery program thanks to money going to local councils. The Rockhampton Regional Council is receiving $8.25 million, while the Isaacs Regional Council is receiving $5.585 million over five years. Along with the Mackay Regional Council, these local government authorities will spend the money as they best see fit. We are making sure that local communities are getting the maximum benefit from this funding, so we are leaving it to councils to identify their priority projects.

One of the key messages in this bill and in the budget delivered earlier this month is that the government is committed to infrastructure. The list of projects is too long for me to list here, but one of the most important things to come out of the budget for people right across my electorate—and indeed for people throughout Queensland—is the funds going into the Bruce Highway. There is a whole list of projects that will make major improvements—both efficiency improvements and safety improvements—to that key strategic piece of infrastructure. Many people in my community drive the Bruce Highway for business and leisure and they will all welcome these upgrades. Similar road upgrades are happening all over the country.

In conclusion, I remind the House that the Rudd government will invest $35 billion over six years on transport infrastructure. It is a welcome change from the previous government, which failed to deliver on our infrastructure needs and left our roads and railways severely lagging. Now, however, Australia is getting the funding it needs for black spots, Roads to Recovery and boom gates at level crossings, as well as major upgrades to roads in general and railways and ports. Our commitment to investing in infrastructure is driven by strategic outcomes, not political outcomes. This government is making nation building a priority to overcome the neglect of infrastructure that we suffered throughout the Howard years.

**Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (1.15 pm) in reply—I thank members for their comments and contribution to the debate on the Nation Building Program (National Land Transport) Amendment Bill 2009. This bill is central to the delivery of the government’s Nation Building Program. A road and rail infrastructure program worth more than $26 billion—**

**Mr Randall—Mr Deputy Speaker, I rise on a point of order. The order of speakers on this debate shows that the next speaker is not the minister. What is happening?**

**The DEPUTY SPEAKER (Hon. BC Scott)—The minister sought the call and he has been granted the call. What is your point of order?**

**Mr Randall—The point of order is that the speakers list is not being followed as it should be. If the minister is guillotining this debate please tell us.**

**Mr ALBANESE—There is no-one on the list.**
Mr Randall—The member for Parkes is on the list if you want to see it, Mr Deputy Speaker.

The DEPUTY SPEAKER—I do not need to see it. You have made your point of order. The minister has sought the call and I have given him the call. Does the member for Canning have a point of order?

Mr Randall—I have, because the House is not following the speakers list that has been printed. If the minister is summing up, that is a different issue, but the speakers list is not being followed. If you are summing up and you are going to guillotine the bill, you should at least have the courtesy to tell us, because the speakers list has not been completed.

The DEPUTY SPEAKER—The member for Canning will resume his seat. I had understood that the opposition had been advised. That was my advice and I understand that the speakers list has not been completed, but I was advised that the opposition had been advised. Minister, please clarify this for me, because I was advised by your good self that the opposition had been advised that you were going to close the debate.

Mr ALBANESE—On the point of order—

The DEPUTY SPEAKER—No.

Mr ALBANESE—Or did you want me to sum up the bill?

The DEPUTY SPEAKER—No, I want you to clarify the position as you gave it to me.

Mr ALBANESE—Yes, Mr Deputy Speaker. It was agreed that this bill would go through before 2 pm today. The opposition was advised that we would guillotine if need be at 1.30. When, however, there were no more opposition speakers in the chamber who were on the list, I concluded that the debate had ended and rose to sum up. The reason why we need to have the debate finished before two o’clock is to give the shadow minister an opportunity to then go through and move the opposition amendments.

Mr Truss—We’re happy to spend all day on it.

Mr ALBANESE—Well, we have a range of business before the House. This will be put through before two o’clock.

The DEPUTY SPEAKER—Minister, you advised me that the opposition had been advised. The speakers list that I have before me is certainly not complete—the one that I have on my table. I do not know what you have on your table; I have one that was given to me by the Speaker’s office.

Mr ALBANESE—Mr Deputy Speaker, I have one which—

The DEPUTY SPEAKER—Yes, and that is the one I am working from, but you advised me that the opposition had been advised—

Mr ALBANESE—to satisfy the Deputy Speaker, if the opposition would like me to move that the question be put, I would be pleased to do so, but that just gets everyone in here for an unnecessary division. It is up to them. It makes no difference, except—

Mr Truss interjecting—

The DEPUTY SPEAKER—the minister has the call. I will just repeat for the benefit of the House: I was advised by the minister and I specifically asked him, ‘Have you advised the opposition?’ and he said yes, the opposition had been advised.

Mr ALBANESE—I advised the Manager of Opposition Business and he was going to discuss it with the opposition whip.

The DEPUTY SPEAKER—I call the minister.
Mr ALBANESE—Thank you, Mr Deputy Speaker. By blocking this bill, they are standing in the way of the effective rollout of the Nation Building Program. That includes over 120 road and rail projects. It includes the elimination of thousands of black spots around the country, the installation of 292 boom gates at high-risk level crossings and the construction of additional rest stops for truck drivers.

The bill proposes changes to ensure there are effective provisions for major road and rail infrastructure projects on the National Land Transport Network, as well as for projects off the network, and effective provisions for the Roads to Recovery program and the Black Spot Program. We have secured memorandums of understanding with each and every state and territory government, including Western Australia’s. All those governments have entered into these cooperative arrangements with the Commonwealth to build the nation, and they have done that to address the 11 years of inaction that the coalition left the government with.

Blocking vital road and rail infrastructure projects at any time is unacceptable, but to do so in the midst of a global economic recession is a deliberate act of economic vandalism. Just as bizarre as their decision to vote against our legislation are the reasons the coalition give for doing so. They do not want federal dollars used to fix black spots on sections of our national highways. They also do not want to upgrade urban roads. The opportunism of the Leader of the Opposition and the Leader of the National Party is emerging as the greatest threat to the nation’s economic recovery and the modernisation of the nation’s infrastructure. Not satisfied with having left a major infrastructure deficit, now the coalition are attempting to thwart our efforts to act.

I want to address the two coalition amendments that have been put forward and explain why they are unacceptable. The opposition will be moving amendments to part 6 of the bill, which relates to off-network projects. The bill proposes to amend the principal act to make it clear that part 6 can be used to approve funding for projects which are off the National Land Transport Network in both regional and metropolitan areas of Australia. This is unacceptable to the National Party. They have therefore put forward an amendment stating that off-network projects should only be allowed in regional Australia.

We have heard much rhetoric from those opposite on those issues. It is time, though, that the National Party came clean. Here are some examples of what they used the strategic regional program for. Two million dollars was used for the Campbell Parade upgrade at Bondi Beach in the electorate of Wentworth. They said that was a strategic regional road and say they are opposed to the use of these funds in urban areas. You cannot get more urban than Campbell Parade, Bondi Beach. Any further east and you are on your way to New Zealand—and yet, for the marginal electorate of Wentworth, there was funding out of regional Australia put into Campbell Parade.

There was funding from the program in another marginal seat at the last election too, and that was the electorate of Bennelong. Regional road funding of $509,000 was spent on the upgrade of Balaclava Road, $239,000 on the upgrade of Cox’s Road and $280,000 on the upgrade of Wicks Road. What hypocrisy and opportunism from those opposite! And $10 million was used for the Lloyd Street extension in the marginal seat of Hasluck, allocated from the strategic regional roads program.
I will table a list of off-network projects to which the coalition is opposed. The list contains 41 projects worth $655 million that they are opposing if their amendment to this legislation is carried. In New South Wales: no funding for the Bega bypass, no funding for the Alstonville bypass and no funding for the North Orange bypass. In Victoria: no funding for Springvale Road, for Warrnambool intermodal terminal, for Shepparton intermodal terminal or for Clyde Road in the electorate of La Trobe. I will wait and see what the member for La Trobe does on this amendment, whether he wants $30 million to be spent on Clyde Road in the electorate of La Trobe. In Queensland: the Peninsula Development Road in Far North Queensland, sealing community road upgrades in Cape York. In Western Australia: the new interchange at the Reid Highway and Alexander Drive intersection in Perth. During this parliament, just last week, the member for Stirling came in here and said there should be more funding for his electorate for roads. Well, he has an opportunity in a little while to vote for that, or else his opportunism and his betrayal of his electorate will be known to everyone in that electorate. In South Australia: the Victor Harbor intersection with Main South Road.

In Tasmania—and I notice in the chamber the member for Lyons, someone who supports regional development in Tasmania—the amendment would stop funding for the Kingston bypass. It would stop funding for the north-east freight roads. It would stop funding to upgrade the Derwent Valley rail line from Boyer to Karanja, in south-west Tasmania. In the Northern Territory, it would stop the funding of Port Keats Road at Wadeye. Who could possibly be cynical enough to move an amendment to delete these fundings? Only the National Party. In the ACT, it would stop the upgrade of the Canberra airport corridor—$30 million. I ask you to think about that when you are struggling to get to the airport on Thursday night. Those opposite are opposed to that. I table the 41 projects worth $655 million.

The DEPUTY SPEAKER (Ms AE Burke)—The minister must seek leave.

Mr ALBANESE—No, I do not.

The DEPUTY SPEAKER—Yes, in the middle of a debate you must seek leave.

Mr ALBANESE—I seek leave to table them.

Leave granted.

Mr ALBANESE—The second amendment is extraordinary. It opposes black spot funding on the national network. The Leader of the National Party nods in agreement. This is in spite of the fact that in his speech one of the things he did get right was acknowledging the increased funding for black spots which we have included as part of our stimulus packages.

In question time last week I raised the article in the Latrobe Valley Express on 25 May where the member for Gippsland welcomed the funding, boasting about the great benefit that black spot funding would achieve for his electorate. If the member for Gippsland votes for the amendment which will be moved by the Leader of the National Party, that very black spot that he had his photo in the local paper applauding that it was going to be fixed by the Rudd Labor government will not be eligible for the funding: $450,000 to fix the black spot at the intersection of Post Office Place and the Princes Highway East in Traralgon. The intersection of Heyfield Road and Princes Highway in Sale will also miss out on $5,000 of black spot funding.

If the member for Mallee votes for the amendment moved by his leader, the Leader of the National Party, then five projects on the national network in his electorate of...
Mallee will not get the funding: $70,000 to fix a black spot on the Western Highway and Urquhart Street intersection in Horsham, $92,000 to fix a black spot on the Sturt Highway intersection with High King Drive and Madden Avenue in Mildura, $20,000 to fix a black spot on the Western Highway at the Horsham and Kalkee roads intersection, $30,000 to fix a black spot on the Calder Highway at the Hattah and Robinvale Road intersection and $20,000 to fix a black spot on the Calder Highway at the Walsh and Arnolds roads intersection.

The member for Maranoa has released three media releases since February saying he supports black spot funding in his electorate. If he votes for the amendment which will be moved by the Leader of the National Party, then $70,000 to fix a black spot on the Warrego Highway and Condamine Street intersection in Dalby and $500,000 to fix a black spot on the New England Highway between Coochie Road and Brown Road in Braeside will not be funded. This is, once again, an extraordinary example of the coalition saying one thing in their electorates but another thing here in parliament. I seek leave to table a list of the black spots on the national network.

Leave granted.

Mr ALBANESE—When it comes to infrastructure investment, the National Party is very confused indeed. The fact is that our second budget delivers more funding for infrastructure projects than that provided last year in our first budget. All up, we will invest a record $6 billion in 2009-10 to build new and upgrade existing transport infrastructure—more than we provided in 2008-09, with a total over that period of $11.9 billion. The allocations that make up this unprecedented investment program can be found on pages 24, 34, 89 and 107 of my department’s portfolio budget statements.

I want to put to bed this argument about how much the coalition was intending to spend, and the best way that I can do this is to publish a budget media release issued on 8 May 2007 by the then Minister for Transport and Regional Services and Deputy Prime Minister, Mark Vaile, and the then Minister for Local Government, Territories and Roads, Jim Lloyd. I seek leave to table that media release.

Leave granted.

Mr ALBANESE—It states:

The Australian Government will invest $22.3 billion in Australia’s land transport system from 2009-10 to 2013-14.

That is what it says, that was their position, and yet the Leader of the Nationals pretends somehow that they had $31 billion allocated. All you have to do is look at the previous government’s budget papers and their own press releases. That is what they budgeted for. This government has budgeted $35.8 billion, including the Nation Building Program, the equity injection into the Australian Rail Track Corporation and the new transport infrastructure investments announced in the 2009-10 budget.

To conclude, the amendments that the opposition have foreshadowed not only would damage the integrity of this legislation and the delivery of our Nation Building Program; they are also totally inconsistent with what the opposition say not just in their electorates but in this House when it comes to funding in their specific electorates. Instead of that, what they have foreshadowed is that they will actually vote against this legislation. Like they voted against the Infrastructure Australia legislation, like they voted against the creation of the nation-building funds, they are going to vote against the Nation Building Program—absolutely extraordinary. They will be voting against the effective delivery of 120 road and 26 rail projects, voting
against eliminating the thousands of dangerous black spots across the country, voting against the boom gates at high-risk level crossings and voting against the construction of additional rest stops for truck drivers.

The fact is that this legislation is a part of this government’s absolutely central commitment to nation building and to infrastructure development that will create jobs and stimulate the economy now and also leave Australia in a much stronger position as we emerge into economic recovery. I commend the bill to the House.

Question agreed to.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr TRUSS (Wide Bay—Leader of the Nationals) (1.41 pm)—by leave—I move opposition amendments (1) to (21) together:

(1) Schedule 1, item 2, page 3 (lines 11 to 18), omit the item, substitute:

Subsection 4(1) (definition of approved funding recipient)

Omit “an AusLink National Project, an AusLink Transport Development and Innovation Project, an AusLink Strategic Regional Project or an AusLink Black Spot Project”, substitute “a Nation Building Program National Project, a Nation Building Program Transport Development and Innovation Project, a Nation Building Program Strategic Regional Project or a Nation Building Program Black Spot Project”.

(2) Schedule 1, item 3, page 3 (lines 19 to 26), omit the item, substitute:

Subsection 4(1) (definition of approved purposes)

Omit “an AusLink National Project, an AusLink Transport Development and Innovation Project, an AusLink Strategic Regional Project or an AusLink Black Spot Project”, substitute “a Nation Building Program National Project, a Nation Building Program Transport Development and Innovation Project, a Nation Building Program Strategic Regional Project or a Nation Building Program Black Spot Project”.

(3) Schedule 1, item 12, page 4 (lines 19 to 22), omit the item, substitute:

12 Subsection 4(1)

Insert:

Nation Building Program Strategic Regional Project has the meaning given by section 52.

(4) Schedule 1, item 62, page 10 (lines 10 to 13), omit the item, substitute:

62 Part 6 (heading)

Repeal the heading, substitute:

PART 6—NATION BUILDING PROGRAM STRATEGIC REGIONAL PROJECTS

(5) Schedule 1, item 63, page 10 (lines 14 to 17), omit the item, substitute:

63 Division 1 of Part 6 (heading)

Repeal the heading, substitute:

Division 1—Approval of projects as Nation Building Program Strategic Regional Projects

(6) Schedule 1, item 64, page 10 (lines 18 to 22), omit the item, substitute:

64 Section 52

Omit “An AusLink Strategic Regional Project”, substitute “A Nation Building Program Strategic Regional Project”.

Note: The heading to section 52 is altered by omitting “an AusLink Strategic Regional Project?” and substituting “a Nation Building Program Strategic Regional Project?”.

(7) Schedule 1, item 65, page 10 (lines 23 to 27), omit the item, substitute:

65 Subsection 53(1)

Omit “an AusLink Strategic Regional Project”, substitute “a Nation Building Program Strategic Regional Project”.

CHAMBER
Note: The heading to section 53 is altered by omitting “AusLink Strategic Regional Projects” and substituting “Nation Building Program Strategic Regional Projects”.

(8) Schedule 1, item 66, page 10 (line 28) to page 11 (line 2), omit the item, substitute:

66 Sections 54 and 55
Omit “an AusLink Strategic Regional Project”, substitute “a Nation Building Program Strategic Regional Project”.

(9) Schedule 1, item 67, page 11 (lines 3 and 4), omit the item.
(10) Schedule 1, item 68, page 11 (lines 5 and 6), omit the item.
(11) Schedule 1, item 69, page 11 (lines 7 and 8), omit the item.
(12) Schedule 1, item 70, page 11 (lines 9 to 11), omit the item, substitute:

70 Subsection 56(1)
Omit “AusLink Strategic Regional Projects”, substitute “Nation Building Program Strategic Regional Projects”.

(13) Schedule 1, item 71, page 11 (lines 12 to 14), omit the item, substitute:

71 Subsections 56(3) and (4)
Omit “an AusLink Strategic Regional Project”, substitute “a Nation Building Program Strategic Regional Project”.

(14) Schedule 1, item 72, page 11 (lines 15 to 17), omit the item, substitute:

72 Subsections 57(1), (2) and (3)
Omit “an AusLink Strategic Regional Project”, substitute “a Nation Building Program Strategic Regional Project”.

(15) Schedule 1, item 73, page 11 (lines 18 to 20), omit the item, substitute:

73 Section 58
Omit “an AusLink Strategic Regional Project”, substitute “a Nation Building Program Strategic Regional Project”.

(16) Schedule 1, item 74, page 11 (lines 21 to 23), omit the item, substitute:

74 Subsection 59(1)
Omit “an AusLink Strategic Regional Project”, substitute “a Nation Building Program Strategic Regional Project”.

(17) Schedule 1, item 75, page 11 (lines 24 to 28), omit the item, substitute:

75 Subsection 60(1)
Omit “AusLink Strategic Regional Projects”, substitute “Nation Building Program Strategic Regional Projects”.

Note: The heading to section 60 is altered by omitting “AusLink Strategic Regional Projects” and substituting “Nation Building Program Strategic Regional Projects”.

(18) Schedule 1, item 76, page 11 (line 29) to page 12 (line 2), omit the item, substitute:

76 Subsection 61(1)
Omit “AusLink Strategic Regional Project”, substitute “a Nation Building Program Strategic Regional Project”.

(19) Schedule 1, item 77, page 12 (lines 3 to 5), omit the item, substitute:

77 Subsections 62(1) and (2)
Omit “an AusLink Strategic Regional Project”, substitute “a Nation Building Program Strategic Regional Project”.

(20) Schedule 1, item 85, page 13 (lines 7 and 8), omit the item.
(21) Schedule 1, item 86, page 13 (lines 9 and 10), omit the item.

These amendments are designed to preserve the original intent of the AusLink Strategic Regional Program and the Black Spot Program. They simply change the bill to restore these programs. We will allow the change of name from ‘AusLink’ to ‘Nation Building Program’, but we maintain the intent of the programs. As much as the opposition think that the changing of the program names from ‘AusLink’ to ‘nation building’ is all about spin and a complete waste of time, we will not stand in the way. If the government are so bent on pursuing their silly spin then that is their business. It is obvious to everyone
that this is designed to purge from memory
the names of highly successful road funding
programs, like the Black Spot Program and
the AusLink Strategic Regional Program,
identified with the coalition.

Our amendments adjust the government’s
changes to preserve the term ‘strategic re-
gional project’ and, more importantly, it
keeps the original wording in section 55 of
the AusLink (National Land Transport) Act
2005 to ensure that, when the minister ap-
proves a nation-building strategic regional
project, the minister must consider the re-
gional benefit of that project. Unfortunately,
the government, in its attempt to move trans-
port infrastructure funding from the country
to the cities, has removed this requirement in
the bill. Similarly, opposition amendments
(20) and (21) delete items 85 and 86 on page
13, lines 7 to 10, of the government’s bill
that permit black spot projects to occur on
the National Land Transport Network. These
are simple changes that preserve the regional
and local focus of these two vital elements of
what was known as the AusLink program.

It is a shame that the opposition has to do
this. It is a greater shame that the govern-
ment is once again demonstrating its strong
bias against country Australia by seeking to
move road funding away from regional areas
and into the cities.

I believe these amendments are reasonable
and they should be supported by the govern-
ment. Let us make it absolutely clear to
the minister who put out the ridiculous media
release this morning suggesting that the op-
position was about blocking road projects:
these amendments do not reduce spending on
roads by a single dollar. These amendments
do not reduce expenditure on roads by a sin-
gle dollar, but they allow funds to be spent in
areas where they have traditionally been
spent under these programs. They enable
projects to be undertaken on local roads and
streets in country and city areas under the
Black Spot Program, as they always have
been. They allow the regional strategic pro-
gram funding to be spent in the regions or on
projects which have a regional benefit, as
they always have been and as was always
intended.

Mr Albanese interjecting—

Dr Stone interjecting—

The DEPUTY SPEAKER (Ms AE
Burke)—Order! the member will be heard in
silence.

Mr TRUSS—In reality, the minister, by
tabling in parliament the list of projects to-
day that the government intends to fund—
and it is the first time we have seen the list; it
was not available just a day or two ago—
proves that the government’s intent for this
legislation is to shift money away from re-
gional areas and into the cities. That is its
intent: to take money from local projects and
local accident spots and put it on the national
highway, which the government should be
adequately funding in the first place. The
government is in effect stealing money from
local streets, local roads and local projects to
put on major projects on the national high-
way which will scoop up huge volumes of
this money. Make no mistake, there will be
many, many fewer projects funded under the
Black Spot Program in the future than there
were in the past because of the big-ticket
items that the government is proposing to
include in this item.

In relation to the regional projects, it is the
same. We know that the Labor government
are in trouble because their candidates at the
last election were promising road projects all
over the place and there is no funding avail-
able for those projects. So the strategic re-
gional program is to be changed to act as a
slush fund for the Labor Party’s policy prom-
ises at the last election. Indeed, we have been
told that $762.5 million of what is to be in
this new off-network program has already been committed. Eighty-six per cent has already been committed to fund Labor’s election promises. But there was no avenue to fund them, because these projects were not eligible for funding under black spot or under the strategic regional programs. So they have got to change the program fundamentally; otherwise they have got a further funding shortfall. (Time expired)

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (1.46 pm)—What an extraordinary contribution from the Leader of the Nationals! The electorates in which black spots on the national program network are intended to be funded are on the list I tabled. Just to name one state, Victoria, there is: Mallee, Ballarat, Mallee, Gippsland, Ballarat, Murray, Wannon, Mallee, Mallee, Mallee, Murray, Wannon, Mallee, Ballarat, Mallee, Wills, Indi and Indi. They are the projects, the same projects that the member for Gippsland was up there saying should be funded and was having his photo in the local paper as a result of. Now the Leader of the National Party, his party, says they are a rort. It is absolutely extraordinary. The Leader of the National Party knows that a number of dangerous black spots are indeed on the national network, particularly in areas where the national network goes through regional centres. That is what this change will recognise. His amendment seeks to stop this funding of the Black Spot Program that he has acknowledged is in record terms. We have more than doubled funding for black spots.

The Leader of the National Party knows that a number of dangerous black spots are indeed on the national network, particularly in areas where the national network goes through regional centres. That is what this change will recognise. His amendment seeks to stop this funding of the Black Spot Program that he has acknowledged is in record terms. We have more than doubled funding for black spots.

The second amendment goes to the strategic regional program. The Leader of the National Party says that under the former government’s program, under the strategic regional program, funding could not take place for urban roads. There was $2 million for the Campbell Parade upgrade at Bondi Beach, in the electorate of Wentworth, funded under the Strategic Regional Program. In the electorate of Bennelong there were at least three projects. In the electorate of Hasluck there was another project. In marginal electorates right around the country, funded by the National Party through the strategic regional program, it was not about where the road was; it was about the margin of the electorate. It was about not the road map but the electoral map. That was the way that the previous government determined its road funding.

The record is there. The opportunism is exposed completely. I am not sure whether he is trying to mislead the House or whether it is simply that he has forgotten what the previous government did when it was in office. I say this to the member for Gippsland, who was in his local paper and who is in the chamber here: this amendment moved by the leader of his party would stop the funding of the black spot where he got the photo taken that was in his local paper, published last week. That is what it would do. So he needs to be very clear. He is on the spot here and he needs to be clear. If he votes for this amendment, he is voting against funding that black spot where he got the photo taken that was in his local paper, published last week. That is what it would do. So he needs to be very clear. He is on the spot here and he needs to be clear. If he votes for this amendment, he is voting against funding that black spot in his electorate, and he should tell the Leader of the National Party that he is simply wrong in this. He has simply got it wrong, because they have not come to terms with the fact that one of the reasons why they are on the opposition benches is their failure to invest in infrastructure over 12 long years of government.

Mr COULTON (Parkes) (1.50 pm)—I would like to speak on the amendments moved by the Leader of the Nationals. This change of name from AusLink to the Nation Building Program should be changed to the ‘nation choking program’.

Mr Shorten interjecting—
Mr COULTON—This government is looking at focusing more and more money on the cities. I know that the member for Maribyrnong is a bit off colour today—he is worried about who is going to play him in the upcoming movie—but we need to get back to what is vitally important and what is at the nub of this issue, and it is strategic road funding.

The minister just said that the previous government was not committed to infrastructure. That is blatantly untrue. I could name several of the strategic Roads to Recovery funded projects that have been greatly beneficial to people where there were not a large number of votes at all. An example is the Coonamble to Bingara Road funding. Not a lot of people live on that road. It was built to grow that part of the state. The people of Pilliga can now get their children to school because they have a bitumen road due to this funding. The people of Bingara now have access to more tourism dollars because of the road—

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (1.52 pm)—I move:

That the question be now put.

Question put.

The House divided. [1.56 pm]

(The Speaker—Mr Harry Jenkins)

Ayes............ 72

Noes............ 62

Majority........ 10

AYES

Adams, D.G.H. Albanese, A.N.
Bevis, A.R. Bidgood, J.
Bird, S. Bowen, C.
Bradbury, D.J. Burke, A.E.
Burke, A.S. Butler, M.C.
Byrne, A.M. Campbell, J.
Champion, N. Cheeseman, D.L.

Clare, J.D. Collins, J.M.
Combet, G. Crean, S.F.
D’Ath, Y.M. Danby, M.
Debus, B. Dreyfus, M.A.
Elliot, J. Ellis, K.
Emerson, C.A. Garrett, P.
George, J. Gibbons, S.W.
Gillard, J.E. Gray, G.
Grierson, S.J. Griffin, A.P.
Hale, D.F. Hall, J.G. *
Hayes, C.P. * Irwin, J.
Jackson, S.M. Kelly, M.J.
Kerr, D.J.C. King, C.F.
Marles, R.D. Macklin, J.
Melham, D. McClelland, R.B.
Neal, B.J. Murphy, J.
O’Connor, B.P. Neumann, S.K.
Parke, M. Owens, J.
Price, L.R.S. Perrett, G.D.
Rea, K.M. Raguse, B.B.
Rishworth, A.L. Ripoll, B.F.
Saffin, J.A. Rudd, K.M.
Sidebottom, S. Shorten, W.R.
Snowdon, W.E. Smith, S.F.
Swan, W.M. Sullivan, J.
Tanner, L. Symon, M.
Thomson, K.J. Thomson, C.
Vamvakinou, M. Trevor, C.

NOES

Abbott, A.J. Andrews, K.J.
Bailey, F.E. Bishop, B.K.
Billson, B.F. Briggs, J.E.
Bishop, J.I. Ciobo, S.M.
Chester, D. Costello, P.H.
Cobb, J.K. Dutton, P.C.
Coulton, M. Forrest, J.A.
Farmer, P.F. Georgiou, P.
Gash, J. Hartsuyker, L.
Haase, B.W. Hawker, D.P.M.
Hawke, A. Hull, K.E. *
Hockey, J.B. Irons, S.J.
Hunt, G.A. Johnson, M.A. *
Jensen, D. Keenan, M.
Katter, R.C. Macfarlane, I.E.
Ley, S.P. Markus, J.E.
Marino, N.B. Mirabella, S.
May, M.A. Moylan, J.E.
Morrison, S.J. Neville, P.C.
Nelson, B.J. Pyne, C.
Question agreed to.

The SPEAKER—The question is that the amendments be agreed to.

Question put.

The House divided. [2.00 pm]

(The Speaker—Mr Harry Jenkins)

Ayes............. 62
Noes............. 79
Majority........ 17

AYES

Abbott, A.J.
Bailey, F.E.
Billson, B.F.
Briggs, J.E.
Ciobo, S.M.
Costello, P.H.
Dutton, P.C.
Forrest, J.A.
Georgiou, P.
Hartsuyker, L.
Hawker, D.P.M.
Hull, K.E.*
Irons, S.J.
Johnson, M.A.*
Keenan, M.
Ley, S.P.
Marino, N.B.
May, M.A.
Morrison, S.J.
Nelson, B.J.
Pearce, C.J.
Ramsey, R.
Robb, A.
Ruddock, P.M.
Scott, B.C.
Simpkins, L.

NOES

Adams, D.G.H.
Bevis, A.R.
Bird, S.
Bradbury, D.J.
Burke, A.S.
Byrne, A.M.
Champion, N.
Clare, J.D.
Combet, G.
D’Ath, Y.M.
Debus, B.
Elliot, J.
Emerson, C.A.
Garrett, P.
George, J.
Gillard, J.E.
Grierson, S.J.
Hale, D.F.
Hayes, C.P.*
Jackson, S.M.
Kerr, D.J.C.
Livermore, K.F.
Marles, R.D.
McKew, M.
Melham, D.
Neal, B.J.
O’Connor, B.P.
Parke, M.
Plibersek, T.
Raguse, B.B.
Ripoll, B.F.
Roxon, N.L.
Saffin, J.A.
Sidebottom, S.
Snowdon, W.E.
Swan, W.M.
Tanner, L.
Thomson, K.J.
Vamvaknoun, M.
Zappia, A.

* denotes teller

Question negatived.

The SPEAKER—Order! It being 2.06 pm, the debate is interrupted in accordance
with standing order 97. The debate may be resumed at a later hour.

MINISTERIAL ARRANGEMENTS

Mr RUDD (Griffith—Prime Minister) (2.07 pm)—I inform the House that the Minister for Defence will be absent from question time today as he is attending the Five Power Defence Arrangements meeting in Malaysia. The Minister for Foreign Affairs will answer questions on his behalf. The Minister for Resources and Energy and Minister for Tourism will be absent from question time today as he is addressing the Australian Petroleum Production and Exploration Association conference in Darwin. The Minister for Agriculture, Fisheries and Forestry will answer questions on his behalf.

MINISTERIAL STATEMENTS

India

Mr RUDD (Griffith—Prime Minister) (2.07 pm)—by leave—On Friday, I spoke to Prime Minister Singh of India. I had sought to speak to him to congratulate him on his election victory. The Prime Minister is a friend of Australia and an inspiring leader for his own nation, India. The Australian government welcomes his historic second-term victory. The election itself was another reminder of India’s achievements as the world’s largest democracy. I look forward to working with Prime Minister Singh in the years ahead as we take our relationship with India to the front rank of our own international relations. We have many common interests—those of history, those of the present and those of the future—as two Indian Ocean democracies. We work closely together in the G20 and in other global councils. We, of course, also have strong community links. The more than 200,000 strong Indian community in Australia has a long history of remarkable contribution to our nation.

Today I want to touch on some recent unfortunate events that have threatened to impair those good relations. In recent months, there have been a number of attacks on young Indians studying or working in Australia—in particular, three recent attacks in Melbourne involving six young Indians. In fact, there is a much wider problem of urban violence in various parts of some of our larger cities. I speak on behalf of all Australians when I say that we deplore and condemn these attacks. These are senseless acts of violence. Those who carry out these attacks stand condemned. When I spoke to Prime Minister Singh, we discussed these recent deplorable events as well. I said to Prime Minister Singh that the more than 90,000 Indian students in Australia are welcome guests in our country. I also said that the more than 200,000 Australians of Indian descent are welcome members of the Australian family. I said that the Commonwealth government was working closely with state governments to ensure that the perpetrators of these crimes are brought to justice and that government agencies are responding to these crimes to protect all students and others in our community.

Australia is a country of great diversity, harmony and tolerance. We are a multicultural nation and we respect and embrace diversity—diversity which has enriched our nation, Australia. That is why these recent acts of violence are all the more deplorable. They are equally unacceptable and deserve to be met with the full force of the law. On Friday, the Minister for Foreign Affairs spoke to his counterpart, External Affairs Minister Krishna, about these matters and assured him of the seriousness with which the Australian government is addressing these matters. The Deputy Prime Minister outlined last week steps the government will be taking to respond to the specific concerns of international students. We will work closely with the states to implement these measures as a matter of urgency.
The Australian government is committed to developing a stronger, closer relationship with India. That is the message I delivered to Prime Minister Singh in our discussion on Friday. The Australian government is also committed to the safety of all Australians and all those who visit our nation.

Mr Turnbull (Wentworth—Leader of the Opposition) (2.11 pm)—by leave—At this time of challenging global economic conditions, India’s growing prosperity, its strength and its stability serves as an example for the principles and the benefits of political and economic freedom. In its most recent elections last month, India, the world’s largest democracy, with over 700 million people voting, reaffirmed resoundingly the support of the people of India for a pluralist and secular model of democracy. A strong and successful India is truly a blessing for the world. India has risen to real greatness. It is playing an increasingly important and leading role as the great power that it is on every front, be it in security, be it in the global economy, be it in climate change. We have worked closely with India in these areas, particularly in respect of our joint challenge of water scarcity. Both Indians and Australians know what that means and there are some very similar circumstances in both countries.

When we were in government, we took a different view from that of the Labor Party and we were prepared to export a clean, low-emission fuel to India—uranium. We recognise the Labor Party does not support that, which is a pity. As leader of the coalition in Australia, I look forward to a close and cooperative relationship with the new government of Prime Minister Singh. I have recently written to him to congratulate him on his election and to express our desire to build on the history of goodwill between our nations. We have recently met with the Indian High Commissioner, Her Excellency Sujatha Singh, and discussed with her not only the success of the elections—the prospects for closer cooperation between Australia and India—but also, sadly, these very unfortunate developments concerning attacks on young Indian students in Melbourne.

It is with great sadness that I join the Prime Minister today in his statement condemning these recent attacks on Indian students in Melbourne. They are an absolute disgrace, they must be condemned and the perpetrators pursued and brought to book with the full force of the law. As a country, we are honoured that so many foreign students choose to undertake their tertiary education in institutions right across the length and breadth of Australia. Not only does the foreign student gain an insight into Australian life and culture, and of course first-class qualifications at the end of their studies, but also they enrich the learning experience of Australian students who study alongside them, as well as those of our broader community.

We are a country that prides itself on diversity and tolerance. There is no country in the world that has a larger percentage of its population from immigrants than this country. In my own city of Sydney, about a third of the people were not born in Australia. We have managed to develop a broad, multicultural society with very little friction. But these recent brutal events in Melbourne threaten that peace and that tranquillity. As political leaders, it is incumbent on all of us to speak out against the events and speak out loudly. In addition to hosting about 90,000 Indian students, Australia is home to more than 200,000 people of Indian descent. Their contribution to business, small business, culture and every other aspect of life in our country is enormously significant. We could not imagine modern Australia today without the contribution of the Indian communities present among us. They are renowned for
their work ethic and their strong sense of family. Indian Australians have made an enormous contribution to Australia. These recent attacks would have created a note of real anxiety among their community and the whole community as well.

These attacks in Melbourne are not simply criminal acts; they are also profoundly un-Australian. These students are guests in our country. This recent violent behaviour has the potential to do great damage to the reputation of Australia as a destination of choice for students not just from India but from every country. On behalf of all Australians who value our diversity and who embody the ideals of social harmony in our own day-to-day lives—which I know includes all of us here today—I say that we expect to see the Victoria Police address these recent violent attacks with the full weight of the law, as I am sure they will. These are crimes, appalling crimes. They cannot be tolerated. I expect to see this criminal behaviour treated with the urgency and the seriousness that it deserves. We look forward to a restoration of the goodwill and the personal safety enjoyed by international students in our country for so many years.

I welcome the Prime Minister’s remarks. I ask the Prime Minister to ensure that the opposition receives regular updates on this matter and I ask that he use all of the influence that the federal government can bring to bear to ensure that the perpetrators of these violent crimes are brought to justice without delay.

DISTINGUISHED VISITORS

The SPEAKER (2.17 pm)—I inform the House that we have present in the gallery this afternoon the President of the National Assembly and Speaker of the House of Representatives of the Thai parliament, His Excellency Mr Chai Chidchob. On behalf of the House, I extend to him a very warm welcome.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Budget

Mr TURNBULL (2.17 pm)—My question is addressed to the Prime Minister. I refer the Prime Minister to the finance minister’s recent statement on Lateline in which he said:

... there is a limit to any organisation, even the Federal Government with a very strong balance sheet, as to how far it can go into debt.

The Prime Minister has committed to $315 billion in debt. Will he guarantee that that is the absolute upper limit of debt? If it is not, what is the limit on the Ruddcard?

Mr RUDD—I find it an unusual question from a Leader of the Opposition who, when asked about debt, recently said, ‘The number doesn’t matter.’ I find it remarkable that the Leader of the Opposition can stand in the parliament and ask a question about numbers on debt when, in answer to a direct question on the same topic, he said, ‘It isn’t a question of number.’ Furthermore, I would draw the Leader of the Opposition’s attention to the fact that the member for North Sydney, in answer to a question about what the Liberals’ debt strategy would be, said that it would be $25 billion less than the government’s. The government’s debt strategy is outlined clearly in the budget papers. We are responding to the worst global recession in 75 years. Our strategy will be implemented.

Economy

Mrs D’ATH (2.19 pm)—My question is to the Prime Minister. Will the Prime Minister update the parliament on the government’s response to the global recession?

Mr RUDD—I thank the honourable member for her question. I note that those opposite take every opportunity to talk the
Australian economy down. I note also that government members are doing everything within their power, through the government, to build the Australian economy up. That is why we are implementing a nation building for recovery plan.

In the final quarter of last year, the global economy virtually fell off a cliff. That is what happened in the events of Lehman’s week in September-October last year, when we saw economies right around the world and financial institutions within those economies begin to reel. We saw what followed in terms of the consequential growth performances of economies around the world. Our response, our nation building for recovery plan, saw us act immediately on the question of providing fiscal stimulus for the Australian economy and in particular support for the 1½ million Australians who work in the retail sector. Then there was the implementation of our infrastructure investment plan, which supports jobs and businesses today by investing in infrastructure for tomorrow. Seventy per cent of the government’s economic stimulus is being invested in infrastructure through our nation building for recovery plan.

The Australian government, through implementing these policies, has had an effect in cushioning the impact of the global recession on Australia so far. That is why Australia is doing better against most economic indicators than most other economies around the world at present. We still have many challenges ahead of us, and we intend to confront each of those challenges as it arises.

What is interesting on the part of those opposite, as they engage in the debate about deficit and debt, is that never once have the words ‘global economic recession’ passed their lips. It is as if the global economic recession has simply disappeared from reality; it is as if this country alone is faced with the challenges that have been brought about by what happened in the critical events of the last quarter of last year. For the benefit of those opposite, growth in the 30 OECD economies fell on average by 2.1 per cent in the first quarter of 2009. Twenty-three countries have fallen into this global recession. They include Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hungary, Iceland, Ireland, Italy, Japan, Luxembourg, Mexico, the Netherlands, New Zealand, Portugal, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. Twenty-nine of the 30 OECD—

Mr Pyne interjecting—

The SPEAKER—The Prime Minister will resume his seat. I just remind the Manager of Opposition Business, the member for Sturt, that standing order 65(b) applies to all members, and especially to him.

Mr RUDD—Twenty-nine of the 30 OECD countries have experienced at least one quarter of economic growth. As I have said to the House before, eight of Australia’s top 10 trading partners are currently experiencing recession. This is the worst global economic recession that we have seen in three-quarters of a century. Therefore, it directly affects Australian jobs, it affects Australian business and it affects the Australian economy. Australia’s growth in the fourth quarter of last year was negative 0.5 per cent. This was substantially stronger than the average of negative two per cent across the OECD. Australia had higher growth than all of the major advanced economies in the December quarter and was the sixth highest across the entire OECD. The average growth of all OECD countries that have already reported their March quarter GDP was negative 2.1 per cent, and markets are already expecting a negative quarter for Australia when data is released here on Wednesday. I challenge those opposite again to actually
use the words ‘global economic recession’ and to understand that in the fourth quarter last year Australia performed relatively well against most other economies. In the first quarter this year it was negative 2.1 per cent, and the Australian government has been taking a range of active measures to cushion the impact of the recession on Australia.

I draw the attention of honourable members in the House to the fact that data on retail sales for April was released today. It showed that retail sales rose by 0.3 per cent. I repeat: retail sales rose by 0.3 per cent. Let us put this into context since the global economic recession hit in the fourth quarter last year. Since the government introduced its stimulus packages, first of all last October and then again in February, we have seen the flowthrough effect in terms of real activity in the economy. Honourable members should focus on these figures: Australian retail sales are now running at 4.8 per cent above their levels for November last year—4.8 per cent above. Every person—every one of the 1½ million Australians working in retail—will be pleased by those numbers. They are numbers which do not seem to feature at all in the public political discourse on the part of those opposite, who, as I have said before, have an interest in talking the economy down at every opportunity. The numbers for Australia—4.8 per cent above the levels of November last year—contrast with the 1.1 per cent fall across the major advanced economies over the same period. In Japan, retail sales fell by three per cent. US retail sales fell by 2.9 per cent and Canadian retail sales fell by 2.7 per cent.

Further data out today relates to company profits. Company profits in Australia fell by 7.2 per cent in the March quarter but are still 6.8 per cent higher through the year. Again I draw the attention of honourable members to the performance of the retail industry within the company profits data. While profits declined in most sectors of the Australian economy, the strongest growth in profits of all industries was recorded in the retail trade group, which rose by 15.5 per cent—15.5 per cent. I also draw honourable members’ attention to recent statements by major Australian retailers about the additional staff they are putting on in the retail sector around the country.

As they engage in a rolling strategy in the House and outside the House of talking the Australian economy down, I say to those opposite that when they do so they should reflect on the positive data which has emerged here on retail sales and the performance of our principal retailers. They are part and parcel—

Mr Pyne—Mr Speaker, I rise on a point of order. Under standing order 104, the answer must be relevant to the question. After seven minutes of the answer from the Prime Minister, without interruption, he can no longer be relevant to the question and I ask him to draw it to a close. As the Deputy Prime Minister and the Treasurer once argued for four-minute answers to questions, seven minutes is long enough.

The SPEAKER—The member for Sturt will resume his seat. The Prime Minister is responding to the question.

Mr Rudd—The measures the government has adopted through its national economic stimulus strategy and nation building for recovery—supporting jobs and business and apprenticeships today by investing in the nation building infrastructure we need for tomorrow—are helping this economy recover, given that we have enormous challenges bearing down upon us from the global economic recession.

This is the worst recession this country has seen in three-quarters of a century because of what is happening with the simultaneous downturn in economies right across
the world. The government’s strategy is clear: nation building for recovery. We intend to build the economy up. I appeal to those opposite, both in this question time and beyond, to change their tone and to engage in some positive language—not simply to go negative all the time and talk the Australian economy down, because the Australian people expect and believe better of them and this parliament.

Infrastructure

Mr Turnbull (2.28 pm)—My question is addressed to the Prime Minister. I refer the Prime Minister to his deputy’s remark that the $3.8 million worth of plaques to be placed on school projects are ‘a simple recognition of where funding came from—nothing more, nothing less’. Will the Prime Minister undertake that, in that spirit, the plaques will read, ‘Funded by $315 billion of debt, to be repaid by future generations of Australians, with higher taxes and higher interest rates.’

Mr Rudd—Mr Speaker, I assume this is the same program that our good friend the member for Canning spoke about the other day and said that he supported. He said he supported both the borrowing and the investment in projects like this in his electorate. Is that right? I seem to have heard the Leader of the Opposition say today that he also supported investments in electorates of some type. I just want to see what exact type he is referring to. But, remember, with the Leader of the Opposition the core organising principle is that it is not a question of numbers. I go to the question just posed by the Leader of the Opposition on signs and plaques. The amount referred to equates to 0.02 per cent of the $14.7 billion investment in Australia’s schools under Building the Education Revolution.

Ms Julie Bishop interjecting—

Mr Turnbull—Under the Investing in our Schools Program guess how much those opposite spent on the question of commemorative plaques? How much do you think you might have spent, Julie? In a total program of $1.1 billion, guess how much our Jules spent on plaques and overall announcement strategies? They spent $7.1 million out of $1.18 billion, which actually equals one per cent of the total program. That is 50 times the amount that this government is proposing to spend on this particular program. Those opposite once again have been caught out by their own extraordinary double standards. We have a nation building for recovery plan; those opposite simply intend to talk the economy down at every opportunity.

Economy

Mr Hare (2.31 pm)—My question is to the Treasurer. Will the Treasurer outline for the House this week’s key economic data and what it means for Australia’s performance during this global recession?

Mr Swan—I thank the member for Solomon for his question because I think he has a detailed understanding of the importance of economic stimulus and nation building.

Honourable members interjecting—

The Speaker—Order! The House will come to order. The question has been asked and is being responded to. It is not an opportunity for people to talk loudly and interrupt. The Treasurer has the call.

Mr Swan—Mr Speaker, it is understandable how negative the opposition have become. They do not understand the importance of 277 projects on the ground in the electorate of Solomon. They do not understand that at all. They do not understand the importance of 72 school projects and the importance of 185 defence housing projects. They do not understand that because they do not understand the importance of economic
stimulus in the worst global recession in over 75 years. We are in the middle of a situation where virtually every advanced country has gone into recession or has gone backwards.

Australia is not immune from these circumstances. The truth is, as the Prime Minister said before, ‘We are weathering the storm much better than many other countries.’ Of course, one of the reasons that is the case is the economic stimulus this government has put in place. We understand the importance, when the world contracts so sharply, of putting in place economic stimulus to support employment in local communities and to support local businesses, which is why it is so pleasing to see today the retail trade figures.

Retail sales rose by 0.3 per cent in April, which means sales are now running at a stunning 4.8 per cent above their levels of November last year. That is when our first stimulus package began to flow. The Prime Minister said that our positive 4.8 per cent since November compares with minus three per cent in Japan, minus 2.9 per cent in the United States and minus 2.7 per cent in Canada over the same period. This is a boost, which is very important as the Prime Minister said for the retail sector itself, but it flows right through the economy. It flows right through and keeps people in jobs right across the supply chain. Those opposite do not understand the importance of this to people who work in transport, such as truck drivers. They do not understand the importance of this to people who work in warehouses and so forth. What these figures do show is how important economic stimulus is to support employment.

Had we not acted as quickly as we did last October and had we not acted as quickly as we did last February we would not be seeing these sorts of figures. Of course, we have the national accounts data, which will be out later in the week. We know that for the March quarter things did get worse globally through that quarter. Japan’s economy—

Mr Hockey—How do you know?

Mr SWAN—I am talking internationally. Things got a lot worse during that quarter internationally.

The SPEAKER—The Treasurer will ignore the interjection. Standing order 65(b) applies to the member for North Sydney as well.

Mr SWAN—He probably missed it, Mr Speaker. He probably missed the fact that Japan’s economy shrank by a massive four per cent, the worst performance since records began in 1955. The UK contracted by 1.9 per cent, its worst performance since 1979. Germany contracted by 3.8 per cent, its worst since 1970. Of course the US contracted by 1.5 per cent, France by 1.2 per cent and Italy by 2.4 per cent. Somehow those opposite want to pretend that this country is completely immune from those events. They want to pretend that there is no impact in this country at all. We understand the importance of that, which is why we have put in place the first phase of our economic stimulus with cash payments to households. It is why we have put in place shovel-ready projects investing in homes and schools.

Whatever the outcome on Wednesday there are two things that we know for sure. The first one is that things would be much worse if we did not act to stimulate the economy and the second one is that those opposite were wrong—absolutely wrong—to vote against the measures to support jobs in this House. Of course we have seen the Leader of the Opposition all over the television in the last 24 hours talking the economy down. We heard no mention of a global recession, not one mention of the challenges imposed on us by the world and no mention of nation building for recovery. All we got from the Leader
of the Opposition was complete opportunism, because he has one big priority: it is for the economy to fail so that he can succeed. That is how negative he has become. Usually leaders of the opposition are called alternative prime ministers but not so with this one because he has no alternative policy whatsoever, none whatsoever, and the negative approach we have had from those opposite demonstrates how unqualified they are to deal with this situation. We will go on with cushioning our economy from this global recession and supporting employment, and those opposite are only going to be negative.

**Budget**

**Mr ROBB** (2.38 pm)—My question is to the Treasurer.

**Mr Albanese**—Oh! Come on, Andrew.

**The SPEAKER**—Order! The Leader of the House! The member for Goldstein has the call.

**Mr ROBB**—I refer the Treasurer—

**Honourable members interjecting**—

**The SPEAKER**—Order! The member for Goldstein will resume his seat. I would have thought, after the events of last Thursday, that both sides of the House would understand that the Australian public has an expectation of better behaviour. Standing order 65(b) applies to both sides. If somebody has a problem with that, they should do it by point of order. The member for Goldstein has the call and his question will be heard in silence.

**Mr ROBB**—My question is to the Treasurer. I refer the Treasurer to KPMG’s analysis which has found that, in addition to four-year budget funding of $22 billion for infrastructure, a further $60 billion will be required if many of the government’s infrastructure projects are ever to be built. Treasurer, does the Prime Minister’s debt figure of $315 billion include the $60 billion of unfunded infrastructure that needs to be borrowed?

**Mr SWAN**—That is absolutely stunning coming from those opposite, who would not invest in infrastructure in this country for 12 years. When we finally stump up the money and put in place plans for the future they get up and say, ‘Why haven’t you spent more?’ while simultaneously saying to us that we should not borrow to build the nation. How stupid can you people be? It is unbelievable. How stupid can you be? The Leader of the Opposition goes on national television and says that, in the middle of the worst global crisis in 75 years, the country should not be borrowing money to protect our people. That is effectively what he said. And he is saying in those negative ads where he talks the economy down he will not acknowledge we are in the middle of a global recession and he will not acknowledge the important need for—

**Mr Pyne**—Mr Speaker, I rise on a point of order under standing order 104. The Treasurer was asked whether the $315 billion debt figure—

**The SPEAKER**—The member for Sturt will resume his seat.

**Mr Pyne**—includes the $60 billion—

**The SPEAKER**—The member for Sturt will resume his seat! The member is allowed to come to the dispatch box to raise his point of order and when I am in a position to deal with it and I ask him to take his seat I do not need it to be debated. If there is a need for clarification, I will allow the call to continue. The Treasurer will relate his response to the question.

**Mr SWAN**—Well, it was a question about borrowing and, of course, what I was referring to was the stunning hypocrisy of the member and all of those opposite when they sit in the House and pretend that no borrowing is necessary to protect our people, when
we have seen evidence in the retail sales figures of how important economic stimulus is. This question of borrowing got a bit of an airing yesterday on Insiders and this is what Mr Cassidy said to the Leader of the Opposition. He said, ‘How much less would borrowing be?’

Mr Hockey—Mr Speaker, I rise on a point of order. He is the Treasurer of the Commonwealth. He should—

The SPEAKER—The member for North Sydney will resume his seat.

Mr Hockey—be able to answer this question.

The SPEAKER—The member for North Sydney is warned. The Treasurer will respond to the question.

Mr SWAN—I certainly am responding to the question about borrowing, Mr Speaker. I am being directly relevant. The Leader of the Opposition was asked about it yesterday on Insiders. He was asked how much less the borrowings of those opposite would be. The Leader of the Opposition said it would be a lot less. And Mr Cassidy went on:

… if you could give us a very precise idea about how much less.

Mr Robb—Mr Speaker, I rise on a point of order. The Treasurer is defying your ruling on relevance. The Treasurer was asked how he is going to fill a $60 billion black hole. He needs to answer this question.

The SPEAKER—Order! The member for Goldstein will resume his seat. The Treasurer will direct his remarks to the question.

Mr SWAN—The honourable member talked about a black hole. If there is a black hole it was left to us by the opposition—absolutely! The $60 billion that they are claiming is a gap was left to us by them.

The SPEAKER—Those on my left, order!

Mr Dutton interjecting—

The SPEAKER—The member for Dickson is warned!

Mr SWAN—On Insiders yesterday this is what the Leader of the Opposition had to say.

Opposition members interjecting—

Mr SWAN—Are you that embarrassed by it? Are you that embarrassed by his performance yesterday? He was asked by Mr Cassidy—

Mr Pyne—I rise on a point of order.

The SPEAKER—The member for Sturt will resume his seat. I will be listening closely to the Treasurer’s response. He will be relevant to the question.

Mr SWAN—Mr Cassidy:

… if you could give us a very precise idea about how much less.

The Leader of the Opposition:

… it isn’t possible …

Infrastructure

Ms NEAL (2.46 pm)—My question is to the Minister for Infrastructure, Transport, Regional Development and Local government. Why is it important that the Nation Building Program (National Land Transport) Amendment Bill 2009 be passed by the parliament?

Mr ALBANESE—I thank the member for Robertson for a question about infrastructure. That is something that I have not had—not a single question on infrastructure—from those opposite, all year. Indeed, since I have had the portfolio I have had one question, which was a year ago, from the shadow minister for infrastructure, and that was about how many staff Infrastructure Australia had. There has not been one question, even though infrastructure forms the centrepiece of the budget—the centrepiece of nation building for recovery. And part of the budget is the Nation Building Program, which those opposite are prepared to vote against in the
The Nation Building Program will provide record funding of 120 road projects and 26 rail projects. The Nation Building Program will provide funds to fix dangerous black spots around the country and will pay for the installation of boom gates at high-risk level crossings and the construction of additional rest stops for truck drivers.

Just before question time we had a division. It was a division between those people who support nation building and infrastructure development and those people who do not. The National Party and the Liberal Party, once again, chose to vote against nation building. They did that on the basis that the Leader of the National Party—who has assigned himself to the back bench in shame, I notice—suggests that this is not providing funding for regional Australia. Well, have a look at the facts. The facts are that $21.2 billion of this spending is being delivered for rural and regional Australia. Some $1.2 billion on top of that is being invested in the ARTC. That is a total of $22.4 billion for rural and regional Australia.

Now, if you look at the former government’s AusLink program you find that its total funding—the whole lot—was $17.1 billion on national road and rail infrastructure. In total, $17.1 billion was their funding under the AusLink program. Last time I looked, 22 was a bigger number than 17! They provided $17 billion for the whole nation; we are providing $22.4 billion for rural and regional Australia. But the opposition had two lots of amendments that they voted on earlier today. One arose from the argument that the Strategic Regional Program that they had, only applied to regions.

Mr Truss—I rise on a point of order. The minister is commenting on a debate that is still in progress before the House. We have not yet had the third reading so his answer is out of order.

The SPEAKER—The House will come to order! Whilst, in a letter I have sent to the House of Representatives Standing Committee on Procedure of today’s date, I have bemoaned that no substantive changes have been made to the standing orders relating to question time, there has been one minor change—and that has been to the anticipation rule: that no longer applies.

Mr ALBANESE—The argument that the coalition put is that the Strategic Regional Program was just for regions and that somehow the Labor government is trying to take money away from the regions and put it into the cities. Let us have a look at what the opposition actually did under the Strategic Regional Program. The best example, perhaps, of their Regional Strategic Roads Program was that it provided $2 million to upgrade Campbell Parade, Bondi Beach, in the electorate of Wentworth. The only way you could head further east would be by getting wet—with scuba gear—because Campbell Parade was in the marginal seat of Wentworth in the lead-up to the election.

But it was not just in the seat of Wentworth, of course. Bennelong—now finally represented by the member for Bennelong—received three lots of funding: the upgrade of Balaclava Road, the upgrade of Cox’s Road and the upgrade of Wicks Road. So what those opposite did with the Strategic Regional Program was fund roads in regional Australia and in marginal electorates. That is what they did. That is what the opportunists opposite did.

The opposition amendment, which they all voted for, was opposed to the off-network projects that will be funded by the Rudd government—41 projects worth $655 million. The member for La Trobe voted against $30 million to upgrade Clyde Road in his
electorate. Congratulations! We will be letting them know, Member for La Trobe. The member for Stirling came into this parliament and spoke about the need for more road funding in his electorate, but he voted against the $10 million interchange upgrade on the Reid Highway and Alexander Drive. That is part of the legislation. He complained about it but comes in and, when he has the opportunity, votes against it. Once again, he is doing one thing in the electorate and another thing here in Canberra.

They also had a second amendment that they all voted for, which was about the Black Spot Program—the Black Spot Program that we have more than doubled. What they did there was move an amendment saying that the Black Spot Program should not apply to the national network. The Black Spot Program projects are identified by a committee. That has not changed. The committee consists of motoring organisations and safety experts, and projects are identified on the basis of accidents. It is not a political process at all. That is the way that projects are identified, and 81 projects on the national network have been selected for the Black Spot Program so far—81 projects that were opposed by those opposite. Let’s look at the politics of this: 43 of the 81 projects that they voted against are in coalition electorates, 33 in Labor electorates and five in electorates held by Independents. They voted against this program. The opportunism is extraordinary. Once again, the member for Gippsland has provided us with some really good material, because the very program that I identified—

Mr Pyne—Mr Speaker, I rise on a point of order under standing order 104. The minister has now been speaking for over seven minutes.

The SPEAKER—Order! The minister is responding to the question.

Mr Pyne—Mr Speaker, is it in order for the minister to claim that we have voted against something which we have in fact not voted against in this House today?

The SPEAKER—Order! Has the minister concluded? The Manager of Opposition Business on a point of order.

Mr Pyne—Mr Speaker, it is in order for the minister to claim that we have voted against something which we have in fact not voted against in this House today?

The SPEAKER—There are other forms of the House for members that are aggrieved by any comment that was made in the an-
swer. The Manager of Opposition Business on a further point of order?

Mr Pyne—Mr Speaker, I understand the point you are making, but surely there is a new rule if you are allowed to claim that somebody voted on a piece of legislation in this House which they have simply not voted on, as it is not coming until after question time today. He has misrepresented the proceedings of the House.

The SPEAKER—The member will resume his seat. The Leader of the House, on this point of order or another point of order?

Mr Albanese—On this point of order. The division which took place immediately prior to question time was over the amendments moved by the Leader of the National Party which would stop funding of black spots—

The SPEAKER—The Leader of the House will resume his seat. I still indicate that there are other forms of the House in which this would have to be dealt with. This is not the first time that circumstances like this have occurred in this House, in this parliament or previous parliaments.

Budget

Mr HOCKEY (2.59 pm)—My question is to the Treasurer. I refer to the budget papers which state that taxpayers are now guaranteeing over $650 billion in bank deposits, $104 billion in bank wholesale funding and even $10 billion to the International Monetary Fund. Given that taxpayers are also now guaranteeing up to $150 billion in state and territory borrowing, $26 billion in Ruddbank debt, up to $43 billion in the National Broadband Network, as well as, we discover today, up to $60 billion in further infrastructure, I ask the Treasurer: will he confirm that Australian taxpayers now have over $1 trillion of risk on debt that did not exist at the time of the election of the Rudd government?

Mr SWAN—They make it up by the minute. The fact is that it does not make any sense at all to add up the contingent liabilities in the statement of risk—none whatsoever. No-one else in the world does. Nobody serious in the economic profession does and no-one serious in this House does. It just shows you how irresponsible those opposite have become, how desperate they have become. It is simply not valid to do that. Many of those that he quoted are remote and unquantifiable.

Education

Mr PERRETT (3.01 pm)—My question is to the Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion. How are successful projects from round 1 and round 2 of the Education Investment Fund assisting communities and supporting local economies?

Ms GILLARD—I thank the member for Moreton for his question. I know that he understands the importance of investing in infrastructure for his local community and for supporting jobs. I know that he, in his local electorate, would be welcoming the 118 projects representing $34.8 million of investment. These projects include 95 projects under the Building the Education Revolution in 38 schools at a total of $23.5 million of investment—investment supported by this side of the House and opposed by the Liberal Party.

Our investments in education, in jobs today and in the infrastructure we need for tomorrow, are of course investments in schools, but they are also investments beyond schools. So far this government has committed $5.1 billion in infrastructure for tertiary education and research. This includes an investment of $4.065 billion from the Education Investment Fund. As part of this investment in jobs today and in the education
infrastructure we need for tomorrow, the government announced a range of successful projects as parts of rounds 1 and 2 of the Education Investment Fund rounds of investment. The Education Investment Fund round 1 contained $580 million for 11 successful projects at universities across the nation and the EIF round 2 announced funding of $934 million for 31 successful projects that will improve the tertiary sector and develop our education infrastructure and research capacity.

Just describing one of these projects I think may assist the opposition because it may make clear to them two concepts they appear to be struggling with. Concept No. 1: if the government steps forward to do investment in infrastructure it can be joined by others who want to partner in that infrastructure development. It is clear from the questions being asked by the opposition today that that concept has completely eluded them. Concept No. 2: if you are investing in infrastructure then you are supporting jobs in construction, but if you are investing in infrastructure you can also be supporting jobs for the long term. Let me explain this for the opposition around a particular project and, hopefully, they will manage to cotton on.

Let us look at the University of Sydney’s Centre for Obesity, Diabetes and Cardiovascular Disease—obviously, a research centre looking at some of the biggest killers of Australians, some of our biggest health challenges. The opposition might want to note and have a little think about this. The University of Sydney, to develop that centre, received a $95 million grant through the Education Investment Fund, but it leveraged additional funding, having received that grant, so the cost of the project is $385 million in total.

Ms Julia Bishop interjecting—

Ms GILLARD—The Deputy Leader of the Opposition says she understands this. She needs to explain it to her shadow minister for infrastructure, who clearly, from his questions, does not. This investment of $385 million in total—because of the Education Investment Fund investment and because of the leveraging of funding from extra sources—will, according to the Chairman of the Education Investment Fund, support 2,000 jobs through the construction. But beyond that, when the building is finished, it will house 330 staff. What this means, according to the Deputy Vice-Chancellor of the University of Sydney, Professor Don Nutbeam, is that there will be a 10 per cent increase in the number of staff in order for there to be the people to work from this brand-new facility. You could not get a better example of what economic stimulus in the form of infrastructure can do: jobs today through construction, jobs for the long-term through the people who will work in the building; government investment leveraging private sector investment; government investment and private sector or non-government investment working together to create a facility which will address some of the major contemporary challenges for this nation in terms of the health challenges of obesity, diabetes and cardiovascular disease.

Members opposite, day after day, come into this House and oppose infrastructure. In doing so, they are opposing vital projects like this one. They are opposing the jobs in construction; they are opposing the long-term jobs the facility would mean; they are opposing the additional investment that the government dollars are leveraging: a completely catastrophic economic formula for the nation.

Economy

Mr HOCKEY (3.07 pm)—My question is to the Treasurer. I refer the Treasurer to his
own newsletter out today which seeks to justify over $300 billion of debt by comparing the economic performance of Australia with Malaysia, Thailand and the Philippines. Treasurer, if the debt blows out beyond $300 billion, will you start comparing our economy favourably with Papua New Guinea, Burma and Armenia?

Mr Pyne—And what about Burundi?

Mr SWAN—It is very clear that we have a medium-term fiscal policy. We have put in place a framework of responsible economic management, and those opposite have none—absolutely none; no alternative fiscal policy. They are unable to admit that the global recession has had a dramatic impact on this economy and other economies around the world. They are unable to admit that we are doing far better than just about every other advanced economy in the world. They are unable to admit that we have been impacted upon dramatically by the contraction, particularly in this region. And, when it comes to debt, they are unable to admit that ours is amongst the lowest in the advanced world. So what we have got over there is nothing more than an old-fashioned scare campaign from a group of people who do not have an alternative policy framework, who want to talk the country down—who want to spend thousands of dollars on television talking the country down—and who want to skate through to the next election, thinking they can do it without an alternative fiscal policy. Well, they cannot, and they will be condemned for it.

Ms PLIBERSEK—I would like to thank the member for Deakin for his question. I know that, under the Australian government’s nation building for recovery plan, there are 53 projects underway in his electorate, at a cost of $21.6 million, and I know that he is very happy to have that investment in his electorate. That includes 45 projects under the largest school modernisation program in the nation’s history, across 40 schools in the Deakin electorate, and $2.9 million for the redevelopment of the Ringwood Soccer and Multipurpose Sports Pavilion. I bet that has been a very popular move in your electorate, Member for Deakin. These projects are supporting jobs and small businesses in suburbs like Ringwood, Mitcham and Blackburn, and it is part of this government’s strategy of nation building for recovery. If the Liberals had their way, not a single one of these 53 projects would have gone ahead. The contrast is very clear: we are building our economy up; the opposition are talking it down.

A couple of weeks ago, when I visited Bayswater North with the member for Deakin, I was able to see the direct effect of some of our repairs and maintenance spending on social housing. In fact, 66 homes are being repaired in Deakin, at a cost of $410,761. While I was at Bayswater North with the member for Deakin, I met Rick Kuyken, who is the managing director of a family business, local builders C&M Kuyken. He works there with his dad, and they have been in business together for many years. Rick’s company recently won a contract to repair 15 homes in the Bayswater area—very important to them at this time to get that ongoing work. The house that we visited was being painted and having the guttering replaced, the trees were being trimmed, an old shed in the backyard was being replaced with a new one and new drainage systems were being put in. On the
day I went, there were carpenters and paint-
ers at work, including a young apprentice
who was putting new wiring on the screen
doors. Mr Kuyken told me: ‘At the moment
I’ve got roughly three big contracts on the
go. Usually at this time of year we’re a bit
quiet—’.  

Mr Pyne interjecting—

Ms PLIBERSEK—but now there’s a lot
more jobs out to tender.’ I hear the Manager
of Opposition Business is saying this is a
waste of time—talking about jobs in Aus-
tralia is a waste of time.

Mr Pyne interjecting—

Ms PLIBERSEK—Well, you might think
that jobs are a waste of time, but over here
we are very concerned to know jobs—

Mr Pyne—Mr Speaker, on a point of or-
der: the minister is verballing me. I said it
was a waste of question time—

Government members interjecting—

The SPEAKER—Order! The member for Sturt will resume his seat.

Mr Hale—Toughen up, Princess!

The SPEAKER—The member for Solo-
mon will withdraw.

Mr Hale—I withdraw, Mr Speaker.

The SPEAKER—And I just say to his
colleagues around him that I am having dif-
culty with my radar over in that direction;
somebody will end up being punted and it
may not be the guilty party.

Opposition members interjecting—

Mr Keenan—They are all guilty.

The SPEAKER—Order! There is no
need to carry on. I simply suggest to the
member for Sturt that if his incessant inter-
jections stopped he would not get himself
into this predicament. The minister has the
call. The minister is responding to the ques-
tion.

Ms PLIBERSEK—I was recounting to
the House what Mr Kuyken told me about
his business, C&M Kuyken: ‘At the moment
I’ve got roughly three big contracts on the
go. Usually at this time of year we’re a bit
quiet, but now there’s a lot more jobs out to
tender. I’ve put on another two carpenters
and an extra apprentice, who started work
two weeks ago. I’ve also put on another four
to five painters over the last three months
because of all the work around.’ This is a
small family business, a small local business.
This is the effect for their business of the
government’s stimulus package.

This is a story that is being repeated
across the country. I have been talking to
builders in inner-city Brisbane, Western
Sydney, Adelaide, Perth, south-east Mel-
bourne, right across the country, and these
people are putting people on instead of lay-
ing them off. That is not to say that things
are not still tough in the construction area; of
course they are. But imagine how tough they
would be if this package had not gone
through. Imagine how tough they would be if
we were not building 20,000 new homes and
fixing up almost 50,000 homes in social
housing spending alone.

Mr Morrison—Mr Speaker, I rise on a
point of order on relevance. If the minister
were to be of relevance, she would explain—

The SPEAKER—The member for Cook
will resume his seat. The minister is respond-
ing to the question.

Ms PLIBERSEK—It is terrific to have a
housing spokesperson who opposes invest-
ment in housing. Mr Speaker, this week we
have received reports from states and territo-
ries that as at the end of April repairs and
maintenance had been completed on almost
10,000 homes—9,073 homes, individual
dwellings—and work had commenced on a
thousand more. That work is right across
Australia. We know that the opposition voted
against building more social housing dwellings. They voted against the repairs and maintenance and they voted against the jobs that are delivered by this work. The government has taken strong and decisive action to support infrastructure building for the future and support jobs today, and it would be great if the opposition got on board.

Ministerial Code of Ethics

Ms JULIE BISHOP (3.15 pm)—My question is to the Prime Minister. Will the Prime Minister confirm to the House that the Minister for Defence is in compliance with the standards of ministerial ethics and in particular has disclosed all matters in his Register of Members’ Interests in accordance with the standing orders?

Mr RUDD—I am unaware of any advice to the contrary.

Taxation: Policy

Mr BRADBURY (3.16 pm)—My question is to the Minister for Finance and Deregulation. Why is open public debate about the future of Australia’s tax system important for future economic and fiscal management? Will the minister outline the government’s position on the proposal to flatten the structure of the tax system?

Mr TANNER—I thank the member for Lindsay for his question. I note that he has 92 projects worth $33 million underway in his electorate, including the North Penrith commuter car park worth $5 million, which, if I remember correctly, the member has lobbied me about in the past rather vociferously. So it is good to see that that is underway. In terms of the government’s agenda for building the nation and infrastructure, obviously the wider structure of the budget and the longer term framework of both tax and spending are fundamental to that. Indeed, reforming Australia’s tax system to maximise efficiency and equity in that system is a central component of the government’s longer term approach.

You will recall the Henry review that is currently examining our taxation system, which has a discussion paper out and is engaging in a variety of consultation mechanisms. The Secretary of the Treasury, Ken Henry, made a speech at the National Press Club and there is a variety of public debates going on about some of the specific options. We are not the only ones, of course, who are engaging in consideration of Australia’s options for future taxation systems. Indeed not so long ago, when a backbencher, the Leader of the Opposition put out a tax options paper. In fact, according to the member for Higgins at the time, there were 280-odd options in that paper. Treasury analysis indicated that the Leader of the Opposition’s preferred option would have seen $100,000 a year in tax cuts flow to people earning more than $1 million a year, contrasting with about a $600 a year tax cut for those on average weekly earnings of about $50,000.

I note today in an article by Glenn Milne in the Australian that it would appear that the opposition is undergoing a variety of other considerations with respect to the options for Australia’s future taxation system. Indeed, early on in its term in opposition the then shadow Treasurer, now Leader of the Opposition, commissioned Henry Ergas to provide options and advice with respect to the future of Australia’s taxation system. Parts of this advice are revealed by Glenn Milne in the Australian today. Amongst the proposals floated to the opposition included flattening the tax rates of the income tax scales and ultimately moving to a flat tax arrangement over 15 years. It also advises that these proposals were presented to shadow cabinet in June or July of 2008 and it was decided by shadow cabinet at the time, according to an unnamed Liberal frontbencher, to:
… let it out on a day when all the focus was on Labor with an immediate disavowal of some of the more controversial elements.

Does that sound familiar? I have got a faint echo of a few words ringing in my ears. Does ‘never, ever’ remind anybody of anything? The strategy that is being unfolded by the opposition has a very familiar little ring to it. Yet again we have a secret tax plan. We have an endeavour to squirm into office, to slink into office, not revealing the true agenda on taxation to the Australian people.

We also have a common thread running through the GST package, through the tax cuts that were provided by the then Howard government, through the tax proposals being advocated by the Leader of the Opposition when he was a backbencher, and most particularly through the proposals being considered by the opposition and obviously that were adopted by the opposition in the wake of the Ergas review. That common thread is simple. They all favour higher income earners. They all favour the wealthy at the expense of working people who pay the bulk of the taxes in this country. Now they are working on a secret plan for flat tax rates, which mean one very simple thing: wealthy people pay less and working people pay more. That is what flat taxes mean.

This kind of stuff is always dressed up in fancy rhetoric like ‘aspirations’ and ‘incentives’ and all this kind of stuff, and people who criticise it are always accused of the politics of envy and class warfare and all of that sort of stuff. All it demonstrates is the simple, single, Liberal Party motto. It is all code for that motto: show me the money! That is who the Liberal Party represent.

Yet they are always reluctant to stand up publicly and fight for the aspirations and the incentives that they purport to represent. I note also that the Milne article indicated that the then Leader of the Opposition, now member for Bradfield, decided not to release the report because it might make people think that they were on about providing tax free kicks to the wealthy. I wonder why that would be the case. I note that, according to the article, the Leader of the Opposition apparently has now taken to calling this Ergas paper a ‘theoretical issues paper’. I wonder why he would be describing it in those terms.

All this points to a single fact—that is, the Liberal Party has not changed its spots. I call on the opposition leader to tell us about his secret flat tax plan, to release the report and tell the Australian people, the good working people of this country who pay the bulk of the taxes and who would have to pay a lot more if flat tax was introduced into the income tax system. I call on the Leader of the Opposition to tell the Australian public about the flat tax plan that he has up his sleeve for after the next election.

**Infrastructure**

Mr TRUSS (3.23 pm)—My question is directed to the Minister for Infrastructure, Transport, Regional Development and Local Government. I refer the minister to the paper that he tabled in parliament today outlining a list of projects to be funded under Labor’s new off-network road program, with money taken from the Regional Strategic Roads Program. What public and open processes were used to choose these projects? How is it that, of the $655 million to be spent, over $540 million is to be spent in Labor electorates?

Mr ALBANESE—I thank the shadow minister for his question. Perhaps now they have managed to work out that they actually voted on the amendments prior to question time. Maybe they worked out what they actually voted on before. What they voted on was indeed the off-network road projects. The shadow minister complains about the
electorates that are funded. Perhaps the member for Calare is opposed to the North Orange Bypass—$10 million. Perhaps the member for Wannon is opposed to the $600,000 that is going into the Warrnambool Intermodal Terminal. Perhaps the member for Murray is opposed to the Shepparton Intermodal Terminal. Perhaps the member for La Trobe is opposed to $30 million going into the Clyde Road.

Mr Truss—Mr Speaker, on a point of order: my question is about the $540 million being spent in Labor electorates.

The SPEAKER—Order! The Leader of the Nationals will resume his seat. Again I stress that members when they come to the dispatch box for a point of order can make their point of order and then, when I am in a position to decide on the point of order, I invite them to return to their seat. It is not an opportunity to come up and enter into a debate. The minister is responding to the question.

Mr ALBANESE—Perhaps they are opposed to the $60 million that is being provided for improved access to Esperance port in the electorate of Kalgoorlie or the upgrading of Hepburn Avenue in Northern Perth in the electorate of Cowan. Perhaps they are opposed to the Tasmanian projects, including $15 million for the Kingston Bypass in the electorate of Franklin. The member for Franklin supports that project. The members on this side support every one of the projects that we have just voted for. Those opposite have voted against each and every one of these projects by moving the amendments. They voted against the projects in the division that took place prior to question time. Not only do they not know anything about policy development, infrastructure development and nation building but also they know absolutely nothing about the procedures in this House. They want to not only dissociate themselves from the way that they voted on the $42 billion package but also dissociate themselves at 20 minutes past three from what they did at two o’clock. It simply does not stack up in their own electorates.

The fact is that we have put forward $35 billion in nation-building transport infrastructure. We have made sure, when it comes to the Nation Building Program, that we have $26 billion from the Commonwealth, matched with $6 billion from states and territories—all up delivering nation-building infrastructure right around the nation. Those opposite know that the majority of that Nation Building Program funding is actually in coalition electorates—the majority of the funding that they are so offended by, because they are just offended by infrastructure development. Those opposite believe it should all be left to the market. That is why, after 12 long years of coalition government, we are busy repairing the infrastructure deficit that we inherited, we are busy creating jobs, we are busy stimulating the economy and we will continue to nation build into the future.

Climate Change

Mr DREYFUS (3.28 pm)—My question is to the Prime Minister. Will the Prime Minister outline the need for action on climate change and why business certainty is important?

Mr RUDD—The government is dealing with the challenge of climate change by a range of measures, one of which is the introduction of legislation in support of a Carbon Pollution Reduction Scheme.

Mr Tuckey—What are the others?

Mr RUDD—Thank you for the sceptic already jumping into the debate 12 seconds after commencing my reply to the question—but he represents a wider constituency than O’Connor, I sense. Acting on climate change is important not simply because Aus-
Australia needs to act to protect the Great Barrier Reef, not just because we need to act—

Opposition members interjecting—

Mr RUDD—I notice honourable members from Queensland seem to be interjecting that they do not want to see the Great Barrier Reef protected. Is that right? They do not want to see Kakadu protected. They do not want to see action to protect the Murray-Darling. The government take these challenges seriously, which is why we must act nationally and internationally on climate change. That is why our Carbon Pollution Reduction Scheme proposes to reduce carbon pollution by five per cent by 2020, unconditionally; to reduce carbon pollution by 15 per cent by 2020, if there is an agreement where major developing economies commit to substantially restrained emissions and advanced economies take on commitments comparable to Australia’s; and to reduce Australia’s carbon pollution by 25 per cent below 2000 levels by 2020, if the world agrees to an ambitious global deal to stabilise levels of CO2 equivalent to 450 parts per million.

That is the government’s strategy, that is what we have embraced and that is what we intend to get on with doing. That lies at the heart of the Carbon Pollution Reduction Scheme. This is necessary also to provide business certainty. At a time when the global economy is under such stress and the national economy is also under stress our business community needs certainty, which is why, for example, Andrew Peterson, from PWC said last week:

The certainty of the signals being provided over the last few months has now dropped away. The momentum is lost for business and that is a concern just as we are seeing international activity speed up.

And Katie Lahey, from the Business Council of Australia, said on 6 May:

To drag on the debate whilst we have got this global financial crisis is just one more complexity that business has got to factor into its planning cycle …

That is what business is saying across the country. They want certainty; they want certainty for the future. We need certainty in terms of action on climate change and we need certainty also for the business community. The attitude adopted by the Leader of the Opposition on this is of direct relevance because it goes to whether or not this proposal obtains passage through the parliament per medium of the Senate. It was on this matter that the Leader of the Opposition was asked the question point blank yesterday on Insiders: ‘Are you still in favour of an emissions trading scheme?’ to which the Leader of the Opposition said:

Yes Barrie, I am.

… yes, I’ve got no doubt we will have an emissions trading scheme in Australia. That’s my view.

The opposition leader’s express target is five per cent unconditional, and then you go up the range to 15 and 25. It begs the question: if you are supporting a five per cent unconditional target and the other targets of 15 and 25 are unconditional, why on earth don’t you support legislation now? Where is the logic that underpins the proposition that you have actually got to postpone this until after Copenhagen. If the five per cent target is unconditional and the government’s target is unconditional and the other targets beyond that—15 and 25—are conditional on the global outcome at Copenhagen, then why on earth does the Leader of the Opposition advance a logical proposition which says that he cannot support legislation now? It simply does not add up as a matter of policy logic. What it does add up to support is a matter of political expediency, because it goes to what is actually happening within the coalition at present.
Firstly, there is the attitude of the National Party. Remember that the Leader of the Opposition has said that his position is that he supports emissions trading. That is his policy. The Leader of the Nationals in the Senate was asked this question today and said that Malcolm Turnbull does not have a policy. He said, ‘Only Kevin Rudd has a policy,’ and added, ‘I haven’t seen Malcolm Turnbull’s policy’. That was his first proposition. He then went on to say that he hoped dearly that the Liberal Party does not support an emissions trading scheme. He then said—and this is not just your average ‘Nat’; this is the bloke who runs the Nats up in the Senate, where the numbers are—

Opposition members interjecting—

Mr Rudd—Well, if you listen to what Barnaby says privately about you, mate, it is somewhat less flattering than what you have just referred to about me. Barnaby obviously speaks to us more than he does to you, mate. Then, the Leader of the National Party in the Senate—your colleague, Mr Truss; oh, he has left the chamber—said:

An ETS in the middle of this recession would have to be the most ridiculous piece of policy that you could possibly go forward with. That is what the National Party are saying in the Senate. The Leader of the Nationals in the Senate is saying: (a) the Leader of the Opposition does not have a policy on emissions trading and (b) if he does have a policy on emissions trading then the National Party could not possibly support it because you could not possibly proceed with it as this time. That is the split with the Nationals.

Then of course you have got Boswell, who said that the National Party would not be supporting it ‘under any circumstances’.

Then we go to the Liberal Party. We go back to our good friend the member for O’Connor, who came out today and once again underlined what the position of the climate change sceptics, who obtain such a majority in the Liberal Party party room, is. This is what the member for O’Connor said—as he readies himself with the standing orders, the quote, Wilson, is as follows:

I, and the majority of the Coalition party room, say it will not work, it will not deliver carbon emission reduction.

That is the position of not only the member for O’Connor but, he says, the majority in the coalition party room. Why, therefore, is the government’s legislation—

Opposition members interjecting—

Mr Rudd—This must be the first time the member for O’Connor has not taken a point of order. So the National Party says that the Liberals do not have a policy on climate change and the Nationals say that, if the Liberals did have a policy on climate change, they would vote against it. The Liberals, represented by the member for O’Connor, say that the majority of the joint party room oppose whatever it is that the Leader of the Opposition is on about. What does all this boil down to? It boils down to the fact that the Leader of the Opposition knows that he should be supporting this legislation—he said that it is five per cent, 15 per cent, 25 per cent, the same as the government’s. What it actually says is that the Leader of the Opposition does not have the courage to take on the climate change sceptics within his own party and within the coalition party room. In fact, as was revealed on radio last week in an interview on AM:

... a Liberal insider says a sizeable chunk of Coalition members of parliament—at least a third—would like to vote for the Government’s scheme now; that they opted for the delay strategy in order not to destabilise Malcolm Turnbull’s leadership, buying him some time to unite the Opposition ...

Thank you, the member for Flinders, for that briefing to the AM program—I assume it was probably him given that he is just so on song
with what is generally happening on their side.

This is a serious matter that goes to business certainty; it goes to whether or not this legislation passes the Senate; it goes to the question of whether or not the business community can make confident investment decisions in the future; and it goes to whether or not the renewable energy industry as well can now invest in its future around a secure proposition about a carbon price. What we have seen with the Leader of the Opposition is not leadership. We have seen nothing but rank opportunism. My challenge to him in the national interest is: be positive, take on the sceptics on your own side and get behind the government’s program. The national interest demands it.

Youth Allowance

Mr WINDSOR (3.36 pm)—My question is to the Deputy Prime Minister and Minister for Education and relates to a petition signed by McCarthy Catholic College students in the New England electorate concerning the proposed changes to the work test guidelines regarding eligibility for independent youth allowance. These students are requesting that the government delay the introduction of the changes until 1 July 2010 so that those students who completed year 12 last year with a view to attending university next year will not be disadvantaged retrospectively by the changes. Could the minister reconsider restoring the so-called ‘gap year guidelines’ for these students, who engaged in this process in good faith?

Ms GILLARD—I thank the member for his question. I know that he would be working with students and others in his electorate to get out to them the full facts and the full picture about the government’s student financing changes. I want to make a simple point to the member because I know that he is someone who is very concerned about making sure that, when we are restructuring and investing, we are doing that in a way that benefits people on lower incomes and that is fair to people on lower incomes. I am sure that, like me, he was concerned when he saw the conclusion of the Bradley review that the current structure of student income support was leading to money being received by people whose household incomes were right up the income scale—and I am talking about $200,000, $300,000 and $400,000. I am sure he would agree with me that, rather than have money going to families with household incomes of $300,000 and $400,000, he would prefer to do better for ordinary Australians who were trying to send their kids to university.

For those Australians who are trying to send their kids to university, the government’s changes have made a substantial difference to the families who will be eligible. One of the problems with this debate, and one that the member may have experienced in his electorate, is that under the Liberal Party the family income test became so low and so unrealistic that many students received the message that the only way of getting student income support was to credential themselves as independent and go through the work test. Many students actually believe that that is the only way of getting student income support. Actually, the primary way of getting student income support is being in a family where the family income range qualifies. On that, we have made a very substantial difference. I will give one example, for a family with two students of university age. Under the Liberal Party system, their ability to receive student income support cut out at a family income of $75,000. We have increased that to $139,000, meaning thousands more families are in the income range and thousands more students will receive student income support.
Yes, I understand that this required us to deal with the work test because, in order to deal with the matter in a budget-responsible way, these changes are cost neutral. We are saying to students—and I am very happy to work through the individual examples in the electorate of New England and with members who are genuinely interested in benefiting students in their electorates, as opposed to making cheap political points—that we are very happy to work through the circumstances of students. I believe that, when we do that, the member will find that many of the students who currently think that they are ineligible will—on a genuine look at the new family income test—find themselves eligible. I say to the member for New England: if they find themselves eligible for student income support under the new family student support income ranges—and many will—it means that they will automatically be eligible for the student start-up scholarship of $2,254 dollars per year. If they need to relocate in order to study, they will also be eligible further the relocation scholarship, which is $4,000 in the first year and $1,000 each year afterwards. I will be very happy to work through that.

Of course, I am not happy to listen to the opportunism of the opposition, whose shadow minister for education said on 25 March, and I quote his words exactly:

If the Government is serious about reform, then come Budget time we should see some consideration given to reforms suggested by Bradley in student income support - to ensure that sufficient support is going to those who need it.

These are the words of the shadow minister for education and, in their opportunism now, they seek to deny those words. If the Liberal Party want to go out and defend the current system with its skew to people who earn $200,000, $300,000 and $400,000 a year, we would say simply, ‘That is what the Liberal Party does; it always seeks to benefit those better off at the expense of the vast majority.’

**Emissions Trading Scheme**

Mr. Murphy (3.43 pm)—My question is to the Minister for the Environment, Heritage and the Arts. Will the minister outline the importance to the Australian economy and the environment of the introduction of the Carbon Pollution Reduction Scheme, and will the minister inform the House of its progress?

Mr. Garrett—I thank the member for Lowe for his question. I know he has a real interest in this issue. It is critical for our environment and critical for our economy that we reduce carbon pollution. This is why the Rudd government has a Carbon Pollution Reduction Scheme in place, proposed to be dealt with by this parliament, and why we are also bringing forward complementary measures to reduce greenhouse gas emissions. Last Friday, I addressed the National Business Leaders Forum on Sustainable Development and heard more of the leadership that Australian business and industry are showing on climate change. The message from that leadership forum is very clear: they want action on climate change and they want investment certainty for a low-carbon future. This forum is the same forum that produced a special call for action on climate change in 2007. The call for action was directed at the opposition, who were then in government, who were not willing to pick up the cudgels and actually take climate change seriously.

I have to say that we are heading back to the dark old days when on one side you had the climate change deniers and on the other side you had the would-have-beens and the could-have-beens. The problem with the opposition is that they have nothing to say about green collar jobs. This morning, I launched the second phase program guidelines for insulation in the energy efficient
homes package. That has been a classic example of taking the right public policy decision to provide stimulus for the economy, which produces jobs and increases capacity for jobs and at the same time enables Australians to reduce their greenhouse gas emissions and reduce their energy costs as well. Here we have already more than 100 jobs created by Bradford and Fletcher Insulation facilities, with an investment in Dandenong of some $8 million, which I reported to the House last week. This is the stimulus plan at work. But the opposition have nothing positive to say about it. They have nothing positive to say about the opportunities presented by Pacific Hydro, who last week called for the parliament to ensure passage of the Carbon Pollution Reduction Scheme.

They also have nothing to say about jobs at risk through inaction on climate change. I noticed that the opposition laughed when the Prime Minister made reference to the Great Barrier Reef and the Murray-Darling Basin. I was mystified by the opposition laughing at something which is so fair dinkum serious. For those opposite, the risks to the Great Barrier Reef are not only to the environment but also to employment. The Great Barrier Reef generates employment for around 60,000 Australians. The risks to the agricultural sector in the Murray-Darling Basin are not only about the risks to the basin because of climate change impacts—even though they are real risks, which they continue to deny—but also about risks to employment. The Murray-Darling Basin generates employment for around 90,000 Australians. This fundamental connection between protecting the environment and ensuring employment and jobs is something that the opposition just does not seem to get.

It is much harder for the Leader of the Opposition to get it when he has the Nationals in the Senate and the Nationals on the front benches here not wanting to delay the passage of the Carbon Pollution Reduction Scheme but simply wanting to oppose it. At a time when business is looking for certainty and action and when the community is looking for resolute action on addressing climate change, it is painful to watch the opposition and the opposition leader when the coalition continues to distance itself from any meaningful action, from taking climate change seriously and from supporting a carbon pollution reduction scheme. I feel some small sympathy—and I say ‘small sympathy’—for the member for Flinders.

Mr Hunt interjecting—

Mr GARRETT—One thing that I am confident about is that the interjection will not have been his position on the Carbon Pollution Reduction Scheme. On 17 July last year, after the green paper was released he rushed out—as he does—and he said, ‘Basically, what they, the government, have done is dusted off the document we had.’ In other words, the line of the member for Flinders, if I understood it, was to say that the Carbon Pollution Reduction Scheme was actually their carbon pollution reduction scheme. You had better speak to the member for Wide Bay—

Opposition members interjecting—

Mr GARRETT—The member for Wide Bay; actually, what you hear from the Nationals is wild—I stand by that. He ought to be speaking to the member for Wide Bay, because his view about the Carbon Pollution Reduction Scheme is that it is probably the harshest that is under consideration anywhere in the world. It cannot be the scheme that you were proposing and the harshest scheme anywhere in the world at the same time.

The fact is, if you want to be taken seriously on climate change, if you want to secure our environment into the future, then you need targets and you need a plan to
achieve them. If you believe in something, you need to vote for it. In the absence of that belief and conviction from the Leader of the Opposition, this government will get on with the business of securing the environment and employment with a carbon pollution reduction scheme and the positive policy measures that go with it.

Aged Care

Mrs May (3.48 pm)—My question is addressed to the Minister for Ageing. It is now over a month since you ordered an investigation into the attack by vermin on an 89-year-old war veteran at a nursing home in rural Queensland. When will the findings of this report into a very serious failure of care be revealed?

Mrs Elliot—I thank the honourable member for her question. This is indeed a very serious and very important matter. I will outline to the House the matters in relation to this incident. Early in May, I asked the accreditation agency to undertake a major investigation into the attack by vermin on an 89-year-old war veteran at a nursing home in rural Queensland. When will the findings of this report into a very serious failure of care be revealed?

The agency’s investigation was to consider but was not limited to: the home’s management of the plague, including the actions taken and the timeliness of actions taken; how the home responded to incidents in which the residents were affected; and actions taken to protect the residents generally. The investigation is to consider the actions of the home as well as the actions of the approved provider, Darling Downs West Moreton Health Service, part of Queensland Health. The report should also include recommendations to improve the procedures and processes for the protection of those residents. The independent accreditation agency has also visited the home, which is, as I said, run by Queensland Health. The Department of Health and Ageing is in regular contact with the home. As I said, that report will be coming to me very shortly.

This is a very serious matter. My main concern is for the safety, health and welfare of our residents in our nursing homes right across this nation. We have 2,830 nursing homes, which are home to nearly 200,000 older Australians. Our main priority is our commitment to them. I will have that major investigation report very shortly.

Budget

Mr Melham (3.51 pm)—My question is to the Minister for Veterans’ Affairs. How will the veterans community benefit from the government’s pension reforms announced in the budget?

Mr Griffin—I thank the member for Banks for his question and for his longstanding interest in matters relating to veterans. The budget builds on last year and continues reforms by this government and, particularly in the area of pension reform, sees some major movement forward. People are aware of the detail of the Harmer review in terms of payments. With respect to the Veterans’ Affairs portfolio, we are talking about $1.1 billion over the next four years for pension payments. This will benefit 105,000-plus war widows and 320,000 across the board in the portfolio. It also includes nearly 200,000 service pensioners and partner service pensioners. All of these will benefit in the same manner as those pensioners under the aged category with respect to the benefit from Harmer in terms of its graduated fashion.

Carers also benefit dramatically in this area with respect to the new carer payments: $35 million over five years to the 16,000
carers who relate to the care of veterans and their families within our portfolio. In addition, it is important to remember the TPIs, who are our most injured veterans—those who have suffered most with respect to the impacts of war. Roughly 80 per cent of those will be impacted by these reforms and will in fact gain the benefits that others in the community will on the basis of their income circumstances beyond their compensation. I think that is also good news for many of our most injured war veterans. That is all up as part of a budget of $11.8 billion across the portfolio: a record $4.9 billion with respect to health care and, in the context of compensation and income support, $6.5 billion.

In that context, with respect to mental health care for ADF members and also those who are now veterans, I also mention the circumstances are—in combination with the reforms from the Dunt reports—$92 million over four years: $83 million in the Defence portfolio and $9.5 million with respect to improved service delivery within the Department of Veterans’ Affairs.

Medicare

Ms MARINO (3.54 pm)—My question is to the Minister for Health and Ageing. I refer the minister to the government’s budget cuts to Medicare benefit scheme fees for cataract surgery. Given the government’s reckless cash splashes, how does the minister justify this callous measure, which will have a devastating impact on the wellbeing of thousands of Australians—mostly battlers and pensioners—and in particular those in rural Australia?

Ms ROXON—I thank the member for her question. Of course, there are a large number of investments that are being made in rural health. There is one in particular I am surprised the member has not taken the opportunity to ask a question about—I will get to cataracts—because she is one of the members opposite who came to see me about a range of issues in her electorate. I welcome members always being prepared to do that. She particularly asked about the shortage of doctors in her electorate, which will be significantly aided because of the rural health investments—the new structure that is being introduced to support people who are moving to regional areas. They will be paid more the more remote they go. If my recollection is right, GPs moving to her electorate will receive, in many instances, relocation incentives for the first time. So I just note in passing that I am surprised that the question does not raise anything about those investments: hundreds of millions of dollars of extra money going into rural health.

The question of cataracts is certainly something that we do not resile from at all. This is one of the many procedures on the Medicare benefits schedule that have been set at a rate for a very long period of time and that have not been adjusted with the advances of technology. This is surgery that can now be undertaken, in many instances, in a third, a quarter, a fifth or sometimes a tenth of the time it used to take. Instead of paying what is currently the fee for the most commonly performed services—about $830—for something that takes 10 to 15 minutes in most instances, there will be a payment of $409 for the MBS fees.

Dr Southcott—What about the equipment costs?

Ms ROXON—I hear interjections from those who are ill-informed opposite, asking me about the cost of equipment. People would be aware that the Medicare benefits schedule pays for services provided. It is not intended to pay for the cost of equipment. It has never paid for the cost of equipment. When we are going to repeatedly run a health system where the costs and investments go up, when we have new technology
that people want to access and when we have new drugs that people want to access then we have to be prepared to take some decisions to scale costs down where medical advances have provided a benefit to the community. This is one of those instances, and we do not resile from those changes in the budget.

**Climate Change**

**Mr ADAMS** (3.56 pm)—My question is to the Minister for Agriculture, Fisheries and Forestry. Will the minister update the House on recent climate change research into adaptation and mitigation measures for agriculture and of any threats to action on climate change?

**Mr BURKE**—I thank the member for Lyons for his question. I also acknowledge the member for Lyons’s strong engagement with the forestry sector in his electorate and the work that he has been doing there for some time, advocating that stored carbon in forest products forms part of Australia’s negotiating strategy as we move towards Copenhagen. At Old Parliament House this morning we held the Agriculture Roundtable where I, and officials from my department and the Department of Climate Change, met with the leadership of the farmers organisations, state-by-state, nationally and commodity-by-commodity. We worked through issues relating to the work program for the decisions that need to be made in 2013 as to whether or not agriculture would be included in the scheme in 2015.

We also had a briefing from ABARE. Members will remember that I referred to some figures in passing last Thursday as to the costs on farmers of the Carbon Pollution Reduction Scheme. That information has now been released and was provided to the people this morning. I am happy to provide the full information to the parliament by tabling that ABARE report now.

The question also asks me about what different threats and opportunities there are for action through the Carbon Pollution Reduction Scheme, given that there are many people within this House and within the Senate who do not have the same constructive relationship that the farm organisations had this morning. I referred before to there being a claim of a constructive role from the Leader of the Nationals, where he had said, ‘We have always said we are prepared to play a constructive role’—while the Leader of the Nationals in the other place paraphrases that by saying, ‘No, no, no, no, no.’ Yesterday, the Leader of the Opposition made the comment that was referred to earlier by the Prime Minister:

So yes, I’ve got no doubt we will have an emissions trading scheme in Australia. That’s my view.

A journalist then—I think this morning—put that quote back to the Leader of the Nationals. I think the journalist was pretty faithful to the quote from the Leader of the Opposition: ‘On climate change, Malcolm Turnbull, the Leader of the Opposition, says, “There will be an ETS.” Will the Nats ever support that?’ And the Leader of the Nationals said, ‘Well, he didn’t quite say that.’

I am not sure how the claim from the Leader of the Opposition of, ‘I’ve got no doubt that we will have an emissions trading scheme,’ is not quite saying, ‘There will be an ETS.’ But apparently when the Nationals have a look at it, that is what that means. It is more confusion from the same group, as I have said before, that has provided a shadow minister who puts himself forward as a climate change sceptic. He then goes on to be the only climate change sceptic in a media release to claim that climate change is a massive threat. He is a climate change sceptic who describes climate change as a massive threat! They are special people in the National Party!
We as the government have gone forward. As the Prime Minister mentioned earlier, the CPRS is not the only part of our response to climate change. There is significant research work going on both in the areas of adaptation announced recently and in the recent announcement with respect to biochar. On the adaptation work extreme temperatures have become an important part of dealing with climate change. That is why under the Climate Change Research Program we have extreme temperature research into livestock industries involving the CSIRO and the University of Melbourne. Changes in CO2 levels have an impact on cropping—possibly there will be some advantages to some cropping sectors with respect to CO2 concentration—and that work is being done under Australia’s farming future with partnerships for the University of Melbourne, the Victorian Department of Primary Industries and the Grains Research and Development Corporation. There are industry opportunities as well in Northern Australia in being part of Australia’s farming future. As well as that we have launched, at $1.4 million, the largest biochar research project in Australia’s history.

Mr Turnbull—Took you a while.

Mr Burke—We have from the Leader of the Opposition the claim that it took us a while. In 12 years in government with that man as the minister for environment it never occurred to them to do anything on biochar. Look at the chronology of when he made his speech because he made his speech calling for action on biochar in January this year. Yet on 12 July last year this government initiated two biochar research projects announced through Caring for our Country. Then in September last year we called for expressions of interest for a CSIRO project submitted under the first round of the Climate Change Research Program. The Climate Change Expert Panel in September last year recommended we wait until the CSIRO review was complete. Then in January the Leader of the Opposition called for the government to start to do what it is already doing.

Mr Turnbull interjecting—

Mr Burke—Because it was a boringly bad speech. That was the reason.

The Speaker—Order! The minister will ignore the interjection. The Leader of the Opposition will cease interjecting.

Mr Burke—At least when you were on Insiders I was in Braidwood on a farm and I did not have to watch it live. In February the CSIRO concluded its review of gaps in biochar research and then in May of this year, being able to assess the applications that had come in, we were able to then have $1.4 million through the CSIRO project announced. We were actually working through each stage and making sure of the government’s interest in being part of the solution. At the same time on the other side we get three opposing views, two opposing parties, a confused person who composes himself and no policy.

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

QUESTIONS TO THE SPEAKER

Question Time

Mr Morrison (4.03 pm)—Mr Speaker, I refer to your ruling on my question without notice of last Thursday to the Deputy Prime Minister seeking an explanation of her position in relation to cuts to Medicare funding of IVF given she had previously tabled petitions containing more than 1,300 signatures opposing cuts to Medicare funding. I refer the Speaker to the rulings made by Speaker Hawker on questions to Deputy Prime Minister Vaile—

The Speaker—Order! I have indicated that I will take questions on administration. I will not revisit procedural questions.
Mr Morrison—Mr Speaker, if not in this House, in what forum can the Deputy Prime Minister be held accountable for her misleading more than 1,300 people in her position on IVF?

Mr Pyne interjecting—

The Speaker—Order! The member for Cook will resume his seat. I say to the Manager of Opposition Business that I did not think it was a very good question because it was completely out of order.

Ms Julie Bishop interjecting—

The Speaker—The Deputy Leader of the Opposition is warned.

PERSONAL EXPLANATIONS

Mr Tuckey (O’Connor) (4.04 pm)—Mr Speaker, I wish to make a personal explanation.

The Speaker—Does the honourable member claim to have been misrepresented?

Mr Tuckey—Yes.

The Speaker—Please proceed.

Mr Tuckey—Mr Speaker, during question time the Prime Minister, in selectively quoting from a much longer doorstop I gave on emissions trading schemes, referred to me as a climate change sceptic. In that interview I told the journalist that the issue was about the best solution but not the existence of climate change and my doubts that an emissions trading scheme as proposed can achieve positive results—as the Greens also agree. You are well aware, nevertheless, of my commitment to renewable power and I resent that suggestion.

The Speaker—Order! The member for O’Connor has indicated where he has been misrepresented and I have listened to him on renewable energy.

DOCUMENTS

Mr Albanese (Grayndler—Leader of the House) (4.06 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.

NATION BUILDING PROGRAM (NATIONAL LAND TRANSPORT) AMENDMENT BILL 2009

Consideration in Detail

Consideration resumed.

Mr Ruddock (Berowra) (4.06 pm)—I am very concerned that, in this debate on the Nation Building Program (National Land Transport) Amendment Bill 2009, the most important nation-building proposals that would link Melbourne, Sydney and Brisbane, and through which my electorate is very seriously constrained, are not being addressed in a substantial way.

Mr Albanese (Grayndler—Leader of the House) (4.06 pm)—I move:

That the question be now put.

Question put.

The House divided. [4.11 pm]

(Ayes………….. 79
Noes…………….. 62
Majority……… 17

AYES

Adams, D.G.H. Albanese, A.N.
Bevis, A.R. Bowden, J.
Bird, S. Bowen, C.
Bradbury, D.J. Burke, A.E.
Burke, A.S. Butler, M.C.
Byrne, A.M. Campbell, J.
Champion, N. Cheeseman, D.L.
Clare, J.D. Collins, J.M.
Combet, G. Crean, S.F.
D’Ath, Y.M. Danby, M.
Debus, B. Dreyfus, M.A.
Elliot, J. Ellis, K.
Emerson, C.A. Ferguson, L.D.T.)
Monday, 1 June 2009

HOUSE OF REPRESENTATIVES

4933

Garrett, P. Georganas, S.
George, J. Gibbons, S.W.
Gillard, J.E. Griffin, A.P.
Grierson, S.J. Hale, D.F.*
Hayes, C.P.* Jackson, S.M.
Kerr, D.J.C. King, C.F.
Livermore, K.F. Macklin, J.L.
Marles, R.D. McClelland, R.B.
McKew, M. McKew, M.
Melham, D. Melham, D.
Neal, B.J. McKeown, R.F.
O’Connor, B.P. Melham, D.
Parke, M. Millward, S.A.
Pilgersek, T. Milroy, J.
Raguse, B.B. Murdoch, J.
Ripoll, B.F. Neumann, S.K.
Roxxon, N.L. O’Connor, B.P.
Saffin, J.A. O’Connor, B.P.
Sidebottom, S. O’Connor, B.P.
Snowdon, W.E. O’Connor, B.P.
Swan, W.M. O’Connor, B.P.
Tanner, L. O’Connor, B.P.
Thomson, K.J. O’Connor, B.P.
Turnour, J.P. O’Connor, B.P.
Zappia, A. O’Connor, B.P.

Georganas, S. Gibbons, S.W.
Gray, G. Griffin, A.P.
Hall, J.G.* Irwin, J.
Kelly, M.J. King, C.F.
Macklin, J.L. McClelland, R.B.
McMullan, R.F. Murphy, J.
Neumann, S.K. Owens, J.
Perrett, G.D. Price, L.R.S.
Rex, K.M. Rishworth, A.L.
Rudd, K.M. Shorten, W.R.
Smith, S.F. Sullivan, J.
Thomson, C. Van Vakanimou, M.

NOES
Abbott, A.J. Andrews, K.J.
Bailey, F.E. Baldwin, R.C.
Billson, B.F. Bishop, B.K.
Bishop, J.I. Briggs, J.E.
Chester, D. Ciobo, S.M.
Cobb, J.K. Costello, S.M.
Coulton, M. Dutton, P.C.
Forrest, J.A. Gash, J.
Georgiou, P. Haase, B.W.
Hartsuyker, L. Hawke, A.
Hayker, D.P.M. Hockey, J.B.
Hull, K.E.* Hunt, G.A.
Irons, S.J. Jensen, D.
Johnson, M.A.* Keenan, M.
Laming, A. Ley, S.P.
Macfarlane, I.E. Marino, N.B.
Markus, L.E. May, M.A.
Mirabella, S. Morrison, S.J.
Moylan, J.E. Nelson, B.J.
Neville, P.C. Oakeshott, R.J.M.
Pearce, C.J. Pyne, C.
Ramsey, R. Randall, D.J.
Robb, A. Roberts, S.R.

Ruddock, P.M. Schultz, A.
Scott, B.C. Secker, P.D.
Simpkins, L. Slipper, P.N.
Smith, A.D.H. Somlyay, A.M.
Southcott, A.J. Stone, S.N.
Truss, W.E. Tuckey, C.W.
Vale, D.S. Washer, M.J.
Windsor, A.H.C. Wood, J.

* denotes teller

Question agreed to.
Original question agreed to.
Bill agreed to.

Third Reading

Mr ALBANESE (Grayndler—Leader of the House) (4.14 pm)—by leave—I move:
That this bill be now read a third time.

Mr TRUSS (Wide Bay—Leader of the Nationals) (4.14 pm)—by leave—I move:
The Nation Building Program (National Land Transport) Amendment Bill 2009 is—

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (4.15 pm)—I move:
That the question be put.

Question put.
The House divided. [4.15 pm]

(The Speaker—Mr Harry Jenkins)

Ayes............. 79
Noes............. 63

Majority......... 16

AYES

Adams, D.G.H. Albanese, A.N.
Bevis, A.R. Bidgood, J.
Bird, S. Bowen, C.
Bradbury, D.J. Burke, A.E.
Burke, A.S. Butler, M.C.
Byrne, A.M. Campbell, J.
Champion, N. Cheeseman, D.L.
Clare, J.D. Collins, J.M.
Combat, G. Crean, S.F.
D’Ath, Y.M. Danby, M.
Debus, B. Dreyfus, M.A.
Mr PEARCE (Aston) (4.19 pm)—I rise today to speak on the Tax Laws Amendment (2009 Budget Measures No. 1) Bill 2009. This bill has three schedules within it. Schedule 1 first deals with a tax measure, particularly around changes to tax exemption for foreign employment income. Currently, there is a tax exemption for income that is earned by Australian residents working overseas for at least 91 continuous days. This exemption will remain in place for workers undertaking certain aid or charity work, certain government work and other work that is deemed to be in the national interest. For all other Australian residents earning income from foreign employment their income will be taxed under the Australian income tax system. Those taxpayers will get a rebate for any tax they have paid on that income to other countries to ensure that they are not double taxed. We are keen that the Senate have an opportunity to conduct an inquiry into this legislation, and into this schedule together with the others, to assess any unin-
tended consequences of the government’s budget measure.

The bill also has another two schedules: schedule 2 and schedule 3. Both of these schedules go to the area of superannuation and changes that the government has proposed to the law relating to superannuation. I want to begin my comments today first of all by saying that it was only 12 days before the last federal election that the Prime Minister was on 4BC Brisbane radio. When asked about any changes to superannuation, the Prime Minister said:

There will be no change to the superannuation laws—one jot, one tittle.

That was 12 days before the last federal election. And here, now, we are dealing with a bill before the House of Representatives that substantially alters the laws relating to superannuation. Is there any wonder that Australians know the truth behind Labor’s broken superannuation promises now, and that this is a Prime Minister who cannot be trusted when he says that he will not make changes, particularly 12 days before an election?

Schedule 2 goes to the area of the superannuation co-contribution scheme. This is a scheme that was introduced by the former coalition government. The scheme was particularly designed to assist low- and middle-income earners and it was particularly designed to encourage those low- and middle-income earners to put aside some of their earnings and put them into superannuation. It was designed to do that so that these low- and middle-income earners could accumulate even greater levels of superannuation so that they could be more assured of a better quality of life in retirement.

What the coalition government did when we introduced this policy was to say that, for every dollar that a low- or middle-income earner put aside to look after themselves in retirement, the government would support them and pay $1.50 in addition to their dollar, again helping them accumulate a level of superannuation savings that would provide for them in the future. Regrettably, this bill proposes—and this is what the government has proposed in the budget—to temporarily cut the superannuation co-contribution scheme.

Let me go to this use of the word ‘temporary’. We in this House all know that, when the Prime Minister and the government say ‘temporary’, they do not mean temporary. We heard that we were going to have a budget deficit for a temporary period of time, and now we know that we are going to have a budget deficit for years and years and years—as a matter of fact, long enough that I will not be here, probably. My children will be paying off that ‘temporary’ deficit, and yet the government has now used the word ‘temporary’ again in relation to the wind-back of this very good superannuation co-contribution program.

The government has proposed to wind back the program so that, instead of paying a 150 per cent contribution, it will wind that back to 100 per cent in the years 2009-10, 2010-11 and 2011-12. Then it will go back up to 125 per cent, they say, in 2012-13, then back to 150 per cent—where it is today—in 2014. But we all know that we cannot rely on this government, because we remember that it was the Prime Minister who said that there were not going to be any changes to superannuation laws—‘not one jot or one tittle’. This measure will impact over 1½ million Australians. As a matter of fact, around about 1.5 million Australians received superannuation co-contributions in the year 2007-08. So that is almost 1½ million low- and medium-income earners who are now going to have superannuation ripped away from them by this government. They
are not going to be supported by the government of Australia like they were.

Schedule 3 goes to the area of superannuation concessional contributions. In this particular policy area the government announced in the budget it will halve the concessional contribution caps that currently exist for people to put aside superannuation contributions so that they can save for their future. All of this means, in a nutshell, that Australians will now work longer, they will retire later and this government is asking them to live on less—less than they would have had under the previous government.

What is so concerning about these budget announcements to those of us in the coalition is that it is the first time in years and years that the government has said to Australians: ‘We don’t want you to set aside funds for your own retirement anymore.’ For years and years there has been a very much bipartisan approach to superannuation public interest policy in this nation, but now the government is actually saying to people: ‘We don’t want you to put aside as much and we’re not going to give you as much support. So even if you do try and put money aside we’re not going to support you in the way that we used to support people.’

This is a very troubling development, because the whole emphasis behind superannuation and the accumulation of superannuation for individual Australians has been the principle that all Australians, wherever possible in their daily lives and within their own circumstances, should be encouraged as much as possible to set aside savings so that they can be self-sufficient in their retirement and, secondly, so that they can have a comfortable standard of living in their retirement. Those have been the two overarching principles from all sides of politics in this nation: (1) an objective of trying to be self-sufficient and (2) an objective of ensuring quality of life and a comfortable standard of living.

Now, for the first time in many years, we have a government that is saying to low- and middle-income earners: ‘Don’t put aside as much and, whatever you put aside, we’re going to support you less.’ To other income earners, the government is saying: ‘We’re not going to allow you to invest in your superannuation in the order that we used to.’ That is what the government is saying to this group of people. It is saying: ‘Don’t put as much aside.’ The end result of both of those two things will be that Australians will put less aside for their retirement. The whole purpose of superannuation has been to enable people to be self-sufficient so that there will not be any need for them to access the public pension system.

These government changes are very short-sighted. They may suit the government in the short term because they might claw back over $4.3 billion worth of tax savings for the government which it desperately needs, given that it has got the country into such a terrible situation with debt. So they might serve the government’s short-term objective, but in the long term they are going to mean that more people will end up on the public pension system. How is that a good outcome for Australia going forward? If people save less today they will have less for tomorrow; and if they have less for tomorrow they will need to call on the public pension system. That will mean that the Australian taxpayers will have the burden of paying for the public pension system. How can it be good policy to say to Australians: ‘Don’t put money aside for your own retirement. Don’t try and be self-sufficient. Don’t put as much in because if you don’t put as much in we’re not going to give you as much either’? These are retrograde changes which are deeply concerning for Australians because, yet again,
the superannuation goalposts are being moved.

The government wanders about the countryside repeating the rhetoric about difficult times, the global financial crisis and the impacts of the world on Australia, yet on the other hand it is ripping away any degree of certainty that Australians have had about planning for their future. A lot of these particular changes have, of course, come out of the Henry income retirements paper that was released on the same day as the budget. The increase in the age for access to the age pension was part of that paper. Another recommendation in that paper was that the preservation age, the age at which Australians can access their super, should also be increased to align with the age pension age—in other words, from a maximum of 60, which is the current preservation age for super, up to the proposed 67. This has created an even higher level of uncertainty and instability in the Australian community because, yet again, Australians are very nervous about their savings plans for the future. As I said, this recommendation is part of the Henry report and the government has said that it is going to look at the entirety of the Henry report, which is due at the end of the year.

I noted that the other day the Prime Minister said on radio that he had ‘no plans’ to change the preservation age. Mr Deputy Speaker, I have to say to you that I do not believe the Prime Minister. I do not trust the Prime Minister. It was the Prime Minister who said 12 days before the last election that there would be no change to the superannuation laws ‘one jot or one tittle’, and now he is going on radio saying he has no plans to change the preservation age. Well, I do not believe him. When you are talking about the preservation age and access to superannuation you are talking about access to an individual’s private savings. When you are talking about access to the public pension you are talking about access to a taxpayer funded pension. They are two very different arguments indeed. What we have got coming out in the budget are these retrograde changes to the co-contribution scheme and the concessional contribution caps for superannuation and we have got this recommendation coming out of the Henry income streams paper that is hanging out over there and says the preservation age should also be jacked up, so Australians would have to wait even longer to get access to their own money—not access to the public pension; we are talking about access to their own superannuation. This is again deeply concerning. This is why I say that what this government is on about is forcing Australians to work longer, forcing them to retire later and forcing them to live on less. What a tricita for the Australian Labor Party. What a badge of honour for the Australian Labor Party.

I want to give credit to Paul Keating. I never thought I would actually be able to do that, but I want to give credit to him for the introduction of the compulsory superannuation guarantee contribution scheme. But I know, and this has been on the public record, that Paul Keating himself is horrified at what this government is proposing with this recommendation about lifting the preservation age. Superannuation in this country has always been supported with the intent that people should be encouraged as much as possible to save for their own retirement so that they can be self-sufficient, so that they do not have to fall back onto the public pension. If you look the approach that has been taken for years, at one end of the spectrum you would have all Australians in retirement totally dependent on the public pension and at the other end of the spectrum you would have all Australians being entirely self-sufficient. Every government, of every political persuasion, for years has worked towards trying to move as many people from
the left-hand side up to the top side to make them more self-sufficient. That is what Paul Keating had in mind. But now, for the first time in years, what we see coming out of the government by way of policy in relation to superannuation, and what we see coming out of this recommendation as part of the total Henry review, is the government encouraging Australians to take a hybrid position between those two points.

What the Labor government wants into the future is for Australians not to be entirely self-sufficient. It wants Australians to have a little bit of super, so they can draw on a little bit of their own savings, and it wants them to draw on the public pension as well. It wants them to take from both, instead of giving Australians the objective and the encouragement to save for themselves at a time when we are faced with the ageing of our population, a massive demographic challenge that we all know about and that the coalition government brought onto the agenda with the introduction of our intergenerational reports. Instead of facing up to the intergenerational challenges that we will have—that is, Australians growing older, fewer people working and so fewer people paying tax and fewer people funding the public pension—and instead of encouraging Australians to save for themselves, what this government is actually doing is discouraging people from doing that. It is saying, ‘We didn’t want you to do that anymore.’

It is the first time in years and years that a government of Australia has sent such a negative signal to the people of Australia. It is the first time in years that a government has said, ‘It doesn’t matter whether you’re a high-income earner, it doesn’t matter whether you’re a medium-income earner, it doesn’t matter whether you’re a low-income earner, we are going to whack your superannuation savings,’ because these budget measures impact on low-, medium- and high-income earners. Nobody in Australia who is striving to save for their future is exempted from this government’s policy changes in the budget.

That is what concerns us in the coalition; it concerns us greatly. The short-termist grab of over $4.3 billion in these policy changes might help the government reap some tax savings in the short term, but you really have to ask yourself: what is it going to do in the long term? What is it going to do to our national interest? What is it going to do in terms of undermining Australians’ confidence in saving for their future?

This government lacks any degree of certainty in and around superannuation policy. We have the minister against superannuation—he used to be the minister for superannuation; now he is the minister against superannuation—as recently as the other day announcing a further review of superannuation, a further inquiry into the root and branch, the structure, of the superannuation system. What I find interesting about yet another review being announced by the minister is that in the last parliament he was actually a member of the Parliamentary Joint Committee on Corporations and Financial Services that conducted an inquiry into the structure and operation of the superannuation system, and that report has been sitting in the minister’s office since the day he was sworn in. He has not even bothered to respond to that report. Now he is off doing these other half-baked reviews with, I have to say, only select people on the reviews. There is nobody on this systemic review of superannuation who represents the self-managed superannuation fund industry and nobody who represents the retail funds sector, although these are two of the most substantial sectors in the Australian superannuation system. It is all very strange how we have these people who have been especially chosen—with a particular agenda in mind, I am sure.
So we are very concerned about these changes to superannuation, as I know Australians are very concerned about them. These changes undermine confidence in superannuation for the first time in years and years. The government’s superannuation contributions for low- and middle-income earners have been slashed by a third, while tax relief for people who want to put in their own superannuation contributions has been cut in half. The end result, as I said earlier, is the trifecta that the Labor Party has come up with: Australians needing to work longer, retire later and live on less. This is from a Prime Minister who, 12 days before the last election, said:

There will be no change to the superannuation laws, one jot, one title.

Mr NEUMANN (Blair) (4.41 pm)—I rise to speak in support of the Tax Laws Amendment (2009 Budget Measures No. 1) Bill 2009. I listened to the member for Aston saying all those things criticising the government in relation to this policy. You would think that he was going to vote against this bill, but, in fact, as is so often the case with the coalition, you have to look at what they do, not what they say, because I can guarantee the Australian public who are listening to this broadcast that, when it comes to the vote, the coalition will support this measure—and so will the member for Aston. Having denounced our policies with respect to the changes concerning tax law and superannuation, his side of politics will actually vote for them. That is what will happen.

From 1949 to 1972, we had dark days of conservative rule in this country. Did we see any superannuation law changes that helped low- and middle-income families? We did not. It took a Labor government, the Hawke-Keating government, to bring in a superannuation scheme that helped low- and middle-income families. That is the reality of the superannuation industry in this country and what Labor governments have done to ensure fairness and justice in terms of retirement savings. It is a Labor government, this government, that is doing so much to ensure we have a fair and sustainable retirement income system in this country. It is a Labor government that has actually increased pensions, fulfilling what we told pensioners we would do by raising the single and the couple pension rates. For the first time, we will see the single pension rate at 27.7 per cent of male total average weekly earnings in Australia. It is a Labor government doing this, not the coalition. Labor governments support low- and middle-income families.

It is a bit rich for those opposite to have a go at us about the superannuation industry, because we are the ones who have supported working families across the country, including those in my electorate, to ensure that they have a decent retirement income and are able to support their families as they go. For example, the budget changes—and the changes with respect to tax and superannuation here that support them—ensure that 23,505 people in my electorate will receive a pension increase. Now, they would not have got this if the coalition acted in accordance with what they say. The reality is that we are getting this through the parliament with the support of the coalition. The coalition is supporting this legislation. The member for Aston continually denounces what we are doing here, but the truth is that there is inconsistency from those opposite.

This law which we are about to pass has three schedules. The first schedule will better target the general exemption with respect to foreign employment income of those Australian residents for income tax purposes. It ensures a degree of fairness and integrity in our tax law system. It means that Australian residents who are working in low-tax jurisdictions will pay the same rates as their fellow Australians who pay tax in this country,
and that is a fair thing to do. There is an exemption from 1 July 2009 with respect to aid workers, charitable workers and those involved in disaster relief, and also in relation to employment. We are also making some significant changes in relation to schedule 2 with a temporary reduction in the co-contribution matching rate to 100 per cent for eligible contributions.

In relation to schedule 3 the bill implements the government’s response to a finding of the *Australia’s future tax system: the retirement income system* report. That report recommended a number of things. It recommended that there be changes to ensure that superannuation contributions were more fairly distributed and that the current cap on concessions should be reconsidered. The changes with respect to this are directly as a result of the response to the report. We are doing what is being recommended for us to do. It is ensuring that we have, with respect to the budgetary measures, savings of about $5 billion over the forward estimates. That $5 billion over the forward estimates makes a big difference locally as well as nationally.

What would those opposite have to say about the 663 projects totalling $74 million in my electorate under the Economic Stimulus Plan that we have instituted? There is about $30.5 million in funding for 84 schools in the Building the Education Revolution. Where does this money come from? It comes from savings and it comes from borrowings as well. The government has acted in a very responsible way with respect to this matter and those opposite are not telling the true situation with respect to their position.

What do we say then? Do we say that the schools in my electorate, and the roads in my electorate, which need urgent funding should not be funded? Is that what those opposite are saying? What about the Black Spot Funding Program of $5.153 million or the Community Infrastructure Program of $2.249 million? Does the coalition say that these should not be funded in my electorate of Blair in Queensland? Is that what they are saying? They have certainly said that by their actions today, and previously with respect to our Nation Building and Jobs Plan. But in terms of funding that we are saving, this will go a long way towards meeting our commitments.

In relation to schedule 1, there is an amendment to section 23AG. That particular section limited the scope to foreign employment income derived by Australian residents only in specific instances. Foreign earnings derived by an Australian resident individual engaged in continuous foreign service for not less than 91 days was only eligible for exemption from income tax if the foreign service was directly attributable to any of the following: issues concerning charitable humanitarian work, disaster relief, situations with respect to a disciplined force, and other kinds of activities specified in the regulations. The existing conditions for exemption will continue to apply but there will be changes, as I said. This is necessary in the circumstances because we think that Australian residents should pay tax at the same rate whether they are overseas or whether they are here in Australia, with very specific exemptions.

The government has had to make some pretty tough decisions in the budget, and in the circumstances it is important that we do what we have had to do. The new measures in schedule 1 will provide an additional $675 million over the forward estimates and in circumstances where $210 billion has been stripped from tax revenue by the global recession it is important that we take measures like these.

It is also important to save $1.395 billion over the forward estimates with respect to
the changes we are undertaking in government co-contributions for low-income earners. It is a temporary measure, as we have said, and the scheme remains quite generous in all the circumstances. At the lowest matching rate of 100 per cent the government will still be making a dollar-for-dollar co-contribution for all eligible contributions made by a person contributing below the lower income threshold.

Schedule 3 is a very important change. We know that it is very high-income earners who have taken advantage of the very generous concessional tax breaks instituted by the Howard government. It is important that we sustain the pension system and we know that about 80 per cent of the residents—and certainly as many as that in my electorate—need to survive on the age pension to give them dignity and financial security in their senior years. It is important that we ensure that tax concessions are similar for all people regardless of their income, and the current system of concessional contributions is very generous to predominantly high-income earners.

The proposed changes in the circumstances will affect some income earners. Overall it is estimated that reducing the super tax breaks will affect only 1.8 per cent of individuals who make concessional contributions in 2009-10. If you listen to the mutterings of the member for Aston you would think that that was at least 18 per cent or 58 per cent, but in reality it is 1.8 per cent. The average income of those involved would be over $220,000 a year. I do not know what most Australians elsewhere think, but I know that in my electorate of Blair the majority of people would believe that a person earning $220,000 a year is on a high income. Superannuation earnings are taxed at the concessional rate of 15 per cent, and that is why people put these large sums of money into superannuation.

For the 2007, 2008 and 2009 financial years, the concessional contribution cap is $50,000. We are making changes to this. There is also a concessional tax contribution of up to $100,000 annually for those older until the end of the 2011-12 financial year. We are making changes to reduce that to $25,000 and $50,000 respectively. We think that brings in some degree of equity and justice. If someone is earning those kinds of figures, they certainly are on a very high income, by average standards. The Australian Taxation Office estimates that, in 2006-07, five per cent of the population making concessional contributions accounted for 44 per cent of concessional contributions. So, in these circumstances, the changes we are making will make an impact, but the reality is only on very high income earners.

This budgetary measure will save $2.81 billion over four years. It is important for us to do this in the circumstances to ensure the integrity and fairness of the tax system; to make sure that we can sustain the kind of income into our government which ensures that our health system provides decent and appropriate health care for young and old; to ensure our young people are educated to the best of their ability; to ensure our election commitments, and what we are doing with respect to the Building the Education Revolution, are funded; to ensure that our infrastructure programs are funded, particularly the $3.4 billion Network 1 road freight corridor, which is Australia’s largest freight corridor and which links Melbourne to Cairns—and includes the Ipswich motorway in my electorate; and to make sure that we can do what is necessary to ensure our metropolitan rail network upgrades and funding investments are completed, to the tune of $4.6 billion. These are infrastructure priorities, and they cannot be achieved unless we fund our system and ensure that we close off some of these concessions, that we raise our revenue
base and we do what is necessary in all the circumstances to cushion the impact of the global recession upon our people. We cannot invest in the greatest school modernisation program in Australia’s history and invest in roads, rails, ports, hospitals, broadband and solar energy without these types of measures and these tax changes.

It is important for us to stimulate our economy. It is important that we support our jobs, support our small businesses and support our farmers in rural and regional Australia, particularly in Queensland where I come from. So these changes are important to the tax system. It is important that we sustain our superannuation scheme and our tax scheme and their integrity for years to come. It gives me great pleasure to support this legislation, because I know that those of us on this side of the House are casting consistent votes. We are casting votes consistent with our position taken to the Australian people every day in our electorates. What we do here is the same as we do in our electorates. We do not say one thing here and say one thing back home; we say the same thing regardless. It is important for us to be confident about the future and for our people to be confident about the future. Ensuring the integrity and fairness of our tax system means that this government can invest in the future and in Australia’s economic prosperity, both nationally and locally. I commend the bill to the House.

Mr BOWEN (Prospect—Minister for Competition Policy and Consumer Affairs, and Assistant Treasurer) (4.56 pm)—I thank the members who have contributed to this debate on Tax Laws Amendment (2009 Budget Measures No. 1) Bill 2009. These are important measures to enhance the fairness and integrity of the tax system and to ensure that the pension and retirement income system is sustainable and affordable into the future. In total, the measures in this bill provide budgetary savings of almost $5 billion over the forward estimates.

Schedule 1 better targets the general exemption for employment income earned by Australians working overseas. It reinforces the general principle that individuals who are Australian residents for tax purposes should be taxed on their worldwide income. The new rules remove some of the inequities that can currently arise between people working overseas, particularly those working in low-tax countries, and people working in Australia. The rules were originally introduced to relieve double taxation. The foreign income tax offset rules will ensure that people are not subject to double taxation on their foreign employment income.

Schedules 2 and 3 provide necessary budgetary savings in light of the pension reform and address the findings of the Australia’s future tax system review panel that superannuation tax concessions should be more fairly distributed. Schedule 2 temporarily reduces the government co-contribution. This will ensure that we generate budgetary savings whilst maintaining incentives for people to contribute to superannuation through a still-generous matching rate and maximum co-contribution payable. Schedule 3 reduces the amount of concessional tax treatment available for contributions to superannuation. This will provide greater equity in the superannuation system by targeting reductions in superannuation tax concessions to those with relatively more private resources and who make large concessional contributions to superannuation. On the reduction of superannuation contribution caps, some concerns have been raised that the reduction in the $50,000 cap could be greater than stated in the budget because the cap was due to be indexed. I would again emphasise that only 1.8 per cent of those making concessional contributions will be affected by this measure, as the member for Blair said,
and that these are predominantly high-income earners. Indexation also remains in place for those under $50,000. These measures are necessary to fund a sustainable and affordable increase in the pension. They are difficult decisions, but absolutely fundamental to ensuring our budget is on a sustainable footing into the future. I commend the bill to the House.

Question agreed to.

Bill read a second time.

Third Reading

Mr BOWEN (Prospect—Minister for Competition Policy and Consumer Affairs, and Assistant Treasurer) (4.59 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

FAIRER PRIVATE HEALTH INSURANCE INCENTIVES BILL 2009

Cognate bills:

FAIRER PRIVATE HEALTH INSURANCE INCENTIVES (MEDICARE LEVY SURCHARGE) BILL 2009

FAIRER PRIVATE HEALTH INSURANCE INCENTIVES (MEDICARE LEVY SURCHARGE—FRINGE BENEFITS) BILL 2009

Second Reading

Debate resumed from 27 May, on motion by Ms Roxon:

That this bill be now read a second time.

Mr DUTTON (Dickson) (5.00 pm)—Today Australians know for certain that they have a government that they cannot trust, a government that will say one thing and do the other. They have a government that is clearly a fraud. The Fairer Private Health Insurance Incentives Bill 2009 and related bills before the House impose a series of changes on the private health insurance rebates paid to Australians who have or who are about to take out private health cover. They are changes this government, the Prime Minister and the Minister for Health and Ageing promised would not happen. Perhaps they are changes that reflect Labor’s ideological hatred of and opposition to private health care or the result of this government’s reckless spending that will plunge our nation into the depths of record debt that will take decades to repay. Most likely, to be fair, they are both—a desperate government after its irresponsible cash splashes has returned to form and attacked private health as it seeks any means at its disposal to claw back cash as it racks up bigger and bigger budget deficits. All Australians will pay a price for these changes to the health insurance rebate introduced by the coalition government to reverse a rapid decline in the number of Australians with insurance during the Hawke-Keating years and to take the pressure off our public hospital system that that decline precipitated.

Those with insurance will pay more through higher premiums. Those who rely on public health treatment can expect longer waiting lists with more people seeking treatment. These changes are a direct repudiation of Labor’s supposed and publicly stated position in relation to private health insurance rebates before the last election. Any Australian who believed then that Labor would not attack private health was misled. Time and time again those promises were made, before the last election and many times since. Here is what the health minister said to the Australian people in a media release on 26 September 2007:

On many occasions for many months, Federal Labor has made it crystal clear that we are committed to retaining all of the existing Private Health Insurance rebates, including the 30 per cent general rebate and the 35 and 40 per cent rebates for older Australians.
The minister went on:
The Liberals continue to try to scare people into thinking Labor will take away the rebates. This is absolutely untrue.

Let us not forget a letter written by the Prime Minister, the then opposition leader, in November 2007, just days before the last election. The Prime Minister wrote to the Health Insurance Association and in his correspondence he said:

Both my Shadow Minister for Health, Nicola Roxon, and I have made clear on many occasions this year that Federal Labor is committed to retaining the existing private health insurance rebates, including the 30 per cent general rebate and 35 and 40 per cent rebates for older Australians.

Federal Labor will also maintain lifetime health cover and the Medicare Levy Surcharge.

One has to wonder what the 1.7 million Australians who now face lower rebates or no rebates at all think about Labor’s promises. They were reassured that this would never happen by none other than the Prime Minister in February last year when he told the Australian:

Private health insurance rebate policy remains unchanged and will remain unchanged.

That was followed in May last year by the health minister, who said on Macquarie radio:

We continue to support the 30 per cent, 35 per cent and 40 per cent rebate for those Australians who choose to take out private health insurance.

In October last year, this Minister for Health and Ageing addressed the annual Australian Health Insurance Association conference. What did she tell the delegates there? She said this:

Private health insurance consumers will still be able to claim 30 and 40 per cent rebate and Lifetime Health Cover incentives will remain in place.

As late as 24 February this year, Minister Roxon told the Age newspaper:

The government is firmly committed to retaining the existing private health insurance rebates.

Was the Labor government firmly committed to the rebates? Was it really? Or was that statement just more of the spin and subterfuge that this government descends to on a daily basis to mislead the Australian people? If that statement were true, how does the minister explain evidence given by officials of the Department of the Prime Minister and Cabinet to Senate estimates last week that they first provided formal advice ‘within the budget process on the proposed means testing of the private health insurance rebates on 23 February this year’—on the very day that the health minister made her latest commitment to keeping the rebates in place unchanged. The two opposing positions were being expounded on the same day. The minister was saying that the government was committed to the insurance rebates; the bureaucracy under the direction of the government was preparing to gut them. Did the minister know? Did she deliberately mislead the public and media or is she outside the loop of decision making within this government, outside the loop of what is really happening?

The question is: is this minister for health a mere marionette for the powers that be in the Prime Minister’s office, the Treasury and the department of finance? The media should ask this question: did this minister mislead them or is she merely a puppet of Prime Minister and Cabinet? Whatever the answer—and, I repeat, this is a question that begs an answer—the budget delivered the lie to this government’s promises and we have before us these bills which are erroneously entitled the fairer private health insurance incentive bills. Of course, they are nothing of the sort.
These bills introduce three new tiers to the health insurance rebates. These are tiers that mean 1.7 million Australians who pay for private health insurance will face lower rebates and therefore higher premiums—1.7 million Australians who earn above $75,000 as singles or $150,000 as couples. Some will have the rebate cut to 20 per cent and others to 10 per cent, and some will get no rebate at all. Those on the new tier 1—earning $75,000 as singles or $150,000 as a family or couple—face, on health industry estimates, a 14.3 per cent rise in premium payments. On tier 2 the premium increase is effectively a 28.6 per cent slug. For those on tier 3, who will now get no rebate whatsoever, the premium hike is a huge 42.9 per cent. For those who opt to have no insurance, they can expect to pay more through the Medicare levy, with increases of up to 50 per cent.

The government describes this as a rebalancing of the rebate system, one that, I repeat, was never flagged in any way, shape or form before the last election and one that the government was denying would happen as late as three months ago. The government says these changes will see 25,000 people opt to drop out of private health insurance, with estimates that another 40,000 will downgrade their insurance. The government has chosen the lowest number it could find to again spin that there will be little impact from these changes.

The private health sector does not believe the Treasury estimates one iota, and why would they? The health minister put out these figures and the Minister for Human Services tried to spin them to the Senate—only to find out that he had to correct the record, finally admitting that 1.7 million Australians with health insurance would be impacted on as a result of these changes. So he had to move his figure from 25,000 being impacted to 1.7 million people, excluding children, being impacted. That exposes the incredible spin not just of this measure but, of course, of the modus operandi of this government in so many other areas.

The industry thinks even that is a conservative estimate of the impact of these changes. Its calculations increased by a minimum tenfold the number of people who might drop their insurance coverage. They fear that not 25,000 but 240,000 people could drop their hospital insurance coverage, that more than three-quarters of a million people might drop ancillary coverage and that almost that number—around 730,000 people—might downgrade their insurance levels. All up, they estimate that some 2.4 million Australians covered by health insurance will be impacted in some way by these changes.

What does that mean for our health system? It will transfer patients, treatment and costs to the public side of the ledger. The Prime Minister said that he was going to fix public hospitals. This is the sort of underhanded ‘fix’ they talk about around a race track. This ‘fix’, the private health sector estimates, could transfer almost 75,000 extra treatment episodes from the private to the public health sector over a year, meaning that public hospitals would have to accommodate an extra 190,000 bed days at a cost of some $200 million. Four million allied health services would no longer be covered by private health insurance, at a cost of over $200 million. Almost two million dental care treatments, for which private health insurance would have paid almost $100 million, would also no longer be covered.

It is little wonder then that the Australian Health Insurance Association says that every single one of the more than 11 million Australians with some form of private health insurance will have to pay more for their insurance. One million of those, one million people, live in households where the annual
income is less than $26,000 per annum and they are going to face higher premiums to keep that cover. That is what the Rudd government calls rebalancing of the rebates. The Australian Medical Association agrees that many Australians will now have to pay more for their insurance. The Royal Australasian College of Surgeons expects the measures to ‘place a greater strain’—in their words—on Australia’s public hospitals, ‘driving poorer and more vulnerable Australians back into the public system’. The Australian Private Hospitals Association is also critical of the measures in this bill. In their words the result will be to:

… put more pressure on our already overstretched public hospitals. Destabilising the current balance between public and private is not just bad policy; it is ultimately unsustainable and therefore irresponsible.

I would like to take up the point of sustainability. This minister, in her second reading speech, talked considerably about sustainability. These new arrangements, she said, were all about keeping the balance between private and public health services sustainable. What has happened between the Rudd government’s first budget when this Labor administration was fully committed to the rebate and now? Around 360,000 more Australians have taken out private health insurance and qualified for the rebate. Does that make it unsustainable? Hardly. That is an increase of around four per cent in the number of people with insurance. It is a false argument from this health minister, more spin and more rhetoric to cover up this attack on private health insurance rebates.

The government has claimed that rebate changes will generate savings of around $1.9 billion over four years, though I point out its figures are certainly more than rubbery. What the budget says and what the minister has presented to this House in the bill’s explanatory memorandum are different: the memorandum predicts the $1.9 billion figure, while the budget papers provided a lower estimate of $1.75 billion. So much for the government’s attempts to attack savings from our suggested cigarette tax increase: the Treasury figures used in Labor’s attempt to discredit this suggestion show that it would in fact deliver more to the budget bottom line, some $2.2 billion over the forward estimates. And that is not to mention the wider health benefits of fewer people smoking and less call on the nation’s health services, the health dividend of a rise in cigarette excise and subsequent decrease in smoking. Smoking is the single biggest preventable cause of death and disease in our country. Its cost to the nation is some $31.5 billion annually. It is responsible for more than 15,500 deaths. Yet this government prefers to drive people away from insuring for their own health, as opposed to considering measures that have such obvious health benefits to the nation and the economy. So the options are there for this Prime Minister, for this health minister and for this government to take some real decisions rather than following a disastrous, ideological bent that will damage our health system.

Under the Hawke and Keating governments, the last Labor governments that left this nation mired in debt, the number of peo-
ple with private health insurance had fallen to just 30 per cent of the population. The previous Howard government, through the rebates and a series of other measures, reversed that fall to a situation where some 44.6 per cent of Australians are covered by private health insurance. That is around 9.9 million Australians with hospital cover. Public hospitals are already stretched to breaking point by the mismanagement of successive state Labor governments. Imagine just how worse off things would have been with a Labor federal government continuing to drive people out of private health insurance over the past decade. That is exactly where this government is headed now. This is not its first attack on private health, and it certainly will not be its last. The coalition is opposed to these changes to the private health insurance rebates. We will oppose these bills. We will oppose them for the reasons that I have outlined.

In summary, I want to underscore a couple of points. This Prime Minister went to the last election promising the Australian public that he would end the blame game and that he would fix public hospitals. Over the course of the past 18 months since this government was elected there has only been increased pressure on our public hospitals. The daily examples that we see in our newspapers, the horror stories that people out in the community—particularly rural parts of our country—are experiencing on a daily basis remain completely unacceptable. We have to recognise that things have not improved in our public hospitals over the course of the past 12 months. In fact, in many cases they clearly have deteriorated to a point well beyond unreasonable. I suspect that this continuing attack by this government on private health will result in people moving from their private cover into the public system. That will have an impact not only in relation to hospitals, but also in relation to dental—a very important debate in this country. This will put extra pressure on the provision of public dental services around the country. That will be felt nowhere more than with older Australians. This government will have the responsibility for having made it more difficult for those Australians, particularly those low-income Australians, particularly those older Australians on low incomes who have private health insurance, to receive those dental services. And if they have to join public queues, then that will be a great travesty for them indeed.

We need to recognise that many Australians at the moment are maintaining their private health insurance in difficult circumstances. Many Australians are facing great stress economically because of this mismanagement of the Australian economy by the Rudd government. Many people have had their overtime cut. Many people are in households now where there is only one person working and the other person is not working. We have a very strongly held belief that many of these people potentially will lose their private health insurance at a time when they can least afford to, and that will put extra pressure on this public hospital system. This will put extra pressure on the funds that are trying to provide economies of scale so that they can keep at a minimum the price rises for people who do have private health insurance and will maintain it even in difficult circumstances.

The most important thing to remember out of this debate is that many people have maintained their private health insurance or have been attracted to private health insurance not only because of the incentives that were put in place when the coalition was in government but also because they are dead scared about going into public hospitals and utilising services, despite all of the good work of those doctors and nurses and professionals who, on a daily basis, provide those services
to Australians in need. Many Australians are concerned that states, in running down the health system, have made it necessary for these Australians to maintain their private health insurance. This government is going to put a further nail in the coffin of private health.

In these difficult economic circumstances created by this government, we have offered up an alternative. We have said to the government, ‘This is a measure which, on your figures, rubbery as they are, projects savings of $1.9 billion over the estimates.’ As the Leader of the Opposition said in his budget reply speech recently, in opposing this measure we will do the economically responsible thing—that is, provide an offset for blocking the savings measure. We have put up an increase in tobacco excise across the board of 12½ per cent. We are not reckless like the government in some of their tax proposals, where we would suggest just increasing the tax on one particular tobacco product, which would only see people move into other brands of cigarettes; we have put forward a well-considered, well-costed policy that gives the government a very stark choice. It can retreat from its ideological attack on private health insurance, and, at the same time, it cannot lose revenues by supporting this coalition’s very responsible measure in relation to the increase of the tobacco excise. For that reason, I move:

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

“the House declines to give the Bill a second reading, and calls on the Government to offset the revenue that would have resulted from the enactment of this Bill and the associated bills, the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009 and Fairer Private Health Insurance Incentives (Medicare Levy Surcharge – Fringe Benefits) Bill 2009, by increasing the excise on tobacco”.

This will act as a true test of the government’s position on the move by the opposition to offset the arrangements associated with the costings around this bill. We have a responsible measure on the table. We are calling on the government now to support the increase in the tobacco excise as opposed to stripping away support to millions of Australians who have private health insurance. We do not want to see people drop their private health insurance. We do not want to see extra pressure on the public health system. We want to make sure that we say to the Australian people that the coalition remains committed to supporting not just our private health insurance system but also our public health system. We want to make sure that we make it sustainable into the future and we want to be economically responsible at the same time.

We have put forward a challenge to the government and it is detailed in this amendment. We say to the government: support the coalition’s position to increase the tobacco excise and you will have an opportunity to prove to the Australian people that you are not just on some ideological bent but that you support what the coalition has put forward and that is good health policy. It relieves some of the stress for people who will present with conditions as a result of having smoked, in some cases for a short time and in other cases over a lifetime. We say to those people that this is the decision that the government needs to make: does it support the coalition’s position to preserve the arrangements around private health insurance so that we do not put extra pressure on the public health system and at the same time prevent the economic situation in this country from getting even worse under this disastrous government by increasing tobacco excise? That is why I move this amendment and why the coalition will be opposing these bills.
The DEPUTY SPEAKER (Mr PD Secker)—Is the amendment seconded?

Mr Ciobo—I second the amendment and reserve my right to speak.

Mr CRAIG THOMSON (Dobell) (5.25 pm)—The sheer hypocrisy of the member for Dickson, talking about the pressure on public hospitals and the dental system, is mind-boggling. When we think back to what the former government did, ripping billions of dollars out of the public health system and closing down the Commonwealth dental scheme, the audacity of the member for Dickson to come in here and cry out that he is concerned about the public hospital system meets no test of credibility with anyone. The government is rebalancing its range of policies supporting private health insurance so that those with a greater capacity to pay for their own private health insurance do so. We are doing that rebalancing through the bills that I am speaking in support of today: the Fairer Private Health Insurance Incentives Bill 2009, the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009 and the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge—Fringe Benefits) Bill 2009.

Under these changes, the private health insurance rebate will remain unchanged for low- and middle-income earners. Higher income earners will receive a reduced rebate and, as incomes increase, the rebate will progressively fall. The changes to the Medicare levy surcharge will encourage higher income earners to maintain their private health insurance. These reforms will provide a fairer distribution of benefits, bringing government support for private health insurance into line with the principle underpinning the Australian tax transfer system that the largest benefits be provided to those on the lowest incomes.

Currently, approximately 14 per cent of single taxpayers who have incomes above $75,000 receive around 28 per cent of the total private health insurance rebate paid to singles. Under the new reform, these single taxpayers will receive about 12 per cent of the total private health insurance rebate paid to singles. Similarly, approximately 12 per cent of couple taxpayers who have incomes above $150,000 currently receive approximately 21 per cent of the total private health insurance rebate paid to couples. Under the new reforms, these couple taxpayers will receive about nine per cent of the total private health insurance rebate paid to members of couples. Treasury modelling estimates that under these reforms the number of people expected to remain in private health insurance will be virtually unchanged. Treasury is estimating that that will drop to 99.7 per cent of those who are there now. This is because those high-income earners who receive a lower rebate will face a higher tax penalty for avoiding private health insurance.

It is proposed that, from 1 July 2010, three new private health insurance incentive tiers be introduced to better balance the mix of incentives for people taking out private health insurance. Existing arrangements will remain unchanged for singles with incomes of less than $75,000 per annum and families with incomes of less than $150,000 per annum. Based on current projections, tier 1 will apply to singles with an income of more than $75,000 and families with incomes of more than $150,000. The private health insurance rebate will be 20 per cent, increasing to 25 per cent at 65 years of age and 30 per cent at 70 years of age. The Medicare levy surcharge for not taking out complying private health insurance will remain at one per cent. Tier 2 will apply to singles with incomes of more than $90,000 and to families with an income of more than $180,000. The private health insurance rebate will be 10 per cent,
increasing to 15 per cent at 65 years of age and 20 per cent at 70 years of age. The Medicare levy surcharge for not taking out complying private health insurance will be increased to 1.25 per cent. Tier 3 will apply to singles with incomes of more than $120,000 or families with incomes of more than $240,000. No private health insurance rebate will be provided. The Medicare levy surcharge for not taking out complying private health insurance will be increased to 1.5 per cent. All income thresholds will continue to be indexed to wages according to movements in the average weekly ordinary time earnings. The income thresholds will also be adjusted for families with more than one child in the same manner as existing arrangements for the surcharge—that is, $1,500 for the second and each subsequent child.

In my electorate of Dobell, on the north of the Central Coast region of New South Wales, we have one of the lowest median wages in the state. Clearly, lower income earners who are my constituents would not think much of the idea that their taxes are helping subsidise the private health insurance rebates of high-income earners, especially if these people on lower wages simply cannot afford private health cover. This system will make the rebates fairer. In Dobell working people face many struggles and challenges. They endure long hours each day away from their families, because over a third of them commute to and from Sydney, a two-hour trip each way. In many cases rising food and rent costs place additional pressures on their livelihoods and a fairer private health insurance system means we can better maintain the balance between public and private health systems.

There will always be many families who cannot afford private health cover, but those people will be more secure in the knowledge that this government is committed to improving the public health system. Let us start with the hospitals, which are of course the most visible face of the health system. It is no secret that many of our public hospitals are under severe pressure as our population ages and the burden of chronic disease takes hold. The emergency department of Wyong Hospital, in my electorate, is the fifth-busiest in the state. And as we come into winter, it will be busier than at other times of the year.

The Rudd government recognised this increased pressure on hospitals and took action at COAG last November. The 2009-10 budget implements that historic agreement. It includes the biggest ever funding deal for our public hospital system—$64 billion over five years. This is nearly $20 billion more than the previous healthcare agreement, a massive increase of nearly 50 per cent in funding for our public hospitals. These reforms are about improving health systems, not just money, important though that is after years of neglect by the previous government. We have already seen results from our $600 million blitz on elective surgery waiting lists, with an extra 41,000 procedures last year, 16,000 procedures above the target.

The government’s investment also includes a $750 million injection to reduce pressure on our stressed emergency departments. The budget delivers a substantial increase in our nation’s hospital infrastructure. This year the government’s Health and Hospitals Fund will open with $3.2 billion on the way to fund 32 important new projects across the country. We are also putting in place structures to improve the long-term performance in services provided by our hospitals. All governments have agreed to report against a comprehensive set of performance indicators across the health system. And we are taking steps towards the introduction of activity based funding for public hospital services.
These initiatives will improve the performance and the accountability of the health system. A quick look at what the budget is delivering will indicate the strength of the Rudd government’s commitment to Australia’s health system: $64 billion over five years for our public hospital systems, an increase of $20 billion; $3.2 billion from the Health and Hospitals Fund for three key reform areas; $1.5 billion over seven years for hospital infrastructure of national significance; $1.3 billion over six years to deliver nationally consistent cancer detection, treatment and care, supported by two comprehensive cancer centres and up to 10 regional cancer centres, and an upgrade of BreastScreen Australia’s equipment to digital technology; $430.3 million over six years in translational research infrastructure across mental health and neurological disorders, child health, Indigenous health and chronic diseases; $134 million to reform and enhance incentives to encourage doctors to work and stay in our rural and remote communities, with changes to the geographic classification that will result in more than 2,400 doctors becoming eligible for support for the first time; $120.5 million over four years to provide greater choice in maternity services by expanding access to services provided by qualified midwives, additional scholarships and a new 24-hour helpline to support women and their families before and after birth; and, $59.7 million over four years to provide highly skilled nurse practitioners with appropriate access to MBS and PBS from November 2010, which will allow doctors to focus on tasks that require their level of skill and expertise and which is coupled with an investment to increase the GP workforce by 35 per cent.

In my electorate of Dobell I was recently very pleased, along with the health minister, to announce the successful tender for the government supported GP superclinic, which will be located in the fast-growth area of Warnervale. An experienced team of professionals which currently runs the Toukley Medical Practice and another practice at Tuggerah will operate the new superclinic, to be known as the North Central Coast GP Super Clinic. The government’s agreement with Warnervale Medical Services will see a temporary GP clinic operating in Woongarrah within four months while preparations are made to house a permanent state-of-the-art clinic in the new Warnervale City development by 2011. The North Central Coast GP Super Clinic will bring together additional GPs; specialists; allied health professionals; and pharmacy, radiology, pathology, rehabilitation, dental, physiotherapy and psychology services, all in one convenient location, with many of those services bulk-billed. As well as providing families and people with chronic diseases access to affordable care by general practitioners and health professionals, the new GP superclinic should also relieve pressure on the Wyong accident and emergency department—which, as I have already stated, is the fifth-busiest in the state.

Through the bills I am speaking about today we are also determined to maintain an appropriate balance between the public and the private health systems. This rebalancing of the private health insurance rebate is not expected to have a significant impact on private health insurance membership. The consequence of that is that we do not expect these changes to have an adverse impact on public hospital attendances. We know for a fact that last year’s changes to the Medicare levy surcharge had no negative effect on health fund membership. In fact, membership has increased in the last two quarters. Mr Deputy Speaker, you will remember the loud protestations we had to the contrary from those opposite.
To sum up, these changes mean that high-income earners will receive fewer government payments for their private health insurance but will face an increase in costs should they opt out of their health cover. Singles and families with incomes below the Medicare levy surcharge thresholds—around three-quarters of all policy holders—will not incur any increase in their net premiums as a direct result of this measure. Policy holders under 65 years of age will continue to receive a 30 per cent rebate on the cost of their health insurance premiums. Those aged 65 to 69 will receive a 35 per cent rebate and those over 70 will receive a 40 per cent rebate. Spending on the current private health insurance rebate is growing quickly and it is expected to double as a proportion of health expenditure by 2046-47. These changes, through these bills, will result in a saving to the government of expenditure of about $1.9 billion over four years.

The government had tough choices to make in this budget: tough choices to maintain jobs and put in place vital infrastructure while providing long-term savings. Means testing the private health rebate was a tough decision that the government made. The private health industry should have confidence in their products. The private health system is an important part of our overall health system. There are many people in my electorate who do use private health cover and are very happy with the services they provide. It does not seem too controversial to assume that most high-income earners will continue to have private health insurance because they want it, regardless of the rebate.

We have heard before in this place that the sky will fall in if we bring fairness into government policy regarding private health insurance, and I am sure we will hear it again in the contributions from those opposite. We have heard the opposition cry wolf on these matters before and they will again. We must remember that last year we were told by the opposition that we were the great wreckers of private health in Australia if we dared to increase the income threshold for the Medicare levy surcharge. Of course, they were proved wrong and they will be proved wrong again in relation to this debate. We had the extraordinary musings from the Leader of the Opposition on this subject. He said:

… in an ideal world, every Australian would have private health insurance.

We would have to go back to Fightback to see the coalition release such a candid attack on our universal health system as we saw by the Leader of the Opposition. A strong universal health system is the cornerstone of our health system. It is what the vast majority of people in my electorate of Dobell believe. The Leader of the Opposition is out of step with community sentiment. He will never ever lead this country if that is how he feels about health care. These reforms will ensure that the government’s support for private health insurance remains fair and sustainable in the future. I commend these bills to the House.

Mr BALDWIN (Paterson) (5.40 pm)—I rise to speak on the Fairer Private Health Insurance Incentives Bill 2009 and cognate bills. This legislation outlines how the current Prime Minister of Australia has sacrificed the nation’s healthcare system through his reckless spending. As a consequence of Labor’s senseless budget, forward projections indicate that there will be one million unemployed by 2010-11, a record $58 billion deficit and a record net debt of at least $188 billion by 2012-13. These figures are all key markers of the failure of the Rudd Labor government’s economic management.

What do these figures mean in real terms, in terms that all Australians can relate to? What if I told you that due to Labor’s reckless spending the Prime Minister of Australia...
had to take out billions of dollars from the health system to help repay the biggest debt of any government in the nation’s history? This is exactly the situation at hand. Let me say this to you again so that there is absolutely no mistaking the issue: the Prime Minister is taking billions of dollars out of the health system to pay for his reckless spending and Australians are now paying for that reckless spending. They are being given $900 cheques in the hand by the Prime Minister whilst the Treasurer sneaks hundreds, if not thousands, of dollars out of our back pockets to pay back Labor’s debt record.

The Prime Minister should clearly state to the House, to the taxpayers and to the public—the public who voted him in because they thought they could trust him—where his priorities lie. The Prime Minister should outline where his moral compass points to. Is it that the Prime Minister’s morals fall short when he recognises that there is more popularity en masse, superficial as it may be, in handing out cheques to the public rather than fixing our healthcare system? Some have likened the Prime Minister to Robin Hood, but I disagree with this. Robin Hood stole from the rich to help out the poor. The Prime Minister is simply taking money from whomever he can and from whichever fund he can, not to help out others but to mask his reckless spending. But he is not doing a very good job of it. May’s budget revealed that two-thirds of the debt owed by taxpayers in 2012-13 will be due to spending decisions taken by the Rudd Labor government over the past 18 months.

Paterson families are far worse off under Rudd as indeed are all Australian families. There will be 1.7 million Australian adults immediately affected by changes to rebates for private health insurance, facing either higher premium payments or higher tax payments through the Medicare levy. This includes nearly 50 per cent of all enrolled voters in the Paterson electorate—58,289 people who were deceived by the Prime Minister when they took him at his word that their private health insurance costs would not increase. I would like to quote the Prime Minister on a radio interview with Leon Byner in radio 5AA on 24 August 2007, ahead of the election. Byner said:

All right, now let me ask you a couple of questions that listeners have called in on. Lorraine wants to know if you are going to take off the rebate from private health funds which currently the Government supports—that’s the 30 per cent we’re talking about.

And Rudd replied:

Absolutely not.

It gets even better. In a letter to the Australian Health Insurance Association on 20 November 2007, just days before the election, the now Prime Minister, then Leader of the Opposition, said:

Both my Shadow Minister for Health, Nicola Roxon, and I, have made clear on many occasions this year that Federal Labor is committed to retaining the existing private health insurance rebates, including the 30 per cent general rebate and the 35 and 40 per cent rebates for older Australians.

What we see here is an absolute mockery. People can have no faith in what the Prime Minister says. They need to judge him by what he actually does. This Prime Minister guaranteed people that health insurance costs would not increase. In fact, for health generally, he said that the buck would stop with him. The fact is that all Australians will have to pay more for health care because of the Rudd government’s change to private health insurance. In short, Australians who earn over $75,000 will pay more because of the cuts to the private health insurance rebate, and if they drop out altogether they will still pay more because of the increased Medicare levy surcharge. Australians who earn under $75,000 per annum will pay more because of
increased premiums due to younger and healthier people dropping out. Not only that, those who are uninsured will now have to wait even longer because of the increased pressure on the public health system as people begin to drop out of private health schemes.

Public hospitals in my electorate, in places such Gloucester, Dungog, Bulahdelah and Tomaree, are already struggling under the pressure of limited resources and funding provided to them by the New South Wales state Labor government and the federal Labor government. Now Labor is introducing plans which will, consequently, increase this pressure. This can only be described as absolutely absurd. Yet the Prime Minister said that, when it came to health, the buck would stop with him. The Prime Minister’s decision to make these changes to private health insurance makes a complete mockery of his election promises which I outlined earlier—that is, he would fix the hospitals by June 2009. It makes a mockery of the fact that he guaranteed to people in interviews and in letters to the Health Insurance Industry Association that it would not change. Another quote that I kind of enjoy reading is from Nicola Roxon, when she was shadow minister for health. In a press release on 26 September 2007, before she became the minister, she said:

On many occasions for many months, Federal Labor has made it crystal clear that we are committed to retaining all of the existing Private Health Insurance rebates, including the 30 per cent general rebate and the 35 and 50 per cent rebates for older Australians.

The Liberals continue to try to scare people into thinking Labor will take away the rebates. This is absolutely untrue.

We are standing here today debating a bill which will remove those rebates for some Australians. The only time the government changed its tune is more recently, since the election. I quote the Prime Minister at a press conference in his courtyard on 25 February 2008, when he said:

The private health insurance rebate remains unchanged and will remain unchanged.

The reason I keep quoting the Prime Minister and the health minister is to show a track record. They convinced people prior to the election that they were economic conservatives, which has proven to be a farce. The only thing they have done is show people that Gough Whitlam was perhaps an economic conservative, by way of example. They were also prepared to say to people that they were not going to touch the private health insurance scheme. Here today we are debating a bill which will do exactly that.

Who is supporting the coalition stance on this? The Australian Private Hospitals Association support the coalition’s view that the Prime Minister turned on the Australian public when he clearly broke his election promise. The association’s CEO, Michael Roff, stated on 12 May 2009:

The changes to the private health insurance rebate announced in tonight’s budget are a clear breach of election promises made by the Rudd Government. The changes will lead to a system that is confusing, complex and costly for those millions of Australians who take responsibility for their own health care costs.

Perhaps what is most infuriating is that these increases in private health insurance premiums and the Medicare safety net levy could have been avoided. They could have been avoided if the Rudd Labor government had not, to use their own terminology, ‘spent money like a drunken sailor’.

However, the Rudd Labor government still have the power to stop penalising all Australians by their reckless spending—that is, if they listen to the coalition and take our advice on how to amend the situation. The coalition are in a prime position to advocate
such advice, with their far superior track record of economic and health system management. Simply put, the Rudd Labor government could avoid having to increase private health insurance premiums for those earning over $75,000 per year by enforcing increased taxes on tobacco. An approximate 12.5 per cent increase in the excise on tobacco would pay for the hole in the budget created by the Rudd government’s reckless spending and provide positive health outcomes. The coalition’s proposal has been widely supported by third-party groups, including the Heart Foundation, the Australian Medical Association, Quit, Professor Simon Chapman, of the University of Sydney, Professor Harry Clarke, of La Trobe University, and many others. The executive director of Quit, Ms Fiona Sharkie, said on 15 May, 2009 that increasing the cost of tobacco products is the single most powerful way of driving down smoking rates. She also said:

There is absolutely no doubt that increasing cigarette prices will save thousands of lives that otherwise would be lost to the devastating harms of tobacco. Research consistently shows increases in the real price of cigarettes are crucial to reducing smoking rates.

The Prime Minister’s claim that such a proposal would leave a hole in the budget is just clever and manipulative politics. He is relying on Treasury modelling over 10 years, well beyond the current forward estimates of this budget. In fact, Treasury figures confirm that, over the life of the budget forward estimates of four years, an increase in cigarette excise would more than cover the cost of retaining the private health insurance rebate in its current form—that is, $2.2 billion to cover $1.9 billion. As smoking prevalence reduces because of the increased excise, there would be additional savings through reduced demand for health services.

The Prime Minister is quite blatantly throwing around lies in an attempt to distract the Australian public from his spiralling and out-of-control debt and broken promises. Furthermore, the changes to the private health insurance rebate are just the latest phase in Labor’s unrelenting war against private health insurance. Labor hate private health insurance. They hate the fact that individuals should and can choose what type of insurance coverage they want and what sort of health system they want.

The coalition believes in the right of all Australians to take charge of their own healthcare needs and plan for their own future. We have always worked hard to deliver incentives to promote the uptake of private health insurance and take the pressure off Medicare. People will drop out because they cannot afford the much higher premiums, and that will restart the catastrophic premium membership death spiral of the 1980s and 1990s, when Labor almost wiped out private health insurance. The Prime Minister claims that the coalition does not support Medicare, but the facts say otherwise. The previous coalition increased funding of Medicare from $6 billion to $12.5 billion—a 48 per cent increase in real terms—and this at the same time took the pressure off the public hospital system by increasing private health insurance coverage from 34 to 44 per cent. The coalition is the best friend Medicare ever had.

Eleven million Australians choose to pay their own hard-earned money for private health insurance in order to have a choice in their health care. It does not have to be one at the expense of the other, Prime Minister. As our nation’s chosen leader, you should be promoting our democratic right to freedom of choice—the freedom to choose the level of cover which suits us, not simply a base minimum that we can afford due to increased costs. Australians deserve a strong and well-balanced health system that supports Medicare as a cornerstone but also encourages self-reliance. After the massive cash splash,
Australians are now being asked to pay for Labor’s reckless spending with higher health costs. The Prime Minister is taking billions of dollars out of the private health system to pay for his reckless spending. Australians are concerned not only about the impact of the colossal amounts of debt on future generations but also about the fact that they are already paying the price now. The Australian Health Insurance Association could not have agreed more when it stated on 12 May:

The Rudd Government’s decision to dismantle the private health insurance rebate will place increased pressure on the public hospital system and will force up premiums for those Australians who take responsibility for their own health care by taking out private health cover.

Every single one of the more than 11 million Australians with Private Health Insurance (one million of whom live in households with an income of less than $26,000 pa) will have to pay more for their private health insurance as a direct result of this policy.

Labor has lost control of the nation’s finances. Eighteen months ago we had no debt, and cash in the bank. Now, Labor is plunging Australia into more than $300 billion worth of debt and Australia’s health system is suffering because of it. At the same time as racking up unprecedented government debt, the Rudd Labor government is now going to trash the real achievements made in health over the last decade. The government needs to step up and make a decision: do they increase the cost of private health insurance and subsequently increase the pressure on the public health system or do they increase the cost of tobacco and consequently reduce the rate of people taking up smoking, which will relieve some of the burden that smoking places on the health system? For the sake of Australia’s public health, Labor needs to think now about how their reckless spending will have a devastating consequence for future generations. It needs to come up with real solutions, not just band aids that put the cost back on the Australian public.

Ms SAFFIN (Page) (5.55 pm)—The Fairer Private Health Insurance Incentives Bill 2009 and cognate bills will amend a number of acts to give effect to the 2008-09 budget measure that will see three new private health insurance incentive tiers. The Minister for Health and Ageing in her second reading speech said that the government supports a mixed model of balanced public and private health services. I agree, and say that the strength or backbone of our system is the health architecture which is Medicare. Medicare is the health infrastructure architecture that our health system builds on. It allows the mixed model of public-private that the minister referred to to do its job. The minister also said, correctly, in her second reading speech:

The government is also committed to a sustainable private health system, and to ensure it remains sustainable, the government will rebalance support for private health insurance to provide a fairer distribution of benefits.

These bills give expression to this fairer distribution in a number of ways. First, couples and families earning $150,000 or less will receive the same rebate as they currently enjoy and will not be adversely affected. Secondly, singles earning $75,000 or less will also receive the same rebate as they currently enjoy and will not be adversely affected.

The minister further drew our attention to the percentages of the private health insurance rebate paid to couples/families and singles, and it cuts up in the following way. Twelve per cent of couples/families taxpayers with incomes above $150,000 receive approximately 21 per cent of the total PHI rebate paid to couples/families, almost twice the particular population share. Fourteen per cent of singles taxpayers with incomes above $75,000 receive about 28 per cent of the total
PHI rebate paid to singles, twice their particular population share. Under the government's reforms, couples/families will receive approximately nine per cent of total PHI rebate paid to couples. Under the government’s reforms singles will receive approximately 12 per cent of the total PHI rebate paid to singles. Further, the minister in her contribution in the second reading speech told the House:

These reforms will bring government support for private health insurance in line with the principle underpinning the Australian tax-transfer system—that the largest benefits are provided to those on lower incomes.

Who could argue with that? Rebates for eight million low- and middle-income earners will remain the same, and the government will pay 30 per cent of the premium. The existing higher rebates for older Australians will remain in place for people earning below these thresholds: 35 per cent for people aged 65 to 69 years, and 40 per cent for people 70 years and over. These people will continue to have no surcharge liability if they decide not to take out the appropriate private health insurance.

The reforms are necessary for the following reasons. The first one that I outlined concerned the Australian tax transfer system, where the largest benefits are provided to the lowest income earners and so on. We know that health spending on the current private health insurance rebate is growing rapidly and is expected to double as a proportion of health expenditure within the next 40 years. This presents a predictable yet real challenge, made even more pressing in the fiscal environment that we are in and which the government has to respond to. It is an environment in which we are facing a global recession, the worst that we have seen in our lifetimes. This is very real. The budget indicates that, if this is distributed in fairer ways, it will save $1.9 billion over four years. The government says that this will help to ensure that private health insurance remains fair and sustainable. That is what it is about: having a fair and sustainable health system.

We are also talking about Medicare here. I was listening to the member for Paterson, who was saying that the coalition had a really good track record on health. For the record, their track record in government was to rip over a billion dollars out of the public health system. That was with the Australian healthcare agreements, which used to be 50 per cent from the federal government and 50 per cent from the states. According to the Australian Health and Welfare Institute figures, it was around 42 per cent to 43 per cent when they were in government. That is the period that the honourable member for Paterson is talking about. Yes, they do have a track record, but it is a very sorry one; one of ripping the guts out of the public health system.

I will turn back to how the three-tier system will work and describe it in a little bit more detail. Tier 1 will apply to singles with an income of more than $75,000 and couples and families with an income of more than $150,000. For these people, the private health insurance rebate will be 20 per cent for those up to 65 years in age, 25 per cent for those aged 65 to 69 and 30 per cent for those aged 70 and over. The Medicare levy surcharge for people in this tier who do not hold the appropriate private health insurance will remain at one per cent.

Tier 2 applies to singles earning more than $90,000 and couples and families earning more than $180,000. The rebate will be 10 per cent for those up to 65 years in age, 15 per cent for those aged 65 to 69 and 20 per cent for those aged 70 and over. The surcharge for people in this tier who do not have appropriate private health insurance will be increased to 1.25 per cent of income. Tier 3
affects singles earning more than $120,000 and couples and families earning more than $240,000. No private health insurance rebate will be provided for people who fall within the third tier and the surcharge for avoiding private health insurance will be increased to 1.5 per cent of income for these people.

The new tiered system that sets up the three tiers of rebate and surcharge levels based on income and age is designed to fairly calibrate what the minister refers to as the carrot and stick approach, the carrot by reducing some of it and the stick by increasing some of it to ensure that those who can afford to contribute for their health insurance do so. I agree with the government’s rationale, put so clearly by the minister, that it is not appropriate for low-income earners to subsidise the private health insurance of high-income earners.

We have heard in this place a lot of talk about what the impact will be. Annual indexation to average weekly earnings will ensure that these changes remain equitable and can be maintained into the future. The increased surcharge for people on higher incomes will help ensure that about 99.7 per cent of insured people remain in private health insurance. This is because those high-income earners who receive a lower rebate will face a higher tax penalty for avoiding private health insurance.

It is estimated also that approximately 25,000 people may no longer be covered by private health insurance. Remember that over the last two years there has been an increase—people have been joining—and that it might therefore result in some 8,000 additional public hospital admissions over two years. I know that, with the pressures on the public health system, we do not want too many more. When that 8,000 is weighed against the fact that nationally public hospitals have about 4.7 million admissions per year, the impact of the measure will be insignificant. The measure will be particularly insignificant for public hospitals given the government’s investment under the new $64 billion COAG agreement, with hospitals receiving 50 per cent over and above what they received under the old Australian healthcare agreements—the ones that the coalition, when they were in government, ripped the money out of and therefore put huge pressure on the public health system. Further, there is the $872 million investment in preventative health that will assist in keeping people out of hospitals in the first place.

In summary, this measure is designed to make private health fairer, more balanced and more sustainable in the long term by creating a carefully designed system of carrots and sticks, and it will have a negligible effect on both premiums and the public health system. At the same time, the eight million low- and middle-income earners who I referred to earlier in my contribution who choose to have private health insurance will continue to enjoy the benefit of a significant government rebate. I commend the bills.

Mr TUCKEY (O’Connor) (6.07 pm)—One can now start wondering just how often we will find ourselves in this House discussing Labor’s broken promises. This government has been in office for just over 18 months, roughly. One can always remember the election campaign: ‘I’m a fiscal conservative.’ Well, the fiscal conservative has admitted in this House that Australians can anticipate being $315 billion, I think it is, in accumulated debt in about six years time. The Prime Minister has blamed that on everybody, as has the Treasurer. I am just waiting for them to blame the Mongolians—it will be only a matter of time before they are dragged into it.

Questions are asked about the impact of something like $9,000 debt for each Austra-
lian and the ongoing interest charge. In our early years of government, just finding the $8,000 million to pay interest on a $96 billion debt was difficult. I can only do the simple arithmetic and multiply that by three and a bit and I come up with around $20 billion in interest. Compare that, if you choose, with the cost of running the health system.

The member for Page accused the Howard government of ripping $1 billion out of the health system. The school teachers union always accused the Howard government of not giving as much to public schools as to private schools. But in each case, there is a total and deliberate failure to talk about general purpose revenue. Fifty per cent, give or take one or two per cent either side, of all the expenditures of state governments are funded through this parliament. The member for Page does not give a damn about it inasmuch as she thinks this parliament should organise taxes galore and not worry where they go. You can count numbers at any time. You do not care, because you do not worry what people pay in taxes to this place.

Ms Saffin—Mr Deputy Speaker, I rise on a point of order. I find the honourable member’s comments offensive, particularly the words, ‘I don’t give a damn.’ I ask that he withdraw.

The DEPUTY SPEAKER (Hon. Peter Slipper)—There is no point of order.

Mr TUCKEY—There is the sensitivity being demonstrated. They can stand up here and talk about the Australian government not sending another billion dollars when it was the Howard government, in the interest of giving the states a growth tax for the very purpose of financing their health and education systems and their law and order responsibilities, which denied itself any political advantage. In fact it suffered great political loss to deliver that tax to the state governments. And we had the Labor Party opposing it.

Of course that money should be spent on hospitals. We now have the situation where they say the GST should flow totally without any deductions and as decided by the Commonwealth Grants Commission, which takes into account the other revenue capacity of individual state governments—not decided here in this House. The Grants Commission knows what is a fair distribution, and that is for the states to look after their hospitals. But they have managed to distribute that money somewhere else. Frequently agencies of the government spend all their time stopping the tax-paying sector—for instance, our development sector—from undertaking the sort of development necessary, while they justify their jobs. That is apparently more important than delivering a tax service.

But if the government seriously wants to save some money on health, why not allow Australians to insure for a visit to the doctor? That is expressly forbidden in the act—it was brought down by the Hawke government, in the process of trying to socialise medicine—and for good reason: a lot of people would have taken that option. And remember that is forbidden under the Constitution. Australia cannot have, by decree of this parliament, British-style national health. The Australian government never had any responsibility for health; it was a state responsibility retained by them for themselves when they wrote the Australian Constitution; there was no parliament to write it. The reality is that money was put in and the states kept it for themselves and offered an entirely different system. Private health insurance was available, whether it was to pay the doctor or to pay for a hospital. When the act was brought in, for Medicare as we know it, you were forbidden to pay a doctor yourself through insurance. We saw a progressive campaign during the Hawke government to drive out the private
hospital sector. Private health insurance is only the means by which we can have private hospitals and when private health insurance, as it was, became more expensive, more people left. And they were all the so-called ‘good risks’—those who made the least claim on the insurance sector.

There was great anticipation within the Labor Party and the Keating government by that time. He was a man who boasted that he never had any private health insurance but got his wife into a private hospital with a private room and a surgeon of choice. When you are the Treasurer or the Prime Minister of Australia you do not need private health insurance when you know how to work the system. And that is an absolute fact. But the reality is, had the Howard government not been elected when it was, had the Howard government not progressively introduced such issues as this rebate, private health insurance would have been unable to maintain a sufficient membership base to finance the private hospital system.

There is some suggestion in the minister’s second reading speech that ‘they will not notice the difference out there’. The government think that 25,000 people who may no longer be covered by private health insurance hospital cover might result in 8,000 additional public hospital admissions over two years. We have waiting lists now but they shrug their shoulders at 8,000 additional admissions. We are of course told that it is insignificant—they were the minister’s words—because it has to be compared to 4.7 million overall admissions. It is like comparing the budget deficit with other nations that have been in the process of borrowing money when Australia under the Howard government was paying it back.

The interesting point is that we are told that the private sector, for example the Australian Health Insurance Association, the AHIA, have got very nervous about this. I am most interested in how important the private sector is to people. They tell us as follows: in respect of major procedures for malignant breast condition—I would think the next speaker would have some interest in that and I did not hear the member for Page on the subject—55 per cent of selected episodes are performed in the private hospital sector, but every effort is being made by the government to undermine the insurance scheme that keeps that afloat. Cancer therapy, chemotherapy, 55 per cent of selected episodes. Hip replacements—the difference between being in a wheelchair and being able to walk in comfort—55 per cent of selected episodes. Other major joint replacement and limb reattachment, 63 per cent. Mental health treatment same day—I presume that is psychiatry of some description—70 per cent. Lens procedures, which is the simple right of people to see, are being independently attacked by the government. I well remember during my time as shadow minister for health when a woman wrote complaining of the waiting lists and said, ‘I have been condemned to live in darkness for another two years because that is when my first chance of getting a public procedure will be available.’ Complex middle ear infection, 70 per cent. Other knee procedures, 77 per cent. Whilst it is difficult to display it here—I suppose if your name were ‘Prime Minister’ I would hold it up—they provide a graph showing change in hospital treatments by hospital type, and of course the private hospital contribution is going through the roof compared to public hospitals.

The minister trumpets the fact that they have thrown I think it was another $64 billion at public hospitals, but have the waiting lists disappeared? No, they have not. Here we have a proposal which became fundamental to maintaining balance between both the public and the private hospital sector. Of
course that was the Medicare rebate of 30 per cent to all citizens. Why? It is not because they are rich or poor—and please remember the very poor do not pay the Medicare levy—it is because they have taken a voluntary option to make a significant financial contribution to their health care. Of course—and it will not happen, praise God—if everybody walked away from private health the savings to government would be the 30 per cent rebate, but the cost would be 100 per cent of the delivery of their health services. That is pretty odd accounting but not surprising when one heard this government defending its moves to borrow $315,000 million. The reality is that, as with private education, as with private health services, the people involved make a very real contribution.

When we get to this particular issue, why the problems are as we see them is of further interest to me. I saw Medicare introduced and I have watched it. I served as shadow minister for health and as the minister identified the other day I came up with an alternative proposal. That alternative proposal was to subsidise pensioners by 100 per cent because, if they all got into private health along with other sections of the community, the cost to government and the Australian taxpayer would fall by 30 per cent by the simple act of aggregating all the contributions into one side of the insurance ledger. Now that is not the policy of the opposition. That is just by the way. What I am saying is that there is a great difference between the conduct of a public hospital and a private hospital. Public hospitals get budgets. A budget makes a patient a liability, and you have got to be careful that you do not get too many of them. When patients all turn up and want a hip joint replacement and you have not ordered enough prostheses for that purpose, because your budget is limited to how many you could buy, you put them on the waiting list. I attended a conference where the keynote speaker was a lady who had got a knighthood. She was a dame from New Zealand who had got her knighthood for her services to the public hospital system. She said a couple of things that are burnt on my brain. One was that waiting lists were part of the process of conducting the business of public hospitals. She then spent about five minutes of her speech on complaining bitterly—and I thought she did so with some character—about the administration of waiting lists. They are not honest, they are not fair dinkum and, as I have already said, if you are the Treasurer of Australia you can go straight to the top of the queue. That is communism and that is socialism where you have a new elite; they are called the public service. That is just one of the many problems.

But here I am talking about my electorate where if you are not privately insured you are severely disadvantaged. There are not the hospitals on your doorstep to which you can go for common or serious ailments, and you have to be privately insured because you cannot just drive down to the city and demand immediate admission for whatever your problems are. I am also talking about people who, when it comes to certain ailments, cannot be too long away from their farm or other business, so they pay up. Consequently, as I am advised by a private health insurance group, 46,000 persons in my electorate are currently covered by private health insurance, being 50 per cent of the voters listed in my electorate. Irrespective of their income, they are entitled to that small rebate of 30 per cent.

I also object, and continue to object, to this arbitrary list as to means testing. There is no argument in the world that says $150,000 in family income is necessarily making you
rich. There are a variety of reasons why you could be on the breadline while you are on $150,000. They are not recognised. If only it were a net income or a taxable income or if some other circumstances were recognised. If only there were some sort of acknowledgment as you move further away from the very centralised hospital system that has developed over more recent years. All that is not there. If you are a pensioner out in a country area and you have a need, it is double that of a pensioner in the city for private health insurance. So why attack these people and why is that the process of saving money? When the thresholds for the super charge were changed and lifted, that was due to the generosity of the government. They wanted to give money back on private health. That is what they said. Now I think they see it as a means of attracting something like $1.9 billion. That is the rip-off.

More importantly, when it comes to public health, the opposition has made a very sensible proposal to the government: cancel this attack, keep your promises and let us increase the tax on one of the most debilitating practices of humanity—smoking. I have never smoked. My mother smoked from age 13 to 73. My wife, in her younger days, smoked 40 a day. Nevertheless, we know it is a serious health issue and as such there is no reason why you cannot go and increase the cost of cigarettes in the hope of doing something about it. If the government wants revenue to save people’s lives, it should go down that road, but it should not discourage people from making a serious financial contribution to their own health services. As I have said, if you want some money do it the other way around: let people insure for their own doctors visits.

The DEPUTY SPEAKER (Hon. Peter Slipper)—Order! The question is that the words proposed to be omitted stand part of the question. I call the honourable member for Shortland, who I thought was taking a point of order. I call the honourable member for Shortland to speak in this debate.

Ms HALL (Shortland) (6.27 pm)—Thank you, Mr Deputy Speaker. I certainly would not worry about taking a point of order on the member for O’Connor as it was challenging enough trying to follow his thought process when I was listening to his speech on the Fairer Private Health Insurance Incentives Bill 2009 and related legislation. In starting my contribution to this debate, I would like to pick up on a couple of things that the member for O’Connor said. I will pick up on breast malignancies. For the benefit of the member for O’Connor, I am interested not only in breast malignancies; I am just as interested in seeing that men suffering from prostate malignancies get the kind of treatment that they should receive. My interest in a health matter is not determined by gender factors.

I would say to the member for O’Connor he really demonstrated to the House tonight just how out of touch he is and really how little aware he is of the health system. I would refer the member to a report that was brought down in the last parliament by the House of Representatives Standing Committee on Health and Ageing. Called The Blame Game: report on the inquiry into health funding, it highlighted a number of problems within the health system and I would say to the member for O’Connor that the problems that he was highlighting are not problems that were highlighted in that particular report. That report did recognise the importance of private health insurance, just as I recognise the importance of private health insurance and just as the government recognises the importance of private health insurance. The member for O’Connor made a comment that public hospitals get budgets. For the member’s information, private hospi-
tals also work to budgets. Budgets are a very important instrument for any organisation.

Mr Tuckey—No, they get paid for every service.

The DEPUTY SPEAKER (Hon. Peter Slipper)—Order! The honourable member for O’Connor will resume his seat or leave the chamber.

Ms HALL—I think the objections of the member for O’Connor to means testing demonstrate just where he stands on the political spectrum. I suspect that he probably even objects to progressive taxation.

I would like to turn to the legislation that we have before us today. I support it strongly. As a member of the government I know just how important health is. As a person who is very active in her local community and who has worked within health, I know that it is important that we have a vibrant, strong private health system, just as it is important that we have a vibrant, strong public health system.

Unfortunately, I do not think that members on the other side of this House really understand just how important health is. When the Howard government was in power one of their first acts was to close the Commonwealth dental health scheme—a scheme that was responsible for providing dental care to people on low incomes. Another one of their great achievements in the area of health was to rip money out of the public hospital system! Members on the other side of the House are opposed to anything that is an investment in the public system, whereas we on this side of the House support both the public and the private systems. We support both of them very strongly.

The legislation that we have before us today, the Fairer Private Health Insurance Incentives Bill 2009, the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge—Fringe Benefits) Bill 2009, is very important legislation. It is proposed that, from 1 July 2010, three new private health insurance incentive tiers will be introduced to better balance the mix of incentives for people to take out private health insurance. Existing arrangements will remain unchanged for singles with incomes less than $75,000 and families with incomes of less than $150,000.

In the electorate that I represent in this parliament, 49 per cent of the voters—this is going on information provided to me by the private health insurance industry so they highlight voters—have private health insurance. I decided that I would have a look at the information from the 2006 census. That showed me that 12.6 per cent of people in Shortland electorate earn $1,000 a week. The rest of the residents in Shortland electorate earn under $1,000 a week. Now, if I was to take that up to the amount that I needed to come up with a figure of $75,000 a year I suspect it would be under 10 per cent of the single population that would be affected by these changes.

Similarly, 15 per cent of families received $2,000 a week in wages, which is $104,000 a year. If you take that up to $150,000 I would say that it would be, once again, 10 per cent or less that would be affected by the changes. I think that the private health insurance rebate should be delivered to people who need it—and that is what this legislation will enable. Those people that need assistance to pay their private health insurance should receive that assistance. The people who can manage to pay their private health insurance without assistance should not receive that assistance.

Shortland has a large number of pensioners living in it. I am quite confident that a large percentage of the 49 per cent of voters
in the Shortland electorate who have private health insurance are actually pensioners. And the changes that will come in under this legislation will not have an impact on those people.

I will go through the changes. The legislation will introduce a three-tier system. Tier 1 will apply to singles with an income of more than $75,000 and families with an income of more than $150,000, as I alluded to previously. The private insurance rebate will be 20 per cent, increasing to 25 per cent at the age of 65, and 30 per cent at the age of 70, for people who go over that threshold. The other part of this legislation is an incentive for people who currently have private health insurance and who have incomes that exceed the amount that I have mentioned. There will be a Medicare levy surcharge of one per cent for not taking out private health insurance.

Tier 2 will be for singles earning more than $90,000 income and families earning more than $180,000 income. I might add that there would be very few families in the electorate I represent in this parliament that would fit into that category. There would be some but there would be very few. Knowing the people of the electorate that I represent, I know that those who are committed to taking out private health insurance will continue to take out private health insurance. For the tier 2 people the rebate will be 10 per cent increasing to 15 per cent at the age of 65 and 20 per cent at the age of 70. Tier 3 will apply to singles with incomes over $120,000 and families with incomes over $240,000. Therefore those groups will not receive any rebate at all.

This is about rebalancing health insurance and the rebate that is paid. It is about ensuring that those people who actually need to access a rebate to be able to afford private health insurance will receive that rebate. It is for low- and middle-income earners, and the private health insurance rebate will remain unchanged for them. But I do not believe that people on low and middle incomes should have to subsidise the private health insurance of somebody like me. I think it is rather obscene that somebody earning $35,000 or $45,000 should have to subsidise the private health insurance of somebody earning $150,000 or $200,000 or families earning in that range. It is just not the Australian way.

Mr Hunt—So why did you promise to change it not one jot, not one tittle?

Ms HALL—I note the interjection from the other side of the House, and my advice to the member interjecting is that the Howard government’s record in the area of health was abysmal—absolutely abysmal. Instead of investing in health, they chose to invest in health insurance rebates. What we are trying to do is have a full health policy that invests in all aspects of health and, as part of that, provides assistance to those people who need it with their health insurance.

I think that the current Minister for Health and Ageing has made some truly progressive moves in the area of health. It is about making health accessible for all Australians, it is about providing choice within the health system, it is about enabling people to access the care they need and it is also about preventative health. This health minister has been very proactive in that area.

I note that the opposition’s solution to the issue of saving some money in the area of health is to introduce a tax on tobacco. I really find that most interesting. This is the same opposition that stood up, member after member after member, arguing that a tax on alcohol would not be a deterrent to young people drinking alcohol. They argued that taxes do not work, despite the fact that the AMA said that taxes do work. Now we have this turnaround where all of a sudden the opposition have discovered that taxes on
products can influence people’s behaviour. It is worth pointing out to the House that, whilst the opposition came up with this proposal to introduce a tax on cigarettes, they were quite flawed in the way they managed to balance their numbers. They could not quite get the numbers right and there was a shortfall in the figures that they presented in relation to the savings that could be made.

But this is not about taxes on cigarettes. This is not about taxes on alcohol. This is about fairness and equity. This is about ensuring that those people who need assistance with their health insurance receive it. This is about targeting the rebate to those people in greatest need—people on lower and middle incomes—and it is about people on higher incomes taking responsibility and being prepared to take out their own health insurance. I believe that this will have minimal impact on the number of people who take out private health insurance and retain their private health insurance, as I think the choice to have private health insurance at the top end is fairly inelastic. I commend the legislation to the House. I fully support every aspect of this legislation.

Mr HAASE (Kalgoorlie) (6.42 pm)—I was going to wade right into the issues that we are actually debating with this legislation—the Fairer Private Health Insurance Incentives Bill 2009 and cognate bills—but given that I have just had to sit through the presentation from the member for Shortland I feel I must address some of the comments she made in the first instance. She set about suggesting that one of the things the past government had done on coming to office was to destroy the dental health system. That is very interesting, because I have a particular interest in dental health and the system that was funded by the Commonwealth government and I fully understand why and when it was introduced. It was funded as a four-year program by the previous Labor government.

As I say, it was proposed for four years, because it was considered that dental health nationally was in a pretty deplorable condition. It had been allowed to deteriorate under collective ALP governments. The federal budget found funds to support that national dental health system for a period of four years, and when the forward estimates were examined when the Howard government came into office there was no funding to carry that program forward. So, rather than it being cancelled by the Howard government, it was simply allowed to lapse, as was planned by the previous government.

Listeners may be aware that when the Howard government moved into office in 1996 we found something like a $9 billion hole in finances, apart from the $96 billion deficit that we had to deal with, $90 billion of which had been accumulated as debt over the previous 13 years. We had to deal with a great deal of debt, as I strongly suspect we will have to deal with when we next take office, because this current government has no real, genuine, calculated intention of ever paying back the enormous amount of debt that has been accumulated in recent months. So let us get the record straight: there was no cancellation of the national dental health system by the Howard government. The national dental health system had been funded for a period of four years, after which it was expected by the previous Labor government that the state of dental health around the nation would be satisfactorily improved and the program would go back to the states to be funded by them, which was an absolutely proper strategy.

The member for Shortland in the conclusion to her contribution raised the issue of the alcopops tax and she contrasted that with our alternative proposal for fund raising: to
increase tax tobacco. She glibly proposed firstly that the two situations were comparable and that the fact we would not support one and supported the other was a demonstration of hypocrisy. That was the only thing I could read into her delivery. The alcopops tax was introduced by the government as nothing more than a revenue-raising measure. They were going to pick up some $2 billion worth of additional revenue in the budget period as a result of hitting alcopops in particular, the ready-to-drink category of alcohol. The opposition coalition absolutely correctly resisted that heavy tax burden for those products because it had been presented by the Labor government as some sort of health measure that was miraculously going to reduce the amount of alcohol consumption by young people, particularly young women. What a farce that was. No such thing was true. There was no reduction in alcohol consumption. Overwhelmingly, the people who have come to me, especially the parents of young teenage girls, have said: ‘That introduction of an additional tax was an absolute failure. Now, my children spend less money on alcohol and consume more alcohol because suddenly they have realised they can go to a bottle shop and buy a 750 ml bottle of straight spirits and mix their own drinks. They get into a condition which can only be referred to as rolling drunk for much, much less because they mix their own drinks in unreasonable proportions and, in fact, they consume more alcohol in an evening than they would buying alcopops or ready-to-drink products, as they had in the past.’ So there was no reduction in the consumption of alcohol. If this unjustified additional tax is knocked off, hopefully, in the long term, the one thing that will be changed will be that the government will not be illegitimately raising another $2 billion.

The Hon. Malcolm Turnbull, the Leader of the Opposition, in his budget speech in reply on the Thursday following the budget proposed an additional tax on tobacco products. Proposing an additional tax on tobacco products is quite reasonable if you consider that we are talking about health issues. It is far more reasonable to raise revenue and put that revenue into the improvement of people’s health and the treatment of ill health than to simply slam those who are doing the right thing by affording their own health insurance to protect the public hospital system. So for the member for Shortland to suggest that our opposing the increased tax on alcopops is somehow at odds with proposing an additional tax on tobacco products is an absolute nonsense. If people were going to consume an alternative to cigarettes, for instance, they would still pay the tax.

Enough digressing: I will turn to the legislation at hand. What we are talking about tonight is the Fairer Private Health Insurance Incentives Bill 2009 and related Medicare levy surcharge bills. The very first point I have issue with is the title of this bill: ‘fairer’ private health insurance incentives. Frankly, I cannot see anything fairer about this proposition unless you have a particularly distorted view of the world. At the end of the day, this is an additional tax, an additional cost on those members of the public, those working Australians, who, when forced to analyse their particular position in the health system, back in 1997 when the Howard government proposed the Medicare surcharge, decided that if they could afford to take out private health insurance they ought to because they were going to suffer a financial penalty if they did not. As a result, many, many people joined the private health system and, because of that and the money that flowed into the private side of the health system, the pressure was taken off the public hospital system. That meant that those people who were on very low wages or in unfortunate circumstances and could not afford to buy private
health insurance did not have the same wait-
ing lists or queues for access to the public
health system.

So to call this a ‘fairer’ private health in-
urance incentive when this philosophically
socialist Labor government is now going to
rip away that rebate from those who have
acted independently and are prepared to sup-
port their own health through insurance is a
nonsense. But it was no shock to me when
this bill was introduced. I had said prior to
the election in 2007 that this party could not
be trusted with money, could not be trusted
to govern for all Australians, could not be
trusted to be fiscally responsible, regardless
of the propaganda that we were fed. But I did
not think they would go this far, because this
legislation proposes to do something that,
prior to the election, the Australian Labor
Party said they would not do. But they have
done it. We have had many, many other ex-
amples in the last almost 18 months where
they have gone back on their word, but I did
did not think they would actually do this.

They have almost tried to convince the
Australian public, to cover up this proposi-
tion, that they are acting in some sort of
Robin Hood role: they are going to rob from
the rich to give to the poor. I think we as
Australians have a pretty good sense of a fair
go—and we have another adage along the
lines of ‘a fair day’s work for a fair day’s
pay’. But the leader of the current govern-
ment, Prime Minister Rudd, is becoming
well known now as the master of spin, and
the Robin Hood robbing from the rich to
give to the poor story is just another smokes-
reen. This is not Robin Hood robbing from
the rich to give to the poor; this is really the
Sheriff of Nottingham redirecting funds from
those who work hard and make a contribu-
tion to society and pay their way in the com-
unity—by helping those that cannot
afford health insurance to a better, more ac-
cessible public health system. He is beating
them around the head with it and doing it all
behind a smokescreen. Those who cannot
afford private health insurance which will
allow them ready access to private health are
now going to be penalised, because they will
have less access to the public health system
that exists. So the whole connotation of tak-
ning from the rich and giving to the poor is
absolutely flawed.

It raises a further question: when the
Prime Minister spoke glowingly and lovingly
about his working families, saying he had to
look after the Australians who were working
families, he convinced many of us that he
was genuine, and no-one really thought to
question the definition of a ‘working family’.
But, when you see legislation like this pro-
posed, you start to wonder: just what is a
‘working family’? What does the govern-
ment hold as a definition of its ‘working
families’?

When this proposition was first revealed,
numerous members of my staff said to me:
‘We’re not rich; we don’t have a wealthy
family. My husband and I are working, we
both work very hard and we pay health in-
surance. Sure, we earn in excess of $120,000
a year collectively, because we are in our
working hard era, accumulating funds for a
time when we have got a family. But we’re
not rich.’ People all over my electorate are
coming to me and saying: ‘You introduced,
whilst in government, the rebate that was
going to reward those persons who did the
right thing and insured themselves against
health situations in the future. How do you
feel now that the government is proposing to
take this rebate away?’ I say, ‘I’m angry; I’m
very angry,’ because it flies in the face of
what was promised before the election.
Thousands of Australians took the promise at
face value and said, ‘Well, we don’t have to
worry about this being another high-taxing,
big-spending government, because they said

CHAMBER
they won’t be.’ That is what makes me angry. When people go back on their word, it is great cause for anger.

I say to the people who come and complain to me, ‘The role of a good opposition is to highlight the failings of government, to highlight their broken promises, to highlight the fact that they say they will do one thing and then in fact do another.’ So we bring this issue up. Whether or not we will be able to stop this piece of legislation going through is yet to be seen, but there is no way that anyone who believes in a fair go could accept this legislation as being either honourable or necessary. There are other ways to raise these funds, and this government ought look to them.

We have had some statistics analysing all of the Australian federal electorates and the numbers of people in those electorates who have private health insurance. The member for Shortland raised the fact that she had a printout that had been provided to her by the Australian Health Insurance Association. I think she tried to make the point that the passage of this legislation would have a minor impact on her constituency because, as she read the stats, there were very few people in her electorate that had private health insurance. For the benefit of the member for Shortland, I can assure the House that in the electorate of Kalgoorlie there are some 63,000 people that are covered by private health insurance. Those people are primarily what the Rudd government would refer to as ‘rich people’. They are rich people; they are not working families by his definition. So they are going to have the 30 per cent rebate ripped away from them and they are going to be none too happy about that outcome.

The fact that many more than 50 per cent of my electorate bother to spend their hard-earned money on private health insurance is significant. But what is more significant is that there are no private health facilities across the Kalgoorlie electorate. That is, in 91 per cent of Western Australia—in 2.3 million square kilometres—there are no private health facilities. So why do my hardworking families take out private health insurance? Let me tell you.

They do so because they know that they are only going to keep earning so long as they keep working and, if they have an incident that requires immediate, good private medical attention, they have spent their money on that insurance and they will be able to access in a timely manner the health services they need in the city of Perth. They know full well that they will not get that private health service in the electorate but they will be able to go and get that health service as they need it because the private sector of health provides those facilities in the metropolitan area and charges for them and, if one is privately insured, the insurance company will pay. That is a system that was able to evolve when the Howard government salvaged the health system in this country after the near ruination of the 80s and 90s under Labor.

Labor would take us back to those days. They would take us back to the days of poor access, long queues, long lists and the ‘you’ll get repaired when we’ve got the time to repair you’ attitude. But it has been done under the smokescreen of Robin Hood robbing from the filthy rich, who do not deserve any consideration from government, and giving to the poor, who deserve every consideration from this government. If that does not reek of socialism, I’ll go ‘Hee!’.

The reality is that people are prepared to spend the money they work hard to earn to take out a private health insurance premium because they know (a) they can avoid the Medicare surcharge and (b) they will get a 30 per cent rebate. It is not an enormous rebate
and the cost of private health insurance today is very substantial. Those people deserve to be respected by this government. They do not deserve to have this government go back on the beliefs it stated before the election that it would not increase taxes. This is nothing more than another financial hit on hard-working Australian families, the very same families that this government said it would protect.

Debate (on motion by Mr Anthony Smith) adjourned.

BUSINESS

Days and Hours of Meeting

Mr ALBANESE (Grayndler—Leader of the House) (7.02 pm)—by leave—I move:

That time and order of business for the sitting tomorrow, 2 June 2009, be as follows:

(a) the House, at its rising, adjourn until tomorrow at 9 am;
(b) government business have priority from 9 am until 2 pm;
(c) during the period from 9 am until 2 pm any division on a question called for in the House, other than a motion moved by a Minister, shall stand deferred until the conclusion of the discussion of matter of public importance, and
(d) standing order 31 (Automatic adjournment of the House) and standing order 33 (Limit on business) be suspended.

This will enable a greater participation in the number of budget bills that we have before the chamber that need to be carried this week. It is envisaged that we will also be sitting later tomorrow night and later on Wednesday night. We will endeavour to put in place systems which maximise participation whilst ensuring that activities such as the party room meetings that occur traditionally on Tuesday morning can also proceed. I thank the House for their cooperation in anticipation of support for this motion.

Mr ANTHONY SMITH (Casey) (7.04 pm)—We agree to this motion. I know that there have been discussions between the Leader of the House and the Manager of Opposition Business.

Question agreed to.

ELECTION PETITION

Court of Disputed Returns

The Clerk—I present a letter from the Registrar/Chief Executive of the Federal Court, forwarding in accordance with the Commonwealth Electoral Act, a copy of the order made by the Federal Court of Australia sitting as the Court of Disputed Returns dismissing the petition relating to Scott-Irving v. Oakeshott—Order, dated 19 May 2009.

FAIRER PRIVATE HEALTH INSURANCE INCENTIVES BILL 2009

Cognate bills:

FAIRER PRIVATE HEALTH INSURANCE INCENTIVES (MEDICARE LEVY SURCHARGE) BILL 2009

FAIRER PRIVATE HEALTH INSURANCE INCENTIVES (MEDICARE LEVY SURCHARGE—FRINGE BENEFITS) BILL 2009

Second Reading

Debate resumed.

Mrs MOYLAN (Pearce) (7.06 pm)—I feel fortunate indeed to have the opportunity to speak on this package of the bills, the Fairer Private Health Insurance Incentives Bill 2009, the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009 and the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge—Fringe Benefits) Bill 2009. I am fortunate that I have the opportunity to represent every single person within the electorate of Pearce that will be affected by this package of legislation.
I recently conducted an electorate-wide survey that asked people which issues concerned them the most. The top priority for my electorate of Pearce was fixing up the hospital system. That was followed by ensuring that the government spends taxpayers' money wisely. These are issues that I am sure rank highly with all people across Australia. Health is clearly a major issue for most families and most people and it is too often politicised. I think governments know that, if they get the politics of health wrong, it often spells political disaster. These bills are a clear example of how even the most unambiguous election promises on health mean nothing once the votes are counted. The Australian health system is the one area in which ideas should always prevail over ideology and good policy should always prevail over politics.

The package of bills before us is, in the government’s words, designed to make the private health insurance rebate and the Medicare levy surcharge scheme fairer. In essence, this is nothing more than a crude money-grabbing exercise by Treasury and Finance to pay for the reckless spending and gratuitous handouts, I am sorry to say. These bills will reduce the incentive to take out private health insurance but also increase the penalty for relying on Medicare and the public health system for many Australians. The political spin used to sell this new policy is based, as my colleague the member for Kalgoorlie so eloquently put it, on ‘Robin Hood economics’. We have heard that this measure will cost those that can afford it to help those who cannot. There seems to be something fundamentally wrong with that proposition, as I hope to outline in this speech on the legislation tonight.

To take from the rich and give to the poor in principle may have some appeal to some people, and obviously it does to the government, but our health system, as I said, is too important to be the subject of political spin. We need to look beyond that to the objective facts and to logic and reason. The fact is that this package of bills is about taking from each and every individual, whether they be rich or poor, to give to an ailing federal budget. Let us be absolutely clear: every Australian, regardless of their wealth and regardless of whether they have private health insurance, will be robbed by this new policy. So let us get beyond the rhetoric and let us look at the fact. It becomes patently clear to most people that this is not a system designed to be fair, it is not designed to fulfill an election promise to fix up the public hospital system and it most certainly is not a logical scheme that puts good policy over good politics.

Over 11.1 million Australians currently have private health insurance. Depending on their income and age, these people ordinarily receive a rebate on their insurance as an incentive for them to continue not to use the public health system. According to government figures, 1.7 million Australians will be affected by this new scheme which cuts the rebate, although industry analysis shows the figure will be closer to 2.4 million Australians. Using the government figures, 1.7 million have private health insurance and earn over $75,000 and, logically, this means that 9.4 million people have health insurance and could hardly be classified as wealthy. In fact, these figures mean that about 85 per cent of people with private health insurance do not earn enough to be directly affected by this scheme. In short, while Australians who earn less than $75,000 may not be directly affected—their rebate will not be changed—there can be no doubt that this scheme will have a massive effect on their hip pocket. That is why, when the government says that the scheme will affect only the very wealthy who can afford the extra burden, its statement flies directly in the face of the facts, for
every Australian that retains their private health insurance will be hit by this scheme as, inevitably, the premiums that they pay will rise considerably.

There has been a 4.4 per cent increase in the number of young Australians joining private health insurance within the last year. If younger and healthier people drop out of private health insurance because of reduced incentives for them to participate, it then leaves the elderly, the chronically ill and the more vulnerable people in our community to pay. Currently, there are over one million Australians who earn less than $26,000 who still put money aside to pay for private health insurance. Not only do they prove that private health insurance is not just for the rich but also they show that, for many, having the choice of doctors and hospitals and the reassurance of private health insurance is worth the sacrifice. When I am out in the electorate, pensioners often discuss this issue with me and they say they are willing to pay for private health insurance because their health care is the one area that they are simply not prepared to sacrifice and they want to have a choice in the kind of health care that they need. I have met many pensioners who have had to wait for months and months, often in considerable pain, to have joint replacements, particularly knee and hip replacements. So many people do make sacrifices to ensure that, when they need elective surgery, they can get it in a timely manner and also so that they can have a choice about who provides their healthcare services. These are not wealthy people. Most are, as I said, elderly people who want the peace of mind that private health insurance brings. They make many sacrifices to be able to pay for it.

The Australian Health Insurance Association has said that every single one of the more than 11 million Australians with private health insurance will have to pay more for their private health insurance as a direct result of this policy. Clearly, it is not just the rich that will be affected. I know that sometimes people scoff at the statements from the private insurance industry. They say, ‘Well, of course, they are protecting their back, they are protecting their income stream,’ but it does not take a lot of grey matter to actually figure out that if you have people exiting—particularly, as I said, young people—this will have a dramatic effect on the cost of health insurance premiums. Because there are fewer people in the system the premium is likely to go up.

I think it is a pity that this policy is forged from an ideological position rather than being what is best for Australian people. For the 85 per cent of people that are insured and will have to pay more for their insurance, despite not earning over $75,000, they will have one choice to make: they could continue being insured and pay more or they could drop out of insurance and move to rely on the public health system. Michael Roff, CEO of the Australian Private Hospitals Association, has said:

The current system works well to provide an appropriate balance between public and private healthcare. Even the Government concedes these new measures will lead to thousands of Australians dropping out of private health insurance and as a result, put more pressure on our already overstretched public hospitals. Destabilising the current balance between public and private is not just bad policy; it is ultimately unsustainable and therefore irresponsible.

I say ‘Hear, hear’ to that. As I said, this seems to me to be a policy forged in ideology, because it will not be so difficult for the government in perhaps a year’s time or so to come into this place and say, ‘The whole system is collapsing, so let’s nationalise the health system in Australia.’ I think a lot of Australians can actually see through that, and that is why in the lead-up to the election the Prime Minister made a promise not to do
what this legislation is now going to allow. He also made promises to fix the public hospital system. Further, Dr Armitage of the Australian Health Insurance Association has said:

... while higher premiums put greater pressure on every person privately insured, particularly those one million Australians with private cover who reside in households with an annual income of less than $26,000, longer hospital waiting lists affect the health of every Australia.

So who exactly is this measure aimed at helping? It clearly is not any of the 11.1 million Australians with private insurance. It is also clear that this will not benefit the uninsured Australians, who will now find themselves lining up in ever increasing numbers to access the public health system.

The government paints a simple dichotomy, where those with insurance are rich and those without are poor. We know from the figures discussed that this is simply not the case, and we know that those who do not have private health insurance are not going to be assisted. In fact, the already ailing public health system on which they rely is going to be placed under greater pressure. This goes for those who deliver the health services to the public. The Australian Medical Association have said:

... we aren't happy about the government's broken promise on the 30% private health insurance rebate.

I think many Australians would say 'Hear, hear' to that. They feel betrayed, and so they should. The Australian Medical Association sees this as a measure to take money out of health. I need not remind the House that this measure comes from the same government who promised, as I said, reform in the public hospital system and that, if they could not reform the system with the states, they would take it over. Not only have they broken their promise on removing the 30 per cent private health insurance rebate; there was a lot of rhetoric before the election and absolutely nothing happening on the reform of the hospital system. There has certainly been no indication that the federal government is moving to take over the system, despite the fact that in my electorate the hospital system comes up as the number one concern of my constituents. We had over 2½ thousand responses to the electorate wide survey, and we are continuing to get those coming into my office. This is what has clearly come out as the No. 1 priority issue.

So, not only does this scheme fly in the face of reason; it also flies directly in the face of election promises and assurances. As recently as 24 February 2009—just earlier this year—the health minister publicly assured Australians that there would be no changes to the private health insurance rebate. This was either blatantly dishonest—and I do not believe that, because I have not found that the minister for health engages in blatantly dishonest conduct—or, I can only assume, the government, having thrown a lot of cash around the community gratuitously, now have grave concerns about the biggest budget deficit in Australia’s history. They need to claw back the large amounts of cash that they have handed out. If the health system is to be guided by sound policy and not politics, there are other options. The most rational of those options is one that was recommended by the Leader of the Opposition: to increase tobacco excise.

I have heard the Minister for Health and Ageing—and I support the minister in this—speak on the determination of the government to try to ensure that health problems are prevented. I have heard the minister speak on this on many occasions. As I say, it is totally supportable. But you have to wonder again about the genuineness of those statements when there is a solution put forward by the Leader of the Opposition to raise the additional funds. We understand there are prob-
lems now with the budget, but the money required for the health portfolio could much more effectively be raised by increasing tobacco excise. That would more than cover the savings expected to be delivered by this particular package of bills. So it is very difficult to reconcile the rhetoric with the reality.

If the tax on each cigarette was increased by just 3c, which equates to about a 12.5 per cent increase in tax, the government could raise about $2.2 billion in the budget forward estimates over four years. While these figures have been skewed by those opposite, the figures do speak for themselves. The best policies of all are those that create a win-win situation. Not only would increasing the cigarette excise bring in additional revenue, so the lose-lose situation of altering the private health insurance rebate could be avoided, but it would also offer the additional benefit of discouraging smoking across the population. I was listening this morning to a radio broadcast. Some commentators were saying that there is a clear link to the cost of cigarettes and the ability to reduce the number of people who smoke them. It is not the only part of the story—it would be dishonest to portray it as such—but it definitely is one factor that might discourage people from taking up or continuing that habit. As I said, for a government whose rhetoric has been about preventative health, one is at a loss to really understand why this measure would not be adopted. Dr Lyn Roberts of the Heart Foundation noted recently—and I think I heard Lyn Roberts speaking on radio this morning:

Price increases are one of the most effective best ways of encouraging smokers to quit as well as deterring young people from starting.

A very important part of this suggestion is that we would have a greater chance of deterring young people from ever starting cigarette smoking if the cost were a bit higher.

Again the evidence is clear. This is not about politics; this is simply about bringing the best possible policy initiatives. I have no doubt that there is universal agreement within the House that we must act upon any opportunity to reduce the rate of tobacco consumption in Australia. Quit Australia has said:

There is absolutely no doubt that increasing cigarette prices will save thousands of lives that otherwise would be lost to the devastating harms of tobacco. Research consistently shows increases in the real price of cigarettes are crucial to reducing smoking rates.

This to me is very desirable because I saw a dear friend pass away from the effects of smoking, from lung cancer, earlier this year. It is devastating. So many people prematurely lose their life or their quality of life because of this dreadful habit.

The time for playing politics over health has well and truly passed. It is no longer acceptable that governments of any persuasion put their ideology ahead of funding and finding practical solutions. The government promised the Australian electorate that they would deliver real improvements in the public health system, particularly in public hospitals, but what we have seen is not just a long list of shattered promises but the continual use of politics and ideology over sound policy. From my point of view—and, more importantly, from the point of view of the people of the electorate of Pearce—this is totally unacceptable.

When we look at the facts behind the proposed scheme and we look at the reality behind the rhetoric, it is clear that this is fairly crude politics and the cost of all of this will ultimately fall on the shoulders of each and every Australian. Seventy-five per cent of people in my electorate have private health insurance, but 100 per cent of my electorate will suffer the consequences of this ill thought out and ideologically driven scheme.
One hundred per cent of Australians will pay the price for this poorly drafted legislation and policy, which seems to be driven purely by the ideological position of the Australian Labor Party. I think the end point will be to show that the private health insurance system has failed and, therefore, they can then move to nationalising medicine.

Mr SCHULTZ (Hume) (7.26 pm)—I rise to speak on the Fairer Private Health Insurance Incentives Bill 2009, the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009 and the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge—Fringe Benefits) Bill 2009. At the outset I must say that I do not accept that what the government is proposing is fair in any sense of the word. These three bills propose changes to various acts in order to implement a 2009-10 budget initiative that changes private health insurance incentives and penalties.

The government has proposed a number of changes to private health insurance in this budget that are intended, it says, to make private health insurance more sustainable. Some of the proposed measures include the removal or reduction of the private health insurance rebate for higher income earners who have private health cover. At the same time the Medicare levy surcharge will be increased for those who do not purchase private cover. Medibank Private will be changed from a not-for-profit to a for-profit insurer and regulatory changes will be made that affect how private health insurers can utilise surpluses.

From July 2010 three new tiers to the private health insurance rebate will be introduced. These will result in higher income earners—singles with incomes over $75,000 and couples with incomes over $150,000—progressively receiving a lower rebate. Once a single has an income over $120,000 and couples have an income over $240,000 the rebate will be abolished. At the same time the government will progressively increase the Medicare levy surcharge, a financial penalty applied only to high-income earners who decline to take out private health insurance. As a result of these changes to the private health insurance rebate some 41,865 residents in the Hume electorate with private health cover will pay a heavy price for the Rudd Labor government’s sustained attack on private health insurance. This represents 46 per cent of people aged over 18 in the Hume electorate. These ordinary Australians will be faced with higher insurance premiums after the Prime Minister broke his election promise not to change health insurance rebates, and slashed them savagely in the budget.

The dismantling of the 30 per cent rebate on private health insurance premiums will have an immediate impact on at least 1.7 million Australians or 10 per cent of the population. The Prime Minister, not surprisingly, was dishonest with the Australian people. He promised again and again that he would not touch the rebate for private health insurance. In a letter to the Chief Executive Officer of the Australian Health Insurance Association, Dr Michael Armitage, dated 20 November 2007 Kevin Rudd, the then opposition leader, said:

Dear Dr Armitage,

Thank you for your letter of 29 October 2007 seeking clarification on Federal Labor’s policy regarding private health insurance.

Both my Shadow Minister for Health, Nicola Roxon, and I have made clear on many occasions this year that Federal Labor is committed to retaining the existing private health insurance rebates, including the 30 per cent general rebate and the 35 and 40 per rebates for older Australians.

Federal Labor will also maintain Lifetime Health Cover and the Medicare Levy Surcharge.
Labor will maintain the existing framework for regulating private health insurance, including the process for approval of premium increases. Zero per cent premium adjustment is not Labor policy.

I understand Nicola Roxon’s office has also confirmed with you that Federal Labor has no plans to require private health insurance funds to make equivalent payments to public hospitals for patients who elect to be treated as private patients.

I trust this allays your concerns. Federal Labor values its relationship with the private health insurance sector and we look forward to this continuing regardless of the election outcome on November 24.

Yours sincerely

Kevin Rudd
Federal Labor Leader
Member for Griffith

Do not believe what Kevin Rudd says; look at what he does. This election promise backflip will mean that most people will face an automatic increase in insurance premiums of up to 42 per cent for some, while those people who are forced to abandon their private health cover will face a tax increase through the Medicare surcharge levy of up to 50 per cent. Every Australian will eventually pay the price for the Rudd government’s reckless spending, because these budget changes mean that people will drop out of private health cover and join the queues of people waiting for treatment in public hospitals, while those who keep insurance will have to pay more.

The opposition will oppose the changes to the private health insurance rebate. We propose that the government should retain the rebate in its current form and instead seek to realise equivalent savings by increasing the excise on tobacco products by 12.5 per cent, as announced by the Leader of the Opposition. The President of the Australian Medical Association, Dr Rosanna Capolingua, said that doctors were deeply concerned for the one million Australians expected to lose their job over the next few years as a result of the recession. She said:

Unemployment has a huge impact on health. The physical and emotional health needs of these Australians, and of their dependents and families, were ignored in the Budget and this needs to be fixed. Increasing the tax on tobacco and using that money for essential health services will help.

We aren’t happy about the Government’s broken promise on the 30% Private Health Insurance Rebate. The AMA is never happy about money being taken out of health. This means strengthening our struggling public hospitals in preparation for longer queues.

The CEO of the Australian Private Hospital’s Association, Michael Roff, said:

Mr Turnbull’s statements on the rebates are a win-win for the health system. Under the Opposition’s plan, self reliance continues to be rewarded, choice is maintained and a balanced public/private healthcare is preserved. As the Australian population ages, the government needs to ensure there is a sustainable health system for everyone. They should be encouraging more people to meet their own health care costs and not to introduce impediments to them doing so. The changes to the system proposed by the Government are complex and confusing and discourage people from taking up private health insurance. By increasing the tobacco excise, there is no net cost to the Budget, and no one who is seriously concerned about the health of Australians and sustainability of our health system could oppose these measures. Tobacco is the leading cause of death in Australia and by increasing the excise on cigarettes, we could increase revenue and reduce pressure on hospitals in one foul swoop.

The budget also included an announcement that towards the end of 2009 the government will convert the status of Medibank Private from a not-for-profit health insurer to a for-profit health insurer, but will retain ownership in public hands. Medibank Private is Australia’s largest private health insurer, providing health insurance to around 3.2 million Australians. The government’s stated
intentions are to improve the competitive neutrality between Medibank Private and its for-profit competitors by making Medibank Private liable to pay company tax and dividends, which will help drive future efficiency gains. As the payment of company tax and dividends is expected to be made to the Australian government, some have suggested that its change in status will make it a cash cow for the government. Although listed as a revenue measure in the budget papers, the government has not released estimates of the savings expected from the measures due to commercial sensitivities.

This measure has attracted much less commentary than the changes to the private health insurance rebate, but some pertinent issues have been raised. Some have pointed to the debate that ensued when the former Howard government announced its intention to sell Medibank Private. At that time, questions were raised over the right to ownership of Medibank Private’s assets. Although the budget measure does not propose proceeding to a sale of Medibank Private, debate over the ownership of assets and rights of policyholders may yet emerge. Further, it has been argued that changing the status of Medibank Private from not-for-profit to for-profit may not be straightforward and may be more complex than simply changing its constitution to allow for this.

The government has also announced that it intends to make legislative changes that would allow health insurers to spend surplus capital to fund the provision of sporting and recreational activities and community based health promotion activities. Under current arrangements, the assets of not-for-profit health insurers can only be used to meet liabilities, such as the payment of benefits for complying health insurance products or other expenses, or to make certain investments. Health insurers that operate on a for-profit basis do not have the same restrictions on their surplus capital. Notwithstanding prudential solvency requirements, they are free to allocate their profits where they choose.

There are discrepancies appearing regarding the financial implications of the introduction of this bill. As I have already alluded to, the opposition’s proposal has a no net cost effect on the budget. The estimates provided in the explanatory notes to this bill differ from the estimates provided in the budget. The budget estimates show lower savings, $580.2 million and $605.8 million for the forward years 2011-12 and 2012-13 respectively. The explanatory memorandum estimates savings of $650.2 million and $680.8 million respectively, a discrepancy of some $150 million.

Labor’s rebate means test is bad—an ideologically driven policy dressed up as Robin Hood politics. It breaks a rolled gold written and personally signed promise that Kevin Rudd made just prior to the 2007 election. The changes to the private health insurance rebates are just the latest phase in Labor’s unrelenting war against private health insurance. Labor hates private health insurance. The coalition introduced an open-ended private health insurance rebate because, for every rebated dollar, a privately insured person contributes more to our health system as a whole. The coalition believes in the right of all Australians to take charge of their own health needs and plan for the future. We have always worked to deliver incentives to promote the uptake of private health insurance and take the pressures off Medicare.

The introduction of the measures proposed in these bills will ultimately cause people to drop out of private health funds because they will no longer be able to afford the much higher premium increases, and that will restart the catastrophic premium membership death spiral of the 1980s and 1990s,
when Labor almost wiped out the private health system. I condemn the government for their idealistic attack on private health insurance and I damn them for what they are doing to our great country.

I take the opportunity to put on record in the House quotes from the government over a period of time:
The clash between public and private in the health sector is an old one that has had its day. More importantly, Labor is committed to making sure both our public and private systems can work together for the benefit of the community, and that they are of world class standard.

That was Nicola Roxon, shadow minister for health, 7 April 2007.

On many occasions for many months, Federal Labor has made it crystal clear that we are committed to retaining all of the existing Private Health Insurance rebates, including the 30 per cent general rebate and the 35 and 40 per cent rebates for older Australians. ... The Liberals continue to try to scare people into thinking Labor will take away the rebates. This is absolutely untrue.

That was Nicola Roxon, shadow minister for health in a media release on 26 September 2007.

The private health insurance rebate remains unchanged and will remain unchanged.

That was Kevin Rudd in the Australian on 25 February 2008.

We continue to support the 30 per cent, 35 per cent and 40 per cent rebate for those Australians who choose to take out private health insurance.

That was Nicola Roxon, Minister for Health and Ageing, on Macquarie Radio Network on 18 May 2008.

Private health insurance consumers will still be able to claim the 30 to 40 per cent rebate, and the lifetime health cover incentives will remain in place.

That was Nicola Roxon, Minister for Health and Ageing, in a speech to the Australian Health Insurance Association annual conference on 8 October 2008.

‘The government is firmly committed to retaining the existing private health insurance rebates,’ Ms Roxon told the Age.

Reported in the Age on 24 February 2009. They are classic examples of the spin the Australian people have been brainwashed into believing. Hopefully, the Australian public are starting to wake up to this glib Prime Minister, who has no care or concern about what he is doing to future generations of Australians nor, more importantly, for what he is doing to the health system in this country. He stands condemned for it and I hope the Australian people at the next federal election send a very strong message to both the current Prime Minister and the Australian Labor Party that we will not tolerate your ideological nonsense and we will not tolerate you sending this country down the drain of economic disaster. I thank you for the opportunity to speak in this debate tonight.

Mr IAN MACFARLANE (Groom) (7.41 pm)—I thank the previous speaker, the member for Hume, for his comments, which are always to the point and relate some of the hypocrisy that we have seen from the government on health insurance. It lays bare the many—I was going to say ‘lies’ but I am not sure that is parliamentary.

Mr IAN MACFARLANE—No, you are not allowed—that is not parliamentary!

Mr IAN MACFARLANE—It lays bare many of the false assertions made by the Prime Minister and the Minister for Health and Ageing about their treatment of private health insurance, were they to be elected. As we know, the truth is far from what was said by the current Prime Minister and health
minister prior to them being sworn in, when they occupied this side of this House.

As we know, the Fairer Private Health Insurance Incentives Bill 2009 and related bills amend various acts to give effect to the measure to introduce three new private health insurance incentive tiers. We know this means that for singles and couples there will be an increase in their premiums. Singles earning between $75,001 and $90,000 and couples and families earning between $150,001 and $180,000 will receive a 20 per cent rebate if they are aged up to 65 years. Singles earning between $90,001 and $120,000 and couples and families earning between $180,001 and $240,000 will receive just a 10 per cent rebate if they are aged up to 65 years. Of course, singles and families earning above these thresholds will receive no rebate at all. The bills also increase the rate of the Medicare levy surcharge that certain taxpayers will be liable for if they do not take out private health insurance.

These changes significantly alter the 30 per cent private health insurance rebate introduced by the coalition. The purpose of that rebate was to encourage people to take out private health insurance, thereby reducing the pressure on the public hospital system. The coalition introduced an open-ended private health insurance rebate because every dollar rebated was matched, not once, but twice, by the privately insured person who contributes towards the health system as a whole.

Madam Deputy Speaker, I am not one to often reminisce in this House, but when you and I came to this chamber in 1998 and I sat next to a gentleman called David Jull, I asked my first question in this House on private health insurance. I asked the Prime Minister to inform the House of any proposals which would benefit the 20,000 people in my electorate of Groom, who were then covered by private health insurance and would therefore receive the Private Health Insurance Incentive Scheme. I asked:

Will these proposals also benefit people who are not eligible for the Private Health Insurance Incentive Scheme but who have private health insurance?

That was an extraordinarily eloquent question put together by a freshman to this House! At no stage was I given much assistance by many. The response to that question is far more serious. What the answer from the Prime Minister outlined was that, then, there were 20,000 people in my electorate who had private health insurance and that around 45,000 people would in fact benefit from the incentive scheme. The Prime Minister went on to highlight the fact that:

There are literally tens of thousands, indeed, hundreds of thousands of Australians, who scrimp and save to give themselves the security of private health insurance. They are entitled to a greater reward than the insult they receive from those who sit opposite—referring then to the Labor Party, who sat behind me. The Prime Minister went on to say:

The enemies of private health insurance are the members of the Australian Labor Party.

This was 1998 but was not the first time that was said. It was in fact said previously by someone we all know, or some of my vintage certainly know, and at times some watched what he said because he is, quite frankly, far too honest for his own good, in this regard anyway. That person was a man by the name of Senator Graham Richardson, a Labor senator and minister, and he was a Labor health minister, if I recall correctly. It is interesting as I quote from the answer to my eloquent question what the Prime Minister recalled, as he in fact quoted what Senator Graham Richardson had said before the government moved to act on this incentive back in 1998:
On Labor’s side, of course, they simply do not want to acknowledge that private health care matters. There is an ideological bent there that says, ‘Medicare is perfect,’ which is ridiculous. ‘Therefore, it cannot be changed,’ which is also ridiculous. ‘Therefore, nothing should be done about private health’—

Great stuff but Senator Richardson goes on to say—

… which is also ridiculous because the one thing they—

the Labor Party—

do not want to acknowledge is that private health insurance matters. What they do not want to acknowledge is that as these people are dropping out of private health insurance they are simply queuing up in the public health system and have to be looked after.

The reality is that in 1998 the then Howard government moved to address two issues. It moved to provide an incentive for people to privately insure and to make a significant contribution to their health costs on the basis that it knew that if we did not do so the public health system would never survive. What we are seeing now as Senator Richardson predicted so aptly in that candid answer—I suspect after he left the Senate—is that the Labor Party are ideologically opposed to private health insurance, they are ideologically opposed to people who want to look after themselves and they are oblivious to the consequences of a fall in private health insurance.

Almost 12 years later, we are now seeing that spectre revisited. The changes proposed by the current government are purely and simply a broken promise, and, as the Prime Minister and health minister have repeatedly promised that they would not touch private health insurance, that is seen to be simply not true. They made the promise in the lead-up to the election and repeated it when in government. As recently as February this year the health minister stated in the Age:

The Government is firmly committed to retaining the existing private health insurance rebates.

Even the most fair minded person would know that for what it is. The reality is that that promise has been broken, that that promise has been revealed as expendable, and, in the face of record debt that the Rudd government has incurred through its reckless cash splash, it reverts to its old type and attacks those who help themselves. These bills are entirely a consequence of bad financial management by the Rudd Labor government coupled with blind ideology. The people of Australia took the Prime Minister on faith, faith that has now been traded in as the government tries desperately to hide the consequences of its poor economic management and its reckless spending. Australians are now paying the price for that recklessness with higher health costs.

Eighteen months ago this country had no debt and cash in the bank. Now we think we have, depending on which day it is and whether it is the Prime Minister or the Treasurer giving the answer, somewhere between $300 billion and $315 billion worth of debt, and that is assuming that they are telling us the whole story. If they are not, the Australian people will hold them to account. The Australian people will hold them to account if it turns out that they need another $40 billion for broadband and another $40 billion for road and rail infrastructure and another $26 billion for the Ruddbank. As a result of this unprecedented debt, the Rudd Labor government are now going to trash the real achievements that have been made in health over the last decade.

Let us go to some statistics. Some 9½ million Australians are covered by private health insurance. That is 45 per cent of the population. Madam Deputy Speaker Burke, you would be interested to know that in my electorate, as a consequence of the incentive introduced by the government when you and I
came into this place, private health insurance is no longer held by 20,000 voting people but by 52,984 voting people. That has to be a success by any measure. The total number of persons covered in my electorate as a result of that incentive, the same incentive that this government is now trashing, now stands at 76,196.

We are seeing sheer desperation on the part of the government to find savings to fund their debt and their deficit due to their lack of control over their spending. The sad consequence of that is that they will unravel 10 years of work whereby we were able, in the case of my electorate, to double the number of people who were taking charge of their own health costs and spending their own money to ensure that they receive the health care they need. As we heard from former Senator Richardson, it appears the Prime Minister, under the same ideology, is now punishing the people who have elected to take out private health cover as part of Labor’s innate hatred of the private health insurance industry. This poorly considered, ideologically driven policy, which the Prime Minister attempted to describe as being like Robin Hood, sees a million Australians with private health insurance living in households with annual incomes of under $26,000 being affected by the change.

The inevitable outcome of the government’s broken promises and reckless spending will be that private health insurance premiums will be driven up. People will drop out of the private health cover system and Australia’s already pressured public health system will face even more stress. While the government claims 25,000 people are likely to drop out of private health cover because of these bills, this figure is at odds with the industry’s. Quite frankly, when I have to choose between the figures that I see daily put up by those on the opposite side and the figures of those in the industry, who have a working knowledge of this matter, I am always inclined to believe the industry. Those in the industry know—because they have experienced this for over a decade—and are expecting the 25,000 figure to be out by a factor of 10. The health insurance industry predicts that almost 250,000 people are likely to drop out of private health cover. On top of that, another 730,000 are likely to downgrade their hospital cover and 775,000 are likely to drop their ancillary cover. Australians will then be paying the price of this government’s sustained attack on health insurance.

The Rudd government’s determination to attack private health insurance will see people drop out simply because they cannot afford the higher premium increases. This will restart the catastrophic premium membership debt spiral of the 1980s and 1990s. It took the Howard government to rectify what Labor had done in almost wiping out private health insurance. The coalition believes in the right of all Australians to take charge of their own healthcare needs and plan for the future. We have always worked hard to deliver the incentives to promote the uptake of private health insurance and take the pressure off Medicare. Australians deserve a strong and well-balanced health system that supports Medicare as a cornerstone and also encourages self-reliance. The Rudd government is determined to undermine that system and those aspirations.

In conclusion, I say that, in opposing this measure, the coalition realises that there needs to be some offset in ensuring that the government gets whatever money it can to address, as best it can, its enormous debt and deficit, and we have proposed an excise on tobacco instead. Given all the things that I have done in my life, particularly all the crazy things that I have done in my life as one does occasionally when one is young, I have only one regret: that I smoked. Here we
have a measure that will not only provide the government with money but may prevent people from smoking. There is no doubt that there is a direct correlation between increasing the price of cigarettes and encouraging people to give them up. There are a whole heap of other things that you need to do to encourage people to give up—and I know as I am expert. I ‘gave up’ four times. On the fourth time I was successful. Increasing the price of cigarettes by only 3c will give the government the money it so desperately needs while providing an added incentive, an added reason, for people to give up cigarettes.

I know those on the other side try to argue that in fact this would not return enough money to the government coffers. I assure those who sit opposite, and the Treasurer himself, that the Treasury’s own figures show that over the life of the forward estimates such an increase in cigarette excise would more than cover the cost of retaining the private health insurance rebate in its current form. There is also the added benefit of discouraging people from smoking. Not only will they live longer but they will place less pressure on the health system, which, as a result of this bill and related bills, is well and truly going to be stretched far beyond how it is already stretched now. The Prime Minister needs to address the real issues in Australia. Taking money from people who want to be self-reliant and make their contribution to ensuring their health outcomes, so taking pressure off the public health system, is not a sure-fire way to make this country a better place. Those who sit opposite should reflect on what they are going to achieve with these bills and not continue this relentless attack on private health insurance. I oppose these bills.

Ms LEY (Farrer) (8.00 pm)—I am pleased to speak on the Fairer Private Health Insurance Incentives Bill 2009 and related bills although, like previous speakers on our side of the House, I take objection to the word ‘fairer’ being used in the titles. For anyone who doubts that there are two health systems in this country—a first-class and a second-class system—I invite them to attend the outpatients or emergency ward of any Sydney public hospital on a busy Friday or Saturday night or talk to anyone who has been on the waiting list to have orthopaedics or ear, nose and throat surgery in New South Wales and who has been waiting longer than 12 months, often suffering considerable pain in the process.

I represent a rural electorate in a state that has a health system that is deteriorating rapidly every day—a health system in crisis. And in viewing these bills my concern is not just for the private health insured citizens that I represent but also for the public patients—those who cannot afford private health insurance but who will wear the costs, indirectly, of these changes by the government.

Over 11 million Australians are now covered by private health insurance. More than 1.8 million Australians with private hospital cover are aged between 20 and 35 years and private health insurance funds pay for 56 per cent of surgical procedures performed in Australia, including 55 per cent of major procedures for malignant breast conditions, 55 per cent of chemotherapy treatment, 63 per cent of major joint replacements and 70 per cent of same-day mental health procedures.

In my electorate of Farrer, 48 per cent of voters have private health insurance but 70.1 per cent of all of the constituents I represent—obviously that covers family members and those who are not on the electoral roll—are covered with private health insurance, 65 per cent are covered with hospital treatment insurance and 62.5 per cent are covered with
general treatment insurance. But now I believe that all Australians, including my constituents, will pay more for their health care because of the Rudd government’s changes to private health insurance—because the changes will affect not just the Australians who are privately insured but all Australians.

Insured Australians who earn over $75,000 will pay more because of the cut to private health insurance rebates, and if they drop out all together they will still pay more, due to an increased Medicare levy surcharge. Insured Australians who earn under $75,000 will pay more because of increased premiums due to younger and healthier people dropping out. Uninsured Australians will be waiting longer in the public hospital queues for essential treatment because of the influx of more Australians into a public health system already under extreme pressure. According to the government’s own figures these changes will affect 1.7 million Australian adults. Industry analysis shows that the changes will affect over 2.4 million Australians in total.

As we know, private health insurance helps fund the purchase of private health and medical services, allowing individuals to choose their own doctors and sometimes their own health services, and access those more quickly. While Medicare provides for free treatment in public hospitals, patients are not able to choose their own doctors and may have to go on a waiting list for their treatment. Medicare also subsidises the cost of medical services provided in a private hospital—for example, it covers 75 per cent of the scheduled fee for a private patient in a private hospital but the patient will be liable for any gap between the amount Medicare reimburses and what the doctor charges. Private health insurance can help fund this gap and can also be used to help pay for ancillary services not normally covered by Medicare, such as dental treatment and chiropractic, physiotherapy, prosthesis or optical services.

When Medicare was first introduced in 1984 membership of private health insurance funds began to fall so that by 1998 only 30 per cent of the population was covered. And the former government sought to reverse this trend when it introduced a suite of measures designed to encourage private health insurance uptake. Those measures worked, because since their introduction private health insurance coverage has climbed to a high of 44.6 per cent of the population, and that figure continues to rise. The important thing about those changes—and I supported them at the time—was that by encouraging younger people to get into private health insurance when they needed hospitals and doctors less, the system was supported much more than it would otherwise have been and the cost of health, which is enormous—the biggest cost in any budget is health—was spread more evenly across more people over a longer period of time. I think these changes will skew that coverage and result in a smaller proportion of people paying more for health services that are below par.

I would like to quote Dr Capolingua’s farewell presidential address. She was, as we know, the president of the AMA and resigned just recently. She has been quite hard on the present changes and I believe that she speaks with a passion that needs to be introduced into this debate. She said in her address:

I cannot think of another example of a government deliberately misinforming the community about an entire profession.

We do devote our lives to helping patients, only to be actively attacked and cast as the black hats, the villains in the health debate, by our own elected government representatives.

These elected representatives presented a major challenge early in this Presidency—we were faced with a popular, energetic, and confident new government that was hell bent on fundamen-
tal health reform—but reform that is based on breaking the important role of the doctor in patient care in order, perhaps to appease political promises to other groups.

In the face of this major challenge; certainly the starkest faced by the Medical profession in a generation; there are some who counsel a softly-softly approach. The idea being that we shouldn’t criticise Government for fear of losing our place at the negotiating table.

Some believe we should stand mute in the face of a highly aggressive Government reform agenda that contradicts all of our training—all of our instincts about what is right for our patients. Should we stand mute as government takes over medical training, and makes health standards subject to the workforce and political vagaries of the time?

Do we say nothing as government administrative officers gain open access to the private patient records of every person in this country?

Must we turn a blind eye to policy that makes our aged, or our sickest, or our rural Australians, second class citizens who don’t deserve the services of a doctor?

Certainly the AMA is on the record as being very much against these changes. It has said that changes to the 30 per cent private health insurance rebate mean many Australian singles and families will pay a lot more for health insurance. If you do not keep your private health insurance, you will be slapped with an increased Medicare levy surcharge. They get you both ways. The AMA also said:

Evidence shows a 7.5 cents tax increase would prompt 130,000 Australian adults to quit and prevent 35,500 children from taking up smoking—using their pocket money to buy cigarettes. So it is a measure that I believe all sides of politics must support and it is a perfect opportunity for this government to put right their changes to private health insurance and the resulting negative effect that will have on our public hospital system.

I mentioned the state of New South Wales, the state I represent, has a health service in crisis. Recently the head of the Greater Southern Area Health Service refused to be interviewed about cost-cutting measures, including voluntary redundancies and a four-day week for some of the staff. The annual report for 2007-08, which will tell it all in black and white, was due out in April but it is still not out. A spokesman says that there is a printing problem behind the delay.

Only yesterday the New South Wales government said the problem of hospitals not
paying bills on time is being addressed. ‘Patient safety has not been put at risk.’ So they are mounting a rather desperate rearward action, but documents obtained by the state opposition under FOI show that, at the end of March, 47,155 invoices had been underpaid for more than 45 days, totalling nearly $90 million. It is not acceptable that a state funded health service should have $90 million in outstanding payments to creditors—and it is not believable, if indeed that is the case, that patient services are not affected. We know that patient services in our regions are affected.

The New South Wales health minister cannot manage the finances of the hospital system and he should go. If these area health services administered health properly, they would actually have sufficient funds. For the health minister in New South Wales to say, ‘Outstanding bills were a problem, but steps are being taken to rectify it,’ and, ‘The budget is coming under control in each individual area health service, although some are doing better than others,’ says to me that he really is not even trying and he really is not making any genuine undertaking to the people of New South Wales that their health system is going to head back into the black.

In conclusion, the coalition does believe in the right of all Australians to take charge of their own healthcare needs and plan for their own future. We have always worked hard to deliver incentives to promote the uptake of private health insurance to take the pressure off Medicare. Eleven million Australians do choose to pay their own hard-earned money for private health insurance so that they can have a choice in their health care. It does not have to be one or the other, because we deserve a strong and well-balanced health system that looks after each and every Australian.

Mr BRIGGS (Mayo) (8.12 pm)—Thank you, Madam Deputy Speaker, for the opportunity to speak this evening on the Fairer Private Health Insurance Incentives Bill 2009 and cognate bills. This is a very important debate on private health insurance and the government’s ideologically based approach to destroying the private health insurance industry. This is a policy that has been dressed up as Robin Hood, but in reality it is the first step down a path of destroying the private health system in Australia. I will deal with that in more detail later in the speech.

The 30 per cent rebate was a very wise policy move by the former government. It instituted one of its key promises in the 1996 election campaign, because it understood that if you could take pressure off the public health system by making the private health system more affordable for people, particularly young families and older people, you would indeed be making it better for those at the lower end who could not afford private health insurance.

We hear much from the other side that this is middle-class or high-end welfare, but what they simply fail to understand is that this policy actually helps more at the lower end than it does at the top end. It is also a very important policy to my electorate, the electorate of Mayo. According to figures I have received, in my electorate 85,000 people have private health insurance. According to the research I have, 60,886 of them are voters, but 85,000 are covered, which makes a percentage of 62 per cent, which is quite a high percentage, as I understand it, compared to other electorates. That is not because my seat is particularly wealthy. Indeed, it is at the opposite end. I have quite an old electorate. I have the oldest council district in the country, in Victor Harbor, and there are a lot of retirees down in that area, particularly pensioners. Kangaroo Island, which is a great part of our country, is also low socio-
economically. So people are sacrificing for private health insurance because they know it gives them better treatment. It gives them the treatment that they desire.

If we dig down on the figures I have, about 50,000 voters in my electorate, which is about 52 per cent of the electorate, have hospital treatment insurance: singles, 13,000; families, 18,000; and all persons, 70,000. Families are an important number in this respect because pregnancy is a very important time for young families. My family have private health insurance and we chose to have our two children in private hospitals; in fact, our first child was born in John James Hospital here in Canberra. In terms of general treatment insurance, 58,000 voters in my electorate have that, which is 60 per cent of my electorate. So I make the point that it is a very important policy issue in my electorate and that this legislation is a real attack on my electorate and my constituents. It is a very disappointing attack by those on the other side, who seek to claim that they represent the working class, but we know that it is really an attack on the private health insurance industry. It is dressed up as Robin Hood politics, as I said earlier and as many of my colleagues have said. But the facts are that, for every rebated dollar, a privately insured person contributes two more to our health system as a whole, which really makes the point that when state governments around the country simply cannot manage the hospital system, when the waiting lists are appallingly long, we do need another stream of health care. In particular, we need pressure taken off the public hospitals so the hardworking doctors and nurses in the public hospital system dealing with emergencies can get on and do so.

In the time available this evening I want to deal with election promises. Non-core election promises was something that those on the other side of the House used to sprout all about quite often when they were on this side of the House. We used to hear them campaigning regularly against the former Prime Minister for non-core promises, which was a reference to a series of promises that the previous government had to wind back after they were elected in 1996 because when they got into government there simply was not the money. The debt at that point was about $96 billion. In today’s terms that is not very much, but in those days it was a significant shock to the government, along with the big black hole of a $10 billion budget deficit. That forced the then government of Prime Minister Howard and the member for Higgins, the former Treasurer, to go back and look at the promises they had made. That was the right thing to do because they needed to get the budget back in the black, which the coalition did. There was a time a couple of years ago when the budget was in surplus, with money in the bank—but there is a television ad at the moment which tells us about that, so I will not press that issue.

So some tough decisions were required by the previous government, and the Labor Party, opportunistically, voted on this side of the House against every one of those tough decisions—an interesting point to raise, given the current debate going on day after day in question time. They would vote against every measure to reduce the debt that they had given this country and that they had not told the Australian people about during that election campaign, but a debt that had to be addressed nonetheless. This side of the parliament did so and put us back in surplus with money in the bank. The former Prime Minister and former Treasurer had the intestinal fortitude to stand up and say, ‘We have to get rid of certain promises, we have to change tack on certain issues because the money is not there, we have to make some tough decisions.’
Compare that to the behaviour of the current incumbent in the office who, the day after the budget, went on Neil Mitchell’s program on Radio 3AW. That is a very difficult interview for senior politicians; I grant the Prime Minister that. However, I will quote from the transcript put out by the Prime Minister’s office:

Mitchell: Will you apologise to the Australian people for directly breaking the promises you made before the election?

PM: Neil I accept full responsibility for that and for not being able to fulfil some of those policy commitments.

Mitchell: It is not that, it is the promises broken.

PM: No, no policy commitments.

Mitchell: Promises broken, Prime Minister.

PM: Policy commitments that we haven’t fulfilled …

We could go on. So we see a Prime Minister unable to take responsibility for breaking an election promise, and this was a rolled-gold election promise. A letter sent by the then opposition leader—now Prime Minister—on 20 November 2007, days before the election, in response to the Australian Health Insurance Association’s seeking clarification on federal Labor’s policy regarding private health insurance, said:

Both my Shadow Minister for Health, Nicola Roxon and I have made clear on many occasions this year that Federal Labor is committed to retaining the existing private health insurance rebates, including the 30 per cent general rebate and 35 and 40 per cent rebates for older Australians.

That does seem to be a clear broken promise. That seemed to be a pretty strong commitment there from the then opposition leader. But, not content with that, when he was elected Prime Minister he reassured the Australian public in February 2008 at a press conference in the grand prime ministerial courtyard:

The private health insurance rebate policy remains unchanged and will remain unchanged.

So we see a clear breach of trust; a rolled-gold election promise broken. That in itself is not necessarily a bad reflection on the Prime Minister because sometimes governments do need to change tack. We all admit that. It is probably better to put it to an election, but on occasions there is a need to change policies when circumstances change. However, you need to take responsibility for it and you need to be honest about it, and that is not what we see from this Prime Minister.

I put to the House that what this is actually about is that the Labor Party have wanted to do this for some time. This is not a new idea. As I understand from sources inside Treasury, this was put up last year to the Treasurer as a savings measure and was one of the last to go. Only those on the other side would know the real answer on that. But we do know from the history of the Labor Party that they are quite opposed to the private health insurance rebate. They voted against it in the first place and they have been critics of it for some time, although in recent years they softened that criticism because they realised that this policy was publicly quite popular. The truth is that, in particular, the Deputy Prime Minister believes in the public health system more than in any private health insurance system, particularly a rebate for it.

You just have to look at their form. Like you do with a good horse, you have to go back and look at their form on this. So I did go back and look at their form. As members would remember, there were two big issues in the 2004 campaign from those on the other side when the former member for Werriwa, Mark Latham, was the Labor leader. There were two big policy announcements. The first was the schools hit list, and that did not go so well—again, that was a key Labor belief—and the second was Medicare Gold. Medicare Gold was announced, if my mem-
ory serves me correctly, about 10 days out from the election, about the Thursday before the election, I believe. It was the Franken-stein child of the current Deputy Prime Min-
ister and her then leader, Mark Latham. 
Members will remember that the member for Lalor was widely credited as being the chief backer when the former member for Werriwa defeated the roosters’ candidate in December 2003. They then worked very closely to-
gether on this. The Deputy Prime Minister was the shadow health spokesperson then and she worked on this policy. 

For those who have forgotten, the detail of the Medicare Gold policy was that it would give free health care to those over 75. It was a massive budgetary move that would have cost the country a fortune, but it was de-
signed to destroy the private health insurance system. I referred last Monday to the history of Australian elections and the recent 2007 election. I have gone back to another take on the 2004 election written by one of the par-
ticipants, actually—Mark Latham. In The Latham Diaries, he writes about the Medi-
care Gold policy: 

Medicare Gold was in the same category as the tax and family policy: it wasn’t ready until the campaign. It combined my plan for killing the private health insurance rebate with Duckett and Swerissen’s vision for extending Federal respon-
sibilities in hospital care. It required a lot of work to model the private insurance indications and to secure the cooperation of the states, all handled by Gillard—

that is, the current Deputy Prime Minister. He goes on: 

Gillard always referred to it as ‘the policy that dare not speak its name’ … 

And of course that is the strategy from those on the other side. They want to sneakily get rid of private health insurance, particularly the rebate. That is the real desire of the Labor Party in government: to move on these things they hold dear to their hearts. I must say, all of those on the other side—with the excep-
tion of the member for Fowler, who is al-
ways very honest about her views on policy issues; I think we all acknowledge that—
have been opposed to the private health in-
surance rebate for forever and a day. The member for Fowler is not arguing; I think that is a fair point! 

That is the background to this policy deci-
sion. It is not all about this budget; it is something they have wanted to do since coming to government. It was not something they could announce in the election cam-
paign, and The Latham Diaries confirm that that was what they are out to do—destroy the private health insurance rebate. We are very grateful that the former leader wrote his ver-
sion of events in 2004! 

So this measure is about two things. Firstly, it is about Labor’s hatred of the pri-
vate insurance rebate, although the private health insurance rebate is good policy. It takes pressure off the public health system and helps those who cannot afford private health insurance by taking more people out of the public system. That is a good thing for the health system in this country. And this is a dividing line in Australian politics. We on this side of the House believe very strongly in the private health insurance rebate and the private health insurance industry—those on the other side, not so much. Secondly, it is about this government’s inability to manage the economy. This is one of a series of reve-
nue-raising measures, although it is only $1.9 billion over four years and that will be but a small drop in a bucket in trying to at-
tack this debt of $315 billion and rising. It is about the Labor Party’s ideological opposi-
tion to private health insurance and it is the signal that they have lost control of the economy. We have seen spiralling debt, we see a spiralling deficit and we see no plan to manage the economy properly. From opposi-
tion, the former Leader of the Opposition
was able to offer a reasonable alternative which was also addressing a health concern.

I have noticed members on the other side are trying to draw a parallel between our opposition to the alcopops tax—and I firmly opposed the alcopops tax—and our suggestion to raise the tax on cigarettes. As a Liberal I do not like raising taxes, but in 1996 we had to do it when there was such a huge debt and deficit. Firstly, the alcopops issue was about addressing one aspect of alcohol rather than alcohol across the board. Secondly, it was dressed up as a health policy when really it was a revenue measure, as we said all along. Now we hear the Labor Party saying, ‘The opposition found a revenue measure in cigarettes.’ Well, of course, that is what the alcopops tax was. All they have to do is be honest about that and admit that, but of course they cannot.

What we have seen from this government is an inability to manage this economy. We are seeing spiralling debt. We are seeing them going back to their true beliefs, with the Deputy Prime Minister and her comrades seeking to destroy the private health insurance system. This is a bad piece of policy. It will impact enormously on my constituency in Mayo, 62 per cent of whom, as I said earlier, have private health insurance—quite a high rate of private health insurance cover. It is very disappointing to see a government make this decision. We on this side of the House stand starkly opposed to this decision. We just hope desperately that the Labor government can get their house in order and start managing this economy properly.

Debate interrupted.

The DEPUTY SPEAKER (Hon. DGH Adams)—Order! It being 8.29 pm, the debate is interrupted in accordance with standing order 34. The debate may be resumed at a later hour and the member 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:

Aged Care
To the Honourable The Speaker and Members of the House of Representatives
The Petition of certain concerned Australian citizens points out to the House that:

• quality residential and community care services should be available when and where they are needed and at a price that fairly reflects people’s individual and financial circumstances;
• the appropriate funding of residential and community aged care is an Australian Government responsibility;
• the future quality and consistency of residential and community aged care remains uncertain because all care providers continue to operate in a climate where their costs are rising faster than their income;
• closure of residential and community aged care services is inevitable due to inadequate recurrent funding by Government;
• the ability of providers to offer aged care facilities that are safe, comfortable and functional for residents, will decrease dramatically in future, unless better methods of allowing access to funds for capital works and refurbishment are introduced; and,
• quality and timely care of recipients of residential and community care is only possible if providers have access to appropriately skilled and motivated staff.

Your Petitioners therefore pray that the House of Representatives should:

• provide an immediate increase in aged and community care funding through an increase in indexation by 3% effective from 1 July 2008:
• ensure that future Indexation be set in accord with the Australian Government and States health and disability funding agreements in line with 29 November 2008 agreements (for the next five (5) years) and,
• develop a new capital funding system that allows sufficient funds to be raised to cover realistic future building needs.

by Mrs Irwin (from 1,423 citizens)

Internet Filtering

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

This petition of certain residents of Australia draws to the attention of the House:
• that the Government is proposing a costly, oppressive and technically infeasible plan to impose filtering on all Internet connections;
• that, according to the Whirlpool Australian Broadband Survey 2007, 74.4% of Australian Internet users oppose the plan;
• that, according to a June 2008 report produced by the Australian Communications and Media Authority, present filtering technology could result in performance degradation of over 80% and up to 8% false positives, while failing to block up to 12% of tested sites;
• that present filtering technology is ineffective at filtering non-Web protocols such as instant messaging and peer-to-peer file sharing, increasingly used by today’s children;
• that no comparable filtering schemes are used in any liberal democracy;
• that the scheme will restrict our civil liberties while encouraging lax parenting;
• that this will come at a likely cost to the taxpayer of over $44 million, and further increase Internet charges;
• that the filter will be ineffective and will NOT protect Australian families from pornography or online criminals;
• that we the undersigned, whilst having differing moral and religious views regarding pornography and unlawful material, believe that the proposed filter is not a good solution to these issues.

We therefore ask the House to:
• condemn the Government’s Internet filtering plan,
• oppose any legislation for the plan’s implementation,
• recognise that it is the role of parents, not the government, to protect their children, and
• support educational programs and the work of the Australian Federal Police in this area.

by Mrs Irwin (from 42 citizens)

Coalmining

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

This petition of supporters of the Caroona Coal Action Group (CCAG) draws to the attention of the House the impact of coal mining in Australia. In particular, that in the era of climate change, we must ensure mining does not destroy our environment, agricultural production, people’s livelihoods, health and attachment to the land.

We therefore ask the House to:
(1) Protect the Liverpool Plains area against detrimental impacts of coal mining in the region. The Liverpool Plains area is the most productive agricultural land feeding into the Murray-Darling Basin;
(2) Exclude all mining activity within a 1km zone of a water course. Coal mining is proven to seriously degrade underground and above ground water supplies on which communities heavily rely.

by Mrs Irwin (from 1,648 citizens)

Northern Territory: Bilingual Education

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

This petition of citizens from Australia and overseas draws the attention of the House to the announcement on October 14th 2008 by the NT Government that from 2009 the ten remaining bilingual programs in the Northern Territory would be effectively closed down.

We believe that
• The NT Government’s decision is educationally unsound, and will hinder the children’s chances of learning good English. It goes
against the strong evidence that using a child’s first language fosters greater cognitive development and proficiency in learning through all curriculum areas.

- The decision is demoralising for Indigenous communities who have put over thirty years into promoting and developing teaching methodologies that suit bilingual and bicultural Indigenous children.
- The decision will prejudice the survival of Indigenous languages. The use of the child’s first language also fosters pride in the students’ self-esteem and Indigenous identity as recognised in the “Little Children are Sacred” Report.
- The decision goes against the recognition by the United Nations of the right of Indigenous people to provide education in their own languages.

We therefore ask the House to:
Ratify the UN Declarations on the Rights of Indigenous Peoples and in particular to direct the NT Government to comply with Article 14 of the UN Declaration on the Rights of Indigenous Peoples: Article 14.1:
Indigenous peoples have the right to establish and control their educational systems and institutions providing education in their own languages, in a manner appropriate to their cultural methods of teaching and learning.

by Mrs Irwin (from 18 citizens)

Indigenous Languages

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

This petition of citizens from Australia and overseas both Indigenous and Non-Indigenous draws to the attention of the House that we are alarmed at the rate of unchecked language loss in Australia. Over 250 vigorous and vibrant languages on record at the time of European arrival in Australia have been reduced to just 17 which are being transmitted naturally to younger members of their communities. Some other languages are still spoken fluently but the vast majority are in varying states of decline and disrepair. There are also vigorous efforts across the country to maintain and revive languages, in some cases to re-introduce them after many decades of non-use.

In the debate and activity addressing indigenous disadvantage indigenous languages have been overlooked. Language should be seen as a pathway to education, to healthier and wealthier communities, not as a separate subordinate issue.

We therefore ask the House to develop a National Indigenous Languages Policy and a National Indigenous Languages Institute in order to strategically and coherently support the:
- Recognition of Aboriginal and Torres Strait Islander languages (including creoles and Aboriginal Englishes)
- Documentation and development of Indigenous Languages
- Development of programs at all levels of Education
- Development of numeracy and literacy targets in Indigenous Languages
- Provision ofinterpreting and translation services (and training interpreters)
- Expansion of employment options that recognise and utilise language knowledge and skills
- Development of measures to increase the use of Aboriginal and Torres Strait Islander languages in the public domain (including music industry, TV, radio, press, public art and signage).

by Mrs Irwin (from 11 citizens)

Climate Change

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 sorry state of our environment which young citizens of Australia will have to cope with as part of our future.

We therefore ask the House to: act immediately to stop global warming so young Australians can have a future with rain, snow, rivers and the barrier reef.

by Mrs Irwin (from 42 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: to 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 34 citizens)
Petitions received.
Responses
Mrs Irwin—A ministerial response to a petition previously presented to the House has been received as follows:

Internet Content
Dear Ms Irwin
Petition concerning sexual advertising and access to internet pornography
Thank you for your letter dated 8 May 2009 forwarding a copy of a petition concerning sexual advertising and access to pornographic material on the internet. I appreciate the petitioners’ interest in these important issues. The Australian Government has a range of activities addressing these issues.

Sexual advertising
Complaints about advertising, including in public places, are handled by the Advertising Standards Bureau’s Advertising Standards Board whose decisions may be reviewed by an Independent Reviewer. Complaints about an advertisement can be made to the Advertising Standards Bureau.
The Australian Communications and Media Authority (ACMA) administers codes of practice developed by the commercial television and pay television industries which include rules for prohibited content and classification guidelines for content that may be considered offensive, such as sexualised images of children, adult themes, offensive language, violence and drugs. The codes of practice are also designed to reflect community standards.

Under the Commercial Television Industry Code of Practice, the suitability for television of material that depicts sexual behaviour or nudity will depend on the frequency and intensity of the sexual behaviour and nudity portrayed, and the time of day it is to be shown. Intimate sexual behaviour may only be implied or simulated and must be justified by the story line or context. This material must be classified M for Mature (for persons aged 15 year or older) or higher, and can generally only be shown after 8.30 pm. Detailed genital nudity in a sexual context or explicit depiction of sexual acts must not be shown.
In addition, commercials for telephone sex lines or similar services must be classified as MA for Mature Audiences and only scheduled after 11.00 pm and before 5.00 am.
More generally, under the television codes, television commercials must also comply with the self-regulatory Advertiser Code of Ethics and the...
Code for Advertising and Marketing Communications to Children developed by the Australian Association of National Advertisers (AANA). These codes deal with the decency and social responsibility of advertisements, particularly in relation to children.

In April 2008, after extensive public consultation, the AANA released a revised Code for Advertising and Marketing Communications to Children which now specifically prohibits the use of sexual imagery of children in advertising or marketing, whether in print, on television, on radio, online or in public areas.

In relation to commercial radio, the Commercial Radio Australia Codes of Practice and Guidelines are registered with ACMA and are available from the Commercial Radio Australia website at www.commercialradio.com.au. The radio codes provide that all program content must meet contemporary standards of decency, having regard to the likely characteristics of the audience, and that radio broadcasters must avoid the gratuitous use in a program of language likely to offend the anticipated audience.

Where ACMA finds there has been a breach of a television or radio code, it may take action against the relevant broadcaster, such as imposing an additional licence condition on the broadcaster to comply with the relevant code, or obtaining an enforceable undertaking from the broadcaster about its activities. More information can be found on the ACMA website at www.acma.gov.au.

The Senate Environment, Communications and the Arts Committee (the Committee) conducted an inquiry in early 2008 into the sexualisation of children in the contemporary media environment, which included the issue of sexual advertising. The Committee received over 160 submissions from a wide range of interested individuals and organisations. The Committee’s report was tabled on 26 June 2008 and made 13 recommendations which the Government is now considering.

Online Content Scheme — offensive content
The Online Content Scheme (the Scheme) under the Broadcasting Services Act 1992 (the Act) regulates illegal and offensive content. Schedule 7 of the Act protects consumers from illegal or harmful content accessed through the internet, mobile phones and convergent devices, and applies to content delivered through content services such as subscription-based internet portals, chat rooms, live audio-visual streaming and link services.

Under Schedule 7, prohibited content includes:

- content that has been classified or is likely to be classified RC (Refused Classification);
- content that has been classified or is likely to be classified X18+;
- content that has been classified or is likely to be classified R18+ unless it is subject to a restricted access system; and
- content that has been classified or is likely to be classified MA15+ and is provided on a commercial basis (i.e. for a fee) unless it is subject to a restricted access system.

R18+ content and MA15+ content which is provided for a fee must be subject to a restricted access system. ACMA requires a restricted access system to verify the age of the person seeking access based on evidence of age and identity, or require that a personal information number (PIN) be used to obtain access if age and identity have been verified before. ACMA can require content providers to take down content hosted in Australia that does not meet this requirement.

These prohibitions are backed by strong sanctions for non-compliance including criminal penalties for serious offences.

Where content is hosted in Australia and is found by ACMA to be prohibited, ACMA has the authority to direct the relevant content service provider to remove the content from their service. Where content is not hosted in Australia and is prohibited, ACMA will notify the content to the suppliers of approved filters so that access to the content using such filters is blocked.

In addition, regardless of where the content is hosted, if ACMA considers the content to be of a sufficiently serious nature, it must notify the content to an Australian police force.

Schedule 7 includes a complaints-based mechanism administered by ACMA. Persons wanting to submit a complaint about online content must...
contact ACMA directly. Information, including instructions for making a valid complaint to ACMA, is available online at www.acma.gov.au/hotline.

**Cyber-safety**

Creating a safe online environment is both complex and challenging.

The Government has committed funding of $125.8 million over four years in the 2008-09 Budget for a comprehensive range of cyber-safety measures that involve education, international co-operation, research, law enforcement and internet service provider (ISP) filtering.

Measures include:

- expansion of the Australian Federal Police (AFP) Child Protection Operations Team—funding to detect and investigate online child sex exploitation;
- Commonwealth Director of Public Prosecutions—funding to help deal with the increased activity resulting from the work of the AFP to ensure that prosecutions are handled quickly;
- ISP-level filtering—funding to develop and implement ISP filtering, including undertaking a real world ‘live’ pilot;
- education activities—funding to ACMA to implement a comprehensive range of education activities such as:
  - Cybersafety Outreach Professional Development of Educators program and expanded Internet Safety Awareness Presentations and
  - a professional development program for trainee teachers
- websites / online helpline funding to ACMA to improve current government
- cyber-safety website resources and to make them easier for parents to use, and to provide up-to-date information. ACMA is also developing a children’s cyber-safety website to provide information specifically for children, and improve the online helpline to provide a quick and easy way for children to report online incidents that cause them concern;
- Consultative Working Group funding for an expanded Consultative Working Group.
- This group considers the broad range of cyber-safety issues and advises the Government to ensure properly developed and targeted policy initiatives;
- Youth Advisory Group—funding for a Youth Advisory Group which will provide advice to the Consultative Working Group on cyber-safety issues from a young person’s perspective; and
- Research—funding for ongoing research into the changing digital environment to identify issues and target future policy and funding.

**ISP filtering**

A part of the Government’s cyber-safety plan is to examine the introduction of mandatory ISP-level filtering for RC material. Content defined under the National Classification Scheme as RC material includes child sexual abuse imagery, bestiality, sexual violence, detailed instruction in crime, violence or drug use and/or material that advocates the doing of a terrorist act.

The Government is also considering additional ISP content filtering options for those families who wish to have such a service. These services would provide additional filtering options that could be configured to suit the needs of individual users.

The Government’s policy is being developed through an informed and considered approach, including industry consultation and close examination of overseas models to assess their suitability for Australia.

A live ISP filtering pilot is also being conducted to inform the Government’s ISP filtering policy. The pilot is being conducted with the cooperation of ISPs and their customers, and is testing potential impacts of filtering solutions on internet speeds, accuracy, circumvention, costs and customer experiences.

The pilot is scheduled to conclude around the middle of 2009. I have undertaken to release the report of findings from the Pilot.
Consultative Working Group and Youth Advisory Group

The Consultative Working Group on cyber-safety has the important role of providing advice to the Government on measures to protect Australian children from risks and illegal or inappropriate content they could encounter online. This group meets four times a year and has members drawn from community groups, ISPs, industry associations, business and government.

The Youth Advisory Group has been established to reflect the Government’s recognition that young Australians need to be involved in the development of effective responses to cyber-safety risks. The Youth Advisory Group is made up of more than 300 young people aged between 11 and 17 years from across Australia. Members of the Youth Advisory Group consider and communicate to Government the cyber-safety risks faced by Australian children, how best to address these and how to communicate cyber-safety messages to other young Australians.

Both the Consultative Working Group and the Youth Advisory Group will advise the Government on priorities for action by government and industry.

Thank you for your interest in this matter. 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 16 March by Mrs Irwin (from 983 citizens).

Statements

Mrs IRWIN (Fowler) (8.30 pm)—Last week in my statement to the House I focused on a public hearing that the Standing Committee on Petitions had held on the Central Coast in March, when we had an opportunity to speak to principal petitioners, teachers, and also to schoolchildren.

This evening I want to focus on another aspect of the committee’s work. This was exemplified at a public hearing held by the committee last week in Parliament House. As members would know, the committee may examine matters relating to petitions and, in addition to the process of obtaining written responses from relevant ministers, the committee from time to time follows up on petitions and responses with expert witnesses.

The petitions committee was very pleased last week to receive evidence from senior staff—and they were very senior staff—of three departments: Broadband, Communications and the Digital Economy; Infrastructure, Transport, Regional Development and Local Government; and Foreign Affairs and Trade. The evidence that they gave in response to the committee’s questions—which will be published on the committee’s webpage—brought us up to date on some of the many issues that have been raised in petitions and which the committee has referred to ministers for a response.

The committee is grateful for the level of support that is being provided in terms of the representatives of departments who appeared before us. They were senior staff, well prepared and helpful to the committee as it followed up on issues raised by petitioners. In some cases they had good news about the issues raised in petitions; in other cases the news was simply an update that might not have been what petitioners sought.

It would be wonderful if there were always solutions to the problems raised in petitions, but we know that is never to happen. What the hearing brought home to me and my colleagues on the committee was the growing effectiveness of the committee in examining issues that are raised in petitions and ensuring that at least government expertise is made available in a very transparent way to provide information and advice on these issues. I think I can speak for my colleagues—and I am sure the member for Gippsland, who will follow me this evening, agrees—when I say that we are proud of the work that is being done to address various
concerns that Australian people bring to their parliament for information and assistance.

**Petition: Youth Allowance**

Mr CHESTER (Gippsland) (8.34 pm)—by leave—It is a pleasure to follow the Chair of the Standing Committee on Petitions. I congratulate the member for Fowler on the excellent work she is doing—and you too of course, Mr Deputy Speaker Adams—with the committee.

I rise to present a petition approved by the Standing Committee on Petitions. This petition is in direct response to the Rudd government’s flawed decision to change the eligibility criteria for students seeking to access the independent rate of youth allowance.

I join with the petitioners in highlighting the simple fact that these changes to the youth allowance place another barrier to university participation for students in regional areas. They unfairly discriminate against students currently undertaking their gap year and contradict other efforts to increase university participation by students from rural and regional Australia.

The petition currently contains 206 signatures, but let me assure the House that such is the depth of concern over this issue there are many more on the way. My office has sent a further 2,000 signatures to the petitions committee this week and I have been inundated with emails and letters from concerned teachers and parents, and of course the students themselves.

And on that point I will take up comments from the Minister for Education, who has responded to questions in this place by claiming that the opposition is merely scaremongering on the issue. The minister also said it was a ‘very silly question’ when I asked the minister to guarantee that the students currently on their gap year would not be financially penalised under the government’s changes. The petitioners who have already supported this petition before the House tonight—and those who have written letters or sent emails, all of which I am forwarding to the minister directly—are not being silly, nor are they scaremongering. I know the minister is particularly busy, but I urge the minister to stop playing politics with the hopes and aspirations of country students and take the time to read at least some of the letters from students, parents and educators in Gippsland and throughout Australia.

Just by way of example, let me quote from a media release distributed by the Baw Baw Latrobe Local Learning and Employment Network on 22 May. The CEO, Mick Murphy—a man who is also not in the habit of saying silly things or scaremongering—said:

This policy discriminates against rural and regional students and has taken a city-centric view of further education.

We also have the Isolated Children’s Parents Association offering some forthright comments in a media release on 20 May titled ‘Rudd giveth—Rudd taketh away’.

The DEPUTY SPEAKER (Hon. DGH Adams)—I remind the honourable member that his comments, I believe, are on the subject of petitions.

Mr CHESTER—Thank you, Mr Deputy Speaker. The association remarks in support of petitioners:

The move to a single criterion—as referred to in the petition—for qualifying for independent youth allowance of 30 hours a week work for at least 18 months in a two-year period will have huge negative impact on students from rural and remote areas. Finding part-time work for 15 hours a week in small country towns is difficult enough but 30 hours a week is even tougher to do.

I do not believe that the petitioners are silly people or scaremongers. I believe they are concerned that the government is making it harder for country children to achieve their
full potential. Students themselves in addition to signing a petition have written to me directly seeking my intervention and urging me as the member for Gippsland to encourage the government to change its position. I have been receiving letters from people such as Leigh Rogers, who said:

I have been blindsided by the Labor Party’s new budget and the scheme has been ripped from under me without any warning.

Parents such as Les and Janice Barnett in Bairnsdale have also signed a petition. They said:

This change will put university beyond the reach of many rural students. It also places extra stresses on the students especially those who have taken this year off in good faith expecting to be eligible for the allowance in 2010.

There is a moral argument there that is put by the petitioners that these students have acted in good faith, that they followed the rules as they applied at the end of 2008 and deferred their studies to work hard and qualify for the independent rate of youth allowance. I urge regional MPs on the government benches to make the point, on behalf of their constituents, that this particular policy direction is actively discriminating against regional students.

I offer the petitioners some comfort that this petition will be circulated more widely throughout the community of Gippsland in the weeks ahead. I urge people who are interested to follow this process. As the Chair of the Standing Committee on Petitions has referred to already tonight, the opportunity to put their views to the people’s parliament is a critical part of our democracy and it has given me great pleasure to be a part of the petitions committee and to participate in the debate on behalf of my constituents.

The petitions committee, under the member for Fowler, including you yourself, Mr Deputy Speaker, has had many active discussions in recent times. The committee has seen some very successful campaigns conducted by residents right throughout Australia, and I urge the Minister for Education to consider the weight of this petition very thoroughly. I know that similar petitions are being circulated right throughout regional Australia at the moment.

I will give the last word in this discussion tonight to a student who attended the Gippsland Grammar School in Sale last year. The Minister for Finance and Deregulation himself may be interested, as this was his former school. Another alumnus is a former school captain, Monique Lawless, who is working hard to overturn this decision and is actively circulating the petition on behalf of her colleagues. Monique wrote to me to highlight her concerns:

I had no choice but to move away from home in order to further my education, but did not want this to be a burden on my family. Students like myself who have made a commitment to meeting the independence criteria before heading off to university have been left high and dry.

This is not silly. It is not scaremongering. It is about country people standing up for a fair go, and I urge the minister to reconsider the decision.

The petition read as follows—
To the Honourable The Speaker and Members of the House of Representatives.

This petition of members from the Gippsland community recognises the importance of providing affordable access to university for students from rural and regional areas.

Members of the Gippsland community draw the attention of the House to changes announced in the Federal Budget on May 12, 2009 which states that students will no longer be able to achieve financial independence for Youth Allowance and ABSTUDY by meeting the 2nd and 3rd elements of the workforce criterion.

The petitioners believe that the Youth Allowance changes proposed in the Federal Budget place
another barrier to university participation for students in regional areas; unfairly discriminate against students currently undertaking a ‘gap’ year; and contradict other efforts to increase university participation by students from rural and regional Australia.

We therefore ask the House to retain the 2nd and 3rd elements of the workforce criterion so that a tertiary education is accessible to regional students.

from 206 citizens

Petition received.

The DEPUTY SPEAKER (Hon. DGH Adams)—Order! The time for statements has elapsed.

COMMITTEES
Infrastructure, Transport, Regional Development and Local Government Committee Report

Ms KING (Ballarat) (8.39 pm)—On behalf of the Standing Committee on Infrastructure, Transport, Regional Development and Local Government, I present the committee’s report, incorporating a dissenting report, entitled Funding regional and local community infrastructure: principles for the development of a regional and local community infrastructure funding program, final report, together with the minutes of proceedings.

Ordered that the report be made a parliamentary paper.

Ms KING—Tonight, I am pleased to table the committee’s final report of its inquiry into funding regional and local community infrastructure. The tabling of this report is timely. Across the nation, regional Australia is struggling to cope with the impact of the global financial crisis. It has become even more difficult for communities which already lacked adequate or updated infrastructure to find the finances required to build the community infrastructure they need—infrastructure that will increase the liveability of the area and help to grow their communities into the future.

Government programs such as the Regional and Local Community Infrastructure Program should assist in this regard. Indeed, the Regional and Local Community Infrastructure Program has already provided substantial sums to local governments around Australia in the form of direct payments and grants. This is a good thing, and the committee supports continued funding for regional and local community infrastructure. However, more specifically, it is the development of a genuine accountable and ongoing grant system that has been the focus of the recommendations in the interim and final report.

I stress ‘ongoing’ because local governments are struggling to provide sufficient levels of infrastructure for their communities. Community organisations have also been hit by a significant drop in donations and the capacity of their members or supporters to fund community facilities. This is evidenced by the enormous number of applications to the government’s first round of community infrastructure funding—strategic projects—and the some 3,000 applications to the first round of the Jobs Fund.

The committee understands this and, therefore, its first recommendation in this report is directed at ensuring that there continues to be ongoing funding support for community infrastructure beyond the direct payments already provided under the Regional and Local Community Infrastructure Program. Of equal importance is the need to ensure that non-profit organisations have access to funding of this nature. The committee does not oppose direct infrastructure funding for local government, as long as it is not at the expense of non-profit organisations.
Anecdotal evidence suggests that in some cases local governments have canvassed non-profit organisations in their communities for project recommendations, as part of their Regional and Local Community Infrastructure Program requests. Hopefully, this has been a common approach for local governments around the country, but to be sure the committee has recommended that the government examine this issue with the intention of ensuring that non-profit organisations continue to receive Commonwealth government funding through this program.

When tabling the interim report I stated that infrastructure is vital to a community's wellbeing and sustainability and it was important that the government gets this new program right and gives regions across Australia access to infrastructure funding on a fair and transparent basis. The final report stresses, in simple terms, principles which the committee believes are fundamental to the development of a fair and transparent funding program. The principles espoused by the committee in this report have been grouped under three headings: availability, accessibility and accountability. Availability refers to a set of program guidelines which clearly establish what types of projects will be funded, who is eligible for funding and how the funds will be distributed. Specifically, the committee recommends that the government consider the need for clarity and simplicity when structuring program guidelines. This means that guidelines should clearly outline what constitutes an eligible application and how that application will be assessed and funds awarded. The principle of accessibility focuses on developing a simple, streamlined application process, supported by application development assistance. It is the committee’s recommendation that an accessible program is one which provides useful information to applicants through various sources. Furthermore, the application process will only be truly accessible if personal support is available to applicants.

Accountability stresses the importance of ensuring that decisions made throughout the funding program are well documented and can be adequately expressed. Accountability is vital. The Regional Partnerships program was heavily criticised by the Audit Office because it was not accountable, and we must learn from those lessons. To that end, the committee concludes with a recommendation supporting increased program accountability through the employment of a centralised assessment process administered with appropriate resources. This would be supplemented by an acquittal process which utilises well-structured funding agreements where expenditure is based on a thorough examination of project milestones. I would like to stress that these recommendations are not simply aspirational; they form the basis upon which the committee interim report recommendations should be considered and they reflect the views of many who spoke with the committee at its public hearings.

I am disappointed that the committee was not able to reach consensus on a number of key points, largely around the funding of private sector interests. I think that, given that members of the current government had an experience of the Regional Partnerships program that was quite vastly different from that of members of the current opposition and, in particular, the National Party, it was inevitably always going to be the case that we would have some dissent.

As I note in this report, the level of participation and assistance provided to the committee by regional Australia has been exceptional, and I would like once again to thank those who participated in the inquiry. I would like to thank the committee secretariat—in particular Michael Crawford for his work on this inquiry. When considered
together, the interim and final reports of this inquiry present options for a wider framework which the government can utilise in developing an ongoing, fair and accountable funding program which meets the needs and expectations of regional Australia.

Mr NEVILLE (Hinkler) (8.45 pm)—I regret that I have to lodge a dissenting report to this report, *Funding regional and local community infrastructure: principles for the development of a regional and local community infrastructure funding program, final report*. I have never done it before, and it is the only time in my 16 years experience of this committee that it has ever occurred—at least from the opposition side. I do so because I think it is important that this report have credibility based on the evidence. My mentor in this was the Hon. Peter Morris, a Labor Minister for Transport from this place and later chair of this committee. All his reports were driven by the evidence, even at times when it was not favourable to his government, and his reports had an authenticity about them that was recognised around the world. I think it is unfortunate that the emphasis on a lot of committees has changed so that the committee reports reflect the philosophical outlook of the government of the day backfilled with some of the evidence that might agree with that rather than what the evidence itself was. In saying that, I do not reflect on any of my colleagues—I am very fond of all of them—nor do I want to reflect on the hard work and professionalism of Michael Crawford, Sophia Nicolle and the people who worked on both the interim report and this final report.

The overwhelming evidence that we received at the hearings was that the witnesses had no beef with the ACCs themselves, nor for that matter their programs, nor for that matter their work. People saw them as being a very good organisation. They had plenty to say about the department, its slowness and its lack of appreciation of the projects. I know some projects went wrong; it is always the nature of these sorts of programs that, if they have a commercial aspect, some projects will fail. But all I can say is that I had a very positive outlook on it in my electorate and that most of my projects—not all of them but most of them—did have a commercial bent to them and played a significant part in bringing down unemployment.

If you are going to be a department of regional development and sponsor and spawn a new body called Regional Development Australia, how in the name of heaven can you step away from mentoring industry, including medium-sized industry, in regional Australia? It is a contradiction in terms not to do it. In addition to that, I am deeply concerned about the fact that, against even the government members’ recommendations, the government itself is rolling a lot of these regional development organisations into state regional development bodies. I think that that will in time be an invitation to state control—until some federal government gets sick of it and pulls its money—or, alternatively, an invitation to cost shifting.

There is no real integrated regional development in this country, and there has not been for 30 or 40 years. If you really want to see it done, and done well, go to Ireland, where the two major parties have a 10-year agreement not to fiddle with the regional development plan. That is the sort of thing we should be moving towards, not this pathetic picking at each other about whether your program is better than mine or not. We need to see our country develop and ensure that, especially, those areas in regional Australia which traditionally have had more trouble attracting industry receive some form of priority. In my dissenting report, I put a scale in place that honourable members can look at that says how I think money should be made available to the regions. I think that
with grants of less than $50,000—and we saw this in evidence in Toowoomba—the RDA organisation should be able to allocate them on a simplified basis. That was the case with the particular state government department we saw in Toowoomba.

There are four levels of regional development: federal government, state government, local government and the community. The RDAs have to be part of that community and reflect that community. If they just become a pale reflection of the state government regional development organisation, I think they will be a failure and I would find that quite regrettable. I would recommend to the minister, who is settling this this week, that he really do something about it.

The DEPUTY SPEAKER (Hon. DGH Adams)—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.

Infrastructure, Transport, Regional Development and Local Government Committee

Report: Referral to Main Committee

Ms KING (Ballarat) (8.51 pm)—I move:
That the order of the day be referred to the Main Committee for debate.
Question agreed to.

Health and Ageing Committee

Report

Mr GEORGANAS (Hindmarsh) (8.52 pm)—On behalf of the House of Representatives Standing Committee on Health and Ageing, I am pleased to present the committee’s report entitled *Weighing it up: obesity in Australia*, together with the minutes of proceedings.

Ordered that the report be made a parliamentary paper.

Mr GEORGANAS—This report seeks to make a positive contribution to the debate about obesity in Australia and recommends ways to move from debate to action on this issue. The recommendations are presented to parliament and will also inform the national preventative health strategy, which sees tackling obesity as one of its priority areas. The latest National Health Survey figures released last month found that 68 per cent of adult men and 55 per cent of adult women are overweight or obese. Similarly high are the latest statistics on childhood obesity, which indicate that 7.8 per cent of children were considered obese. These figures reinforce the continually emerging data about the high and growing level of obesity in Australia. These figures indicate a significant personal, economic and social cost. Access Economics estimated the total annual cost of obesity in 2008 to be $58.2 billion. Of this total, the direct financial costs account for $8.3 billion, with a net cost of lost wellbeing amounting to a further $49.9 billion. These costs underpin the imperative for action.

The committee believes that individuals have the right to take responsibility for their own weight, but the inquiry has highlighted that the modern environment in which we live can make weight loss extremely difficult. The report outlines 20 recommendations which the committee believes will address the structural problems in our environment which currently encourage obesity. The inquiry heard concern about the lack of current and up-to-date data of the costs and prevalence of obesity and has made recommendations to address these data gaps. A number of witnesses called for changes to the health system to better treat and manage Australians who are overweight or obese. The committee has made recommendations that could achieve this.

There are a number of Australians who are already morbidly obese and whose treatment options are limited. The committee heard strong evidence about the effectiveness of
bariatric surgery for those whose previous attempts at weight loss have failed. The committee is wary of recommending people have open slather access to bariatric surgery, but nevertheless argues that access to publicly funded bariatric surgery should be improved for those patients who meet appropriate clinical guidelines.

There is also significant community concern about the role of industry and its contribution to the rate of obesity in Australia. The committee heard evidence about the need for more stringent food labelling, re-formulation of food products and food advertising. Changes in these areas can have benefits, and the committee has recommended that industry be encourage to make changes initially through self-regulation and working closely with all tiers of government.

The committee has been pleased by the interest in the inquiry and believes that there is real momentum in the community for action to reverse the high levels of obesity. We have seen that there is already significant action occurring within communities across Australia, and these actions should be harnessed as part of the response to obesity in Australia. The committee hopes that this report goes some way to highlighting that.

In conclusion, I am pleased some of my colleagues from the committee are here tonight. I would like to thank members of the committee, the deputy chair of the committee, Steve Irons, and all those who contributed to this inquiry, all the witnesses who put in submissions and gave evidence to the committee. I would also like to thank the secretariat staff for their efforts throughout the inquiry process, in particular James Catchpole, the committee secretary, who is here tonight at the table; Sara Edson, the inquiry secretary; and Penny Wijnberg and Dr Narelle McGlusky, the senior research officers of the committee. They did magnificent work and worked tirelessly to produce this report. Also I would like to thank Heather Witham from my office and Lilia Bednarek, who earlier on assisted me with the committee. I commend the report to the House.

Mr IRONS (Swan) (8.57 pm)—I am pleased to respond to the speech of the Chair of the House of Representatives Standing Committee on Health and Ageing on the report Weighing it up: obesity in Australia. I endorse the chair’s comments and acknowledge his efforts during the inquiry. As I only joined the committee in November 2008, at which time the inquiry had been established for seven months, I also acknowledge the previous deputy chair of the committee, the member for Menzies, Mr Kevin Andrews. I also acknowledge the other committee members, some of whom are in the chamber tonight, who participated in this inquiry into what is seen as an increasing problem in Australia—the level of obesity amongst adults and children of our nation.

I acknowledge the committee secretariat for the work and support they provided to the committee: the committee secretary, Mr James Catchpole; the committee inquiry secretary, Ms Sara Edson; and the committee senior research officer, Ms Penny Wijnberg. The committee took evidence from all over Australia. I know the trips I participated in were well organised with plenty of activities and meetings. I remember seeing a small look of trepidation on the faces of Ms Edson and Ms Wijnberg when returning from Wilcannia to Broken Hill as we flew through a dust storm.

This report has 20 recommendations, ranging from urging the government to continue supporting existing programs, such as the Active After-school Communities program and the Stephanie Alexander Kitchen Garden Program, through to recommending the development and implementation of the
healthy food code of good practice. It has the potential to see some action being taken towards reducing obesity in Australia. While the report recognises that individuals are ultimately responsible for their own health and wellbeing, the inquiry has highlighted that the modern environment in which we all live can make weight loss very difficult. It is stated in chapter 6 of the report that any strategy to successfully combat the growing problem of obesity will need to include community involvement and programs that are community centred.

All three levels of government will need to be involved as well as the support of groups within the community that run programs that are designed to encourage community participation, such as the Wellington Tonne program that we heard about in Broken Hill. During the inquiry, we saw a council program on the Gold Coast that involved people from the local community participating in Tai Chi classes on the reserve next to a beach. This should be a lead for other councils around Australia. They should look at what this council has done. I do not know if the member for Kingston has recovered from the strain on her hamstrings from that session yet.

Many areas were covered in this report. As the chair mentioned, the personal, economic and social costs to Australia from obesity place stress on our community and health services in all areas and underpin the need for action. Many people have different and varying views on this subject, extending from the simplistic solution of increasing breastfeeding rates in Australia from 19 per cent to over 50 per cent to help fight obesity and other chronic illnesses in our society to another simple act of reducing our intake of fructose. The community awareness of this societal problem is increasing and we must continue to alert all Australians to the benefit of a healthy lifestyle. Personally, I tried fructose reduction in my diet and six months later I am 10 kilograms lighter. I thank David Gillespie for presenting that bit of evidence and his book Sweet Poison to the committee.

On the matter of submissions to the inquiry, I must congratulate all the groups, associations, businesses and individuals who presented to the committee. The individuals who had the courage to tell their stories were fantastic, and I mention the member for Lyons, Mr Dick Adams, who spoke of his experiences.

As the chair said in his statement, the report touches on bariatric surgery, which is the surgical reduction of the stomach and includes lap band surgery and gastric bypass. I do not have firsthand knowledge of this surgery but have spoken with people who have. The reports are positive, but again, as the chair stated, the committee is wary of giving open slather access to bariatric surgery. We must all treat the causes of the symptom, as obesity is not actually a disease but a result of the person’s environment, lifestyle and eating habits. A holistic approach should be taken.

The chair stated in his speech that a number of witnesses called for changes to be made to the health system to better treat and manage Australians who are overweight or obese. I believe that the committee has made recommendations in this report that will put Australia on the pathway to achieving reduction in obesity levels in Australia. Recommendation 10 of the report states that the committee recommends that the Treasurer and the Minister for Health and Ageing investigate the use of tax incentives to improve the affordability of fresh, healthy food and access to physical activity programs for all Australians, particular in rural and remote areas.

In conclusion, I hope that this report contributes to the bettering of our lifestyles and
health in Australia. I commend the report to the House.

The DEPUTY SPEAKER (Hon. DGH Adams)—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.

Health and Ageing Committee
Report: Referral to Main Committee
Mr GEORGANAS (Hindmarsh) (9.02 pm)—I move:
That the order of the day be referred to the Main Committee for debate.
Question agreed to.

Education and Training Committee
Report
Ms BIRD (Cunningham) (9.03 pm)—On behalf of the Standing Committee on Education and Training, I present the committee’s report entitled Review of the Department of Education, Science and Training annual report 2006-07, together with the minutes of proceedings and evidence received by the committee.

Ordered that the report be made a parliamentary paper.

Ms BIRD—On behalf of the Standing Committee on Education and Training and in the presence of my deputy chair, Dr Dennis Jensen, I present the report on the committee’s review of the Department of Education, Science and Training’s annual report for 2006-07. The DEST annual report was tabled in February 2008. Since the 2007 election, portfolio responsibility for education has moved to the new Department of Education, Employment and Workplace Relations. The committee undertook the review of the annual report in order to acquaint itself with portfolio issues and establish a dialogue with stakeholders.

The report canvassed four areas of interest raised by members of the committee. These were, firstly, the adequacy of skills training to meet emerging demands; secondly, the effectiveness of the Australian qualifications framework; thirdly, the recruitment levels of mature age apprentices; and finally the decline in enrolments in enabling sciences at universities. The first three of these areas refer specifically to the operation of the vocational education and training sector, which is undergoing a period of intense review and significant reform. Indeed, that continued during the time in which the committee was looking at the topic.

A particular challenge to achieving adequate training to meet emerging demands in the VET sector is the development of green skills to promote sustainability principles. Examples of the application of new green skills can be found in areas such as harvesting recycled water, installation of photovoltaic cells and the conversion of cars to run on LPG. In many cases, the evidence before the committee from people such as the industry skills training councils was that the skill sets are not new but that the tradespeople need to learn to apply their existing knowledge in new ways.

Stakeholders identified some positives in the VET sector, such as the ongoing rationalisation of training packages to increase portability of qualifications across industries and indeed even within industries. However, areas of concern remain. Two such areas of concern refer to shortfalls in the number of VET teachers and ensuring qualifications reflect the expectations of trainees and industry employers. With the onset of the global financial crisis and an expected decline in employment vacancies, VET should be focused on having people skilled and ready to participate once the downturn passes. The capacity to get people skilled and ready for work requires adequate numbers of teachers to meet demand. Ensuring the standards of qualifications is also vital to those undertak-
ing training and to future employers. Ensuring quality of skills is reflected in the qualification is particularly important in an environment of increased competition in the VET sector, both domestically and internationally.

Taking into account the review and reform prevailing within the VET sector, the committee has made only one recommendation in this area arising from the report. The current regime of data collection does not require private providers of VET services to supply data. The committee believes that there is a potentially significant gap in information available to government and consideration should be given to requiring the privately registered training organisations to provide relevant data to the National Centre for Vocational Education and Research as a condition of endorsement under the Australian Quality Training Framework.

The committee also inquired into claims that there had been a decline in tertiary enrolments in enabling sciences—that is, the hard science subjects such as maths and physics. I am sure my colleague, the deputy chair, will have quite a bit to say on this as he had a particular interest in exploring this area. Statistics from various sources painted quite different pictures of what has been occurring in the science departments of universities. Figures provided by the department indicated little cause for concern, with enrolment levels remaining relatively stable. However, statistics and accounts presented by other stakeholders presented more alarming trends of decline in the enabling science enrolments. Discrepancies between data sets appeared to arise as a result of differing definitions of an enabling science that were used to aggregate data, as well as the time frame chosen to establish the trend in participation. Therefore, we have recommended the department consult with the stakeholders to improve the quality of this data.

I am sure the committee would join me in thanking the secretary of the committee, Glenn Worthington, the inquiry secretaries, Justin Baker and Jane Hearn, and the research officer, Ray Knight for their excellent work in supporting our investigation. I recommend the report.

Dr JENSEN (Tangney) (9.09 pm)—I rise to commend the report to the House. However, with regret I note that a review of a Commonwealth department’s annual report for the 2006-07 year is only now being tabled just weeks before the 2008-09 year. This two-year gap is unacceptably protracted, and has occurred for reasons I shall explain.

The Department of Science, Education and Training, as it was previously known, tabled its 2006-07 annual report in parliament on 13 February 2008 for reasons best known to the department itself. Consider though, that following the 2007 federal election, the department was disbanded and its responsibilities transferred to the new Department of Education, Employment and Workplace Relations. The House of Representatives Standing Committee on Education and Training decided on 29 March 2008 to review the annual report, and the document before you today is the result of that 14-month project.

The review highlights unacceptable delays by the department concerned in providing responses to requests for information from the committee. Information requested at the first public hearing on 6 June 2008 was not provided until 20 October, and information requested on 5 February 2009 was not received until 2 April. If a parliamentary committee receives this treatment from the department, what chance does a member of the general public have in obtaining responses within a reasonable time frame?

The review notes that the committee is concerned that Commonwealth departments
understand they are ultimately accountable to the people of Australia through the parliament of the people’s representatives. I trust the committee does not experience such tardiness on the part of the department in future. As such, a recommendation was made that the department provides in future annual reports details of the number of questions it receives from parliamentary committees and the time taken to respond to them.

On a positive note, I note that this committee continues to function in the best bipartisan spirit, and the document before you is a fine example of when members from both sides work together for the common good of the people. Although there will inevitably be differences of ideology and opinion on matters of the day, there is no doubt that the committee works for the best outcomes of the nation.

The review focuses on a number of issues I would like to highlight, and one of these in particular is the decline in university enrolments in the enabling sciences. These sciences—chemistry, physics and mathematics—provide the very foundations for innovation and development of technical expertise. The year 2006-07 saw a decline in undergraduate enrolments in all enabling sciences, most notably in my own field of physics. The fall in physics and astronomy enrolments for the year was 11.4 per cent. Thankfully, the number of postgraduate enrolments for enabling sciences was slightly up for the year and only down marginally at 0.2 per cent for physics and astronomy.

The figures for the year bucked a more positive trend in this field over the preceding five years. But the committee was told enabling science enrolments had been in steady decline over the longer term from 1989. The number of mathematical sciences students dived 33.7 per cent from 1989 to 2005, with physical sciences dropping 19.4 per cent over the same period. The number of chemical sciences students fell by 5.3 per cent. Making these figures even more disturbing is the fact that they are based simply on the numbers of students enrolled in particular courses, and make no allowance for the rapid population growth in that same period or the increasing percentage of people pursuing tertiary education. Reasons for these changing trends are varied, but appear to include both a lack of interest among high school students and a lack of quality science teachers at high school. It is very much a chicken-and-egg question: which came first—the lack of interest or the lack of good teachers?

The review details some suggestions for increasing enrolments in the enabling sciences, and I urge the government to implement some of the suggestions raised. There was some disagreement on interpreting enrolments data. The committee agreed that studies in these enabling sciences must be encouraged with initiatives commencing at the high school level at least. The sciences offer varied and rewarding career paths. They are rewarding to the individuals concerned and Australia as a whole. We cannot afford to neglect them. I commend the report to the House.

National Capital and External Territories Committee

Report

Mr SECKER (Barker) (9.14 pm)—On behalf of the Joint Standing Committee on the National Capital and External Territories, I present the committee’s report entitled Inquiry into the Immigration Bridge proposal, together with the minutes of proceedings.

Ordered that the report be made a parliamentary paper.

Mr SECKER—Since its inception Canberra has been designed with the highest ideals in mind. Its design elements are unique and it is home to some of the most distinctive
landscape design and architecture in the country. Canberra, as our national capital, is the chosen location to commemorate aspects of our democracy and history. The Immigration Bridge Australia proposal seeks to commemorate the contribution that migrants have made to Australia. The proposed 400-metre bridge will cross Lake Burley Griffin in the area of West Basin, linking the National Museum of Australia with the Parliamentary Zone at Lennox Gardens.

While the objective of recognising the contribution that migrants have made to Australia’s development is worthy, the proposal to build a bridge at this location has provoked concerns in parts of the community. In view of this, the committee was pleased to receive the reference from Minister Debus to inquire into the Immigration Bridge proposal. The committee had been made aware of the proposal through evidence in previous inquiries, and it was clear that there was some confusion within the community about the status of the proposal, the works approval process and the method adopted by the IBA to raise funds for the construction of the bridge. The confusion in the community has been exacerbated by the television advertising and sale of family plaques on a history handrail of the proposed bridge, despite the actual design of the bridge not being available and a development application not yet having been submitted to the National Capital Authority.

This report traverses the history of the proposal from its roots in the vision by migrant workers in the Snowy Mountains to commemorate the contribution of migrants to Australia’s development, including the role the NCA has played over the years in supporting this proposal and the amendment that inserted the footbridge into the National Capital Plan. The report also details the final development approval process and required statutory consultation measures, including heritage assessment, that will ultimately determine whether or not the bridge proposal proceeds in its current form, in a different form, in a different location or not at all.

Not surprisingly, the bridge proposal raised passionate views for and against, but a uniting sentiment was that the national capital was the appropriate location for commemorating the contribution of migrants. The committee’s objective was never to adjudicate on whether the Immigration Bridge should proceed or not. The report provides clarity on how the proposal got to this point and what checks and balances are in place as the IBA moves towards making a development application to the National Capital Authority.

The committee received over 80 submissions, and there is now increased awareness of the consultation process as the IBA advances its proposal. The committee made three recommendations which, if implemented, will improve aspects of the process. First, the IBA, in improving its transparency and accountability, would clarify its refund policy and make its financial documents available on the website. The committee also recommends that, if the proposal proceeds and the bridge is ceded to the Commonwealth, the government ensure that agreement to receive the bridge is met by increased government funding to the NCA to manage its ongoing maintenance. The final recommendation encourages the IBA to reconcile competing issues relating to lake users and the vista and heritage values of the lake and its foreshores. If the IBA finds that this challenge cannot be met, or its development application for the proposed bridge is unsuccessful, then the IBA should consider changing the location of the bridge or proposing an alternative memorial to migration.

In conclusion, I take this opportunity on behalf of the committee to thank all groups,
organisations and individuals who contributed to the inquiry.

Mr TURNOUR (Leichhardt) (9.15 pm)—I rise to also make some comments on this report. I know that the member for Canberra, Annette Ellis, would like to be here this evening. She is unavailable, but I have the privilege of being able to make some comments. I thank the member for Canberra for the work that she has done on this inquiry. It is a particularly important inquiry to this local community. It highlights the role that parliamentary committees can play in enabling discussion and debate on issues that are important. Nobody can doubt the sentiments put forward by Immigration Bridge Australia in terms of recognising the role that migrants have played in this country, but it is also important to understand that there are legitimate concerns within the local community, particularly lake users, about the proposal. This inquiry has enabled those competing interests to put forward submissions and a proper formal discussion to go forward.

The proposed bridge has been described as 400 metres in length and it would cross Lake Burley Griffin in the area of the West Basin, linking the National Museum of Australia with the Parliamentary Zone at Lennox Gardens. Immigration Bridge Australia is a not-for-profit organisation that is putting forward this proposal. It is dedicated to commemorating the significant role that migration has played in this country. It has roots going back, as the other committee member mentioned, to the Snowy Mountains scheme.

Whether you are a migrant descended from those who came out in the First Fleet or subsequent fleets, somebody who came out post the Second World War, an Asian migrant post-Vietnam, a skilled migrant or someone who has roots in family that have brought you to this country, each one of those Australians has played an important role and will continue to play an important role in our local community. They have unique and interesting stories to tell, and Immigration Bridge Australia, in seeking to commemorate migration, want to enable those people to have a commemorative monument in the form of a bridge. This would enable them to not only have their stories told through the website they are doing at the moment but also have their names inscribed on that bridge. Through that process they are raising funds to enable the bridge to be constructed.

The sentiments being put forward by Immigration Bridge Australia would be welcomed generally throughout the broader Australian community and I do not think there would be any conflict with that desire. But there are lake users—whether they be the sailing club, the rowing club, the dragon boat club or others who may just enjoy the vista as it currently is or have concerns as to heritage values—who have got real concerns about this proposal. We have had more than 80 submissions put to the inquiry. We have had two public hearings here in Canberra with a range of different issues discussed and debated. The role of the committee was not to adjudicate on whether this bridge proposal should go forward or not. It was to ensure that proper public consultation and discussion could go forward. I know that Immigration Bridge Australia has been following this inquiry intently, and so has the National Capital Authority.

The inquiry has sought, as part of that process, to enable discussion to proceed and as a result it has made three recommendations. The first is to ensure that there is improved transparency in relation to Immigration Bridge Australia. As I have said, they are raising funds towards the construction of this bridge. It is important, the committee felt, that there be some increased transparency in relation to this, including as to some
advertising that has been done in relation to this. It is important that the refund policy be made clearer. Also, the financial statements in terms of the funds raised should be publicised on the body’s website. Those are the issues that are dealt with in the first recommendation.

The second recommendation goes to the committee wanting to ensure that if this bridge is built the National Capital Authority receives proper funding for it. It is one thing to build a bridge; it is another thing to have the government then needing to maintain it. If the bridge is built, it is important that funds be made available to the National Capital Authority for the ongoing funding of maintenance.

The third recommendation goes to the issue of competing interests. It goes to the need for Immigration Bridge Australia to continue to work with those stakeholders who have concerns, as we know they do, and to seek to resolve them if this bridge is to be approved through the National Capital Authority. That is recognising that there could possibly be alternative locations for the bridge. If they are not able to progress with this particular proposal, they may seek another way of recognising migration to this country. (Time expired)

**Australian Commission for Law Enforcement Integrity Committee Report**

Ms PARKE (Fremantle) (9.25 pm)—On behalf of the Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity, I present the committee’s report entitled *Examination of the annual report of the Integrity Commissioner 2007-08*, together with evidence received by the committee.

Ordered that the report be made a parliamentary paper.

Ms PARKE—I am pleased to present the report by the Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity, or ACLEI as it is known, on the annual report of the Integrity Commissioner 2007-08. This is core business for the committee, whose task is to provide a supervisory link between the parliament and the function of ACLEI in its role as the oversight body for Commonwealth law enforcement agencies, namely the Australian Federal Police and the Australian Crime Commission, on issues of corruption.

As the committee chair, it is my honour to present the committee’s second report of this kind and to note that it marks another milestone in ACLEI’s development, because this annual report is the first by the commissioner to cover a full financial year. At the outset, let me confirm that in the committee’s view this annual report complies with all required reporting obligations. Let me also say that this annual report is an impressive record of ACLEI’s smooth transition to corporate autonomy and of the strengthening of its internal governance arrangements. As part of this process during 2007-08, ACLEI established an internal audit committee, comprising both internal and external members who will advise the commissioner on internal control systems, risk management, legislative and regulatory compliance, and the financial reporting and control of public money and assets. It is of course critical that leading anticorruption bodies like ACLEI set the standard when it comes to systemic and structural integrity. The creation of this internal audit committee is proof of ACLEI’s commitment to that high standard.

This and other achievements have provided a solid basis for ACLEI as it continues to build upon and refine its assessment and investigation expertise and as it continues to implement its broadbased anticorruption mandate. In this way it is notable that ACLEI
is more than a corruption investigation body. For example, during the reporting period ACLEI commenced reviews of the AFP’s and the ACC’s anticorruption plans, both to better understand the range of corruption risks that exist within those agencies and to examine how those risks are currently being managed. From my point of view as committee chair, and with my past professional interest in ethics and integrity training, it was very pleasing to hear from the commissioner that ACLEI’s education and prevention work is underway through the provision of information and educational resources to staff within the oversighted agencies in the form of appropriate presentations, training programs and publications. This proactive approach has resulted in several instances where ACLEI has received notification of matters earlier in the investigation process than it otherwise would have.

The committee notes that ACLEI has reported a noticeably increased workload since its inception in 2006, and the committee heard from the Integrity Commissioner that this trend is expected to continue through the 2008-09 work year. There are several reasons for this marked increase and these include the natural evolution and expansion of ACLEI into its role; the effective promotion within the oversighted agencies of ACLEI’s purpose and its operational powers; and the rising complexity of matters notified and referred to ACLEI for consideration. I note with satisfaction that the funding increase provided in last year’s budget has clearly allowed ACLEI to adjust its organisational structure and to better accommodate its increasing workload. This new structure has now been independently assessed and endorsed. However, the committee has also recognised, both in its inquiry into state based law enforcement integrity models and in its examination of the commissioner’s annual report, that ACLEI’s resources will need to be further increased if the agency is to be able to continue to respond effectively to the increased number of corruption matters being referred and notified to the Integrity Commissioner and in order for ACLEI to continue developing its pre-emptive education and risk review capacity. Accordingly, the committee has made a recommendation that the government undertake a review of ACLEI’s funding levels as a matter of priority.

As the chair of the ACLEI committee, I commend the commissioner and his staff for all their work. I thank my fellow committee members for their interest and participation in the business of this committee and, on their behalf, I also thank the committee secretariat’s members for their valued assistance in our work.

ADJOURNMENT

The SPEAKER—Order! It being 9.30 pm, I propose the question:

That the House do now adjourn.

Economy

Mr PERRETT (Moreton) (9.30 pm)—A few weeks back some unemployment figures came out that were a little bit surprising—certainly not anywhere near as bad as many pundits had predicted. And what did we hear from those opposite? We heard no grudging acknowledgment at all; instead old Hanrahan came out and said, ‘We’ll all be rooned!’ And on the ABC web news today, the first day of winter, there was a headline that read, ‘Retail sales figures edge up’. The article said:

Figures from the Australian Bureau of Statistics (ABS) show retail sales crept up by a seasonally-adjusted 0.3 per cent to $19.35 billion in April. There was another article today in the Brisbane Times which said:

The economy is showing signs of stabilising, with healthy retail and home sales in April and stronger factory orders in May.
According to the article, Moody’s Matt Robinson said:

It suggests Aussie households are in a lot better position than households in other major industrial economies.

Just tonight I heard Alan Kohler say, on the seven o’clock ABC News, that sales are holding. Even the share market is up today—a three-week high. Obviously it is way too early to talk about spring but all the positive signs are there that doing something is working.

What sort of response do all of these tentatively positive economic signs generate from those opposite? They generate nothing but silence. Why is this so? It is so because Malcolm Turnbull’s plan is the wait-and-see plan. Malcolm Turnbull’s plan is the let-her-rip plan—let the market rip and to hell with the consequences: do not worry about the unemployment; do not worry about the consequences of doing nothing; do not worry about the lives and the communities that are destroyed. Such despair is mere collateral damage in the opportunistic war the coalition is waging on responsible government. Those opposite sit there like a big set of vultures at the end of the Australian economy’s sick bed—perched, hovering. Well, I am sorry, scavengers, but there is still a hell of a lot of life in the old girl yet.

The members of the coalition really need to go back and talk to some of the small business people in their electorates. Do they know how to do a street stall? Do they know how to doorknock and talk to the businesses in their electorates? Obviously the wait-and-see policy has failed. I did a big street stall the weekend before last, and a couple of fetes on the weekend. And I did a ring-around last week when I was speaking about the special purpose vehicle legislation. I spoke to quite a few car sales people—I have a big strip of car yards in my electorate—and what did they say? They love what the Rudd government has done. I was speaking to people who have never voted Labor in their lives. I mean that literally—not in that loose Brendan Nelson sort of way.

Mr PERRETT—Thank you, Mr Speaker. How can the coalition fail to understand what our local community infrastructure program means in terms of jobs? How can they miss that? Don’t they realise that when we invest in the regeneration of schools—and there are schools in every single community—that we are letting tradespeople keep their apprentices on. By doing so, careers are saved and skills crises are avoided. It means that restaurant doors do not have to close, that waiters and chefs keep their jobs and that small business people who went into the hospitality industry—a very difficult industry—are able to keep the roofs over their heads.

Many of the Rudd Labor government investments will bolster our productivity tomorrow. ‘Productivity’—there is a word that those opposite do not seem to understand. Seventy per cent of the investments in the nation building for recovery plan are in roads, rail, ports, broadband, clean energy and other priorities that will stimulate the economy. This means that Australia will recover from the global recession faster than most advanced economies.

The coalition’s let-her-rip policy has failed. Their dole queue schadenfreude is misplaced. Deep down, those opposite who have an ounce of decency know why their hands-off approach was flawed from the start. It is the very reason that they say one thing in the House and something different when they sink out the side door back to their electorates.
Why doesn’t the coalition ask, any more, how many jobs are being created by the economic stimulus strategy? Why do you not ask that question any more? I remember when the Liberal Party used to stand for something. I remember that the National Party of my youth used to stand for something. Where have those agrarian socialists gone? How do those opposite live with themselves? Here is a piece of infrastructure the opposition should invest in—a big wall full of mirrors that they should drag into their party room tomorrow so that they can have a long, hard look at themselves.

Public Transport

Mr HAWKE (Mitchell) (9.35 pm)—I understand that the member for Moreton is a wonderful fiction writer and I have heard nothing tonight that would dissuade me from that view, because that was a wonderful work of fiction. I rise tonight on behalf of my electorate to speak on a theme that will be familiar to most members here, whatever their persuasion—that is, the ongoing incompetence of the New South Wales state Labor government to manage transportation in metropolitan Sydney.

It is with a great deal of difficulty that I record for the House tonight that once again the people of north-west Sydney and the outer suburbs of Sydney have been badly let down by a state Labor government that has no idea how to provide effective transport solutions for metropolitan Sydney. Many residents of my electorate and surrounding electorates, including Berowra, have been subjected to a failure concerning bus changes to the Region 4 Bus Network, operated by the private operator Hillsbus.

Last year the state Labor government announced, with much fanfare, a review of Region 4. They promised an extensive consultation period that would take into account the views and the wishes of the local residents—that is, the people using the bus routes or those who would consider using them if a proper and efficient service was available across my electorate. But after six months of waiting for a final outcome what do you think happened? The changes to Region 4 were made public with only three days notice. That is right—three days notice for commuters who travel to school or to the city and who have to use the only form of public transport that is provided within my electorate.

For those members here in the chamber tonight who are not from Sydney or who do not know or have not heard me say this before, the electorate of Mitchell is the single most car-owning electorate in the entire country. There is no higher rate of car ownership than in my electorate. But is my electorate a priority for a rail line in metropolitan Sydney? No, of course it is not. The rhetoric of the New South Wales state Labor government on climate change, on the environment and on transport solutions for Sydney is just that—rhetoric. The single highest usage of cars within the country, in my electorate, is not a priority for the state Labor government.

But perhaps that is because my electorate is a safe Liberal electorate. Is that the reason why it is not being provided with a rail line? Of course, we know that the south-west rail line has also been shelved by the New South Wales state Labor government. So it is not the case that it is simply the north-west of Sydney; it is the south-west of Sydney, the outer suburbs and the outer regions of the biggest city in Australia, that is suffering from a government that has lost control of the public finances in New South Wales.

These changes to the bus routes had a severe impact upon my constituents. With three days notice, you can imagine the parents trying to get their kids on buses to school, people attempting to get to work and the chaos
that ensued across Sydney because of the lack of preparation, because of the incompetence in the handling of the changes. Once again, it was an overall reduction in services and a reduction in the quality of the service. Once again, the people of metropolitan Sydney have been short-changed by their state government.

What is another good example of New South Wales Labor and its relationship with the federal Labor Party that sits here in this chamber? Would you imagine that in the budget, with this nation building that we hear about day in, day out, there would be major infrastructure projects like the ones all across Australia that we have been hearing so much about in the biggest city in Australia with some of the most transport deprived metropolitan areas? Well, Mr Speaker, I am here to tell you tonight that Sydney received only one thing in the budget. That was $91 million to fund a study into a metro line which would duplicate an existing heavy rail line from the CBD to Parramatta. There is already a heavy rail line there. There are already bus routes available there, but the outer suburbs of our biggest city, south-west and north-west, failed because of the New South Wales state Labor government’s incompetence. So there is a study for the most transport deprived regions of Sydney.

I rise tonight to say on behalf of my electorate that it is not good enough. The state Labor government is not only failing to make adequate preparations to receive federal government money; it is failing to provide adequate bus services or other transport solutions for people within Sydney. I would like to know tonight which members here—the member for Prospect, the member for Lindsay, the member for Fowler or perhaps the member for Benelong, who is sitting at the table—have made representations to the minister for infrastructure, because somebody needs to do so. **(Time expired)**

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**University of Newcastle**

*Ms NEAL* (Robertson) (9.40 pm)—As excited as I am by the contribution of the previous speaker, the member for Mitchell, I have much more important things to speak about. I rise today to inform members that the Central Coast campus of the University of Newcastle, which serves the Central Coast region where my electorate of Robertson is located, is this year marking its 20th anniversary.

Classes began at the Ourimbah based campus in July 1989 with just 60 students. It is significant that the name ‘Ourimbah’ is an Indigenous word for ‘place of learning’. In the two decades since then, the university has undergone a period of healthy growth and become a respected and valued part of the intellectual life of the Central Coast. Today there are 6,500 students studying there, with more than 1,000 students graduating this year alone. The campus employs more than 200 staff. The success of this institution shows that students do not have to abandon the regions and migrate to capital cities to achieve world-class tertiary education. Local students can continue to learn where they live, staying in touch with family and friends and keeping our regional economy strong and its intellectual life vibrant.

The university has a whole year of celebratory activities planned to mark this milestone event. In March a commemorative tree, a Wollemi pine, was planted on the grounds in a ceremony that began with a welcome to country by the Darkinjung elders. This marked 20 years to the day of the planting of the foundation tree in 1989. The anniversary year will feature art competitions and debating competitions. In April the campus hosted an education and training forum called ‘A Smarter Central Coast’ designed to improve work and study options on the coast. On 24 July 2009 a formal anniversary dinner will
be held to celebrate two decades of educational excellence.

Today the campus at Ourimbah is what is known as a multisector campus, containing three allied institutions collocated within the one campus. As well as the higher education stream of the university, the campus hosts the Hunter Institute of TAFE New South Wales as well as the Central Coast Community College. Of course, the integration of these three levels of education is what is so important. It allows students to move seamlessly from one to another.

The community college was established in 1982 and now offers more than 800 courses. The TAFE college focuses on critical areas of skill shortage and specialises in tourism, hospitality and event management, building and construction, child studies, accounting, IT, music, health and community services. The university offers 18 undergraduate degrees and seven postgraduate streams of study.

Like the TAFE, the university addresses areas of skill shortage in the region. Its recognised research strengths include marine science, sustainable resource management, exercise and sport science, and food science and human nutrition. These areas of research strength have been underpinned by a network of community partnerships in a range of areas. Educational collaborations have been established between the university and other local institutions, government and business. These partners include the Department of Primary Industries, the Community Environment Network, the Central Coast Academy of Sport, Sara Lee and the Central Coast Mariners Football Club.

In 2002 a study was undertaken into the economic contribution made by the University of Newcastle to the Hunter and Central Coast regions of New South Wales. It showed that every dollar of university revenue generated $2.75 of economic activity in the local communities. The university has helped build a stronger, smarter Central Coast. It is committed to creating a prosperous and vibrant future for our region. It shows that excellence in education can be delivered locally and that it can be delivered in a way that means that the community can be part of the process. It means that the university is servicing a need for specialist skills in the local community, in business and in government, and that in turn it can provide an education which will mean the students have the skills at the termination of their education that are needed in the community and will lead to further employment. I am thrilled to be part of the university’s celebrations. I congratulate them heartily on all their efforts, not only throughout this year of celebrations but over 20 years. (Time expired)

**Economic Security Strategy**

Mr BRUCE SCOTT (Maranoa) (9.45 pm)—I rise this evening to express my grave concern for the Australian people at the reckless way the Rudd government splashed around borrowed money as part of the latest stimulus package. The Liberal-National coalition has said from the very beginning that this decision to throw money around willy-nilly was ill thought out and rushed. Now that the bonus payments have been rolled out across Australia by the Australian Taxation Office and it is now clear who is receiving them and who is not, it has become even more obvious how hastily this decision was made. This is not surprising from a government that focuses everything on spin and nothing on substance. The tragedy is that many hardworking people have missed out on the bonus, yet they will be saddled with the debt just like every other Australian, while we have seen cash splashed upon people who have in fact left our shores.
Since the Prime Minister’s cash splash was announced I have had a number of calls to my electorate office from constituents who will not receive the bonus. They are angry because they feel there should have been a fair go for all and they see this as quite unfair. Despite working hard, they will not receive any money from the Prime Minister’s Santa sack. Understandably, they think it is an unfair decision by a Prime Minister who so often talked up a ‘fair go’ for all Australians during the election.

Ms Neal—Sarcasm is the lowest form of wit!

Mr BRUCE SCOTT—I know of siblings in one family, in fact twins, where one got the $900 and the other did not get anything. They think it is grossly unfair, I can assure the member for Robertson. Many hardworking people did not receive the bonus because they were on a low income and received their tax back through the low-income rebate. Even though they have been contributing to society through their employment, they did not receive the bonus payment because the Australian Taxation Office returned their tax. These are the very people who are currently struggling to pay bills, clear debts and buy essential items. They would have put the bonus to very good use, but instead they have missed out. They are understandably upset when they read the papers and find out that expatriate Australians are receiving the bonus to spend overseas, which will have no beneficial impact on our Australian economy, despite the Prime Minister claiming otherwise.

I have also heard from and spoken to many farmers who are still struggling through what is a very long and arduous drought for them and their families. Many are either running their farms at a loss or at such a low profit that they are not paying any tax. They have missed out on the $900 just because they did not pay any tax. These are the very people who feed our nation and work long hours. I remind members of this House that the food they buy from their supermarket shelves does not come from those shelves; it comes from hardworking farming families that deserves to be recognised for this bonus payment. Money certainly cannot bring rain, but I am sure this money would have been put to good use by our farmers—again, to help pay some of the bills, to clear debts, to put food on the table or even to buy much-needed small equipment for the farm to make a bit of a difference.

Perhaps what is even more frustrating for these hardworking people who have missed out is that their money is not from a budget surplus; it is borrowed. So not only did Kevin Rudd make the hasty decision to throw untargeted dollar bills around; he also borrowed the money to do so. One can perhaps understand the frustration being felt by our farmers battling through drought or by low-income workers struggling with the higher cost of living because, thanks to this government’s reckless spending, they and their children are now burdened with a $9,000 debt that one day they will have to pay back out of their taxes.

I am struck by the incompetence of this Labor government. In their hot pursuit of the next newspaper headline, they have managed to take Australia’s federal budget, the country’s household budget, and turn it from a $20 billion surplus—$20 billion in the bank—to a $58 billion deficit. That is a whopping $78 billion turnaround in just 18 months. What an achievement! Despite being handed an economy that was the envy of the world, the wonder down under, this Prime Minister and the Labor Treasurer have accomplished the feat of taking us into a $300 billion debt—**(Time expired)**
Iran

Mr DANBY (Melbourne Ports) (9.50 pm)—In 11 days time there will be an election in Iran. The new President of the United States has quite intelligently, in a sophisticated way, hoped that the democratic process in that country will achieve what might not be achieved by military or other action in terms of Iran’s proliferation of weapons. But on 20 May Iran launched a solid fuel, Sajjil-2 surface-to-surface ballistic missile. With a range of more than 2,000 kilometres, it has the capacity to reach cities of eastern Europe. The production, testing and use of this weapon should raise concerns as the Sajjil-2 is a more sophisticated missile than the Iranians have previously launched. It is a solid fuel missile that can be stored for years, is hard to detect before its launch and, as the Financial Times reported, can be fired in salvos, which makes it harder to intercept and defend.

In the Guardian on 20 May, Mark Fitzpatrick, an analyst with the International Institute for Strategic Studies, spoke of the significance of the Iranians’ development of such a weapon. The article states: “To be able to build a solid-fuel missile of medium range represents a significant technological breakthrough,” Fitzpatrick said. “It is technically more difficult than a liquid-fuel missile, and militarily more significant because it is not as vulnerable to attack while being fuelled.”

Iran’s development of these ballistic missiles is very worrying, as these missiles which can have the capability of carrying nuclear warheads with, as I said, a reach as far as eastern Europe. Iran’s launch, coupled with the nuclear test by North Korea, should be a stark reminder to the world of the risks of nuclear proliferation, especially weapons of mass destruction. The comments from Iranian President Mahmoud Ahmadinejad after the launch of the missile point to a path of fear and aggression, as many people have pointed out. He said, talking about the United Nations Security Council:

We send them a message: Today the Islamic Republic of Iran is running the show …

The launch came just days after US President Obama and Israeli Prime Minister Netanyahu met in the White House to discuss Iran’s development of nuclear weapons.

The new technology enables the missile to be smaller and therefore harder to intercept. The International Atomic Energy Agency, in a report by its Director-General in February this year, stated that they remained concerned over Iran’s ‘lack of cooperation’ with the agency in regard to the ‘possible military dimensions’ of Iran’s nuclear program. Further, Iran has failed to comply with the provisions of Security Council resolutions 1737 (2006), 1747 (2007), 1803 (2008) and 1835 (2008), calling on Iran to cooperate with the International Atomic Energy Agency and to suspend its proliferation activities without delay.

Let us be under no illusions: Iran will weaponise its nuclear material, and its plans to develop hundreds of missile launchers and 1,000 ballistic missiles constitute one of the most important dangers to the peace of the world.

One of the key elements that make people hope the democratic process in Iran will solve this problem is the nature of the current Islamist regime there. Many Persians are very sophisticated people; I am sure they and their children wish for a happy and decent future, as all of us in different countries of the world do. But this particular regime in Persia is led by a group of people known as Twelvers, an extreme variant of Shia Islam, who believe in the imminent coming of the Hidden Imam. Ahmedinejad and his group believe that by their activities they can hasten the coming of the Hidden Imam, also known as the Mahdi. Their ideology is one
which I think it is impertinent for us to believe they do not take seriously. They mean what they say: they are going to develop nuclear weapons. They have shown they have the capacity to develop long-range ballistic missiles, and I am afraid that, in a worst-case scenario, they may have the intention to use them.

This is not an issue for any one country; it is an issue for all countries in that part of the world. All countries like Australia, through the United Nations, must do everything we can to prevent a military confrontation there and the acquisition by this very hardline regime, with its very special ideology, of weapons of mass destruction such as ballistic missiles and nuclear weapons. The nuclear weapons program of Iran must be subject to the International Atomic Energy Agency. I call on all countries of the world to join Australia in that effort.

**Fadden Electorate: Government Spending**

Mr ROBERT (Fadden) (9.55 pm)—Mr Speaker, what a pleasure it is to remain in the House with you this evening! I rise to continue to give my very vocal support to the Gold Coast City Council’s application to the Australian government’s Jobs Fund program for much-needed social infrastructure in Labrador. I urge the government to accept and support that application to the Jobs Fund. To remind the House, the rapidly growing Gold Coast faces an enormous shortfall of appropriate social infrastructure to serve the growing needs of the population. Indeed, my electorate of Fadden is the fastest growing electorate in the nation.

The Gold Coast City Council has made a concerted effort on a number of fronts to rectify this situation and, as part of this strategy, has used funds to buy strategic sites that can be developed for social and recreational use. In 2007, the council authorised formal negotiations with the Uniting Church for the purchase of their site at Billington Street, Labrador for recreation and community purposes. The site adjoins Arthur Downes Park and Baden Robin Park, both of which have existing infrastructure, including barbecues, play equipment, tennis courts, toilets, a very basic skate area, and two halls for the Guides and Scouts. The site is also centrally located and close to public transport, has access to a range of services, has employment opportunities and is very close to other recreational areas. The site has been functioning as a church since the mid-1950s, but there has also been a large youth and community facility on the site for 25 years.

The project for which my vocal support has been sought and for which funds are being sought from the government’s Jobs Fund is the redevelopment of this site as a multi-functional community hub with particular elements that include adult education, counselling services, opportunities for social enterprise, arts and cultural spaces, youth-specific facilities, a men’s shed—for blokes to build stuff!—and enhanced connectivity to other parklands. Keep in mind that the suburb of Labrador has experienced a significant increase in unemployment from 5.9 to seven per cent, and it is anticipated that that will rise, hence the application to the Jobs Fund.

I urge the government to get behind this great initiative in the suburb of Labrador. The northern Gold Coast has very few specific recreational places where young people can be involved. In Labrador, this is the only one. As we move north to Runaway Bay, there is another centre there on the corner of Lae Drive and Olsen Avenue. The Oxenford and Coomera Community Youth Centre is another one. But there are only three or four centres, and they pale into insignificance compared to what the northern Gold Coast needs.
I thought I would also see what other expenditure is happening in the suburb of Labrador, so I went to www.economicstimulus.gov.au, that great site on the World Wide Web—which, funnily enough, does not meet Labor’s own guidelines, with Minister Albanese spruiking the great Labor initiatives in defiance of his own advertising guidelines. Be that as it may, I noticed there were six projects in my area funded under the National School Pride program, including three at a school called Kentville State School. Now, I pride myself on knowing all the schools in my electorate and I was not familiar with the Kentville State School. I am sure you can imagine my surprise when I found the school was a co-educational school situated in the Lockyer Valley, on the south-western edge of the Laidley shire, some 200 to 300 kilometres away from the thriving metropolis of Fadden. I encourage the member for Grayndler and indeed his department, if they are going to put up such information and spruik the benefits of their stimulus package, to try and get it right.

The SPEAKER—Order! It being 10 pm, the debate is interrupted.

House adjourned at 10.00 pm
Monday, 1 June 2009

The DEPUTY SPEAKER (Ms AE Burke) took the chair at 4.22 pm.

 COMMITTEES

Migration Committee

Report

Debate resumed from 25 May, on motion by Mr Danby:

That the House take note of the report.

Mrs D’ATH (Petrie) (4.23 pm)—I rise to speak on the second report of the Joint Standing Committee on Migration, Immigration detention in Australia: Community-based alternatives to detention—Report, May 2009. I had the opportunity to speak on 2 December 2008 in relation to the first report of the committee, Immigration detention in Australia: A new beginning—criteria for release from detention, which dealt with the criteria which should be applied in determining how long a person should be held in immigration detention and when a person should be released from immigration detention following health and security checks, and a review mechanism for ongoing detention, removal practices and detention costs. I am pleased to say that, since that report, the Minister for Immigration and Citizenship, Senator Chris Evans, has introduced the Migration Amendment (Abolishing Detention Debt) Bill 2009. I congratulate the minister for introducing that bill at such a pace, to take into account the recommendations in the committee’s first report.

Today I am speaking in relation to the second report on community based alternatives to detention. There are a number of recommendations that the committee has brought down in relation to this report. Importantly, I should first outline what this report seeks to address. The terms of reference specifically being dealt with in this report include:

• options for additional community-based alternatives to immigration detention by
  (a) inquiring into international experience;
  (b) considering the manner in which such alternatives may be utilised in Australia to broaden the options available within the current immigration detention framework;
  (c) comparing the cost effectiveness of these alternatives with current options.

The third report, to be tabled in 2009, will address service provision and the infrastructure required to support the immigration detention framework for the future. The recommendations that have been handed down in this report certainly support the position of the Rudd Labor government and the principles that have been outlined by the minister to taking a risk based approach, with detention as an option of last resort.

Madam Deputy Speaker, I will take you through some of the key recommendations that come out of this report. The first, and I believe one of the most important, is the recommendation for the government to:

… reform the bridging visa framework to comprehensively support those released into the community, with appropriate reporting or surety requirements.

The committee heard considerable evidence in this inquiry about the substantive flaws in the current visa system, particularly the way bridging visas are applied to those asylum seekers and the criteria attached to those bridging visas. This evidence led to a number of the other
recommendations relating to the committee’s belief that the bridging visa framework needs to be completely reformed. The fundamental issue is that, although bridging visas are being given to unlawful noncitizens upon release from detention centres, the reality is the majority of bridging visas that are provided or issued to these unlawful noncitizens do not allow for their ability to work. That is the fundamental issue: we are releasing people from detention and, in effect, potentially condemning them to destitution in our communities.

Except for those who have the ability to financially support themselves or have family that can financially support them, these people are released into the community with, in many cases, no housing, no right to work, no right to welfare entitlements and no right to access any subsidised health care. Consequently, what these people reported to the committee—in personal cases that were expressed to the committee in submissions and in evidence but also from many organisations that speak on behalf of these people—is that they have to live off charity. They have to beg. They have to go from place to place to try to get food and to try to get shelter. Many of these people have children, so this is affecting not only adults in our community but also children. The only way to describe it is that they are living in total despair. It is in this context that the committee believed it was appropriate—more than appropriate; absolutely essential—that we recommend that the bridging visa framework be reformed to provide basic rights. One of those rights is, of course, the right to work. That is outlined in recommendation 10, where the committee recommends that the Australian government:

… reform the bridging visa framework to grant all adults on bridging visas permission to work, conditional on compliance with reporting requirements and attendance at review and court hearings.

In recommendation 8, the committee recommends that there be:

• basic income assistance that is means-tested
• access to necessary health care
• assistance in sourcing appropriate temporary accommodation and basic furnishing needs, and provision of information about tenancy rights and responsibilities and Australian household management, where applicable …

This goes only to part of the recommendations.

There is an assumption in the community and at levels of government that, if we allow people to have work rights and give them basic, humane entitlements to be able to support themselves and their family, they will be less likely to return if they are unsuccessful in their application to obtain residency in Australia. But, in fact, all of the evidence brought before the committee from people who have been personally affected and from many organisations that represent these people shows quite the opposite. These people are not destitute. They are able to work and provide their family with a roof over their heads, food on the table and clothes. They have more confidence and higher self-esteem. Consequently, they have the ability to deal with their applications. They are able to more readily make decisions that are suitable for them and their family and to consider the advice being given to them in relation to any appeals process or decisions made. This is much harder for the people who are worrying about how they are going to survive—how they are going to feed themselves and where they are going to sleep that night. That is certainly the evidence we have heard.

The recommendation clearly from the committee is that there is no need for community detention. Once the appropriate health, identity and risk assessments that were outlined in the
first report have been done then a person should be released into the community and be able to remain in the community until such time as their application has been considered and a decision has been made one way or the other. Certainly this is what this report is all about: once those assessments are done, as outlined in the first report, what do we do with the unlawful noncitizens? What is the appropriate and humane way to deal with these people who have arrived in our country until such time as our processes have been completed and these people have been given a definitive outcome to their application? What the committee, in the main, agreed to do was to release these people into the community and give them basic rights—fair and reasonable rights in my opinion—that allow them to have a reasonable quality of life until such time as the processes are finalised.

I note there are a number of minority reports. The member for Murray has put in a minority report. That is quite surprising because the member for Murray’s minority report seems to say that she does not believe these people should be released into the community—that, in fact, they should remain in detention until such time as any appeal process or application has been finalised. This clearly flies in the face of the first report, which the member for Murray actually supported. I am very surprised about the decision made by the member for Murray. I hope it is not a position that is going to be reflected more widely when this government seeks to implement the recommendations put forward by this committee. I take the chamber to the minority report of the member for Murray. It states in paragraph 1.14:

A better alternative for those unlawful non-citizens currently in detention as they seek a resolution to their asylum seeker status is for DIAC to commit every possible resource to resolving the individual’s status, with additional resources committed to do this work if required.

Those commitments have been made. In fact, additional commitments were made in the 2009 budget, which I will talk about shortly. The member for Murray goes on to say:

If their claim is rejected, the individual should continue to be detained in one of the excellent transit facilities until swiftly deported. If they choose to appeal, they should remain in detention until the appeal is resolved. Where the individual’s claim is successful, they would then be swiftly transitioned out of detention into the community to begin their new life, with no ambiguity about their status remaining.

That, in my view, contradicts the position taken by the member for Murray in the first report where the majority, including the member for Murray, supported the view that upon the health, identity and risk assessment being done people should be released from detention and that detention should be a matter of last resort.

I would like to acknowledge the announcements made by this government in the 2009 budget where the Rudd Labor government has committed to an additional $14 million for the assisted voluntary return program. This encourages and facilitates those found not to meet the criteria for entering into Australia to return home. That was certainly one of the recommendations out of this second report. In recommendation 7 the committee recommended:

… that the Australian Government establish a voluntary repatriation program, similar to that run by the International Organisation for Migration through the Community Care Pilot, which can be accessed by all people whether in detention or released on a bridging visa.

It is certainly welcoming to have the government make those announcements in its 2009 budget in addition to increased funding for programs to assist those granted asylum and $77 million in funding over the next four years to support the use of risk based detention policy focusing on a timely resolution.
In conclusion, I record my thanks for and acknowledgement of the extensive and thorough work done by the committee chair, Michael Danby. I would like to make special mention of the secretariat for all their work and the great work of the deputy chair, Danna Vale. I commend the second report of the Joint Standing Committee on Migration and look forward to speaking on the third report.

Mr GEORGIOU (Kooyong) (4.38 pm)—I wish to speak tonight on the second report of the inquiry into immigration detention by the Joint Standing Committee on Migration. In May last year, the Minister for Immigration and Citizenship, Senator Chris Evans, requested that the committee inquire into and report on immigration detention in Australia. The committee’s first report was tabled last December and it addressed the duration of and means of release from immigration detention. That first report made a number of valuable suggestions and I, together with fellow committee members Senator Alan Eggleston and Senator Hanson-Young, approved of those recommendations but dissented from its proposal of a model that allowed people to be held in detention for 12 months without any independent judicial oversight. We proposed an alternative model which includes judicial review.

As yet, the government has not responded fully to the recommendations of the committee’s first report, but I do acknowledge and congratulate the government for taking steps to implement the committee’s recommendations calling for the abolition of detention debt. The imposition of a fee for incarceration has been one of the unacceptable features of Australia’s mandatory detention regime—a regime which was introduced by the Labor government in 1992.

The committee’s second report examines options for community based alternatives to detention. We believe that the development of viable alternatives to detention is a fundamental part of the reform process. In 2005 the former government initiated significant reform to law and policy to enable the release of children and their families from detention centres into the community. By July 2005 all children and their families were placed in the community. In July last year the Rudd government introduced a new policy which aims to limit mandatory detention to those individuals who pose a health, security or compliance risk. I welcomed this as a further step towards the establishment of a more humane approach to immigration detention, and the committee’s second report continues this move by focusing on alternatives to detention and the means of support for those released from detention and living in the community. I believe that the model of release via a reformed bridging visa system proposed in the report is another step in the right direction and that the report also makes some valuable suggestions about more humane bridging visa conditions which are intended to ensure that people are provided with the social and economic support they need to live adequately and decently in the community.

In my view, there are two areas of significant concern that the report has not addressed. The first is the detention of children in immigration residential housing and immigration transit accommodation. The second is the lack of transparency in the proposed model of release by bridging visa. The harmful effect of detention on the family lives and the development of children is well documented. It was reiterated to the committee in numerous submissions, notably by the Royal Australasian College of Physicians and the Australian Psychological Society.
It is worth noting that, in response to a rising tide of opinion strongly opposed to the detention of children under the mandatory detention regime, the former government amended the Migration Act to include the statement:

The Parliament affirms as a principle that a minor shall only be detained as a measure of last resort.

That was in 2005. As a consequence, in July 2005 all children and their families were released into the community through a mechanism known as residence determination. Under the changes then made to the Migration Act, the minister is empowered to determine that a specified person may reside at a specified place such as a flat or a house in the community instead of being detained at a place of immigration detention. As the explanatory memorandum to the 2005 bill states:

Under these arrangements, detainees would be free to move about in the community without being accompanied or restrained by an officer under the Act.

The granting of residence determination has been the mechanism through which the former government’s commitment to release children and their families from detention into the community has been fulfilled. In the course of its inquiry, however, the migration committee received disturbing evidence of instances in which children had been held for extended periods of time in forms of immigration detention other than immigration detention centres. It is important that we are clear that the 2005 reforms and the legislative change that gave them statutory effect were intended not only to release children and families from immigration detention centres but to release them from, as I said, all forms of detention other than a residence determination, allowing them to live at liberty in the community with only minor restrictions such as their parents’ reporting requirements. I have, therefore, been concerned—I am aware that this concern is shared by others, and it was brought to the committee’s attention in submissions—that the government’s new detention values only explicitly prohibit detention of children in immigration detention centres.

According to the most recent departmental statistics, as at 15 May 2009 there were a total of 55 children in either immigration residential housing, transit accommodation or alternative detention in the community. ‘Alternative detention’ includes detention in the community with a designated person in private houses, correctional facilities, watch-houses, hotel apartments, foster care and hospitals. By contrast, according to the most recent count, there are only 27 children on residence determinations living freely and unsupervised with their families in the community.

I do not believe that the majority report gives adequate weight to the evidence received by the committee from the International Coalition on Detention of Refugees, Asylum Seekers and Migrants, which said that long-term use of these detention alternatives for families and individuals with health issues is not something that should be accepted. Evidence was also submitted to the inquiry by the Australian Human Rights and Equal Opportunity Commission that it has been aware of several cases where children and families have been detained in immigration residential housing facilities for a significant period of time. The submission tells of the stress suffered by a family with a small child and a pregnant mother held in immigration residential housing for two months. This evidence is further updated in the commission’s report on 2008 inspections, which revealed that a family with a baby and a five-year-old child were detained in immigration detention residential housing for three months. The committee also received verbal confirmation from the Department of Immigration and Citizenship that
children would now be held in immigration residential housing beyond the period of initial assessment.

The report provides descriptions that closely mirror the promotion materials readily available on the department’s website that speak of landscaped areas at detention centres, quiet areas for reading and other activities, units with disability access and the provision of full catering, including all meals and snacks as required. The committee does acknowledge that facilities termed ‘immigration residential housing’ remain secure and closed environments with restricted access and a security presence at reception. These facilities have security measures in operation for monitoring—from cameras and alarm systems to guards at the doors. We have all seen them. The fact is that these are still closed detention facilities which, however sophisticated the security monitoring may be, have one ultimate aim and purpose: to prevent people from passing through the door. The object of the 2005 reforms regarding children was to allow families to live in the community, attending day school, day care and so on without supervision because the Australian community would no longer accept children being detained in secure detention. I am very concerned that we may be slipping away from our obligations.

The second issue that was inadequately addressed in the committee’s report in my view is transparency. In the majority report the committee recognised both the benefits of maintaining a high level of transparency in the migration system and the damage that has already been done by its absence. The report states:

Consistently the evidence reported a lack of transparency in DIAC decision-making which diminished the rigour of the immigration system.

It cautions:

Failure to provide this transparency will inevitably lead to inconsistency, poor outcomes for people, an increase in review applications, and an even greater loss of public confidence in our immigration system.

While the report correctly diagnosed the malaise, its recommendations fall far short of a remedy. Recommendation 4, for instance, proposes that there be provision in writing of reasons for a bridging visa refusal. Since the provision of written reasons for bridging visa refusals is already standard practice in the department, it really is difficult to see that this contributes a great deal more. Furthermore, simply providing reasons for decisions does not constitute a sufficient mechanism of accountability. The report mentions in the second part of recommendation 4 the introduction of external scrutiny of the decision to continue detention. I am not sure what this means, but if the committee intended that full merits review provisions should be provided to those for whom release from detention has not been granted, it should say so explicitly and unapologetically.

As in the first dissenting report, we strongly disagree that public servants should have unfettered power to detain, without independent external scrutiny. These concerns are not alleviated by the model of release by bridging visa proposed in the second report, particularly not by the paucity of transparency measures presented in recommendation 4.

I wish to add my voice to those of other committee members who have thanked the many contributors to this inquiry. I also wish to express my gratitude to the secretariat. I, along with other members of the committee I am sure, was particularly moved by the testimony provided by community groups such as the Hotham Mission and the Asylum Seeker Resource Centre in
my home state of Victoria. They have carried more than their share of the burden of providing
economic, legal and emotional support to asylum seekers in the community. We should all rec-
ognise, and express our gratitude for, the extraordinarily commendable service over many
years by these groups. I look forward to the third report.

Mr ZAPPIA (Makin) (4.51 pm)—As a member of the Joint Standing Committee on Mi-
gration, I take this opportunity to speak to the second report of the inquiry into migration de-
tention, Immigration detention in Australia: Community-based alternatives to detention—
Report, May 2009. At the outset, I place on record my personal appreciation of the excellent
work of the secretariat to that committee and also to the leadership of the member for Mel-
bourne Ports, who was the chair, and the deputy leadership of the member for Hughes. I be-
lieve their contribution to the work of the committee resulted not only in a very balanced and
fair report but also to what I believe is largely a bipartisan report. Certainly there might be
elements within the report on which there has been some disagreement—I accept that—but
broadly, if one were to look at the entire report, I think it would be fair to say that there was
far more agreement than disagreement by members of the committee.

Last year, the Joint Standing Committee on Migration began an inquiry into a wide range
of issues to assist the government in rebuilding public confidence in the integrity of our im-
migration detention system and to build a more humane system consistent with Australia’s
international obligations. The committee’s first report, Immigration detention in Australia: A
new beginning—criteria for release from detention, released last December, covered the first
two terms of reference of its inquiry—firstly, the criteria that should be applied in determining
how long a person should be held in immigration detention and, secondly, the criteria that
should be applied in determining when a person should be released from immigration deten-
tion following health and security checks.

It was particularly pleasing on that occasion that the committee achieved a very high de-
gree of apparent agreement. The committee at the time of the December report included De-
puty Chair Danna Vale, the member for Hughes; Senator Alan Eggleston; Mr Petro Georgiou,
the member for Kooyong; and, the opposition spokeswoman on immigration and citizenship,
Dr Sharman Stone, who is also the member for Murray. A dissenting report was submitted by
the member for Kooyong, and by Senator Alan Eggleston and Senator Hanson-Young, urging
the government go further and calling for broader access to judicial review of detention, but
otherwise the committee endorsed the direction the Rudd government had taken on these is-
ues. Recommendation 12 of that report explicitly supported the Rudd government’s approach
to immigration detention reform. Recommendation 12 stated:
The Committee recommends that, as a priority, the Australian Government introduce amendments to the
Migration Act 1958 to enshrine in legislation the reforms to immigration detention policy announced by
the Minister for Immigration and Citizenship.
The Committee also recommends that, as a priority, the Migration Regulations and guidelines are
amended to reflect these reforms.

Further, recommendation 12 of the report commented on the government’s policy changes.
Paragraph 4.85 of the report states:
The Committee is highly supportive of the announced values and considers they need to be reflected in
Commonwealth law. The Committee agrees that the Migration Act in its current form does not reflect
the spirit nor provide any legal guidance on the implementation of the Minister’s detention values.
Paragraph 4.86 states:

The Committee considers that legislative change to enshrine these reforms is vital and should be introduced as a priority. Similarly, development of the accompanying regulatory changes and appropriate guidelines must be considered a priority.

Unfortunately, having unanimously supported the committee’s recommendations in its first report in December, the opposition have taken the politically expedient path of backing away from the committee’s recommendations. Of course, this is part of a broader pattern. The coalition did not oppose the closure of the Pacific solution in December 2007, after we came to government. We did not hear from them in August last year when we introduced regulations to abolish temporary protection visas. Only now does the coalition apparently have a problem with Labor’s reforms. Only now, without any proof whatsoever, does the opposition spokesperson on immigration claim that changes they supported are encouraging asylum seekers, which brings me to the second report.

The second report was tabled last week. The second report considers community based alternatives to detention and particularly examines the conditions and material support for release into the community, including appropriate options for community based alternatives to secure detention. The Joint Standing Committee on Migration inquired into international experience, considered the manner in which such alternatives may be utilised in Australia to broaden the options available within the current immigration detention framework and evaluated the cost-effectiveness of these alternatives with current options.

It is both unfortunate and disappointing that the committee was unable to adopt a bipartisan approach to the committee’s second report. Rather, we have seen the four Liberals on the committee take four mutually exclusive positions, with the deputy chair, Danna Vale, the member for Hughes, agreeing with the majority report. As I acknowledged earlier, I believe that the member for Hughes was very genuine in her approach to ensuring that we had a bipartisan report at the end of our inquiry. We had a dissenting report from the member for Kooyong—and we just heard him speak on that dissenting report; we had a minority report from the opposition spokesperson on immigration, Dr Sharman Stone; and we had a complete abdication of any responsibility from Senator Fierravanti-Wells.

Discerning just what the opposition policy may be is anyone’s guess. The opposition spokesman on immigration has been eager to play politics with the issue of immigration detention. Having supported the government’s reforms in December, political opportunism has again reared its head. It is extremely disappointing to hear the member for Murray completely misrepresent the recommendations of the joint standing committee and say, as she has done both in parliament and in her minority report, that the committee has recommended the release of asylum seekers prior to the completion of identity, health and security checks. That is clearly not the case and it is clearly not the intent of the report. If the shadow spokesman on immigration is assuming that ‘immigration status’ in recommendations 2, 3 and 8 means identity, health and security checks then she is mistaken. The ‘immigration status’ comment in those three recommendations refers to whether a person meets the refugee or asylum seeker criteria, not whether their identity, health and security have been determined. It is disappointing that the whole question of immigration status has been politicised and this whole report has been used for politically expedient reasons.
Can I make a few personal remarks as a result of my experience as a member of the committee. I and other members of the committee have had the opportunity to visit detention centres around the country. We have read scores of submissions from individuals and organisations who have had direct knowledge of refugee issues. We have heard the personal stories and listened to the extensive evidence presented to the committee from scores of expert witnesses on refugee matters. It has been a lengthy inquiry, but I do not recall a single submission supporting the policies and processes relating to refugees that were applied during the Howard government years. Even coalition members of the committee called for changes towards a much more humane policy—and we previously heard the member for Kooyong arguing that very case in relation to children. I believe that there was a very genuine attempt by all members of the committee, having heard all the stories, to try and implement a policy which we would feel proud of, which was humane but which, at the same time, would not place Australia at any further risk than it had previously been subject to. I believe that the report from this committee does exactly that.

I will finish on a point relating to the statistics concerning people who are in detention at the moment. We have, on last count, 790 people in detention. Of those, 299 are from Afghanistan, 120 are from the People’s Republic of China and 106 are from Sri Lanka. That makes up over 500 of the total number of people in detention. The remaining people in detention come from all over the world, so the numbers for all other countries are relatively low. If you look at those statistics carefully—putting aside the 120 from the People’s Republic of China as those people do not generally come over here on the leaky boats that some have described—the clear majority of people who are seeking asylum in this country have come from Afghanistan and Sri Lanka. These are both war torn countries. They are both countries from which it is understandable why people would want to leave and look for a safe haven. If we are going to stop people coming to this country, the answer lies not in putting a fence around our country or in having harsh measures with which to deal with them when they are here, which achieves very little, but rather in trying to ensure that assistance is provided from their own country so that there is no reason for them to want to leave in the first place. It is interesting to note, when you look at the number of refugees that are now in detention centres that have come from Iraq, which was also a war torn country, that they have dropped markedly. It would seem to me that that is because things are stabilising somewhat in that country and, therefore, the reason for them to want to leave is simply not there.

Finally, I say that detention is not a cost-effective way of dealing with these people. Whilst they may have arrived in this country unlawfully, when all is said and done there is no evidence to show that they have at any time presented any form of risk. I believe the report, as I said, is fair and balanced. I certainly support the report’s recommendations. I pick up the comments from the member for Kooyong earlier and say this with respect to children: I do not believe any member of the committee wants to see children in any form of detention. I think the member for Kooyong would accept that that is genuinely the view of all members of the committee. Trying to find a solution to all the different cases that the committee was confronted with, and to put it in the form of a recommendation, is not simple. I guess we have to rely on the terminology that, if children are to be placed in detention, it should be as a last resort. Perhaps the key words here are ‘as a last resort’ and ‘for the shortest term possible’. That is certainly the intention of the committee members, and I would expect that that is the intention of the minister. I commend the report to the government for its consideration.
Mr DANBY (Melbourne Ports) (5.04 pm)—by leave—The extra time I will have here, having made the tabling speech, will allow me to look in greater detail at the recommendations in the report of the Joint Committee on Migration entitled *Immigration detention in Australia: community-based alternatives to detention* as well as address some of the comments by the shadow minister for immigration. It is worth restating that the committee is extremely pleased that the government has taken steps to respond to the recommendations from our first report, which was tabled in December 2008—in particular, recommendation 18 of that report that the government introduce legislation to waive all detention charges and debt immediately. I think the members for Kooyong and Makin have spoken positively about that.

Mr Georgiou interjecting—

Mr DANBY—The responses have all been positive. That is what I was saying. The government responded swiftly to these recommendations by introducing the Migration Amendment (Abolishing Detention Debt) Bill 2009 in the Senate on 18 March. As I noted in my previous speech, our report was concluded before the Treasurer delivered the budget speech on 12 May which allocated $14 million for the assisted voluntary return program that encourages and facilitates those found not to meet the criteria for entry to Australia to return home. There is also more money in the budget for programs to assist those granted asylum to adjust. Some of the recommendations in this second report have already been addressed by the government in the budget. The government’s forthcoming changes to migration legislation will put one of the particularly odious policies of the previous conservative government, detention debt, behind us.

However, despite the changes to both policy and administrative culture in recent times, we can and must do better. The committee has therefore chosen to focus this report on the conditions and material support for release into the community, including appropriate options for community based alternatives to secure detention. At the outset, the committee recognises that secure detention will continue to play a role in our immigration system and will remain part of our immigration policy. The evidence suggests, however, that it is not necessary to keep people who meet the criteria for release in secure detention for long periods of time awaiting resolution of their immigration status. Open residential accommodation in the community can provide people with a safe and supportive living environment while still being accessible to immigration and other service providers. Community based alternatives can be much more cost effective than the current high levels of physical security or on-site staffing required in an immigration detention centre.

The committee’s first report explored the potential damage long-term detention had on people. The harsh psychological burdens inflicted by long periods in detention has been attested to by members of the previous government and this government. In addition, restrictions on income, work and health care for community based bridging visa holders are known to have harmful long-term effects on those involved. We have seen that a more supportive living environment maintains the physical and mental wellbeing of those awaiting a decision and that this can facilitate a smooth transition into the Australian community, if there is a positive outcome or, indeed, repatriation.

The committee’s central recommendation is that the Australian government reform the bridging visa framework to comprehensively support those released into the community with appropriate reporting of surety requirements. The committee recommended that the govern-
ment utilise this proposed reformed bridging visa framework in lieu of community detention until a person’s immigration status is resolved and review the cases of those currently on residence determinations. The committee also suggested that there should be improved transparency in immigration decision making, including access to legal advice and improved access to voluntary return counselling in order to support the provision of information to the client and to help them decide what is going on for the best and most realistic outcome for themselves and their families. The committee also recognised that there are basic rights, such as access to appropriate health care, housing and income, that should be afforded to all people regardless of their immigration status. As to recommendation 4, which was focused on by the member for Kooyong, I note that the last paragraph of the recommendation says that after they have received reasons in writing for their refusal:

- the person has a reasonable time limit, up to 21 days, in which to seek merits review of that refusal, commensurate with those that apply to visa applicants in the community.

That is a very good thing. The committee recommended that the Australian government ensure that people have basic income assistance that is means-tested; access to necessary health care; assistance in sourcing appropriate temporary accommodation and community orientation information; and, in addition, that children are provided with safe and appropriate accommodation, with basic necessities such as adequate food and with primary and secondary schooling. Where case resolution is ongoing the committee also recommended that the government reform the bridging visa framework to grant people permission to work.

I would like to express my appreciation for my hard-working colleagues on the committee including the deputy chair and member for Hughes, Danna Vale, all of the senators and members, particularly the members for Makin and Petrie who were here this afternoon, as well as the member for Kooyong who very passionately expresses his views and spoke here on the committee’s report today to explain his dissenting report. All of those mentioned committed to ensuring our immigration system treats all people, regardless of their status, in a humane and compassionate manner, while protecting Australia’s borders and ensuring the continuing existence of our robust immigration program.

I also note that, despite a considerable effort to achieve consensus, a number of minority reports were generated. Of particular note is the ‘diversity of opinion’, as the member for Makin explained, of those minority reports from the members of the opposition. The member for Murray and shadow minister for immigration, having supported the committee’s endorsement of Labor’s detention policy in December 2008, has now—it seems for political reasons—refused to endorse this new report. However, other opposition members of the committee have failed to follow their spokesperson on immigration. The member for Hughes supported the report and I thank her for that. The member for Kooyong has explained his views here today and I note his constructive and positive remarks about much of the committee’s report.

I would like to conclude by responding to some of the comments made by the shadow minister for immigration, Dr Sharman Stone, which criticise this report. Firstly, it is baseless to claim that the government’s changes in policy on asylum seekers have resulted in a flood of asylum seekers. To hear her speak and to read some of the tabloid newspapers, you would think that 350 boats rather than about 350 people had arrived in Australia since the beginning of the year. The International Crisis Group’s recent report in May 2009 cited 70 ongoing con-
flicts around the world. As the member for Makin correctly put it, ‘Haven’t we seen terrible events in Sri Lanka and the continuing conflict in Afghanistan contribute to people genuinely seeking asylum in Australia? Why wouldn’t you, if you were in their terrible circumstances, seek refuge in Australia or other countries?’

The member for Murray in her speech on the report’s tabling and in a subsequent media release explained some of the reasons why she differed from the majority view and has instead written a minority report. One of the reasons proffered for the official opposition failing to support the majority was that the member for Murray claimed that the report recommended that ‘people in detention be released into the Australian community prior to completion of identity and security checks’. In a separate paragraph in her media statement she unequivocally stated that ‘The majority of the committee, chaired by Labor backbencher Michael Danby, recommended that unlawful noncitizens be diverted out of detention before their security and identification checks were completed.’ I find this rather strange as nowhere in the report are such recommendations made.

It is possible that the shadow minister has mixed up the current report with the December 2008 report—the focus of which was on the examination of criteria for release from detention. In that report it was envisaged that, under certain very specific and restricted circumstances, people should be released from detention before security and identity checks have been completed.

I will quote parts of recommendations 3 and 4 as I seem to have sufficient time. Recommendation 3 begins:

The Committee recommends that, in line with a risk-based approach and where a person’s identity is not conclusively established within 90 days, the Australian Government develop mechanisms (such as a particular class of bridging visa) to enable a conditional release from detention.

Recommendation 4 of the report begins:

The Committee recommends that, in line with a risk-based approach, and where a person’s security assessment is ongoing after 90 days of detention, the Australian Government develop mechanisms (such as a particular class of bridging visa) to enable a conditional release from detention. Conditions could include stringent reporting requirements to ensure ongoing availability for immigration and/or security processes.

In reading these recommendations it becomes obvious that in her speech the shadow immigration minister twisted the committee’s recommendations beyond recognition. The member for Murray knew her statements were disingenuous, but she is content to play politics when she knows the recommendations were made on the basis of empirical evidence and rational discussion and decision. What makes the shadow minister’s comments even more suspect is that, while writing her own minority report around this time, she in fact endorsed the previous report which was the source of the recommendations that she was criticising. In my view, this is opportunism plain and simple.

Under the current government, Australia’s border protection system maintains our security while ensuring unauthorised arrivals and other immigrants are treated humanely. The different positions displayed by the opposition show that at this time the opposition’s policies are in a mess. I commend the report to the House.

Mr Simpkins—I move that the debate be adjourned and note that the Labor Party introduced detention charges.
Debate (on motion by Mr Simpkins) adjourned.

APPROPRIATION BILL (No. 1) 2009-2010

Cognate bills:

APPROPRIATION BILL (No. 2) 2009-2010

APPROPRIATION (PARLIAMENTARY DEPARTMENTS) BILL (No. 1) 2009-2010

Second Reading

Debate resumed from 28 May, on motion by Mr Swan:

That this bill be now read a second time.

Mr OAKESHOTT (Lyne) (5.17 pm)—When the debate on Appropriation Bill (No. 1) 2009-2010 and cognate bills was adjourned, I was talking about the impacts not only of the budget but also of the stimulus response from the government on the mid-North Coast. Some significant structural issues face our region that many of us involved in public policy in many walks of life on the mid-North Coast are working desperately to address. In the nine minutes I have left, I want to discuss the issue of education and bring to the attention of the House some of the stark challenges that are faced on the mid-North Coast.

In the electorate of Lyne, fewer than half of people aged 22 to 24 have completed their year 12 education. That is compared to the New South Wales average of two-thirds of people in the same age group having completed year 12. In the Lyne electorate only one in four people of all ages has completed year 12—a stark 26 per cent of the community—compared to New South Wales figures, which should raise, I think, at least some discussion in this place. In New South Wales an average two out of every five people have completed year 12, which is still only 42 per cent. Likewise, in the Lyne electorate, one person in six has a degree or higher qualification at tertiary level. That is 17 per cent, compared to the state, where one person in three, or 30 per cent, has a degree or higher qualification.

The language that we have heard over the last 18 months to two years about the need for an education revolution is certainly supported and endorsed within our region as we try to address some of the structural issues in and around education. We do think it will be a bit of a meal ticket if our region can break the nexus of higher than average unemployment, which is currently floating above 10 per cent, and poverty. We, along with the three other electorates on the North Coast of New South Wales, are in the top 10 electorates in terms of poverty levels. We have the lowest income levels anywhere in Australia. In many ways, the breaking of that nexus is through education. So we certainly endorse and support this language of the government. We are watching very closely and trying to marry many of the good aspects of the post-Bradley review environment, which we are now experiencing as a result of the government’s response in the budget. There are many good aspects in the budget response for education that talk directly to the electorate of Lyne. For example, there is $437 million to support the participation of people from disadvantaged backgrounds in higher education. That talks directly to the mid-North Coast of New South Wales. The changes to the parental income test for youth allowance also talks directly to the people of the mid-North Coast of New South Wales.
However, I note an outstanding issue, and it is one that is causing a great deal of concern amongst gap year students; it concerns youth allowance reforms. The member for New England raised a question about it in question time today. I know that many members of parliament have been lobbied directly about it. I ask the minister and the executive government to reflect on the question of retrospectivity and look at the situation for those students who feel that they have been caught by the rules of the game changing halfway through their school year. Everyone who discusses this issue recognises the need for reform. There were individuals and families who took advantage of youth allowance when that money could have been better directed elsewhere. But leaving collateral damage in a reform program or in any aspect of public policy is, I think, something that the government needs to reflect on. Any form of retrospectivity which affects 18-year-olds who thought they were doing the right thing by the law of the land, who had started on that journey but were then caught as collateral damage, is a point on which the government needs to reflect. I certainly hope that the executive and the minister in question address the youth allowance package, at least by buying another six months or potentially 12 months in regard to the starting date.

For the mid-North Coast, the budget did not get in the way of what we were trying to do in relation to education. I think many opportunities can be found in the budget, in the stimulus response generally and in the government changes concerning the investment in schools and the trade training packages. We are working very hard on the ground to try and get engagement on as many fronts as possible in the education field. We were thrilled to learn last week that the mid-North Coast was made a priority area. A fellow named Mark Almond will now be based on the ground to assist in much of this work and will hopefully be able to assist in bringing many aspects of the education package and, as a logical extension of that, the jobs package home to the mid-North Coast.

Small business is the business environment in the mid-North Coast, and 95 per cent of all its businesses have five employees or fewer. We do not have too much big business in this area. Big business trawls the corridors of this place and seems to have a surprisingly powerful influence over policy generally, but it does not talk to our electorate. Ours is very much a small business environment. That is why the stand-out of the budget and the stimulus package in my eyes and in the eyes of the people of the mid-North Coast is the small business tax breaks. The 30 per cent tax break through to the middle of the year is great, and the 50 per cent tax break through to December is even better. Those, along with the increases in the R&D concessions that have followed on from the Cutler review, are certainly ones that I am encouraging my small business community to look at in terms of their personal situations. I hope they talk to their accountants about these tax breaks and tap into them to create jobs on the mid-North Coast.

I was also pleased to see the recognition of efficiency in the home—the $245.3 million increase for the Solar Homes and Communities Plan is very welcome. There has been a large uptake on the mid-North Coast. I was pleased that was recognised in the budget. That, along with the insulation plan in the stimulus response and the solar hot water plan, is really starting to put questions to every single household about what sort of efficiency plan they want to have for the future.

In wrapping up these comments and the previous comments I made before the break, in my speech in the budget reply, I hope everyone in this place recognises that the citizen holds the
most important office in the land. In a lot of these programs delivered by government, we in this place can lead the horse to water but we cannot make it drink. I will therefore be spending an inordinate amount of time encouraging small businesses to tap into the various concessions and tax breaks on offer, encouraging every single household to look at the various efficiency plans available and encouraging everyone to consider their own education plan for the future—both as a family and as individuals. I would also encourage government to work overtime on this. I have been in this place for eight months. I see lots of good news and opportunities come out of this place. They are talked about in this place but still, at the most local of local levels, the information flow-through to communities is not as strong and as clear as it could or should be. There are a number of reasons why that may be the case, but I would certainly encourage government to make sure those who are most in need in communities such as mine do get access to the information and the opportunities on offer. That is certainly what I will be doing. (Time expired)

Mr TREVOR (Flynn) (5.26 pm)—I rise tonight to speak on Appropriation Bill (No. 1) 2009-2010 and Appropriation Bill (No. 2) 2009-2010, important bills and imperative parts of the budget process. In speaking on these bills tonight I would also like to speak more broadly on the 2009-10 budget and in particular on its impacts on my electorate of Flynn. Appropriation Bill (No. 1) is of course an annual appropriation and, as per section 83 of our Constitution, this bill facilitates the withdrawal of funds from the Consolidated Revenue Fund for the ordinary services of the government. This bill will appropriate approximately $71.283 billion to facilitate government services in the 2009-10 financial year and, along with Appropriation Bill (No. 2) and Appropriation (Parliamentary Departments) Bill (No. 1) 2009-2010, forms the solid legislative foundations for this year’s budget. The main purpose of Appropriation Bill (No. 2) is to make annual appropriations from the Consolidated Revenue Fund for services that are not the ordinary annual services of the government. These include over $1 billion for the Building Australia Fund, over $1 billion for the Education Investment Fund and over $400 million for the Health and Hospitals Fund.

On budget night the Treasurer commented that this budget was forged in the fire of the most challenging global economic conditions since the Great Depression, and I could not agree with him more. The challenges for the Australian economy today seem worlds away from the challenges faced by us only 12 months ago. The global financial crisis has well and truly sent shock waves across our country and our economy with a speed and depth not seen for many decades. In my own electorate of Flynn, skills shortages and employee retention difficulties have been replaced with new challenges. There is an air of uncertainty and palpable fear in workplaces today in my electorate and, sadly, no-one is taking their job or job security for granted.

As I speak today I have at the forefront of my mind those in my electorate of Flynn who have recently lost their jobs. It is almost crippling, as their local federal member, to watch as hundreds of workers are sent home from mines and industry sites in Flynn to face their families and begin the search for new employment. Some have left with their dignity intact and others have not. The global financial crisis has well and truly gone from a foreign, overseas phenomenon that we would only hear about on the six o’clock news and spread widely to find its way into the homes of the people of Flynn, causing heartbreak and loss as it goes. On budget night our Treasurer also stated that he understood the dignity of work and the cost of

MAIN COMMITTEE
being without it. Again, I could not agree more. That is why I am proud to be part of a gov-
ernment that has embraced every effort to combat the dire economic forces that challenge our
prosperity, and I am proud to be part of a government that has attempted to shield hardwork-
ing Australians and their families from the worst effects of this global financial crisis.

In the face of this crisis, the consequences of government inaction would be completely
unacceptable. Without the government’s stimulus packages and without our measures in this
year’s budget aimed to tackle the global recession, it has been forecast that our economy
would be 2¼ per cent smaller in 2009-10 and unemployment would peak at 1½ per cent
higher. It is because of my government’s action to address the economic circumstances that
confront us all as Australians and my government’s commitment to support and protect jobs
that, as I travel the length and breadth of Flynn in recent times, I can look my constituents in
the eye, knowing that my government is doing all it can to support their jobs and to support
their dignity.

The budget also delivers for those whose hardworking days are behind them—our retired
pensioners. After a down payment on pension reform late last year as part of the government’s
Economic Security Strategy, over 16,000 pensioners in my electorate of Flynn alone are set to
benefit from an increase in their fortnightly payments delivered in this year’s budget. Again, I
am proud to be part of a government that recognised the cost-of-living pressures that were
faced by many people living on the pension and has taken appropriate action.

This budget also tackles another important issue for the Flynn community—the lack of ac-
cess to general practitioners in some regional parts of Flynn. Flynn covers an area bigger than
Tasmania and Victoria put together, most of it dotted with small communities and all of it ru-
ral and regional Australia. As we are all too aware, GPs play a significant role in the provision
of health care. They fight in the front line in our battle with chronic diseases and play a crucial
role in preventative health measures.

Last year, as chairman of the Prime Minister’s country task force, I took task force commit-
tee members to Longreach to experience firsthand the issues that people face living in re-
geonral Australia. The response from the Longreach community was overwhelming. At a pub-
lic forum the community let us know in no uncertain terms that health care was their No. 1
issue. I am pleased that my government has heard and listened to rural and regional voices
and I welcome the new regional health incentives that will not only help attract GPs to prac-
tice in rural and regional Australia but also assist in keeping them in these communities.

This budget will see the introduction of a new classification system which will retarget fi-
nancial incentives paid to GPs to encourage them to practise in western outback communities.
GPs who wish to relocate to areas such as Longreach, Aramac and Barcaldine may be eligible
for relocation grants of up to $120,000 as well as yearly retention grants of between $8,000
and $47,000 per year, depending on their length of service in the area. I am confident that
these realistic measures will go a long way towards attracting GPs to these wonderful and
proud outback communities.

Of course this budget also delivers on this government’s nation-building agenda. The Bruce
Highway, which has long been the main artery along the Queensland coast, will benefit from
$44 million worth of safety enhancements, maintenance, and strengthening and widening to
improve safety between the townships of Curra and Sarina. This work will benefit many in
the Flynn electorate who use this vital highway.
On top of this $44 million investment to improve the Bruce Highway, this budget also delivers on two particularly notorious and dangerous sections of the highway in the Flynn electorate, with $1.7 million allocated to the planning and development of a $55 million upgrade of the Calliope crossroads near my home town of Gladstone. In addition, a further $1.7 million has also been allocated in this budget for planning and design work for the southern approach to Gin Gin, south of my home town of Gladstone, as part of a $20 million upgrade. I look forward, as the local member for Flynn, to the eventual completion of both these important projects and the benefits that this will bring to local communities that rely heavily on these intersections.

This budget delivers on my long-held commitment to the people of my home town of Gladstone to finish the third and final stage of Kirkwood Road with the provision of some $16.95 million in this budget, with the remaining $8.35 million to be paid in the 2010-2011 financial year. The completion of Kirkwood Road in my home town of Gladstone will ease congestion and time delays at the Phillip Street roundabout, Kin Kora; deliver on what was the No. 1 infrastructure project for Gladstone in the lead-up to the 2007 federal election; deliver a whole-of-community project for Gladstone and provide vital linkages for outlying suburbs and their residents; provide alternative and quicker access for Boyne/Tannum residents; and provide vital infrastructure and jobs for my home town of Gladstone. In addition to taking the burden of funding this council-owned road away from the ratepayers of the Gladstone regional council, it will also provide a valuable ring road to the port of Gladstone.

This budget forms a new era of partnership and collaboration with our local councils, of which there are 13 that fall, either in full or in part, within the electorate of Flynn. These councils will benefit from around $10.3 million in funding for community infrastructure projects, with an additional $2.33 million to be delivered to the Banana Shire Council to redevelop the Magavalis Sports Complex in Biloela to help budding netball, tennis and sports fans in Biloela realise their full sporting potential.

This budget also provides funding to local councils in Flynn of more than $19 million to undertake the Roads to Recovery program. It provides a further $2.3 million to local councils to target dangerous road black spots and it delivers funding to build 10 new local boom gates in Flynn, all at high-risk rail crossings.

This budget is also aimed at improving learning, literacy and numeracy, and educational attainment for school students through funding for quality teaching and learning environments, workplace learning and career advice. This budget will assist the 140 schools in my electorate of Flynn. It is through my government’s commitment to education that students from rural and regional Queensland, including Flynn, will have the opportunity to attain their dreams and goals. This budget will also assist the smallest schools, who previously did not have the opportunity to fund teachers, infrastructure or services. The budget will improve access to quality services that support early childhood learning and care for children through a national quality framework, agreed national standards, investment in infrastructure and support to parents, carers, services and the workforce.

The electorate of Flynn stretches from the Great Barrier Reef to the western deserts of Queensland. The electorate of Flynn has some of the most diverse and environmentally sensitive areas of Australia. This budget will assist the conservation and protection of Australia’s terrestrial and marine diversity and ecosystems through supporting research, developing in-
formation, supporting natural resource management, regulating matters of national environmental significance and managing Commonwealth protected areas. The budget will also help fund programs aimed at the adaptation to climate change, wise water use, secure water supplies and improved health of rivers, waterways and freshwater ecosystems by supporting research and reforming the management and use of water resources.

My government is also committed to closing the gap in relation to Indigenous health. The electorate of Flynn is not only home to the Indigenous community of Warrabinda but also home to many Indigenous people living in all of the different communities. My government is committed to improving access to cost-effective medical and allied health services. This budget will also assist in accessing quality and affordable aged care and carer support for older people. It will also assist in accessing comprehensive community based health care and assist in closing the gap in life expectancy and child mortality rates for Indigenous Australians, including child and maternal health through primary health care.

The electorate of Flynn is an area of 314,000 square kilometres in which a large number of agriculture, fisheries and forestry industries operate. From cattle to sheep, from sugar to sorghum, from fishing to mills, my electorate of Flynn has a diverse range of agricultural activities. This budget will assist in delivering a more sustainable, productive, internationally competitive and profitable Australian agricultural food and fibre industry through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets. This budget delivers safer communities in Flynn. This budget delivers stronger communities in Flynn. This budget protects jobs in Flynn. It puts food on people’s tables. This budget is great news for the people of Flynn. I commend this year’s budget and I commend the appropriation bills to the House.

Mr KEENAN (Stirling) (5.42 pm)—This budget has serious ramifications for Australia’s future. It will go down as a budget when Australians had the chance to see that this Rudd Labor government had lost complete control over the nation’s finances. The government has done so in a very brief period of time. It is a budget that has been drawn up in the midst of a difficult economic time, but its response is built on a platform of spin and not of substance. It is a budget that contains very bad policy by pursuing reckless spending and out-of-control debt. First and foremost, when Australians come to judge this budget, will be what it means for future generations of Australians who are saddled with the debt that this government has already managed to run up. It has been very difficult to get a figure out of the government about peak debt, but what we know and what we have found out over time—because the Treasurer totally failed to mention the budget deficit in his budget night speech—is that peak debt will be $315 billion based on the government’s estimates. That is more than three times the debt that was left to the Howard government when it came into office in 1996. It was exceptionally difficult for the coalition to pay off that debt. Tough decisions needed to be made. The Howard government was able, through the selling of assets such as Telstra, to pay off that $96 billion worth of debt. It still took about 10 years for the coalition to pay off that debt. It is very difficult to say when this Rudd government debt will be paid off because I do not think that it has any intention of paying off one dollar of this debt. I would be astonished if, through the life of this government, this debt is reduced at all. All you will find from this government is that it will continue to run up more and more debt.
Australians will, of course, pay the price for this reckless and out-of-control spending. It will be paid by the one million Australians who will be out of work by 2010-11. It will be paid by those people who really could benefit from government spending. But, instead, that money will need to go on the interest payments for this enormous debt—interest payments that could be up to $8 billion a year. Imagine what could be done with that money if it was not paying for the reckless spending of this government. Of course, it will be the unemployed that pay the largest price for all of this, and it is very important that all Australians understand that this is a budget that will hurt jobs. It saddles all Australians with massive debt, but this debt will ultimately have to be paid by our children and grandchildren. And it will be decades before this debt is paid off.

The great tragedy of this budget is that it fully encapsulates the destruction of the incredibly strong economy that was handed over to Labor at the last election. It was 11 years of prudent and successful management during the Howard-Costello years that has managed to go up in smoke in the past 18 months. When the Rudd government inherited this economy, it was an economy that was called by the Economist ‘The wonder down under’. We had no debt, we had an enormous surplus and we had record low unemployment. The economy was the envy of the world. It is astonishing how within such a short space of time this government has managed to squander that inheritance that it received, and it has done so by spending $225 million for every day that it has been in office for a grand total of $124 billion of new spending.

I remind the House that it was the Howard government that actually paid off Labor’s previous debt of $96 billion, and it took us about 10 years to pay it off. This new government was left with $70 billion in the bank and inherited a budget surplus of one per cent of GDP. The coalition gifted Labor with these conditions and it also gifted Labor with record low levels of unemployment. Now we find that one million Australians will be out of work. Unemployment rates are forecast to hit 8½ per cent, which is almost double the rate that Labor inherited in 2007. Labor will continually blame the global economic circumstances for this outcome but, unfortunately, what is a difficult situation has been made worse by Labor’s reckless decision making. The Rudd government refuses to take responsibility for the increasingly long lines of jobless Australians. But, as I said, its policies are making a difficult situation worse. In particular, Labor’s deregulation of the labour market was done without any analysis of the impact that it would have on jobs. Labor’s bungling of the Job Network changes will result in more job losses than the failure of Pacific Brands. With unemployment forecast to reach 8½ per cent by June 2011, an additional $1 billion has been budgeted to fund Labor’s bungled Job Services Australia. This patch-up job was designed to operate only in the good times of low unemployment levels and strong employment growth. Labor will continue to throw good taxpayer money at a bad system that is not designed to work within the current economic climate.

I also want to talk about Labor’s award modernisation process, because this will destroy tens of thousands of jobs in the name of what is supposed to be just a regulatory clean-up. Small business will be on the front line of these changes, where the award system is supposed to be modernised so that we have one national system. That is a very laudable aim but, sadly, it has been completely bungled by the minister. Now we find ourselves in the situation where, from 1 January next year, in some industries wages will be forced up by up to 50 per cent. Of
course, that will mean subsequent job losses and business closures, particularly small business, all around the country.

It is young Australians, of course, who will be hardest hit by these changes. We know that in a recession it is young people who are the hardest hit by unemployment, and it is youth unemployment that can often be the most stubborn to change. Thousands of employers who would dearly like to create jobs, particularly for young people, will be unable to retain their employees in their current positions, and they will have no option but to shed jobs.

It is difficult to believe that the government could stand by and watch this happen, particularly in the name of an old-fashioned and out-of-touch ideology that does not take into account the way modern Australian workplaces are structured. Over 11 years, the coalition government proved that supporting enterprise results in job creation. Labor do not seem to get this fact, and the budget shows how they have missed the point once again that it is enterprise and not government that creates jobs.

Labor’s budget has seriously failed to create the confidence that is necessary for Australian business to create employment. All it has done is create uncertainty about the record levels of debt and the burden that this debt will place on future generations. Of course, the problem with this enormous debt is that once the recovery does come within the international economy—and it will, over time—it is going to be much harder for Australia to recover because we are going to be saddled with enormous interest payments. So the debt that has been created by this budget is going to haunt the Australian economy for decades to come.

I want to turn to some specific failures of this budget within my own electorate of Stirling. One of these, which the minister for infrastructure mentioned today in the House, was my call for an overpass to be built where the Reid Highway intersects with Mirrabooka Avenue. The minister was talking about this as though it were wrong for me to stand up and say, ‘Labor should be spending this money in my electorate on this particular overpass.’ Sadly, he actually did not seem to know which overpass he was talking about and he started talking about a completely different road within my electorate. So I will just update the minister on the facts of this matter, because it has been a long, ongoing sore in my electorate. Firstly, there is a need for two overpasses to be built; I think it is important that the minister understands that. One needs to be built at the intersection of Alexander Drive and the Reid Highway, and one needs to be built at the intersection of Mirrabooka Avenue and the Reid Highway. They are two separate roads. I just wanted to place that on that record. I am sure the minister’s minders will be able to draw that to his attention.

Importantly, the Labor Party have promised to build both overpasses. They have consistently promised the people of my electorate that these overpasses will be built. Both state and federal Labor have done so at every election that I have been involved in since 2004. This promise was again repeated in 2007 by the Labor candidate in the seat of Stirling—that a federal Labor government would fund the building of the overpasses at Mirrabooka Avenue and Alexander Drive. Now, the government have, in conjunction with the state Liberal government, allocated money for the overpass at Alexander Drive to be built, and I commend them for doing so. The problem is that the minister does not seem to understand that they also promised to build the overpass at Mirrabooka Avenue. So I commend the government for providing some funding within this budget to build the overpass at the intersection of the Reid
Highway and Alexander Drive, but I call upon them to honour their commitment to build a similar overpass where the Reid Highway intersects with Mirrabooka Avenue.

I am also deeply concerned about what this level of debt will mean for young people within my electorate of Stirling. Stirling is a younger electorate demographically. It is the most multi-ethnic electorate in Western Australia; it is also one of the youngest electorates in Western Australia. It is young people who are going to be paying the price for the policies that are being pursued by this government, because ultimately the burden of this enormous debt is going to fall on their shoulders, and I am concerned about what that means for the young people in my electorate of Stirling. As I said earlier, we know that young people will, particularly in a recession, find it more difficult to get a job, in that, once youth unemployment is generated, it is increasingly hard to bring down. The Howard government was very successful in reducing youth unemployment. But it is a very difficult thing to do. This budget will make it far more difficult for young people in Stirling to find a job, and that is something that I am very concerned about.

Turning to other specific budget measures within my electorate, the government made a commitment in 2007 to allocate $1 million for the building of a multicultural centre in Mirrabooka. It was a promise that was made on behalf of the Labor candidate, and I do not think it was particularly well thought through. The reality is that $1 million does not build much of a multicultural centre. Quite frankly, you would be lucky to be able to purchase the land for that amount. We have an ongoing allocation of $1 million in subsequent budgets with basically nobody to spend it and nothing to spend it on. It would be far more sensible for the government to sit down with the City of Stirling and say, ‘We promised to build this multicultural centre. We promised to do it on all the campaign literature on behalf of an elected Labor government during the 2007 election campaign,’ and talk to my local council about how they might usefully use that money.

The reality is they cannot take $1 million and build a multicultural centre because $1 million will not fund a centre of that type. I do not want to see that money denied to my local community. It was promised by the Labor Party and I would urge them to talk with the City of Stirling, my local council, about how that might be usefully used in Mirrabooka on behalf of what is a very multi-ethnic electorate. I know that the council would have some views about that and I am sure that they would be able to find a use for that $1 million.

This is a budget that will cost Australians dearly into the future. It will cost them dearly in job losses; it will cost them dearly in interest payments. And when the international recovery comes, because we are heavily burdened by the debt that the Rudd Labor government has managed to run up in such a small space of time, it will be so much harder for Australians to participate. It is a sad day for Australia when the government spends so recklessly and without thought for the future consequences it will mean for Australians into the future. This will go down in the history of Australia as a seminally bad budget for the country. It makes the Whitlam government look responsible and it will be bad for my constituents in Stirling.

This debt and deficit run up through this budget has enormous consequences for future generations of Australians. I am deeply concerned about it. I would urge the government to acknowledge that they have lost control of Australians’ finances. If they are to regain that control, they will need to change their mode of decision making and understand that what they are doing is very damaging to the fabric of our country.
Mr MELHAM (Banks) (5.58 pm)—This is the 20th budget that I have had the privilege of listening to in the time that I have been in this parliament. It is in every respect a Labor budget and, more importantly in my view, it is a budget for the times. The opposition can squeal as much as they want in relation to the question mark of the size of the deficit. The true situation is that the government had very little alternative to do other than what it has done if it was not to create havoc in the community. The government’s priorities in these difficult times are to protect jobs and to create jobs where it can. We saw the first instalment of those priorities at Christmas in the stimulus package of $10.3 billion, a lot of which was spent in the retail sector and reflected in subsequent figures.

We also saw some $42 billion allocated to a nation-building economic stimulus plan that has seen every school in the country benefit in a financial sense, in a job creation sense and in the sense of enhancing those local communities well into the future. In my electorate of Banks, for instance, as at 26 May 2009, as part of the Building the Education Revolution, 61 projects in 44 schools, amounting to $18,904,000, had been approved, with more to come. In the National School Pride program there were 55 projects in 44 schools, amounting to $6,904,000. In Primary Schools for the 21st Century there were six projects in five schools, with funding in the order of $12 million. That is money for the local community, money for local schools.

Never in my 19 years in this place has my electorate received anywhere near that sort of money from governments of either a Labor or a conservative persuasion. If anything, my electorate suffered under the former government for 11½ years because funding of applications put in by the local community was denied on the basis that Bankstown was regarded by the former government as Keating territory. Frankly, Bankstown did not get its fair share of funding. Under the current arrangements of this government, every electorate in the country is receiving this funding because every electorate in this country needs this funding.

If you were to ask me if I preferred more people out of work and less of a deficit, I would say to you I would prefer a bigger deficit and more people in work. That is the priority of this government. What we know, based on Treasury advice and calculations, is that the budget is predicted to come into surplus in 2015-16, which is not a long time away, despite the cuteness of the opposition’s remarks about the temporary deficit—that it might be longer—and a whole range of other things. The truth is that the budget is structurally sound, and it is sound because of decisions made by the Hawke-Keating government and the former Howard government, which set us up in a situation where we can act the way we have acted in this budget to protect our communities.

I went through the former recession as a backbench member of a Labor government and it was not a pleasant thing to see elderly men, 50 to 55 years of age, unemployed and unable to find employment.

Mr HARTSUYKER interjecting—

Mr MELHAM—I will take the interjection from the honourable member. The problem is that in the work sector a lot of people of 50 or 55 years of age, in difficult times, are put out of work because they are regarded as too old. In my view, it is a dumb decision by employers, because people of that age have more to offer than a few upstarts. They have a bit of corporate memory, a bit of history. But the point is: what is the priority of this government, for which we are attacked? Jobs. What are the alternative policies of the opposition?
Mr Deputy Speaker Washer, you are a medical practitioner. The opposition are going to move amendments in relation to private health insurance, where we have recommended some changes. I think it is at around $70,000 for singles and $150,000 for couples that it cuts out. That shows the priorities of the opposition, who have also indicated at various stages, although not very loudly, that they would prefer tax cuts for the rich or that they would prefer to be like a moo-cow watching passing traffic—in other words, to do nothing. The opposition have not come forward with a detailed strategy as to how they can protect jobs, because the only way they can do it is for the deficit to be substantially less than is currently projected.

This nation’s finances are in good shape when you compare them to the rest of the world and we can take out a short-term mortgage to protect our citizens instead of putting them out on the scrapheap, then losing the revenue to government and all the other consequences that fly with it. This is a budget full of compassion. This is a budget that is interested in people and in protecting people.

The other thing is that we are told, ‘Oh, some of the money has been put to savings and only a little bit of it has been spent.’ The savings do not detract from the money that has been allocated. I have an economics degree with my law degree from Sydney University and I went to my old Brown on economics books. Bob Brown was a member of this House for many years. I also went to Hunt and Sherman on economics and I had a look. If you read those texts, there is the multiplier effect. The multiplier effect, in Brown on economics, they predict is of the order of a magnitude of four so that if you spend a dollar, it is four dollars that whirls around in the economy. That is very important in terms of what the money means for consumption, for demand and for jobs.

I also happen to be a director of Revesby Workers’ Club. I have been on the board since 1980 and vice president since 1982. Before the economic crisis, our club was looking at extensions and renovations and has been engaged in intense planning since 2004 to diversify the club so that it is less reliant on poker machines and alcohol. We are looking at a child-care centre and a fitness centre, which will be opened by the Deputy Prime Minister on 10 July. We are also looking at a hotel; we are looking at 26 retail stores underpinned by Coles; growing the jobs on the site from 300 to 1,200. The major banks are interested and the project is sound but what we have found is that the banks do not want to lend in the current economic climate. They have got overseas commitments and they are not interested in big projects at this stage.

Why do I give this example? Because that is typical of what is happening all around Australia. If you do not lend then you cannot grow. You cannot protect jobs and you cannot maintain jobs. What we have done is brought back a $180 million project to a $110 million project. We have basically staggered it in terms of what will be built and when so that we can come within a reasonable chance of securing the money from the banks.

Multiply that throughout the whole of the community. If the banks are not lending then the businesses cannot grow, they cannot protect existing jobs, they cannot help create new jobs and that is why the government has had to step in. That is why certain guarantees have been given for the banks. So let’s not go on with this nonsense that the opposition goes on with because we are talking about human beings.

I am very proud and very supportive of the direction this government has taken in this budget and since the economic downturn. I am even prouder that the people have placed their
confidence in this government and that those opposite in the opposition are not pulling the economic levers at this difficult time in our economic cycle when I hear what they have got to say. The situation is that it is a budget we can be proud of. Where is the evidence for that? The evidence is the very little interference that the opposition is going to wreak on the budget. It is not little as in ‘little’; it is just that they have not gone for 10, 12 or 15 measures at this stage—unless the caucus dictates otherwise.

Private health insurance rebates have been targeted. That was a bad policy at the time. The then opposition went along with it. I did not agree with it, but that was the decision of the party room and, frankly, I for one am proud that that has been revisited in the economic circumstances. If you do not revisit that—the $1.6 billion or whatever—what else do you hit? Do not tell me in these economic times that the priority of the government is to give rebates for people’s private health insurance when they earn above $75,000 for singles and above $150,000 for couples. Let us get real! That is not a hard decision; it is the right decision. What do the opposition want to do? Keep putting the boot into the workers, the way they did for 11½ years in government. It will not work—and the unions need to be responsible in these economic times.

In relation to difficult decisions, the government also took a decision which none of us knew about—it is probably the only decision that was not leaked or backgrounded—to increase the age of eligibility for the pension to 67 by 2023. I was part of the Keating government in 1995 that basically provided that the age women would become eligible for the pension would increase from 60 to 65. That was a measure that was to made over time, and it will be fully implemented by 2013. When one looks at that decision and considers the former Treasurer Peter Costello’s Intergenerational report, one sees it is perfectly consistent. It is not an easy decision, but what do we do?

There is a bit of scaremongering in the community. This measure does not start until 2017 and does not become final until 2023. People have been given eight years till it will commence and 14 years till it is finalised and the age of eligibility increases to 67. The sad reality—not the sad reality; the good reality—is that people are living 23 years longer on average than when the male pension age was first set at 65 in, I think, 1909-10. Only one group in the community could complain about increasing the pension age to 67 and that is the Indigenous community. If one goes to the Fred Hollows website, one will see that the statistics show that only 24 per cent of Aboriginal men and 35 per cent of Aboriginal women live to the age of 65, although in the last week or so some new statistics have emerged that show that they live about 10 years longer because there has been a change in the calculation.

I know it is a decision that people might be upset with but, given the age of our population, it is a hard decision that has to be taken now with proper notice. It is interesting that the Prime Minister has said he will not touch superannuation—that superannuation is off limits in relation to this decision. It can be off limits because we are not talking about the public purse in relation to superannuation; we are talking about people making provisions for their own retirement, and this may well be an incentive for people to access superannuation and to contribute to superannuation much more than is currently the case.

For me, it is not a difficult budget to rise to defend, because I think the government have made a good fist of it. I think they have got the compassion right. In the Indigenous affairs area, as the Minister for Families, Housing, Community Services and Indigenous Affairs,
Jenny Macklin, says in the budget papers, a raft of things are being funded. In the Attorney-General’s portfolio, some extra money is there for native title applications. One of the things that the former government did not do was increase the funding to rep bodies so that they could help sort out these claims through conciliation rather than through going to court.

So I think this is a very defensible budget. I say to the opposition: you are barking up the wrong tree by running your campaign on debt. There is no doubt that issue is resonating in the community. I listen to my community and they do ask the question, ‘Can we afford it?’ My answer is, ‘Yes, we can.’ Frankly—I will depart from the script here—if it takes a little bit longer to go back into surplus, so what?

I do not believe that you can play with people’s lives. I think the role of government is to make sure people are in employment, to protect their employment, to create employment, to create growth. That is why it is no secret that the British government and the American government, even the former George Bush administration, followed the same principles that we have adopted in the lead-up to this budget and in this budget, that this is the time to invest in our communities. This is the time to protect them, and it is arrogant of those opposite to run around and talk the economy down. The stimulus package was important because it is about confidence. It is about helping the people get into a better mood, a mood in which they can consume, as against the opposite, because you can create a run on your economy if the whole show closes down.

I used the example to you earlier that there is more caution from the big banks in terms of lending. That means the government should step in to help fill the breach. That is why the stimulus packages are important. That is why a deficit of $57.6 billion is important, because it is investing in people and it is investing in infrastructure. There is money there for broadband for the future. There is money there for infrastructure in certain quarters of the economy that does not come down just into conservative seats or Labor seats—it falls across the spectrum. The money is being spent where it is needed. That is the important thing about the budget.

The Treasurer was right when he talked about the centrepiece of this budget being the $22 billion we are investing in the infrastructure our nation needs to grow and prosper in the years ahead. That is what it is about. To help the growth, to help create prosperity, not to stand back and just watch like a Lowes’ dummy, doing nothing. And the $43 billion super fast broadband network is important in every respect for businesses in all quarters of our community, for schoolchildren in all quarters of our community. The opposition can mock it, can carry on. I am still to see anything. At least you came up with one alternative policy: ‘We want the same for private health insurers’. Whacko! How far is that going to get you? What are the hard decisions you have to make? How many people are you going to put out of work which you say is good for the economy? I am pleased to rise on this, my 20th budget, and give it my wholehearted support, because the Treasurer, Mr Swan, has done a great job—history will show that—and it is a budget worth supporting.

**Mr HARTSUYKER (Cowper) (6.18 pm)**—I could never refer to the member for Banks, at his age, as elderly. I think he is quite a sprightly member and puts his case very forcefully. I really could not see myself as being regarded as elderly at this point in my life either, so I will have to differ from the member for Banks on that point.

Seeing that we are talking a little bit of history in the member’s contribution, members may remember the popular seventies series *Six Million Dollar Man* about an astronaut horrifically
injured in a crash. The show’s catchphrase ‘We have the technology. We can rebuild him’ is still used today by many, and the astronaut was rebuilt and he was bigger and faster and stronger than ever he was prior to his crash. You can see the attraction of taking a broken human and not just fixing him up but also making him far, far better, and so we had this ‘Six million Dollar Man’ who was able to solve all the problems of the world back in the seventies.

But if we fast-forward to the present, what do we have? We have a harsh economic climate but fighting for us in that climate we have the cut-price version. We have the Treasurer and the Prime Minister, the ‘nine hundred dollar men’ or some may refer to them as are the ‘three hundred billion dollar men’ or the ‘three hundred and fifteen billion dollar men’.

But one thing of concern is that we have to question whether they have the technology to run this economy. Of course, people who received more in refunds than they paid in tax would not refer to them as the ‘nine hundred dollar men’. They would probably refer to them as the ‘no-hundred dollar men’—the nodollar at all men—because the spin that was put out by the Prime Minister and the Treasurer was that, if you earned less than $100,000, you would get a $900 bonus. But I can tell the Treasurer and the Prime Minister that there are many people in my electorate who are disgruntled because the spin and the rhetoric were not matched by the reality. The spin and the rhetoric were replaced by a scheme that was not properly thought through and discriminated against many Australians.

But let us return to the Six Million Dollar Man being led out of disaster to a bright future and ask ourselves: what are the nine hundred dollar men doing? Rather than leading us from disaster, the situation is far more bleak. The Prime Minister and the Treasurer are leading us towards disaster. We heard them last year. They used the catchcry, ‘We’re going to build a surplus.’ They talked about the surplus that they built. Very quickly, they have weaved their magic and turned a situation where they inherited a very substantial budget surplus into a deficit. Along came the nine hundred dollar Men who took the $20 billion surplus and turned it into a $58 billion deficit. By contrast, during its time in government the coalition paid off $96 billion of Labor’s debt, but along came those nine hundred dollar men who turned a surplus into a deficit within 18 months and used their superhero powers to create $188 billion in net debt by 2012.

What would we think if we turned our household finances so quickly and so negatively? We would be very concerned, and the people of Australia are rightly concerned at the way the nine hundred dollar men are running our finances—$188 billion in net debt. That is $9,000 for every man, woman and child. It is not a good start to a newborn Australian today to be lobbed with $9,000 in debt from the first day of their life, thanks to Kevin Rudd and Wayne Swan.

They blame everything. They blame the global financial crisis, they blame the shape of the tea leaves—you name it, nothing is ever their fault. The spin masters always make one thing clear: it is not their fault but always someone else’s fault. They always say, ‘There is no alternative’. There is no alternative, according to the Prime Minister. Either you agree with his policies on the economy or you are painted as being unpatriotic, economically illiterate and in favour of ruinously high unemployment. There is no debate to be had. It is perfectly clear that the Prime Minister believes he is correct on every occasion. But is he correct on every occasion? Is there another way to that proposed by this government? It is quite clear that in many cases where the government has put forward proposals there are other ways, and there are
better ways. You have only to look at the bank guarantee that was put forward. The unlimited bank guarantee was painted as the only solution. What happened? We saw countless depositors, thousands of depositors, with their assets frozen.

There was also the fibre-to-the-node network. There was no other way to take this country forward other than fibre to the node, until suddenly the tender scheme collapsed in a heap. When it was found that the fibre-to-the-node system was not remotely commercially viable and the government could not find a tenderer to actually make this happen, then there was a new way. There was fibre-to-the-premises option, but this option did not exist before the initial tender program fell down.

There was no other way on climate change, until the economic realities reared their ugly heads and the Prime Minister’s emissions trading scheme had to be delayed for a year. Previous to that point, there was no other way. If we did not start the ETS on time, it was going to mean the end of the world, the end of the Great Barrier Reef and doom for all concerned. But suddenly, when the political imperative changed, the Prime Minister’s view changed. Presumably, now the unions are protesting, there will be another way on issues of employee share schemes. There would have been no other way, but if the unions get into the act perhaps there will be a backdown there, too.

What about the issue of raising the retirement age to 67? It remains to be seen whether there will be another way. This government is hostage to headlines and hostage to spin. It is driven by hasty decisions which attempt to grab headlines and decisions that it takes in its own best interests and not in the interests of the country and not in the interests of good economic strategy. They decided that it was not in the interest of the government to use the word ‘billions’ so we had numerals but without the words ‘billions’ or ‘dollars’ attached. That is an interesting idea; an interesting product of the spinmeisters of the Prime Minister’s office. It is quite interesting that you can never have the words ‘deficit’, ‘dollars’ or ‘billions’ appearing in the same sentence—until, of course, the media start taking it up and then they apparently seem to change tack on that as well.

When this opposition raised the record debt being racked up by the nine hundred dollar men, predictably the government and the Prime Minister talked of the opposition ‘talking the economy down’. In keeping with his mantra of ‘There is no other way,’ anyone who puts forward another point of view, anyone who dares to question the government’s economic profligacy, is doomed to criticism by this government. Yet the Treasurer has proved himself to be quite a gambler. He is gambling on high growth—on boom-time growth coming out of a recession that many commentators, including the IMF, are saying is going to be a long and protracted process. Despite that we have a Treasurer who has gambled on high growth. He is also gambling on maintaining government revenues under control at a level that is far lower—only two per cent growth in government revenues—than many of the elements of the budget would grow at, such as pensions and defence spending. Many of the major items in the budget will grow at far faster rates than the government’s limit of two per cent increase.

But let us look at the situation overseas—in the United States and the United Kingdom. The UK’s public sector debt stands at £697.5 billion or 47 per cent of GDP. However, the UK’s Office of National Statistics expects to have to add between £1 trillion and £1.5 trillion to the UK public sector net debt taking the total national debt to an unprecedented £2.2 trillion. This would be the worst debt outcome since the 1950s. Despite this massive debt we
have unemployment in the UK in the December-February quarter increasing to 6.7 per cent—up 0.6 per cent over the quarter and 1.5 per cent on the year. The number of people employed fell by 126,000 and was down by 227,000 on last year. But the question remains: did this massive debt spark some form of economic revival? No, it did not. Did this massive debt result in job creation? No, it did not. Did this massive debt put the government and the nation in a stronger economic position? Clearly, it did not. Recently we had Standard and Poor’s saying it had revised its outlook for the UK to negative. The debt binge by the UK government has certainly not done that country proud. Standard and Poor’s said:

We have revised the outlook on the U.K. to negative due to our view that, even assuming additional fiscal tightening, the net general government debt burden could approach 100% of GDP and remain near that level in the medium term.

Debt does not equal prosperity and this government is taking us in this country down the path to excessive debt.

It is a similar situation in the United States, where you have massive levels of debt and deficit which are not resulting in economic wealth and well-being for the people of the United States. What are we going to do in this country? We are going to go down the same path. We are going to have massive increases in debt for which there is no credible path to repayment. The figures in the budget, which many economic commentators view with disbelief—the growth figures and the spending assumptions—are items of fiction.

Who will pay the price? It will be the Australian people who pay the price. If $96 billion of Labor government debt under the Hawke-Keating administration was a massive task to repay then $315 billion under the Treasurer and this Prime Minister will be a Herculean task and one falling very heavily on our children and grandchildren. Do they have a strategy to repay? No, they do not. Do they have a credible plan? No, they do not.

When you look at the individual elements of this budget and the way that they impact on regional electorates, there are some nasties to be found. The one that is causing very great angst in my electorate is the changes to youth allowance—a very nasty measure indeed. The eligibility for youth allowance is causing concern amongst so many young people. They are devastated by these changes. It is an outrage that young people will now be required to work 30 hours per week over 18 months in order to access independent youth allowance. Many of them have already started their gap year and were planning on starting their university studies in the new year. What is going to happen? They will have to put their studies on hold and work for longer. Some of them are unable to defer. In effect this is retrospective legislation from those students’ point of view. It is causing much heartache. I have had email after email from concerned young students and from concerned parents all worried about what the future will hold for them with the students needing the youth allowance to start their studies and to support the many expenses that students incur. It is absolutely outrageous.

I would now like to turn to the issue of infrastructure. Whilst I welcome the very welcome expenditure on the Kempsey bypass, in the electorate of Cowper we have a considerable number of major centres that also urgently need a bypass. Macksville, Coffs Harbour, Urunga, Woolgoolga—whilst the project has been announced we are waiting to see whether it actually gets going—and Ulmarra all need a bypass. It is vitally important given the heavy traffic on the Pacific Highway that the trucks are removed from the main streets of the centres.
Another important promise made by the Prime Minister was on health when he said that the buck stopped with him, but we have seen nothing in this budget that gives any meaningful support to that promise. I think that the Prime Minister and the Treasurer would prefer 30 June 2009 to pass unannounced without anyone noticing the fact that the Prime Minister swore an oath that the buck stopped with him on health. It is interesting that, as we approach that fateful date of 30 June 2009, we have the Mid North Coast Area Health Service actually cutting staff from the North Coast hospitals. We have hardworking staff that are somehow going to be able to ‘miraculously’, if you listen to the bureaucrats speak, deliver more procedures and more efficient services through fewer staff. I have not quite worked out how that is going to occur. If you strip 400 staff out of a health service, how can you do more procedures and produce more efficient services? We recently had a problem with infections at one of our local hospitals. What are the positions that are going to be cut? Many of them will be cleaners. How can you improve your infection control with fewer cleaners? It is an almost Orwellian concept. It is once again Kevin Rudd and Wayne Swan putting spin ahead of substance. It is an absolute outrage.

I would also like to focus for a moment on private health insurance. I heard the member for Banks applauding this measure. But it is not so much an issue of the private health insurance rebate; this is an issue of the total health system and hospital waiting lists. If we force people out of private health insurance and force them onto the public system it will mean longer waiting times for the people that I represent. It will mean longer waiting times for pensioners and single parents. It will mean longer waiting times for those who can least afford to wait and those who can least afford to pay. The Prime Minister dresses this up in a ‘politics of envy’ type way and tries to masquerade it as bashings the rich—‘Let’s slug the rich’—but it is really slugging the poor and the sick because they do not have the capacity to wait long periods of time, as is expected by this government.

Turning to the issue of broadband where we have this fibre-to-the-premises concept—we do not know how we are going to fund it; we do not have a business plan. There is not enough money in the budget to make—

Dr Jensen—$43 billion dollars!

Mr HARTSUYKER—it certainly is—an impression on this project. Yet, miraculously, investors are going to come and they are going to pour their money—$43 billion—into this project without a business plan, without any prospect of a return, without any notion of what they going to get for it, and we have 10 per cent of Australia that is going to miss out. What is going to happen to them? Ten per cent of Australia—no doubt the regional areas—are going to miss out under the Rudd communications plan. We have all of these investors who are going to rush out and take the Prime Minister at his word that it is going to be a great success—build it and they will come. It is purely a fantasy. It is all about spin, it is all about media opportunity; it is not about good communications policy, and it certainly is not about responsible budgeting. Again, it is another one of the financial outrages this government is perpetrating on the Australian people. We have a situation where the fortunes of Australia are slumping under this government. This government is turning surplus into deficit. It is turning opportunity into despair for our young people. It is denying our young people youth allowance. It is certainly a government that is going to go down in history as the government that killed the goose that laid the golden egg.
Mr SYMON (Deakin) (6.36 pm)—I rise to speak in strong support of the Appropriation Bill (No. 1) 2009-2010 and cognate bills before this chamber. This is a budget that firmly concentrates on nation building and, by investing in infrastructure such as roads, rail, clean energy, ports and a national broadband network, this budget helps stimulate our economy and helps protect Australia from the full effects of the global recession.

At the 2007 election the Australian Labor Party made a commitment to the people of Deakin. It committed to wake commuters up from the traffic nightmare and do something about the nightmare that was Springvale Road. We have heard a bit about Springvale Road today, being one of the projects that was mentioned in a debate in a nation-building bill before the House just before question time. However, that commitment was not there and was not met by the opposition, because what we saw was an amendment that would have stripped away funding to that project. For a project that was campaigned upon by the Liberal Party for 12 years, to see that come up in the House today was truly surprising.

The 2009-10 budget commits $76.5 million through that program to fix the Springvale Road rail crossing, well known in Melbourne to not only locals but also those who live for miles around as the worst intersection in town and rated, year after year, by the RACV as the worst red spot—that is, congestion spot—in Melbourne for traffic. I will get back to that one a bit later. In the first term of government, to be able to stand here and say there has been not only a commitment, but also dollars put up for a project that those on the other side could only ever talk about and never actually deliver—not working with the state government, promising half the funds but not being able to do anything—marks a great change. We now have a state government on board, an announcement and real funding and tenders let on the job, so that things can actually happen, so the project can start and so that commuters and road users will benefit from this project by early 2010.

I and many others that I know who live out in the eastern suburbs of Melbourne have lobbied for this project year after year after year. It is really a great thing that it takes a Rudd Labor government to ensure that it happens. Of course, state members did a lot of work too and lobbied year after year to get this funding in place. I cannot let go by the contribution of both the state member for Mitcham, Tony Robinson, and the state member for Forest Hill, Kirstie Marshall. They have worked long and hard and lobbied long and hard to get this funding in the state budget, and to have it match up with and come through at the same time as the federal contribution is a fantastic result for local people.

This project also provides a new railway station for Nunawading and we will see the railway line lowered to go underneath the road along with the provision of space for a future third line. There are also new car parks to go in place and new spaces that will be put in for pedestrian access across Springvale Road.

Debate interrupted.

STATEMENTS BY MEMBERS

Sutherland Shire

Mr MORRISON (Cook) (6.40 pm)—It has come to my attention that on Adam Spencer’s morning radio program in Sydney doubt has been cast on whether the Sutherland Shire, which I am privileged to represent in this place, has sole rights to be known as ‘The Shire’. For the record, there has only ever been and will only ever be one ‘The Shire’—the Sutherland Shire.
The Shire’s natural geography separates us from the rest of Sydney, both defining and creating the wonderful sense of community for which our shire—‘The Shire’—is famous.

It is often said that one needs a passport to enter or leave our natural boundaries, and Facebook groups have been established urging our secession. Our claim to ‘The Shire’ is also internationally recognised. Around the globe you will find our roving ambassadors proudly proclaiming their Shire heritage, with no further information required from the international community. They know where ‘The Shire’ is. We may yet even demand a seat at the UN!

However, for those who still doubt, the issues were settled almost 250 years ago, when on 29 April 1770 James Cook chose ‘The Shire’ as the birthplace of modern Australia by landing at Kurnell. There is nothing more original than that. So while we are flattered by those pretenders seeking to claim the mantle of ‘The Shire’, I invite them to come and visit the one, true ‘Shire’ and experience our wonderful national parks, beaches and waterways. Just remember to bring your passport, and don’t blame me if you never want to leave.

**Fireworks**

Mr CLARE (Blaxland) (6.42 pm)—This weekend is the Queen’s Birthday weekend. In the ACT it is also a fireworks weekend. It is a good time to look at the impact that fireworks sold in the ACT have not just here in Canberra, but also 260 kilometres up the road in my electorate in south-west Sydney.

New South Wales banned the retail sale of fireworks years ago, but it is still a big problem, largely because of the laws here in the ACT. I get more complaints at my office about illegal fireworks than just about anything else. My colleague the member for Reid has the same problem. Fireworks are set off in parks and local streets, sometimes until three o’clock in the morning, upsetting little kids, upsetting the elderly and disturbing pets. A friend of mine had one fired at his car while driving home on Christmas night.

New South Wales laws ban the use of fireworks, but it has proven impossible to police. The only way to fix the problem is to bring ACT laws into line with those in the states. Every state in Australia has banned the sale of fireworks to members of the public. If the ACT were to adopt the same approach it would make a big difference in the suburbs I represent. It would stop the fireworks being brought in from Fyshwick and let off in Bankstown. The ACT government is currently reviewing their fireworks laws. On the eve of another Queen’s Birthday weekend, now is the time to act.

**Youth Allowance Scheme**

Dr JENSEN (Tangney) (6.43 pm)—I would like to raise the issue of changes to the Youth Allowance Scheme. These changes will have a serious impact on the future education of our youth and will seriously undermine students’ capacity to study to their full potential—if these changes allow them to study at all, which, unfortunately, in a lot of cases, they will not.

I have received a high volume of correspondence from young people within the Tangney electorate, as well as from concerned parents—and rightly so. There is even greater concern for those who live in rural and regional areas. We need to encourage and nurture these young people, not slash their lifelines. This so-called saving measure will take $1.8 billion out of the hands of these young people over the next four years. They are already doing it hard whilst trying to do their best to secure a better future for themselves.

MAIN COMMITTEE
Many people in this House will remember how difficult it is to study, work and survive on a minimum amount of money. Maybe those opposite have forgotten. I suggest it is time to remember and do the right thing by the youth of today who want to build a strong future for themselves. They deserve it.

**Relay for Life**

Ms LIVERMORE (Capricornia) (6.45 pm)—I rise to congratulate the team at the Cancer Council Queensland for staging another great Relay For Life event in Rockhampton on the weekend. Every year big crowds gather at the CQ University oval for a great day and night of entertainment and fun and, more importantly, for fundraising. This year was no exception. There were 114 teams walking laps of the oval all night with numbers far higher than the previous year. The teams varied in size from between 10 and 15 members so the organisers estimate that there were about 1,500 participants. As at lunch time today, they had banked about $189,000 and the final tally is expected to be over $200,000. To put that in perspective, they banked just over $50,000 last year, so this year’s event has been a massive success with the money raised going towards cancer research, support, and prevention activities in the region. I congratulate everyone at the Cancer Council, including Relay for Life committee chair Ros Bedward and the army of volunteers who donated their time to ensure everything ran smoothly. I had the honour of opening the relay. This meant that I was there for the Survivors’ Walk, which is truly inspirational, in which cancer survivors, wearing their purple sashes to mark the journey that they have been through, lead the first lap of the event. It was a great day and the culmination of a lot of hard work by dedicated volunteers with long-lasting benefits for those living with cancer and their families in Central Queensland.

**North Coast Floods**

Mr HARTSUYKER (Cowper) (6.46 pm)—I rise to commend the great work of the emergency services during the recent flood emergency on the New South Wales North Coast. At a time of massive rainfall and the need for major evacuations, the work of the emergency services was, indeed, superb. Police, fire services, ambulance and the volunteer SES service worked incredibly well and incredibly hard. I would like to commend them but it was not only about the actions on the ground. Bad weather was forecast some days ahead and the severity of the storm was known in advance. In Coffs Harbour, some days before the event actually happened, we saw a large number of SES vehicles already marshalled, ready to go to work if the need arose. The need did arise across the electorate and it was very pleasing to see the high quality of the work done by the SES volunteers assisting the employed emergency services. There were necessary evacuations of the major centres but, fortunately, the levees held and the towns were saved. A lot of good planning was in evidence and a lot of great work by the emergency services.

**Blair Electorate: Schools**

Mr NEUMANN (Blair) (6.47 pm)—I rise to congratulate St Edmunds College in Ipswich, a Catholic boys school for secondary students. On 30 May this year, I opened an extension to the Westcourt Resource Centre, a $1.9 million dollar project of which the Rudd government contributed $850,000. It is part of stage one of the master plan of the school to raise the number of students to 850 young men. Since 1982, St Edmunds has trained the young men of Ipswich to be involved in social life, to have a strong commitment to social justice, social equity and social inclusion. The Rudd government is committing $3 million for a trade training cen-
tre, $132,000 worth of computers in schools and $200,000 in School Pride money for classroom upgrades. It shows that the Rudd government is committed to this school, and, as their federal member, it gives me great honour and it is a great privilege to represent this school in this area. I congratulate the St Edmunds Foundation, the St Edmunds College P&F and Edmund Rice Education for their commitment to the young men of Ipswich and for civic life, generally, since 1892.

**Uniting Church**

**Mr SIMPKINS** (Cowan) (6.49 pm)—I previously spoke of my high regard for the Girls’ Brigade companies located within the electorate of Cowan. Today I would like to speak on the 3rd Perth company located in Greenwood. On Sunday 24 May I attended the Uniting Church in Greenwood for the usual 9 am service. I did so in order to formally recognise the great volunteer work of the leaders of the 3rd company. The Girls’ Brigades have a rich history of supporting and guiding girls and young women in life skills consistent with the Christian faith.

At the service I had the chance to acknowledge the dedication and effort of the leaders of the Girls’ Brigade. The captain of the 3rd company is Elisabeth Stokes. The leaders and auxiliary helpers are Elaine Summers, Jacqui Sanders, Aimee Burnenshaw, Stephanie Sanders, Sarah Sanders, Jessica Ross, Alexandria York and Laura Dunstall. Given that the youngest of these volunteers is just 17 years old, the future of the Girls’ Brigade is assured. Indeed, as I looked around the church community, I was sure of the future leadership of the Girls’ Brigade and its volunteers. Given the great number of girls at the church, the future of the Girls’ Brigade seems very positive.

With regard to the large number of young people in the church, it was clear to me that it provides for the needs of its community. This was epitomised by the upbeat yet appropriate spiritual music and the highly relevant sermons. It is little wonder that the church was absolutely packed. I thank the minister of the Uniting Church, Geoff Hurst, and Captain Elisabeth Stokes for allowing me to attend the service. I also acknowledge the head of the church council, Bruce MacAdam, the Reverend Tom Wilson and the entire congregation for making me feel welcome.

**Kleenmaid**

**Ms PARKE** (Fremantle) (6.50 pm)—In April, the Kleenmaid company went into voluntary administration and subsequently into liquidation with debts of over $100 million. This includes $27 million owed to customers who, in many cases, had paid in full for Kleenmaid products. This corporate failure has inflicted financial pain on thousands of ordinary Australians, including a number in my electorate. One of my constituents, a hardworking cleaner, paid $21,520 to Kleenmaid during 2008 for appliances to complete the home she is building. Now she has a house that is marked by gaping holes in which appliances were to be fitted. Those appliances will never be delivered.

The collapse of Kleenmaid includes elements of corporate disintegration with which we have become sadly familiar: a company that ignored the writing on the wall when the writing was 10 feet high; a company whose directors showed an apparently reckless disregard for its employees, customers and creditors; a company whose directors showed a painstaking regard for their own financial interests. There is evidence to suggest that Kleenmaid not only traded
while insolvent but also kept relevant information from customers and creditors. Further, it sought new ways to extract funds from existing customers right to the very brink of collapse.

I urge the liquidator and the regulatory authorities to explore every avenue of redress with respect to this company, its directors and related entities in order to do justice and return as much money as possible to household creditors, who presently find themselves standing behind secured creditors, including a company called England and Young Holdings Pty Ltd, which is co-directed by Kleenmaid director, Andrew Young.

Pastor Jade Lewis

Mr IRONS (Swan) (6.52 pm)—I rise this evening to talk about an amazing young woman who lives in Belmont in the electorate of Swan. On Friday morning I attended a prayer breakfast meeting held at the Belmont City Offices function room. There were plenty of people from the local district in attendance, including Mayor Glenys Godfrey, Councillors Brenda Whitely and Carol Hanlon and local racing identity Bernie Ryan.

The guest speaker was Gary Raymond, a former detective in New South Wales. He spoke of his time in the rescue squad and his experience with the Granville train disaster. The events master of ceremonies was Jade Lewis, the youth pastor at Airport City Church. Jade is a remarkable young woman, and I spoke with her at length about the program she runs, including one that involves helping female prisoners at the Bandyup Women’s Prison.

Before I left, Jade gave me a book called Golden Haze, which is about her experience with drug abuse and her recovery, through the Teen Challenge program, from that horror stretch in her life. Her book details her downward spiral from being an elite sports woman, with Olympic dreams, to eventually destroying those dreams and, in the process, nearly destroying her family as well. It all started with the innocent use of so-called recreational drugs.

I read Jade’s book over the weekend and was amazed at her journey. I suggest, like others have, that this book be compulsory reading for all school children. It is already in 500 schools around Australia. Jade Lewis is a champion against drugs, and I wish her well in her efforts to educate our youth about the horrors and the traumas that drug use brings to our society. Jade has lived it and survived it when many others have not. I will certainly be giving a copy of her book to my 16-year-old son.

Moreton Electorate: Tarragindi War Memorial Kindy Fete

Mr PERRETT (Moreton) (6.53 pm)—Yesterday was the last day of autumn, and it was a wonderful day to represent the Prime Minister of Australia, the member for Griffith and my next-door neighbour, at the Tarragindi War Memorial Kindy Fete. There were huge crowds at the fete and some of the best produce seen in Brisbane. In fact, I think my staff and my family will be eating my purchases for weeks to come. I turned up with the local councillor for Moorooka, Steve Griffiths, and the state member, Simon Finn. I even saw a couple of other elected representatives at the fete as well. It is certainly a sign of a good fete when you can bring in the Lord Mayor as well as politicians who are not even local representatives. I have never seen so many happy smiling faces—the kids, that is. Most of them had painted faces. Some of the parents looked a little bit stressed, but only until they got their lovely coffee.

I thank all the teachers and staff, particularly Natasha Sommer and the organising committee, the volunteers, the parents and especially the sponsors for the great work that they put into the fete. I was there with my wife, Lea, and our two sons, and we will be back next year.
For those people from Tarragindi who I did not see at the fete, I hope that I will see you later down the track at the Toohey Mountain bike path, which I will be opening with Councillor Steve Griffiths from Moorooka. The bike path is a good investment in a piece of health infrastructure.

The DEPUTY SPEAKER (Dr MJ Washer)—Order! It being 6.55 pm, in accordance with standing order 192A the time for members’ statements has concluded.

PRIVATE MEMBERS’ BUSINESS

Sri Lanka

Debate resumed, on motion by Ms Parke:

That the House:

(1) expresses its concern about the grave humanitarian situation of the Tamil peoples of Sri Lanka, many of whom are presently detained in camps following the recent conflict in Sri Lanka;

(2) calls upon the Sri Lankan Government:

(a) to allow full access to United Nations and other humanitarian agencies to the camps to provide all necessary aid; and

(b) to agree to an independent international investigation into war crimes alleged to have been committed by both parties during the recent conflict in Sri Lanka; and

(3) expresses its hope that Sri Lanka can move forward from this difficult period in peace and with full respect for the human rights of all its peoples.

Ms PARKE (Fremantle) (6.55 pm)—Since my motion on Sri Lanka was listed, I have been contacted by a number of people within the Australian Sri Lankan community and have met with the Sri Lankan High Commissioner. In each case, concern has been expressed to me that this motion would unfairly criticise the Sri Lankan government or that it would give undue support to the LTTE at a time when Sri Lanka is seeking to move beyond what has seemed to be a permanent cycle of violence. So let me say at the outset that I welcome the end of hostilities in Sri Lanka and that I am not speaking tonight in support of the LTTE, which has been rightly condemned over the past 28 years for its acts of terrorism and brutality.

The points I wish to make in raising this motion before the House are quite simple. The first is that the United Nations, as the world’s paramount multilateral organisation, must always be given the scope to perform its role. The second is that, in my view, lasting peace can be built only on a foundation of truth and reconciliation and through a transparent process of restorative justice. As the Secretary of the Australia-Sri Lankan Parliamentary Friendship Group, it is in the spirit of openness and friendship that I speak to this motion. I am aware that these are sensitive issues, yet if we do not speak of issues because they are sensitive we will always be turning away from the matters of principle and conscience that offer whatever hope there is in human progress towards greater global cooperation, understanding and peace. I commend the statement made by Australia’s Minister for Foreign Affairs in this place on 12 May when he said that in the Sri Lankan government’s moment of military victory it must show humanity and self-interest to win the peace.

According to reports, there are now almost 300,000 displaced Tamil people in desperate situations in government camps. Last week, the UN High Commissioner for Human Rights called for unrestricted humanitarian access to the displacement camps and for an independent and credible international investigation into allegations which have consistently surfaced in
the course of the fighting regarding serious violations of international humanitarian and human rights law on the part of both sides. I am advised that the UN agencies are still not being granted full access to the displacement camps. As someone who has worked in humanitarian operations for the United Nations, I say clearly that all restrictions on the access and effective work of UN agencies, the ICRC and humanitarian NGOs in displacement camps must be removed to ensure that adequate medical, food and other basic assistance can be immediately provided. As the UN High Commissioner for Human Rights noted, this will make the difference between life, illness or even death to many.

There is also some semantic disagreement on whether those in the displacement camps are being detained or are simply prevented from leaving for their own safety pending the separation of LTTE combatants from civilians and pending the appropriate remediation of the conflict zone. It is to be hoped that the government will quickly allow freedom of movement to the vast majority of people within the camps who do not pose a security threat and that it will establish a transparent process for the demobilisation of former LTTE fighters in accordance with the Geneva convention and other accepted international standards.

The most sensitive issue of all is the question of war crimes. That is true not just in this conflict but throughout recent human history. I doubt that there has ever been or ever will be a crimeless war. As a matter of principle, all countries should have the courage and confidence to allow a fair examination of their military conduct and to give justice where crimes against international law are committed. In the fight against terrorism, democratic governments distinguish themselves by the standards they uphold.

In this conflict it is alleged inter alia that the LTTE prevented civilians leaving the conflict zone, forcibly conscripted minors and other civilians for military purposes, used civilians as human shields and fired upon fleeing civilians. It is also alleged inter alia that the Sri Lankan army used heavy artillery indiscriminately in areas where civilians were known to be located, that it shelled hospital clinics and that it killed LTTE members who had surrendered or who were trying to surrender. These are serious claims and, despite the suggestion from both sides that such allegations are nothing more than propaganda, there is enough evidence and testimony to merit an impartial investigation of the claims. The very best antidote to suspicion and distrust is transparency and truth.

In his recent visit to Sri Lanka, the UN Secretary General appealed to the Sri Lankan government to ensure that a comprehensive process of accountability and examination of alleged human rights violations would occur. I wish the Sri Lankan government all the necessary strength and conviction required to participate in such a process. Openness, accountability, compassion, full respect for human rights and an inclusive process of dialogue between representatives of all ethnic communities will support the course of reconciliation that must occur in Sri Lanka’s near future to avoid a return to the past. This is my humble plea in the spirit of the great friendship between our countries.

Mr RANDALL (Canning) (7.00 pm)—Having had a long association with the Australian Sri Lankan community and having watched closely the atrocities committed by the Liberation Tigers of Tamil Eelam, LTTE, over many years, few were more thrilled at the prospect of Sri Lankan peace and unity than me when I saw that the Tamil Tigers were defeated recently. The member for Fremantle’s motion alleges war crimes have been committed by the Sri Lankan government as well as the LTTE. I believe that this compromises her role as secretary to the
parliamentary friendship group with Sri Lanka. I can only assume that the member’s views are supported by the member for Lowe, an historical LTTE sympathiser, based on his statements in this House in the last week.

I understand that the Sri Lankan community in the member for Fremantle’s electorate are understandably concerned by the motivations of her motion. Over three decades the rights of millions of Sri Lankans were violated by the LTTE and an estimated 80,000 people were killed in the 26-year civil war. I have said in the House on several occasions that the LTTE was one of the most brutal and militant terrorist groups in the world. In addition to brutalising the Sinhalese people in its battle for territory, it sacrificed its own minority ethnic group of Tamil people and used them as human shields and suicide bombers and recruited child soldiers from them.

As recently as February this year I wrote to the Attorney-General to request the immediate listing of the LTTE as a terrorist organisation under the Security Legislation Amendment (Terrorism) Act 2002. The European Union, the USA, Canada and Britain are among more than 30 nations who have recognised the LTTE as a terrorist group. My sentiments echoed the calls of Senator Hutchins, who is the chair of the friendship group. I understand that the Attorney-General began the prescribing process; however, the states must agree to such a prescription and New South Wales opposed the prescription and as a result it was thwarted.

Speaking on this motion today it is important to stress at the outset that Australia has a strong humanitarian record. We will provide aid but we cannot support or condone aid to terrorists. To cast a slur on the Sri Lankan government—quoting their defeat of the LTTE, a known terrorist organisation—is an insult to the democratically elected government and damaging to relations with Australia. As a former chair and the current deputy chair of the Sri Lankan parliamentary friendship group I have maintained a strong relationship with the Sri Lankan community over my time in parliament. I have attended their community events and have heard their stories and watched with horror as the LTTE group brutally murdered many innocent civilians. The former High Commissioner to Australia, who I was proud to call a friend, was viciously targeted by the LTTE last year. A suicide bomber in Anuradhapuresa killed 27 people and injured 80, including Major General Janaka Perera and his dear wife, Wijira.

To call for an investigation into the actions of the Sri Lankan government is damaging at home and abroad. To ambush the Prime Minister with calls for an investigation into human rights abuses is both disturbing and politically motivated. The Sri Lankan government maintained a zero civilian casualty policy and to meet this policy slowed their advance considerably in consideration of the ethnic Tamils being used as human shields. The member for Fremantle, who touts her UN credentials at every opportunity, should acknowledge that the UN in a special session passed a resolution praising the efforts of the Sri Lankan government in addressing the needs of displaced people and also welcomed the commitment of Sri Lanka to the protection of human rights. The resolution also condemns the Tigers and welcomes the liberation by the government of tens of thousands of citizens kept by the LTTE against their will as hostages.

While the Sri Lankan community moves forwards the LTTE sympathisers continue to be divisive. The Australian media has reported that LTTE fronts through various groups across Australia have raised funds to support the tactics of the LTTE and demonised the Sinhala
people. It is these actions that culminated in recent ethnic attacks in Sydney. The situation is certainly volatile.

The member for Fremantle also raised the issue of humanitarian aid into those camps. Her motion says they are detained but they are actually homeless. An estimated 250,000 Tamil civilians are in internally displaced persons camps because their homes and livelihoods have been destroyed during the conflict through the indiscriminate targeting of the LTTE. The Sri Lankan government works feverishly to construct temporary shelters, schools and hospitals.

(Time expired)

Mr MURPHY (Lowe) (7.05 pm)—I commend the member for Fremantle on her motion in parliament tonight. As you know, Mr Deputy Speaker Bevis, I have been speaking out in this place on the conflict in Sri Lanka since I arrived here almost 11 years ago and I intend to keep speaking out on this appalling humanitarian crisis. As we speak in this parliament tonight there are some 300,000 Tamils incarcerated in atrocious conditions in government-controlled camps in the north of Sri Lanka. These innocent citizens have been herded into barb-wire camps and are suffering poor health, poor nutrition and shortage of water, as well as having to endure awful sanitary conditions.

The member for Fremantle’s motion is a very important motion that goes to the heart of the concerns we should all share for the suffering of innocent victims and it goes to the heart of respect for human rights the government of Sri Lanka must now show to its Tamil citizens. The Sri Lankan government is taking false and dishonest comfort in the recent United Nations Human Rights Council resolution that supports the current crisis in the north of Sri Lanka as a ‘domestic matter that doesn’t warrant outside interference’. The Sri Lankan government is taking false and dishonest comfort in the resolution that supports the government’s insistence on permitting aid organisations access to some 300,000 Tamil civilians held in camps only ‘as may be appropriate’.

I ask: if outside parliaments like ours and all the other parliaments concerned about human rights throughout the world do not speak out for the Tamil people now, how can we ever expect justice for the Tamil people from the Sri Lankan government? I also ask: what pressures were placed by the Sri Lankan government on the members of the United Nations Human Rights Council to achieve this flawed outcome? The vote of support for the Sri Lankan government by the council makes a total mockery of the recent vote by the council that went against Israel in relation to the killing of some 700 innocent Palestinian civilians in Gaza and the instigation of a fact-finding mission to report on violations of international human rights and humanitarian law by both sides in Gaza.

Confidential United Nations documents obtained by the Times newspaper reveal that more than 20,000 Tamil civilians were killed, mostly through shelling, in the final stages of the Sri Lankan civil war. Further, those documents show that 7,000 innocent civilians lost their lives in the no-fire zone of Sri Lanka up to the end of April, despite the Sri Lankan government claiming that their forces had stopped using heavy weapons on 27 April. Moreover, the United Nations confidential documents reveal that a further 1,000 civilians were killed on average each day up until 19 May.

What double standards has the United Nations Human Rights Council exhibited in the case of the civil war in Sri Lanka compared with the conflict in Gaza? How can the United Nations Human Rights Council vote for a fact-finding mission to report on violations of international
human rights and humanitarian law by Israel and Palestine in Gaza and not support a similar fact-finding mission for Sri Lanka? How dare the Sri Lankan ambassador to Geneva claim last week that the European nations had failed with their ‘punitive and mean-spirited agenda’ against Sri Lanka? I ask, on behalf of the 300,000 Tamils suffering in horrendous conditions tonight in Sri Lanka: how punitive and mean spirited is the government of Sri Lanka?

Immediate, full and unimpeded access to the civilians held in the barbed wire camps must now be given by the Sri Lankan government to United Nations and other humanitarian agencies. Moreover, there must be an independent and thorough international investigation into the bloodbath and war crimes associated with the 26 years of civil war in Sri Lanka. You only have to note the words of International Crisis Group Sri Lanka analyst Alan Keenan quoted in the Australian newspaper today warning that many people will be vulnerable to denunciations as Tamil Tigers, which is one reason why it is essential—but unlikely—that the Sri Lankan government should make the refugee camps open to independent eyes. As I said in this place last week, the selective and government controlled tour by the United Nations Secretary-General, His Excellency Mr Ban Ki-moon, raises even more concerns for the many thousands of unaccounted-for Tamils as well as the hundreds of thousands of internally displaced civilians in government controlled camps.

The European and other nations who have spoken up for the Tamils are not fools. The international community are not fools. We are not fools. I repeat what I said here in this place last week: the Sri Lankan government must immediately enter into honest diplomatic negotiations in good faith with representatives from the Tamil community and recognise their aspirations as stipulated in the International Covenant on Civil and Political Rights. All people have the right to self-determination. By virtue of that right, they freely determine their political status and freely pursue their economic, social and cultural development. (Time expired)

Mrs MARKUS (Greenway) (7.10 pm)—I rise to speak to this motion on Sri Lanka because in the electorate of Greenway I have Sri Lankans of Sinhalese and Tamil descent, who all call Australia home. I thank the member for Fremantle for moving this motion. I hope for a lasting ceasefire and enduring peace, but a mutually viable and appropriate plan for reconciliation between the government and the Tamil community and/or solutions, in this instance, are likely to require a practical, political approach, which at the moment seems to be beyond the reach of all involved.

If we look at the history of this conflict, we see it has been going on for some 25 years, involving more than 100,000 deaths in the conflicts in both the north and the south. Successive attempts to resolve the ethnic conflict between the Sri Lankan Tamils, who have traditionally inhabited the north and north-east regions, and the Sinhalese, concentrated in the central and southern regions, have been tried since the 1950s, but still we see no success. The nature of the main Tamil national organisation, the LTTE, has made any peace settlement particularly hard, but the Sinhalese dominated political parties have also consistently failed to reach consensus on reasonable power-sharing or devolution proposals that might be acceptable to the majority of Tamils.

If we look at the peace process which began in 2002, we see that talks broke down due to misunderstandings and a lack of will on both sides. Ongoing fighting has produced a major humanitarian crisis in Sri Lanka’s north-eastern region. The numbers are hard to estimate, given the challenge of accessing that region. Over 50,000 civilians remain trapped in the...
crossfire between government forces and the Tamil Tigers and more than 150,000 are displaced in government camps and detention centres with no freedom of movement and in conditions that fall far short of international standards.

Since fighting intensified in mid-January 2009, the UN estimates that some 6,500 civilians, including at least a thousand children, have died and more than 10,000 have been injured. Some 100,000 civilians managed to escape to government controlled territory in the wake of the army’s assault on 21 April, but information on the ground suggests that more than 50,000 are still trapped in the region. Those who took part in April’s exodus faced desperate conditions, with relief agencies denied access to the initial points of reception and military screening centres. The military are unequipped to offer urgently needed food, water and medical care. Camps for the displaced have been overwhelmed by the new influx.

The UN High Commissioner for Human Rights, Navi Pillay, is demanding an independent investigation into atrocities committed by both sides in the conflict. Here tonight, while we debate and discuss the challenges facing Sri Lanka, we should consider the priorities. It will take willingness on both sides—a willingness to negotiate a mutually viable and appropriate plan. But first there needs to be a response to this humanitarian conflict. It is important that the Sri Lankan government opens up the way to allow full access by UN and other humanitarian agencies to the camps so they can provide all necessary aid to individuals, particularly to the children. It is time that both parties came together and looked realistically at mutually agreeable solutions, and that will take willingness on both sides—a willingness to look at what is required and a willingness to move forward to a better future for all Sri Lankans.

Ms VAMVAKINOU (Calwell) (7.15 pm)—I have chosen to speak on the motion put forward this evening by the member for Fremantle because I am very concerned, as are my colleagues here in the chamber, about the conflict in Sri Lanka, which has taken a very tragic toll on its people, many of whom have families and relatives here in Australia. In my capacity as the member for Calwell, I have had quite a bit to do with members of the Australian Sri Lankan community from both sides of the conflict. Recently, following the Sri Lankan government’s military offensive against the LTTE, I met with leaders of the Sinhalese community, and I have also met with leaders from the Tamil community. I must say that I was encouraged by their willingness to ensure that the tensions in their homeland will not spill over here in Australia. While blame can be apportioned for past mistakes to both sides of this conflict, it is not my intention here this evening to adjudicate which side must shoulder the greatest burden of responsibility but, rather, to focus at this critical juncture of this conflict on the future.

From the outset, I want to reassure my friends, both Sinhalese and Tamils, that the Australian government and the Australian parliament are deeply concerned about the current humanitarian disaster in Sri Lanka and recognise that it requires strong political leadership to navigate through these trying political times. This House is particularly concerned about the current grave humanitarian crisis that has left more than 20,000 Tamil civilians dead. Equally, the House strongly desires a resolution to the tragic aftermath of the cessation of hostilities for the sake of all Sri Lankans. I strongly believe that, in these difficult times in intercommunal relations, more than ever a rapprochement and a process of reconciliation need to take place between the Sinhalese and Tamil communities both in Sri Lanka and here in Australia. I sincerely hope that the management of displaced persons and the re-establishment of government control over the north and north-east of the island will occur with fairness, transparency and
respect for the human rights of the Tamil minority, because this is the only way to truly bring about a lasting peace.

The first step in this direction is the immediate establishment of appropriate living conditions for the Tamil population, which has been displaced during the final stages of this conflict. Families who have lost loved ones and livelihoods are now located in temporary refugee camps. The United Nations and other international organisations must be allowed in all of these camps to assist civilians with food and medical care as an urgent priority. Caring for the estimated 200,000 internally displaced Tamils should be the priority concern of the international community as it must be the concern of the Sri Lankan government. It is certainly the focus of this House, and I am confident that the Australian government and the Australian people will contribute generously and assist in this humanitarian endeavour.

I am certain that, once the living conditions and dignity of the homeless and displaced are restored, a true dialogue can genuinely commence between the communities, one that works towards the establishment of a lasting peace. It is crucial that the international community is involved in relief and reconciliation efforts to provide resources, fairness and a sense of justice to the rebuilding process. The Australian government is committed to the establishment of a lasting peace between the Sinhalese and Tamil communities, both in Sri Lanka and amongst its Australian diaspora. To avoid hostilities between the communities, constructive dialogue must be encouraged. To that end, this House expresses its hope that Sri Lanka can move forward and supports efforts by members of both communities to reach out using this opportunity to begin a healing process rather than fuelling divisiveness.

There have been a number of emails sent to all members of parliament suggesting that this private member’s motion is an attack on the Sri Lankan government. Let me assure everyone that I—and, I am sure, my colleagues who have spoken to this motion—respect the concerns that have been expressed, but as far as I am concerned this debate this evening does not aim to be partisan. It does not aim to be divisive either. Rather, it places for debate in the forums of this House the very sensitive and difficult issue of Sri Lanka’s need to reconcile for lasting peace. It will not be easy, and I acknowledge that recriminations have continued and will continue, but progress can only be made if we all have the courage to tackle the difficult issues surrounding the Sri Lankan crisis.

Mr BILLSON (Dunkley) (7.20 pm)—This evening I rise to support the sentiment of the motion moved by the member for Fremantle and would like to put on record my acknowledgement of the previous speaker and others. The current circumstances in Sri Lanka and what the way forward might look like are sensitive issues. I want to clearly state that I grieve with everyone in this parliament for the 100,000 Sri Lankans of various backgrounds who have lost their lives during two decades of fighting and conflict. As the former parliamentary secretary for foreign affairs, I travelled to the north of Sri Lanka on Heroes Day. I flew into Jaffna. It was not a good time to be in a government-of-Sri-Lanka military aircraft landing at Jaffna, which was a stronghold of the Tamil community and very much part of the area that is now feeling great pain. You could not help but see why feelings were so strong. We landed at a military air force base and drove a distance—the distance a mortar round would fire—to an area that had been cleared out, where magnificent villas on the north of the island had been someone’s proud home, where vegetation now grew through those buildings and where the upper storeys had snipers following our travels as we moved into that now populated area of
Jaffna. It was the day after Heroes Day, when the Tamil community pays respect to those who have lost their lives in this conflict.

The signs on the walls were of soldiers ripping out the hearts of children. The mood was tense and it was very clear that people were tired of fighting, because this fighting had been going on for so long. People could not see the way forward. In fact, my contribution was to offer a peace dividend to the Sri Lankan government and the people involved in the conflict to try and find a way of bringing peace to the island. You could sense everyone wanting to get on with their lives. So many resources have been burned up in 20 years of fighting, killing and tragedy, where young children have been engaged in war, where families have seen their sons stolen in the middle of the night to be recruited as soldiers in a battle that gave us suicide bombers and some of the worst activities around and where we now see reports of the government shelling displaced persons’ camps and, in return, displaced persons being used as human shields. This is a tragedy that needs to be got past somehow. I hope that the current military position encourages people of goodwill to come forward and work out what the future looks like. I think the government of Sri Lanka, however it is elected, deserves to have territorial integrity on the island. Then we need to move forward. We have seen people of Tamil origins, particularly in the east, losing their lives for collaborating too closely with the government.

Throughout my role as parliamentary secretary, I handled and oversaw the day-to-day management of Australia’s response to the tsunami. There was the frustration of aid and assistance in Sri Lanka. After the tsunami, we visited places like Hikkaduwa, where we put in aid money to put in place proper waste water treatment so that there were livelihood prospects for the communities. All of that was wiped out by the tsunami. Then there was fighting over whose brand was going to go on the aid. If it was going to head north, the Tamils wanted to say it was from them; if it was going somewhere else, the government of Sri Lanka wanted to put their sticker on it. We just said, ‘For heaven’s sake, there are people who need help here.’ Our help has been there all the way through, supporting the efforts to secure peace and putting money into programs like the United Nations Children’s Fund. It was part of my responsibility to see that families were able to find where their kids had gone. In some cases, they actually bought the kids back so that they could go to school.

Landmines that still dog so much of this area need to be removed. In fact, the military base in downtown Colombo, where we took off on an Antonov troop carrier that was older than me, was surrounded by landmines. When you go to the war front, which has moved so many times over two decades, there are more and more landmines. We were there putting our money in to turn those battlefields into farming fields so that people could get on with a better life, with better prospects for their future. I hope that what comes out of this most recent military offensive—where the carnage and loss of life has been extraordinary, where the number of people who have been lost in this conflict totals the number of Australians who have been lost in all wars—is that this island can find some peace and serenity and get on with it. To the extent that this motion encourages that and supports those who have been displaced, I support the motion. But let us not get caught up in the histrionics. There is a lot of work to be done now.

Ms OWENS (Parramatta) (7.25 pm)—I thank the member for Fremantle for moving this motion. Any motion on Sri Lanka and the conflict there—in fact, any speech on that particular
issue—is difficult, particularly for those of us who have both Tamil and Sinhalese communities in our electorates and hear the many strong views on the role that Australia should have in its relationship with the Sri Lankan government. For some, nothing less than calling for an independent Tamil Eelam with the Tamil Tigers as the government is enough. For others, on the other side, any association with a Tamil community organisation, even attending a concert by Tamil musicians, as I did in my first year, gives rise to accusations of giving sustenance to terrorists. The arguments are strident and sometimes vicious.

Even in Australia there are well-run campaigns by both sides. But I do not rise tonight to speak for the people who run the campaigns or to support either of those positions or to assign blame, though many would like me to; I want to speak for the many people in my community who have lost family members in the conflict, some from government soldiers, others, both Tamil and Sinhalese Australians, who have lost loved ones to the Tigers themselves. I speak for the people who have an overwhelming wish for peace and dignity in their homeland—people with a sense of desperation and some disbelief that Sri Lanka will finally get the peace right for all of its people after so many years of war.

I have known my Tamil community for many years and have watched their hope turned to despair as the peace process crumbled, to shock as the tsunami decimated the already war ravaged areas in the north-east and to grief as the death toll rose as the final battles were fought. I have seen their fear for the many trapped in a war zone and for those displaced, and, finally, the questioning of what the future holds for the Sri Lankan Tamils in the north and east.

Sri Lanka has been wracked by a violent conflict for most of the past 25 years, suffering 150,000 deaths. Fighting intensified in mid-January this year. Estimates of the number of civilian deaths vary significantly, but the UN estimated that some 7,000 civilians, including at least 1,000 children, had died by early May and that over 300,000 people had been displaced.

Rebuilding Sri Lanka will require trust. If truth is a casualty of war, so too is trust, but rebuilding Sri Lanka will require extraordinary levels of trust and good faith from all sides. It is almost impossible for me to imagine the level of effort that will be required to ensure that the green shoots of healing that will appear survive in such a desolate landscape. Rebuilding is a massive task. Regrettably, the Sri Lankan government’s decision to exclude journalists and aid agencies from the conflict zone and the camps leaves a lot of room for speculation on what has happened and what will happen now. Speculation is well and truly rife—some plausible, some ridiculous, but all showing levels of fear and insecurity about the future of Sri Lanka.

Australia has consistently stated that the protection of civilians should be the absolute priority. Sri Lanka faces a humanitarian crisis of massive proportions, and we remain deeply concerned about the safety and welfare of at least 300,000 displaced persons. I welcome the Sri Lankan government’s commitment to resettle over 80 per cent of civilians from IDP camps by the end of 2009. In particular, the Australian government has called upon the Sri Lankan government to ensure that internally displaced people’s camps are administered in line with international standards and to ensure that international observers, particularly the International Committee of the Red Cross, the United Nations High Commissioner for Refugees and United Nations Children’s Fund personnel have ready access to the IDP camps. Recent reports have suggested that such access has become restricted, and the Minister for For-
eign Affairs has reiterated that full and unimpeded humanitarian access to civilians is essential so that these trusted international organisations can work with the Sri Lankan government to ensure civilians receive the assistance they need. Finally, I endorse the sentiments of the United Nations Secretary General Ban Ki-moon that ‘the task now facing the people of Sri Lanka is immense and requires all hands’. I urge the Sri Lankan government to make every effort to enter into negotiations immediately with the Tamil community to build a viable community for all Sri Lankans.

Mr HAWKE (Mitchell) (7.30 pm)—I rise tonight to welcome this motion from the member for Fremantle, which goes to the heart of what we ought to be considering as a parliament in that it addresses the grave humanitarian situation that has developed in Sri Lanka, which is a concern that we ought to do something about. While all of us here would seek to reject violence and renounce terror as a means of legitimate political activity to achieve any objective that we are seeking, we ought to take into account that the victims of this terror and violence now require the international community to step in and assist them. I am disturbed and distressed by the reports that some 300,000 people are now displaced within Sri Lanka who have no home, who have been subject to months of particularly vicious fighting and who are not involved or participants in that fighting but are merely civilians caught up within a complete war zone.

The history of this conflict is a profound one. The member for Lowe made a comparison with the Middle East, which at the time I thought was a little unhelpful and which is always an unhelpful thing to raise in terms of any conflict. A deep, longstanding ethnic conflict has been engaged upon within Sri Lanka. It is not something that we can or should seek to take a side upon. However, we cannot ignore it.

Tonight I want to commend the member for Fremantle because this motion is calling upon us to recommend that the United Nations and humanitarian agencies be allowed full access to this conflict zone. I think that is entirely right and proper. It is something that ought to have occurred throughout this process, which would have provided for a better outcome and perhaps potentially the saving of many lives within this conflict zone.

I want to raise a point that the member for Canning took up. There are many allegations on both sides about the nature of this conflict and about what acts have or have not been committed. I do not think that anybody ought to have anything to fear from an independent international investigation or from the United Nations establishing properly conducted investigations into serious allegations of war crimes. Perhaps the best mechanism for us as an international community to be able to determine what has occurred is to allow the United Nations full access to examine what has and has not occurred. In this way many of the speculations and claims made on both sides could be investigated, no facts would be removed and we would all have a clearer picture, perhaps to the betterment of both sides and the ongoing viability of these two communities living together in peace. I think that would be a positive step forward. I have no problem in supporting that part of the motion which says that we would agree to an independent international investigation into war crimes. That is entirely proper. When you examine the nature of the claims made on both sides I think that is something that nobody of any goodwill would have anything to fear from.

There is no doubt that there has been fault on both sides. There have been wrongs committed and things done that all of us would like to have seen not done. I had many members of
the Tamil community in my constituency visit me with some very concerning and disturbing stories. They have family members still caught up in the region that they have not heard from and continue to not be able to contact at this time. However, I also saw—as other members here tonight from Sydney would have seen—violence erupt within our own community here in Australia. That is something that all of us would reject and seek to ensure that we prevent.

By supporting this motion here tonight we can assist the process of healing and assist the process of seeing a better resolution to what has occurred there by allowing the United Nations to have full access to the area. In this motion we are talking about aid and we are talking about UN inspectors—a worthwhile and productive endeavour. This motion has my full support, and I look forward to supporting all future motions in this place that seek a betterment of the situation for the people of Sri Lanka.

Ms REA (Bonner) (7.35 pm)—I rise this evening to support and endorse the motion moved by the member for Fremantle and thank her for enabling us as a parliament to discuss and put on record our very deep concerns at what has occurred in Sri Lanka and for providing us with the opportunity to add our voice to the voice of the international community that is urging a peaceful resolution in that very troubled country. I also commend the previous speaker, the member for Mitchell, for clarifying those words in the motion which refer to the allegation of war crimes. I think the member for Canning misunderstood the motion when he suggested that the member for Fremantle was one-sided in her comments about war crimes. Paragraph (2)(b) of the motion clearly calls for an independent international investigation into war crimes alleged to have been committed by both parties during the recent conflict. I think that is fairly clear and I do not think anyone in this parliament would have concerns with that wording.

Since being elected to the seat of Bonner I have met with a number of residents from the Tamil community who live locally in my area. I have heard firsthand from them of the suffering and the concerns they and their families who are still living in Sri Lanka, particularly in the north, have as a result of these troubles and this conflict. It certainly brings it home when you sit and discuss those personal stories with people. It cannot help but move you to try to take some small action. That is why I am supporting this motion tonight. I think we would all acknowledge that the some 300,000 members of the Tamil community who are currently in camps in Sri Lanka are certainly living in conditions which we would not support. There are concerns about degradation, deprivation, oppression, the treatment of Tamil women and other such problems that have been raised by the Tamil community and that we need to have investigated. As Chair of the Human Rights Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I felt it was imperative to support this motion. I urge both the Sri Lankan government and the Tamil community to find ways to peacefully resolve this conflict, keeping in mind the human rights of all of their citizens in those discussions.

This motion simply asks for access by the United Nations and other humanitarian agencies to the camps that I talked about earlier and to have a full independent analysis of what is actually occurring and how those people can be helped and supported. This is a very small step in what will be a massive task to rebuild the communities of Sri Lanka, to rebuild the trust and to heal many of the rifts that exist. It is important that we acknowledge that the responsibility is very much now on the Sri Lankan government to lead this particular path to peace and to find a long-term and more enduring resolution to this conflict than the violence that we have
seen over the past decades. The defeat of the LTTE places greater responsibility on the government to make sure that the human and civilian rights of all citizens, most importantly those of the Tamil community, are protected and that negotiations lead to a peaceful resolution which ensures that all citizens are cared for and their rights are respected. I urge all leaders in the Sri Lankan community and all those in positions of power and influence to do whatever they can to find a peaceful political solution to this current situation.

I endorse the comments of our Minister for Foreign Affairs, Minister Smith, who has called for a political solution. Long-term security and prosperity in Sri Lanka can only come through a political solution and through a cessation of the conflict. It can never come from the continuation of violence. We know that nobody wins from a violent conflict. We know that the casualties are great and that there is never an enduring resolution. I simply add my voice to those calling for a peaceful resolution.

The DEPUTY SPEAKER (Hon. AR Bevis)—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.

**Area Consultative Committees**

Debate resumed, on motion by Mrs Moylan:

That the House:

(1) notes:

(a) that the Area Consultative Committees (ACCs) were first formed by the Hawke Labor Government as regional advisory bodies to Federal Parliament;

(b) the Howard Government gave them real purpose by restructuring their activities to act as a ‘shop front’ to assist regional communities through the process of applying for Commonwealth government grants;

(c) the ACCs had an advisory role in regards to community benefits and assessed the viability of proposed projects;

(d) there were 54 ACCs Australia wide and they were not for profit incorporated bodies under the relevant State associations incorporation Acts, operating with around $300,000 per ACC of operational funding from the former Federal government;

(e) the Boards are voluntary with a ministerially appointed Chairman and Deputy Chairman; and

(f) that by contrast to Regional Australia’s loss of national resources and control over development, the Government has established a Better Cities unit in Sydney;

(2) condemns the Government for:

(a) its decision to eliminate ACCs;

(b) its lack of commitment to locally generated initiatives through the ACCs;

(c) the loss of about 150 jobs around the nation;

(d) its failure to facilitate a seamless transition of staff to the new State based bodies despite an assurance from the Minister for Infrastructure, Transport, Regional Development and Local Government, the Hon Anthony Albanese MP, earlier last year;

(e) its failure to value and recognise the volunteer effort, including the unpaid skills and abilities of community members;

(f) its lack of leadership and clarity of decision making in the handling of the transition process;

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MAIN COMMITTEE
(g) for the disingenuous way the Minister has treated the chairmen and executive officers of ACCs over the past 18 months; and
(h) being willing to pass to the Government of Western Australia the total operational funding for ACCs in that State without any process of transparent accountability;

(3) recognises:
(a) the tremendous work carried out by the ACCs and the important role they played in business development and job creation in regional and rural Australia;
(b) the work carried out by the executive officers, staff and the Board chairmen and the voluntary contribution by members of the board;
(c) the value of the decentralised nature of the ACCs and the capacity, therefore, to consider the needs and interests of local communities and local areas in rural and regional Australia; and
(d) through community effort, the relatively small amount of funding of $300,000 granted to each of the ACCs was multiplied many times due to the voluntary effort by the committees, local governments and members of the community; and

(4) calls on the Government to:
(a) reconsider its decision to ignore staff of the ACCs and take steps to re-locate them in the new arrangements; and
(b) recognise and acknowledge the detrimental effect the current Government policy is likely to have on the development and job creation capacity and the fair dispersal of funding for projects across the regions.

Mrs MOYLAN (Pearce) (7.40 pm)—I certainly welcome the opportunity to propose and speak to this private member’s motion on area consultative committees, as it arose out of meetings with constituents during my regular visiting rounds out in the electorate. I would like to take the opportunity to thank members who are contributing to this debate in the chamber this evening and particularly to thank the member for O’Connor—my neighbouring electorate—for seconding this motion. Concerns about the future of regional development in Australia were raised in more than one locality in the vast geographical spread of Pearce. It is one thing for a new Labor government to push its own ideological views in determining funding and policies for regional Australia, but the failure of the Minister for Infrastructure, Transport, Regional Development and Local Government and the Parliamentary Secretary for Regional Development and Northern Australia to ensure a smooth transition and to neglect to keep those who run the area consultative committees informed is poor form indeed.

In March 2008, the Minister for Infrastructure, Transport, Regional Development and Local Government announced that the ACC network would undergo a name change and take a broader role. It was instructed to undertake extensive community consultation. The ACCs complied in a ‘methodical, extensive and professional manner’. While each ACC presented its own findings to the department and government, a joint Western Australian response was also compiled and distributed. Stakeholders and community members participated in these consultations. At a meeting in January 2009, the Department of Infrastructure, Transport, Regional Development and Local Government indicated that Regional Development Australia in Western Australia would remain independent with similar funding to that currently received over a three-year period, which is about $300,000. The ACCs would continue to seek third-party projects and government would encourage cross-membership on boards with a closer align-
ment between the RDAs and the development commissions through a memorandum of understanding. By 8 April, ACC staff received an email saying:

… that the network would be absorbed into the state Regional Development Commissions.

And:

The new arrangements are to come into effect on 1 July 2009.

And:

As a result it is not likely that the department will be extending the funding period … which ceases on 30 June 2009.

The email stated:

The Parliamentary Secretary for Regional Development and Northern Australia wished to meet with the chairmen.

Up until 22 April, there was no communication—this is my understanding from talking to people involved—directly with the minister or the parliamentary secretary, and all nine Western Australian chairs then got together and signed a letter to the minister requesting advice and guidance. The letter also sought a meeting, with the chairmen offering to fly to Canberra at a time that suited the minister. On 1 May, the parliamentary secretary met with the Kimberley ACC, I understand, and told them that ‘the ACCs were gone’. As one person wrote to me:

Given that the chairs, deputy chairs are ministerial appointments and along with the board carry out this work on a voluntary basis giving freely of their time, expertise and guidance in the region, I find it extraordinary that the minister is so dismissive of them.

I endorse these sentiments and condemn the shabby manner in which those involved in the regional development program have been treated.

This debate provides an opportunity in the short time available to me to personally thank all of those, paid and unpaid, who so competently carried out the work to improve regional development and generate jobs. I want to put it on the record in this House that I appreciate the contribution they have made to regional Australia. It is both rude and unbecoming for ministers of the Crown to treat people with such contempt. We have witnessed shows of shock-horror in this place when businesses have sacked people by email, and we should be able to expect higher standards from the government of the day. Everyone I have worked with in Pearce has approached their work in a highly professional manner, using their skills and areas of expertise to better local communities, and we are grateful for that contribution.

Mr ADAMS (Lyons) (7.45 pm)—I thank the member for Pearce for bringing this discussion on the area consultative committees to the attention of the House, but I am curious as to why she seems to think the committees have been abolished. I was involved in the meetings to set these committees up and in the parliament when they were first operating, and I was part of getting them to work in their roles of social and economic development in their communities.

When they first started, they also had attached to their role the regional development organisations, which penetrated into the smaller regions. The ACC was an overarching body to help facilitate those bodies in relation to the allocation of funds. Since then, the whole concept has changed considerably. During the Howard years, many became very partisan; others tried to soldier on and do their work fairly, and many did that very well—I remember the coalition
ignoring some of them altogether as it came up to the election and many of the funds being allocated without even touching the ACCs.

I think there had to be a review. There had to be some changes to try and put some accountability back into these organisations. Fortunately, I have worked all the way through with the ACC in Tasmania, and it has proved to be a very successful organisation. Many good projects have been started through ACC assistance. I believe that there will be one RDA committee operating there, and I am not anticipating any great changes in that operation. I have worked with the current chair, Dr Cory, and others, and have been very impressed with their interest and assistance in the new projects. Dr Tim Cory, Chairman of the ACC Tasmania, in a letter to the minister on 11 February 2009 said:

We have been extremely buoyed by the support and openness that we have received from the key agencies as we plan our transition forward.

Regional Development Australia is an Australian government initiative that aims to bring together all levels of government to enhance the growth and development of regional Australia—pretty good ideals. I understand also from the minister that the intention is to work more closely with the state bodies so that new ideas do not get hampered by having to go through two lots of legislation to get up and running. This will certainly take a bit of time, as memorandums of understanding have to be put into place and restructuring needs to occur to facilitate this.

The network will ensure that input is provided to the Australian, state and local governments—which was the original intention—on regional development issues and priorities, promoting regions to secure sustainable long-term jobs, promoting investment and regional prosperity, and raising awareness of programs and services available in regional communities. The network will also play a key role in ensuring that advice about key issues in the regions is provided to all levels of government. That was the original purpose of the structure, which got lost over recent years. I think the fact that we are still working in the same way, and in some areas, like in Tasmania, still working through the original body, though changed in considerable ways, proves that in some areas it has worked pretty well.

I thank the member for Pearce for bringing forward this motion. I am sure that she will be very pleased with a new, invigorated body to help her vast electorate of Pearce attract funding for those who need assistance and bring some of the priorities areas together.

Mr TUCKEY (O'Connor) (7.50 pm)—The area consultative committees, as the member for Lyons just mentioned, commenced as a Hawke government Labor initiative. At that time, they were committees of an advisory nature and were very much focused on welfare issues. There was nothing really wrong with that, except that nobody took any notice of them. While they had a small budget and could make some small grants in the thousands of dollars, they were not really going to go very far.

When I, as the Minister for Regional Services, Territories and Local Government, was charged with the amalgamation of a series of assistance schemes grants, it became patently obvious to me that what was lacking in the community was a hands-on, close, defined body that could advise people on the processes that they needed to undertake and that could also provide them with all of the relevant information close to hand. At the time I referred to them as shopfronts, and I got the approval of cabinet for them to be restructured in that way.
Amongst all the successes that I can remember of the Howard government, the operation of area consultative committees in that particular format was extremely successful.

The role of the ACCs included making recommendations for projects. It is an interesting point that, when the then opposition chose to criticise some of the grants that were made, they invariably accused our government, which of course always reserved the right to make grants directly, of not consulting the area consultative committees. The government did not have to, but at no time in that recommendation process did the local people, the ACC people, give the government bad advice. It was only part of a stage in the process. The ACCs recommended projects, which then went through an assessment process that was sometimes at the state office level but always at the Canberra level. That was done in a variety of areas, the most notable being Regional Partnerships. The Labor opposition at that time wanted to attack Regional Partnerships. They reckoned it was some sort of special scheme for Liberal electorates, but, in fact, most of the Labor electorates that were in the regions did extremely well out of it when members chose to actually tell their constituents about the opportunities that were available. Some did not tell their constituents.

The current proposal is to say to the ACC people: ‘You didn’t do your job. We don’t want you. We don’t want an involvement of the Commonwealth at this level.’ The government, as is its right, has come up with a variety of other schemes, but it is asking sometimes existing and sometimes non-existing state development commissions—which we know of in Western Australia—to take over the job. The state development commissions throughout the country, and particularly in Western Australia, typically had about 20 staff and grants of matchsticks. They never had any money to give out and they were a huge bureaucracy. The ACCs were tight. I think their wages bill was limited to $300,000 a year. They were there seeing that the money went through the system and out into the community.

Under the terms of good administration of government, why would you sack those people? Why would you do that and hand over to commissions that either had to be created or had a pretty poor record of letting the money get to real people. They spent it all themselves, and I do not know if that will change. It has been my view over the many years that I have been in this place that when you give state governments money often it just seems to disappear, and that is the problem. I will take this opportunity to thank the member for Pearce for inviting me to second this motion. The reality is that I thank all those people for their good work, and I am terribly unhappy that they were sacked for their good work and hung out to dry when they were the good workers and the things they recommended and the help they gave were very important to individual people.

Ms KING (Ballarat) (7.55 pm)—I thank the member for Pearce for the motion, a lot of which I disagree with fundamentally, other than point 3 where the work of the ACCs is recognised. I want to touch a little bit on the history of the ACCs and on my understanding of them. As someone who has been engaged in regional development for a long period of time, both at the local level and as a consultant, I did a lot of work across the country in regional development.

One of the issues I think happened under the previous government. The area consultative committees were regional development bodies. They were established to do economic development, to do social development, and they had a great role to play in skills and training and in providing a good understanding of what the economic development needs were for a re-
region. They were also important alongside the regional economic development organisations, which were abolished and gradually phased out. I think there is one still existing nationally, but they had a really important role to play in regional development. What happened under the previous government was that they became grants-processing bodies. They ceased to be regional development and economic development bodies. What our regions desperately need is not a grants body, because Regional Partnerships grants in themselves are not regional development. What happened under the previous government is that we ceased to have a regional development program that not only enabled funding a good project, which is important, but actually worked together with business, with labour organisations, with not-for-profit organisations and with local government to say: ‘What is it that our region desperately needs government to do to grow our economy? What does our region desperately need government to do to make sure that the social and cultural wellbeing of our region is being looked after?’ That is what happened under the previous government.

I think the difference we are having in this debate is very much about the experiences that regional MPs in the Labor Party had under the previous government, which was very, very different to the experiences that regional MPs in the National and Liberal parties had under the previous government. They may like to say that the Howard government was fair but, that was not what happened in our regions. You have many regional MPs on the Labor Party side who are saying to you, ‘Regional Partnerships did not treat all regions equally.’ It was a funding program that was unfortunately largely discredited because of the actions of the previous government. There were good projects, but they were largely discredited because of the way they were dealt with.

What we are trying to do now is actually put in place what we should have had for years, a regional development program that includes funding for regions—whether it be for roads, rail, ports or local schools—to go through local government for community infrastructure. We want to bring back proper regional development so that in our regions we have a body that works with local government, that works with state government and that works with federal government to say, ‘This is what the economic development needs of our region are and this is what you as the Commonwealth government, state government or local government can do to assist to grow our region.’

That is what we are trying to do with Regional Development Australia. I absolutely contend that the previous bodies, the ACCs, were done a great disservice by becoming grants-funding bodies, and the regions were done a great disservice. They did a fantastic job, but it was a very, very narrow view of what regional development was about and there was so much more they could have done. I think many of the chairs and CEOs were itching to do that work, but they unfortunately were bound by becoming a grants-funding body for Regional Partnerships.

In the short amount of time I have left, I want to acknowledge the work of the ACC in my region. It has been wound up. I attended the final day on Friday. While Peter, Lauren and Rachel are very distressed about what has happened to them personally, I also know that they are very keen to see what the new model is going to be like. They are very keen to participate and are absolutely desperate to participate in regional development in my community. I want to put on record my thanks to them and my thanks to the boards, the many members of which I
have worked with over the short time I have been a member of parliament. I want to say thank you for your work, but regional development still lives under this government.

Mr NEVILLE (Hinkler) (8.00 pm)—As other speakers have said, this idea of area consultative committees had its genesis in the Hawke and Keating government. But when the Howard government came to power their role was expanded dramatically to take in not only social development but also some forms of medium-size commercial development and larger community-type projects. It worked extraordinarily well in my electorate. I pushed the concept and I have pushed it hard. The member for Pearce put it quite well when she said that it was like a window into a district, and that it was. It was not so much a shop window as a two-sided window: it allowed government through this body to look into a community and see its needs; it allowed the community to look back through that window at government and to see how to handle those needs and how to fund those needs.

There were 54 area consultative committees. They were not-for-profit incorporated bodies and, as other speakers have said, they generally had a cap on their funding of about $300,000. The government had a measure of control in so much as it could appoint the chairs and deputy chairs of the committees, but that was never done to any excess, as I understand it. All I can say is that I had two ACCs in my area, the Central Queensland ACC and the Wide Bay Burnett ACC. They were exceptional, very successful bodies and their chairs, respectively Kym Mobbs and the then mayor of the Isis shire, Bill Trevor, were quite exceptional leaders. The ACCs were rich in human resources, with people like doctors, engineers, lawyers, TAFE principals and executives, farmers and local government representatives on them—a rich resource of talent to advise the government.

I concentrated very heavily and unapologetically on commercial projects. Sure, I had some great social projects, including the one that probably saw the new government turn around its decision not to fund the overhang of the community projects, the Lake Ellen project, where the television stations went to see this magnificent playground that had a big component of crippled children’s facilities to it. I think the minister saw that and said, ‘How can you deny projects like this?’ I congratulate the minister and the parliamentary secretary for their generosity of spirit. In addition, I got the Hinkler Hall of Aviation, which is a very important historic and community project in my electorate. I was working on a community centre for Hervey Bay at the time of the change of government.

But where I found the greatest help was in building up small industries. I did not have any dodgy ones in my electorate. Sure, not all succeeded. One or two failed. That is the nature of things when you are doing these sorts of projects. But what we had were projects that took local resources and products and turned them into other products and along the way created lots of jobs. I cite for example AusChilli, which is an outstanding project, and another one was Prime Fibre. I had the Minister for Agriculture, Fisheries and Forestry visit that with me recently and I think he was very impressed with that project. Those things happened because there was a commercial aspect to them as well. I said to the owner of Prime Fibre as I was walking around with the minister, ‘Why was it so important, if this is such a big project, to have that bit of government money?’ He said that was the cement that sealed the banks into the project. The fact that the government would lead with this was incentive enough for the banks to want to come on board. That was a very important role.
In the remaining moments, I urge the government not just to merge these interstate organisations. We do not really have a system of integrated regional development in Australia, more is the pity. I think we could do a lot better by having these RDAs as freestanding bodies much on the ACC lines rather than organisations that in time might end up being a cost-shift from the states to the Commonwealth. I urge the government to have a really good look at that.

Ms HALL (Shortland) (8.06 pm)—In rising to speak, Madam Deputy Speaker Moylan, I congratulate you on bringing this motion to the parliament. I am not necessarily going to agree with everything you have in it, but I think it is important that we focus on regional development, and most of the members who are speaking on this debate come from regional Australia.

Madam Deputy Speaker, you make the point that the area consultative committees were established by the Hawke Labor government as regional advisory bodies to the federal government. Part of the problem that I have with the area consultative committees is that they moved from being those bodies that provided advice and had expertise in the area of regional development to really become bodies that assessed grants. I have to say that I would like to thank both the Hunter and the Central Coast area consultative boards. I worked very well with them, but there was some limit in the membership of those boards. I found that both of the boards failed to have representation from Shortland electorate, which to me was a problem. But I always found that they were responsive when I approached them about an issue.

There were some problems with those area consultative committees. They did not always have the power that they needed, and their recommendations were not always followed by the government. On the Central Coast we had the issue of Tumbi Creek, where the area consultative committee made one recommendation and the previous government chose not to follow that recommendation. That shows that there was a problem in the operation of those area consultative committees and one that needed to be addressed.

The Rudd government is committed to building closer ties and developing partnerships between all levels of government—and I think that has been very apparent in a number of the decisions that have been made—and also working with local communities to make sure that local priorities are developed in a really inclusive way so that it is not some sectional interest pushing their own barrow. That is what we are hoping will happen and I am sure will happen with the new Regional Development Australia and the new committees that will be set up. I think it will improve cooperation across all levels of government by building better and by better aligning our resources to drive regional economic growth and investment. I am most hopeful that the electorate that I represent will actually have a greater input than under the previous board.

Regional Development Australia will bring together the three levels of government and give the regional community a direct line of communication with all levels of government in producing a new approach to cooperative regional development which builds on the successes of the area consultative committees. I want to emphasise that there were some really positive successes that the area consultative committees had, but unfortunately everything has a time and everything has its day. I think it is important to move on to new bodies that better reflect the needs and priorities of the current government.

The government are determined to work together with all arms of government to move away from what we had in the past. We constantly saw the previous federal government blam-
ing the states when anything went wrong. Equally, the states could blame the federal government when things went wrong. Local government was just left out in the cold and was very much a poor cousin, yet local government is the arm of government that is actually closest to the people, closest to the community, and should be more responsive to community needs. I see the new organisations bringing all arms of government together, reflecting the needs of the community and stopping that blame game—stopping sectors blaming each other for the problems that exist—and by doing that allowing the community to move forward. We will then have a better idea of what is best for the regions. (Time expired)

Mr FORREST (Mallee) (8.10 pm)—I agree with the member for Pearce, the member for O’Connor and the member for Hinkler. I think the member for Pearce should be congratulated for bringing this comprehensive resolution before the chamber today. I think the thing that has been missed by government speakers is the strong sense of umbrage all of those volunteers now feel as a result of the way they have been treated. Who gets sacked these days by email? It has just been shabbily done. That has left a sour taste in the mouth of all those voluntary people who have been making a contribution because they believe in the communities—driving into the night after meetings to discuss important issues. The process has now left I think a hole in the consultative process. After all, these organisations were called area consultative committees.

In my part of the world there were four. The Mallee is a fairly significant geographical area. It is one-third of Victoria. Some of them I shared with other members—the Greater Green Triangle ACC in western Victoria; the Sunraysia Area Consultative Committee in the north-west; the Central Victoria ACC, which I think I shared in part with the member for Ballarat, who has made a contribution today; and the Central Murray ACC.

One of the great strengths of these organisations was that two of them crossed state boundaries. If you live down there across state boundaries, there are all sorts of anomalies that just frustrate a whole range of things, including regional development and economic development. There are different registrations. For goodness sake, in New South Wales and Victoria even the fire hydrants have different threads per inch. Two of those area consultative committees were working very strongly in making representations to government, particularly the federal government, to do something about this.

Their role was beyond what government members have outlined today. I think we have missed a golden opportunity here for the Commonwealth to have a role in what is essentially a state area of jurisdiction. I think we have taken a step back to colonial days. I corresponded with the Parliamentary Secretary for Regional Development and Northern Australia on this matter of border anomalies. He had the decency to share that maybe he had acted hastily and is prepared, once he has the different states settled down, to introduce a memorandum of understanding to tackle this issue of border anomalies. It is a vexing question.

I just go back to the sense of umbrage that these people feel, as voluntary people on a voluntary board giving their wholehearted advice. I know that the member for Lyons made reference to partisanship. I made no obligation at all. There were people from all shades of politics on those four ACCs that I represented. I think that brought a richness. It was not a partisan thing at all. I think government members here today in this debate have overspun their response, particularly the member for Ballarat. Without actually admitting it, I think the government understands now that it may have made a mistake in handing over completely the
responsibility of this issue. It will exclude the federal government from exercising its influence, especially—and I make the point again—on border anomalies. I think it is a lost opportunity.

To the chairs, the working committees and all of the staff of those four ACCs that have been a very useful input of information to me over the years: thank you for your contribution. It has been very much appreciated by me and it has been very much an important part of me making proper representations on their behalf. I hope the government will take note of the sentiments expressed by the member for Pearce and do something about the shabby way in which 150 people across Australia now do not know what their employment opportunities are going to be after 30 June, which is a little over four weeks away. I want to applaud those ACCs; they have conducted a very important role. It is just a pity that this government has overlooked that role. There are those who say that some of these ACCs have not performed very well. I want them to point to any one of my four and any one of the projects that they approved for economic development and say which one of those did not meet the criteria they established. (Time expired)

Ms GEORGE (Throsby) (8.16 pm)—Back in March 2008, the Minister for Infrastructure, Transport, Regional Development and Local Government, Mr Albanese, announced the creation of Regional Development Australia, consistent with the Rudd government’s pre-election commitments. In order to create a new regional development network, it was proposed to build on and replace existing area consultative committees by aligning them with state and territory regional planning bodies. The consolidation, I believe, provides the government with a unique opportunity to implement a more strategic and responsive approach to regional development. And in no way will the role of the federal government be diminished in this process—unlike the suggestions made by the previous speaker. In fact, the new RDAs will assist both levels of government, state and federal, by taking on a broad role to provide advice about regional issues, to provide strategic input into national and state programs, to provide information to regional communities and local government on national and state government initiatives, and to help coordinate regional planning and regional development initiatives.

We hope the new organisations will be based on cooperative arrangements that will see genuine engagement with regional communities with a brief that goes beyond the function of purely a body recommending grants. The changes as I see them build on the valuable work undertaken by ACCs across the country. I cannot comment on what is happening in Victoria and the West but I can tell you a little about what is happening in New South Wales. It is proposed that 14 RDAs will be established in New South Wales, bringing together the functions of both the former ACCs and our regional development boards. Interim chairs and deputy chairs have been appointed and are managing the transition for the new organisations to commence work on 1 July 2009. Consequent to the appointment of the chairs and the deputy chairs, there has been an open nomination process, and I am sure that many of the former members of the ACCs who nominated in this process may well end up being on these new boards.

I accept that transitions are never easy but from what I can see assistance is being provided in New South Wales in relation to staffing matters and to issues to do with transfer of assets, contractual responsibilities and cancellation of previous incorporations. In that regard I too want to say to the staff of the Illawarra ACC and the members of the board that they have
done a great job in the past but we believe it is time to move on. It is my understanding also that existing funding for the current boards—Commonwealth and New South Wales—will transfer to the new RDAs, with combined funding expected to be around $450,000 a year from both levels of government for each of the committees in New South Wales. So when fully operational this new network will be the mechanism for delivering the Rudd government’s agenda for regional development across Australia. In no way is the government’s decision to create this new network a downgrading of the importance of regional development, nor is there any suggestion of a downgrading of finance or resources that will be allocated.

The motion by the member for Pearce, while welcomed in that it provides the opportunity to have a debate about these issues, seems to miss some of the historical facts and rationale for these changes, which in my view would in fact value-add to the very important work done previously by a range of ACCs. It is really all about improving engagement at the three levels of government and working in partnership with the private sector, the community sector and the not-for-profits to benefit regional communities. Very importantly, the new RDA network will have the critical task of driving business investment and job growth in regions like mine. I cite one example of a very positive outcome recently conducted under the auspices of the ACC: in a forum of all major stakeholders, we were able to develop a regional response for significant infrastructure investment that went to Infrastructure Australia. We should expect more of these proactive and strategic projects once the RDAs become fully operational.

Mr ROBERT Fadden (8.20 pm)—The government would have us believe that the change in area consultative committees to Regional Development Australia is for a noble purpose—that it is designed to bring consultation to its highest zenith and pull together partners from local, federal, state and other bodies to work together to achieve suitable and sustainable outcomes. That is what the ACCs were specifically designed for, and they achieve their function well. The area consultative committees were first put in place by a Labor government to bring together partnerships for wide consultation across communities and key stakeholders. Their role was to ensure that projects that were of great benefit to communities were started by communities, were ensured engagement by communities and had partnerships across all levels of government and industry. Indeed, 54 area consultative committees Australia wide—not-for-profit incorporated bodies under various state incorporation acts—were put together to achieve this very point and operate with a range of funding considerations to achieve outcomes for communities. I look at my electorate of Fadden, where Gold Coast-Beaudesert shared one area consultative committee. It was incredibly successful in its ability to pull together stakeholders and partners to achieve great outcomes.

Considering the success of the ACCs, I cannot help but be cynical that the government’s attempt to simply change it to Regional Development Australia, to RDAs, is no more than a name change with a very strong Labor bent to it. There is a great saying where I come from—indeed, Minister Albanese should learn it: if it ain’t broke, don’t try and fix it. The ACCs, in that great colloquial language, ain’t broke. So, Minister, may I politely recommend that you take your grubby little fingers away from what works so successfully across the nation, back away from where you took yourself and reconsider your decision to axe the organisation, the staff and everything that went with it. Indeed, the minister should note the failure to facilitate a seamless transition of staff to these new state based bodies, despite assurances from the minister himself, which I find most vexing in the outcome and, indeed, what has transpired. There
is a failure to value and indeed recognise the great voluntary effort of those great people in the community who pulled together the partnerships that made ACCs work. I look at some of the great projects in my area, including the Oxenford and Coomera Community Youth Centre, where land was donated by the city council, where the state government came up with a range of funds and the federal government matched those funds and where the federal government would only play in an environment where true partnerships existed. That was one of the great beauties of the ACCs, the various partnership programs and the funding sources they used.

So may I encourage the minister to have a good hard look in the mirror at exactly where he is taking the program and where it needs to go. The policy for RDAs is a retrograde step. It is moving away from what has worked so incredibly well across the whole vast range of communities across the nation. The way the Minister is disingenuous has treated chairmen and executive officers of the ACC. The way that he left them hanging out on a limb for 12 months is disingenuous. It is disingenuous how the Regional Partnership program, one of the major funding sources the ACCs used, was axed and nothing put in its place, how so many projects were told, ‘You’re not getting funding,’ even projects that were approved. The ultimate height of insult was when David Koch on Sunrise said, ‘This is outrageous; 140 projects approved, including disabled playgrounds,’ and dragged the minister on. The minister was embarrassed on Channel 7 television and had a backward step and allowed a hundred projects through. Clearly Channel 7 TV can make the minister move but parliament at times cannot. The minister needs to have a good hard look at what he is doing. (Time expired)

Mr CHEESEMAN (Corangamite) (8.26 pm)—I rise to speak against the motion as introduced by the honourable member for Pearce. The wrapping-up of the area consultative committees and the implementation of the Regional Development Australia initiative will bring real policy and funding rigour to rural and regional communities at a critical time given the current global financial crisis. The Regional Development Australia initiative will readdress the area consultative committee shortcomings and usher in greater cooperation between state and federal governments. In my home state of Victoria, an in-principle agreement on Regional Development Australia with the state government is close to being finalised. A memorandum of understanding between the Australian government and the Victorian government is currently being developed. The current duality of state and federal government departments in providing regional funding creates unwarranted red tape in the distribution of that funding, which at the moment is needed more than ever in keeping Australians in jobs. This cooperation will instil a greater confidence between rural communities and the funding body. In the past it was tarnished as a policy that supplied funds for local improvements designed to buy votes during election years. Through this program we seek to replicate in Victoria the positive moves that South Australia has made in transitioning to the new framework.

The former Liberal Premier in South Australia, Rob Kerin, says that the Regional Development Australia network will remove the handicap which regional areas have faced for many years. This initiative will usher in new cooperative arrangements for the distribution of funding to rural and regional projects. This, of course, is critical in my own electorate and in my state, and throughout the country, for securing jobs. In the current climate of the global financial crisis, it is absolutely imperative that the processes by which funding is appropriated by regional communities to build better community infrastructure and to support community or-
ganisations are secure and fair and that is evenly distributed and adequate to provide jobs on the ground now.

Members of the opposition can wax lyrical about the days of the past, but that is not going to provide regional communities with what they need now. By trying to appeal to our nostalgia, the honourable member for Pearce is correct in informing this committee that area consultative committees were first formed by the Hawke Labor government as regional advisory bodies to the federal parliament. But that is where the similarity between the Hawke Labor government’s incarnation and the previous government’s manipulated area consultative committees ends. The previous government was not committed to the regions. The previous government organised the structure and the funding of area consultative committees to be politically expedient during election campaigns. Rather than adequately resourcing the area consultative committees, the previous government was pork-barrelling the money, banking it and then splashing it out during election campaigns. For the financial year of 2004-05 my electorate of Corangamite received one grant under the previous scheme. This grant was valued at $62,750. In the years leading up to the 2007 election, my electorate received six grants to the total of $1,463,000.

The DEPUTY SPEAKER (Hon. JE Moylan)—Order! The debate is interrupted in accordance with standing order 41. The member will have leave to continue speaking when private members’ business is resumed.

**GRIEVANCE DEBATE**

Debate resumed from 25 May.

The DEPUTY SPEAKER (Hon. JE Moylan)—The question is:

That grievances be noted.

**Youth Allowance**

Mr HAASE (Kalgoorlie) (8.30 pm)—I rise tonight to speak in this grievance debate about a pressing injustice: the grievous wrong that the Rudd Labor government wishes to inflict on rural, regional and remote students and those who aspire to study with its 2009-10 budget measures which change the criteria for youth allowance. I rise to address the House about this injustice on behalf of my electorate, a mere one-third of Australia which is entirely regional, rural or remote and therefore of absolutely no significance whatsoever to the Rudd Labor government. Like my coalition colleagues—and I am sure like many of those opposite would they but dare admit it—my office has received numerous representations from families, parents and young people upset at the changes to eligibility criteria for the independent youth allowance. Rarely has an issue excited such a fervent response from my constituents.

At present students can receive the independent youth allowance if they work at least 15 hours a week for 18 months after leaving school or earn $19,532 in an 18-month period. The current criteria for youth allowance eligibility are critical and absolutely essential to many students in my electorate being able to access further education. But not for much longer. From January next year young people will have to work 30 hours a week for 18 months in a two-year period to qualify for independent youth allowance so that they may undertake further education. This is an affront, an outrage, an utterly contemptuous imposition on rural and remote Australians.
Higher education is generally and globally understood to be a wonderful thing, a public good with broad benefits for society as a whole. Education has widely acknowledged benefits—for example, positive links to longevity, health, welfare and socioeconomic status in society. Tertiary education is a critical factor in our modern, knowledge driven, global economy. Even here in Australia the financial barrier to education has been recognised as a human rights issue for the people in rural and remote areas. It was tough enough already for my young constituents to get further education but it is about to get a whole lot worse when Mr Rudd and Ms Gillard slash the youth allowance. That comes into effect on 1 January next year. All Australians have the same right to access a tertiary education, but for those in rural and remote areas, which in my electorate can mean thousands of kilometres away from urban campuses, it can be prohibitively expensive.

With this in mind let me describe the uptake of higher education in my electorate. The most recent census, some three years ago now, revealed a national participation rate in higher education of about 22 per cent. Sounds reasonable—more than one in five young people aged between 17 and 22 are participating in higher education. Surely that augurs well for our future. Not so in my electorate. In my electorate the higher education participation rate was 8.7 per cent in the 2006 census. That does not mean that 8.7 per cent of the 17- to 22-year-old people living in my electorate in 2006 were in higher education because, unfortunately, if you live in a rural or remote electorate there are very limited opportunities to attend higher education. Most aspiring students need to relocate to a major metropolitan campus to realise their study ambitions, which is to say they have to move to the city. Therefore, the 2006 participation rate was based on the usual residence of people five years before the census—before they had to move to the city to study. Around 36 per cent of the Australian population lives in regional areas but the tertiary participation rate for regional areas has gradually but steadily decreased and nationally now is about 17 per cent. In my electorate it is about half that. In fact, we have the second worst tertiary participation rate in Australia, behind the Northern Territory electorate of Lingiari, which has a seven per cent participation rate. The Rudd government appears not to care.

I quote the very well educated staff at the Parliamentary Library who wrote on this topic in the 2009-10 budget review:

These disincentives to pursue tertiary studies would appear to run counter to the stated aims of the government in increasing participation in higher education.

My point exactly. We hear so much rhetoric about the education revolution. Is this it? Revolution, of course, is another word for spin in the case of the Rudd government—education spin—and meanwhile Labor takes $1.8 billion out of the pockets of rural and remote students over the next four years. This change to youth allowance will crush the dreams and aspirations of many in my electorate, especially the considerable number of young people who are currently in a gap year working to make themselves eligible for independent youth allowance next year.

How are young people in rural and remote areas supposed to find 30 hours of work a week for at least 18 months in the midst of the Rudd recession? Many young people in my electorate live in small communities with very few employment opportunities, particularly low-skilled jobs. Some larger towns have any number of jobs available, but young people do not have the skills to get them because they are not yet doctors, engineers, nurses, teachers et cet-
era. Young people will have to compete for a small number of low-skilled jobs against many other job seekers. The well-educated budget analysts at the Parliamentary Library came to this conclusion too. They also noted that young people may be forced to stay at home to reduce the costs for their families and this could limit their study opportunities, especially in the case of young people in rural and regional areas.

Let me present another side to the argument for affordable access to education for rural and remote students. We are presently suffering the effects of a downturn, but there is still a regional skills shortage affecting both the professional and vocational training sectors. The mining and resources sector skills shortage has been particularly well advertised, but other professions in demand are teachers, lawyers, accountants, doctors, nurses, pharmacists—and more. Regional areas have to compete with metropolitan areas for skilled workers. City kids do not like country living, and country kids often have no great love of the city either.

Recent government initiatives to address regional skills shortages include migration, training programs and relocation incentives, but improving tertiary access for the people who live there would address this issue on the ground. Instead of that, we have a situation where the Rudd government is punishing rural and remote students. It costs students in my electorate $10,000 to $15,000 a year to go away from home for study. City students do not face many of the same impositions with job hunting, travel, relocation, accommodation and so forth. This measure is a clear and very damaging burden to rural and remote students. They will not be able to afford to study when they leave school and may never end up getting to uni. Tertiary participation of 8.7 per cent in my electorate might be the second worst in the country now. I dread to think what the figure will become in the next census when the Rudd education revolution has done its worst for my constituents.

I draw the House’s attention to this destructive proposal. It is my earnest desire that the Senate committee process that this legislation will be subjected to will give the proposal the scrutiny it needs and give back to families, students and aspiring students in my electorate some hope for their futures. The situation is that, when this proposition from the Rudd government hits home, those sons or daughters of a family living in metropolitan Perth, well serviced by tertiary institutions and in a gap year waiting to qualify for the independent living youth allowance, will be able to make a decision to simply not get that independent living allowance and stay at home with mum and dad, catch public transport, get free board and lodging—and have no financial imposition placed upon them whatsoever. Compare that to a student from a country family in a gap year now with their future study plans ahead of them for the career, the profession, they wish to pursue. They are now locked into a situation where on 1 January next year their aspirations to achieve a tertiary education and go back and provide a profession in the town or area from which they came have been absolutely dashed. If the Senate process does not highlight this inequity for country students as opposed to their city cousins, I sincerely hope that the Rudd government cops the disapproval it deserves at the next federal election and is banished from ever representing rural kids again.

Death Penalty

Mr Hayes (Werriwa) (8.40 pm)—I rise to speak again on the death penalty for Australian citizens, an issue I have now been involved with for some time. I speak tonight while Indonesian lawyers for Scott Rush are preparing the process of finalising the contents of his all-important motion of reconsideration in the Indonesian Supreme Court. Members will recall
that Scott Rush is one of three young Australians currently on death row in Kerobokan Prison in Bali. He was arrested at Denpasar airport over four years ago and has been in prison all that time. For the last almost two years he has been on death row. Initially he was sentenced to life imprisonment, which was obviously a substantial penalty in itself. However, an appeal to the supreme court by Scott Rush, and without the urging of the police or the prosecution, led to Mr Rush’s sentence being increased to death.

I have put on record in this House a number of times why I have decided to take a stand on this matter. It would be every parent’s nightmare to have their child on death row. Twelve months ago I met up with Christine and Lee Rush, Scott Rush’s parents. I found them to be pretty ordinary people, much like the rest of us. We shared a common bond in that we unre-

servedly loved our kids. As loving parents, they had decided to intervene in Scott’s life in a big way. They intervened in his involvement in drugs and crime, and also they were concerned about the people he was associating with. In order to ensure that drugs and crime did not become his future, they decided to contact the Australian Federal Police. The police, consistent with the international procedures, as I understand it, also notified their Indonesian counterparts and by that notification started an international investigation. As a result, Scott and all involved were arrested in Denpasar in 2005 for serious narcotics offences. Lee and Christine Rush have both said to me that they did not think that by informing the police they were signing their son’s death warrant.

Having represented police officers in every Australian jurisdiction over many years, and through my involvement through parliamentary processes with the Australian Crime Commis-

sion, I know that sharing criminal intelligence is essential in combating the internationalisation of wide-ranging aspects of criminal activity, and certainly in relation to stemming drug related crime. I also note that the Indonesian police have played a most commendable role in targeting drug related crime in the region, and I am aware of the very close cooperation that exists between Australian and Indonesian police.

Under Australian law, Australian law enforcement agencies, unless specifically authorised, are not to lend assistance in relation to prosecutions that after the point of charge, if proven, could carry a death penalty. In other words, the prospect of a death penalty could seriously impede this level of cooperation between law enforcement agencies and thereby threaten the effectiveness of our ongoing policing efforts within the region. However, as I have indicated in a notice of motion to this parliament, in order to avoid as much as possible the exposure of Australian citizens to the death penalty Australia should act consistently and in a determined way to legislate to give effect to the Second Optional Protocol to the International Covenant on Civil and Political Rights. This would have the effect of preventing any Australian jurisdiction from making laws permitting the use of capital punishment but, more importantly, it would actually communicate Australia’s position on the death penalty very clearly and un-

equivocally to the world at large.

I would like to make it very clear that we all condemn the menacing criminal world of drug related crime. As a parent this feeling can only be amplified out of care and love for our kids no matter what their age. We expect our law enforcement agencies to render whatever assistance is necessary to target these evildoers. However, the principle of punishment is that the punishment should fit the crime, and that is the heart of our judicial system. As I understand it, it is also a central tenet of the Indonesian criminal justice system.
If that is so then it is hoped that Scott’s motion for reconsideration, which I advised a little earlier is likely to be filed in the next few months, is successful. The motion for reconsideration is a review procedure provided under Indonesian law in respect of death sentences as well as life imprisonment sentences. The motion for reconsideration is one of the two remaining legal steps whereby Scott can seek to have the death sentence imposed on him set aside and have a term of imprisonment imposed instead. The other measure also involves access to presidential clemency.

It is well to recall that Scott was a courier, an expendable 17-year-old drug mule. All the other courier members of the Bali Nine received 20 years or life imprisonment sentences from the Indonesian courts. By any basic notion of comparative justice one would have expected that Scott would have similarly received a term of imprisonment. As I have spoken about before, the judgment of the Indonesian court contained no comparative analysis of Scott’s level of offending. As a drug courier he was at the lower end of offending and yet he was the only drug mule to get the death sentence.

Scott’s parents have claimed he was no angel and they had been worried for some time about those he was associating with. Scott had not been out of Australia before, and his crime and those of the other Bali Nine were actually intended for the Australian drug market. It should be noted that if Scott had been convicted in Australia for his crime as a courier he would have likely received in the order of a 10-year custodial sentence. At this important time it is to be hoped that Scott receives a fair and objective hearing from the Indonesian Supreme Court and that he and, just as importantly, his parents are freed from the continuing daily horror of execution by firing squad.

As I said earlier, there is something that we can do in this House to assist, and that is to assert our longstanding abhorrence of the death penalty. This can be best achieved by incorporating into domestic law the Second Optional Protocol to the International Covenant on Civil and Political Rights. Further, all members of this parliament should very clearly and consistently speak out against the use of capital punishment. Otherwise we would be liable to be held up to charges of hypocrisy every time it came to defending Australians with respect to death penalty sentences overseas. This step would send a very strong message to Indonesia as to how important this value is held by Australians.

The crossbench committee on the death penalty has been recently re-established and is currently co-convened by Senator Humphries, Senator Hanson-Young and me. Through this committee we have collectively explained members’ views to the Indonesian Ambassador, His Excellency Mr Joelianto. I believe that Australia and the Republic of Indonesia in partnership can show great leadership in advocating human rights not simply through our region but to the rest of the world.

To Lee and Christine Rush and to other Australians in the same predicament, we can show that we do care. I hope that others, including the courts, recognise the brave and selfless act that Lee and Christine as loving parents have shown in notifying the police of their suspicions concerning their son, his friends and their activities. How many of us love our kids that much to do the same? They too are genuine victims here. I would like to end on a quote from the Chief Justice of the South African Constitutional Court who said: ‘The death penalty sanctions the deliberate annihilation of life. As I have previously said, it is the ultimate and the most incomparably extreme form of punishment …”
It is the last, the most devastating and the most irreversible recourse of the criminal law, involving as it necessarily does, the planned and calculated termination of life itself; the destruction of the greatest and most precious gift which is bestowed on all humankind.

It is not necessarily only the dignity of the person to be executed which is invaded. Very arguably the dignity of all of us, in a caring civilization, must be compromised.

**Youth Allowance**

**Mrs MIRABELLA** (Indi) (8.50 pm)—I rise this evening to speak on a matter that is of particular concern and has caused extreme stress amongst certain communities in my electorate of Indi in north-east Victoria—in fact, right across rural and regional Australia. Young country kids with a dream to go on to tertiary study, and their families, are now being put in a position where they are paying for Labor’s reckless spending. They are paying for Labor’s $315 billion debt. They are some of the biggest losers that have emerged from the government’s current budget and projected budget. But they are not the only ones; they are the ones that are immediately apparent. I have been personally contacted and my office has been inundated with extremely stressed parents, educational institutions and young people who were caught unawares with the government changes to the youth allowance scheme. They did not think that one of the poorest groups in the community, struggling students, would be punished and would be punished by the current government. But that is exactly what has happened.

This is not a rort. Young students, particularly rural students, applying for the independent living away from home allowance is not a rort; it is an absolute necessity for some young people to go on and study. That does not mean that they themselves do not still work part-time jobs or that their parents do not save thousands of dollars to send them off to pursue further tertiary studies, but it is that bit of assistance for those students who do not have the luxury, like many students in capital cities, to live at home or to live close to home with their parents while they are studying. For rural students it is doubly hard, moving away from a familiar environment and also incurring all those expenses that one incurs when one moves out of home, not when they are prepared to do so but because they have to.

So what do a lot of students do? They work hard and they have been working hard trying to earn over $19,500 to qualify for the independent youth allowance entitlement. But the government has now said: ‘No, we don’t think that’s fair. We think that you must work 30 hours a week for at least 18 months.’ This is in an environment where we are told next year there are going to be a million people unemployed. They are saying to young people: ‘We’ve put your future into debt. We have hocked the future. We think we are going to pay it off by 2022, but it will probably go on well into the future.’ The $315 billion will not stay at that, I can assure you of that, Madam Deputy Speaker. Just as we are certain that by the time we retire superannuation laws will have changed several times over, we can be confident that the debt will definitely increase beyond this amount under the current government.

So not only have they burdened future generations; they are also saying, ‘You will work 30 hours a week over 18 months in an environment of increasing unemployment.’ This is when many rural areas are suffering from drought and it is really hurting. It is not just those farming businesses but also other industries that rely on them and those industries that see the filter-through effect in those regional towns and centres. In that sort of environment that is what Labor are saying to young people and young rural families. It is absolute proof that they are
utterly out of touch and utterly insensitive to the aspirations of young country kids and their families.

We heard today, during question time in the House, one of the Labor ministers mock this notion of aspiration. But there is genuine aspiration out there in the community, even with the dark and difficult times ahead. Young people who are straight out of school have a right to dream; they have a right to pursue their further studies and not to be hampered by the fact that they live in the country. They still do it hard; they still work. Now we have a situation where those students who are currently having a gap year and who are fully expecting to start tertiary studies next year will slip through the cracks.

The government has been asked to make some changes to youth allowance. It has also been asked to put off some of its changes. I have received a lot of correspondence on this matter, and I want to read some extracts from some of these letters and emails. This one says:

Our son Joseph successfully completed his VCE last year and gained placement at a university at Melbourne to undertake a degree in 3D animation, which has been his passion for many years. Whilst we would have loved for Joseph to continue to live at home whilst pursuing his dream, Albury-Wodonga tertiary institutions unfortunately do not offer this course. As proud parents, we were naturally thrilled and proud of our son’s achievement. Due to the substantial financial burden of having a son living away from home, Joseph and we decided that he would defer his university studies for a year and hopefully find work in order to qualify for Centrelink’s youth allowance. In February, Joseph gained employment in a local factory doing process work on night shift. Moving from a high school environment to working nights in a factory presents as a very dramatic transition. Joseph has met this challenge admirably. He is very goal oriented and we will do whatever it takes to get to where he wants to be.

The federal government’s 2009 budget proposes changes to the youth allowance eligibility criteria. Effective from 1 January 2010 the criteria for which Joseph was working towards have been removed—meaning that he cannot become eligible with the actions he has been undertaking for the past four months. We are devastated by this and completely fail to see any fairness in this change whatsoever. The impact of this change on Joseph is that his career aspirations are now in serious doubt.

And the quotes go on. This quote is from two parents who are in their 50s:

Yes, my husband and I both work and are over 50 and have a large housing loan because we chose to make a move to a larger town where jobs were more plentiful. We are certainly living better than some out there but we are not really in a position to take full financial responsibility for Emma living and attending university in Melbourne. How many politicians or highly paid public servants would ever have to go through the decisions that every day students and parents are having to decide presently? I think that we have been severely short changed and sold out by the Rudd government.

It goes on to say:

I actually voted for them because I believed in them. I am sure both my husband and myself would have been happy to forgo our lots of $900 if it meant keeping the youth allowance in tact.

And it goes on. And why does it go on? Because this measure is really hurting people out there. It is hurting families and it is hurting young students.

But we saw today the Deputy Prime Minister in her sheer insensitivity and arrogance criticise the Liberal Party for wanting to defend the current system. In criticising the existing system, she said:

If the Liberal Party want to go out and defend the current system with its skew to people who earn $200,000, $300,000 and $400,000 a year, we would simply say: ‘That is what the Liberal Party does. It always seeks to benefit those better off at the expense of the vast majority.’
Well, Deputy Prime Minister, you are wrong. There are many decent Australians out there who are not earning $200,000, $300,000 or $400,000 a year. There are many families out there who need the current system to remain as it is. You ought to have the courage to say that you are wrong. You ought to have the courage to apologise to those families for the stress that you have caused them. And you ought to seriously reconsider the decision. It is not just the financial burden that this generation will have of paying back your debt and your reckless spending but also the impact of this decision on country kids. All sorts of organisations, such as the Albury Wodonga Careers Advisers Association, as well as parents and schools are trying to help by asking the government to enact a grandfather clause that will protect those young people who are currently deferring their studies. I fully support them in that pursuit.

Just think about the burden you have created and think about your responsibility in actually governing for all Australians and look beyond the politics of envy and the false assumptions that that has given you in looking at country students and their families. You need to have a look at these changes and you need for once to listen to rural and regional Australia and young students.

Building the Education Revolution Program

Mr BEVIS (Brisbane) (9.00 pm)—I have no doubt that in the electorate of Brisbane and throughout the towns and cities and rural areas of Australia one of the most popular and welcomed initiatives has been the commitment of the Rudd Labor government to invest in our schools and in particular to the funding of private schools’ new buildings. It is a matter of grave concern to me which I have voiced within my electorate and in this parliament that those in opposition have failed to properly understand the policies and the opportunities that that program presents. Even worse, the shadow Treasurer is on the record as opposing it outright. On the Sunrise program of 13 February this year the shadow Treasurer described the $14.7 billion investment in our school halls, our school libraries and our classrooms as bad spending and ridiculous. I quote from that interview. He said:

Let me tell you we would not be spending $14 billion on school halls. I mean, that is a phenomenal amount of money. It is just ridiculous.

That is hard to take from an opposition to ensure that in office, with that shadow minister as a senior minister in the government, saw its investment in schools priorities being ensuring that every school had a brand-new flagpole. That was the keynote investment of the former Howard government in schools across this land. It beggars belief that with that record they could now in opposition get themselves on their hind legs to voice concern about the program that is actually for the first time ever in living memory providing resources in primary education especially, but not just in primary education, that are badly needed.

I think of the many schools in my electorate that I have been to over the course of the last month or two to talk with parents, to talk with teachers, to look at plans and to discuss ways in which we can as a community together get the maximum benefits from these facilities. And I wonder which of these facilities it is that the shadow Treasurer thinks should not be built. A couple of weeks ago I was at Ashgrove State School opening the school fete. I was able to announce a $3 million funding approval for a multipurpose hall and resource centre. I one is the Bardon State School, whose school fete I attended just this weekend past, where because of the nature of the school layout they have a specially designed facility that they will be putting in, with the support of the Queensland government, that will provide undercover all-year-
round sporting facilities for that school and an assembly hall—together with sufficient funds to totally revamp their old resource centre. This is something desperately needed. I might mention the three representatives of the P&C came up to see me to thank me and the government for our commitment to their school. It is the sort of thing that those opposite need to start to take stock of.

But unfortunately this was not just a loose comment from the shadow Treasurer at the time. Even yesterday we saw no less a person than the Leader of the Opposition echoing the same sort of sentiments. The Leader of the Opposition, in an interview on the ABC *Insiders* program, attacked the government’s spending in Building the Education Revolution. Being interviewed by Barry Cassidy he said this:

Well, Barry, we have not voted against any projects.

You would think from this that they actually supported it and voted for it. Of course, they voted against every single one of the projects. He went on and said:

What we voted against was the overall package. We put an alternative which would have involved spending money on schools but not so much, spending $3 billion instead of $14 billion.

Okay, let us take that at face value: spending $3 billion instead of $14 billion. That means that three or four out of every five projects are not going to be funded under the Liberal Party. So which three or four out of every five projects do they intend to scrap?

Before I start going through that, let me go back one step to the Leader of the Opposition’s comments when he said they didn’t vote against the projects; they just voted against the whole package. I want to remind this House what was in that package. I will go through just a few. The Liberals say now that they support the new building program although they only support about 20 per cent of it, about one building in every five. They say they support it, but they voted against it. They say they support the $950 payment for parents with children going back to school, but they voted against that as well. In fact, the Liberals say that they support the $900 tax bonus for working Australians, but they voted against that. They say they support the building of 803 new defence homes, but they voted against that one as well. The Liberals say they support 20,000 new social houses, but they voted against that too. The Liberals say they support the $1,600 rebate for ceiling insulation, but, guess what, they voted against that as well. The Liberals say they support the increase in the solar hot water rebate, but they voted against that too. And, finally, they say they support the $950 cash bonus for farmers devastated by drought, but—would you believe it—they even voted against that. How the members of the National Party got conned into voting against the money for drought affected farmers really does beggar belief.

So when the Leader of the Opposition says, ‘Well, Barry, we haven’t voted against the project’—trying to let on that really they support these things—‘it is just that we voted against this big package,’ when you have a look at every element of the package it is the same story. They want to turn around and say, ‘We supported all these benefits; we just happened to vote against every single one of them.’ Talk about wanting to have your cake and eat it. This is a new 21st century version of the magic pudding on the other side of parliament: they think you can eat it and it just grows back. This is an absurd proposition. It is duplicitous, and the people of Australia understand that. The people at those two schools I mentioned clearly understand it. What I fail to comprehend is that some opposite seem to think that in this parliament they
can actively undermine the government’s effort and vote against it but then go out to the school community and even put out press releases claiming credit for it.

If the position is as the Leader of the Opposition stated yesterday, and you would think he knows—the Leader of the Opposition does have his problems at the moment; we’re not quite sure how long he will retain that post, but assuming that he knows what he is talking about—then that means that between three and four out of every five proposals that the government is now funding would be defunded. Is it the Enoggera state school, in my electorate, which has a $2 million resource centre already approved? Grovely state school—I was there just a week or so ago with the local state member, who happily is also the Queensland Minister for Education—are getting a $2 million performing arts centre. That is a really exciting program for a school in a low socioeconomic area that would never ever have the capacity to raise the funds that this government is providing to them. The New Farm state school, in a very old, established inner city area, is getting a $2 million multipurpose hall especially designed for the particular layout of that school. So there are about five projects. If the Liberal Party had their way and if the Leader of the Opposition had his way, only one of those five would get money on average. Which of the four do they intend to scrub? That is the real situation confronting the people of Australia. It is about time those opposite started to tell the truth, instead of playing cute like they were today about plaques. They have so much hide that the next thing they will be saying is that the Leader of the Opposition’s name should be on the plaque as supporting the program. That will be the next step in the process.

There is a long list of schools, and I have the name of many of them in front of me, that I have had the opportunity of visiting in recent times where there are really exciting, valuable projects being funded by this government that establish important infrastructure not just for the schools—although clearly the students today and well into the future will be the beneficiaries—but for the wider community, because these facilities will be available to the wider community.

It is a real shame to see the level of the Liberal Party debate on this stoop so low. But it appears to have become contagious, because I noticed in the local newspaper last week that even the Lord Mayor of Brisbane is himself confused by what is going on and is claiming credit for a $208,000 Black Spot Program which, he says, ‘was part of Lord Mayor Campbell Newman’s road action program’. Well, in June of last year I issued a press release on behalf of the government announcing $208,000 for that very project. Somewhere between last June and now, the lord mayor has decided it was part of his road action plan. It is time there was some genuine honesty in the way these programs are publicised. (Time expired)

Queensland and New South Wales Floods

Mr HARTSUYKER (Cowper) (9.10 pm)—I wish to bring to the attention of the House an injustice which is being perpetrated by the Rudd government on the people of the Coffs Coast. It is an injustice that highlights the very best and the very worst in our system of democracy. It is an injustice that the residents of the Coffs Coast will not forget quickly. On 25 May the Prime Minister addressed the House in relation to the recent flood situation in Queensland and northern New South Wales. He noted the breadth of the destruction which occurred in this event. He noted that assistance was going to be rendered to victims of the flooding. His words were most welcome indeed: assistance to individuals, assistance to small business—very important assistance indeed. He mentioned there would be an Australian gov-
ernment disaster recovery payment of $1,000 per adult and $400 per child and he said, and I quote from the Hansard of 25 May:

I have also today authorised this assistance for people affected by the earlier floods in New South Wales in late March.

I was delighted with this announcement. Not only would the victims of the most recent event receive assistance but Coffs Coast residents affected by the earlier, 31 March, storms would also receive assistance. The government had listened to my representations. They had finally come to their senses. When I asked the Prime Minister on budget day about assistance for victims of the 31 March storms on the Coffs Coast the response was devastating, because the next day I received a letter from the Minister for Families, Housing, Community Services and Indigenous Affairs and I was stunned. The minister’s letter dated 12 May said:

Upon considering the impacts of the flooding in the Coffs Harbour and Clarence Valley areas, I concluded that these were predominantly damage to public infrastructure and some isolation from road closures.

I do not know what planet the minister was on. There were 2,500 houses affected and hundreds of businesses affected, and the minister said that the damage was predominantly to public infrastructure. So I wrote to the minister and I gave her the facts on the degree of damage to private property. I hoped that, armed with those facts, the minister would review her decision and take on board those facts and that Coffs Coast flood victims and storm victims would get a fair go, but that was not to be.

I thought that the Prime Minister’s words of 25 May meant that the victims of the 31 March storm event would finally and belatedly be treated with some equity and receive the Australian government disaster recovery payment. I regret that all we got from this Prime Minister and this government was nothing but excuses. After the first excuse that it was public infrastructure, the minister had the hide to say, ‘Well, forget what I told you on 12 May that it was public infrastructure; the real reason we are not going to pay you is that the storm event only affected four local government areas.’ So those victims were not deserving! What is so compelling about the number four? Could it have been three or could it have been two? Was it the fault of the victims that there were only four local government areas affected? Was it the fault of the victims that because there were only four affected they should not receive this assistance? I do not think that the victims saw it that way and I do not think that the general public on the Coffs Coast see it that way.

The minister’s office in discussions with the media have been attempting to hose down the story. They have been trying to spin the yarn that it is against the guidelines or that they cannot do it because of the guidelines. Well, I have to say that the people who have had their houses destroyed really do not care much about the guidelines. I have to say that the people who lost their very personal possessions and who have been in temporary accommodation in the weeks and months since are not really concerned about what the guidelines say.

The people of the Coffs Coast want equity. I have to commend the local paper, because it posed the question that it was time the PM faced angry locals who all wanted to know what the difference was between the later flood events and the 31 March flood events. It is a very important question that the Prime Minister needs to answer. What is the difference? There is no difference as far as my residents are concerned. On 28 May, the next day, in the same local paper, local man Tom Wainwright was furious about the government’s double standards on
compensation. Mr Wainwright does not believe the spin of Minister Macklin, the Minister for Families, Housing, Community Services and Indigenous Affairs, that the damage was primarily to public infrastructure and that there is some reason, with only four local government areas affected, that he should not receive compensation.

More recently, the *Coffs Coast Advocate* printed a petition on the front page of its Saturday edition calling on this House to do what the government would not do, and that is to give Coffs Coast flood victims a fair go. I, along with the flood victims, commend the paper for its stand on this, and the Coffs Coast community certainly commends the paper for getting behind a very important issue of equity. The hollowmen who drive policy making and decision making down at stunt central in the PM’s office have not told him that even some of his own Labor Party supporters are absolutely devastated by his mean and tricky stance. A Labor Party supporter, who wrote a passionate letter to the Prime Minister and sent a copy to me, said in this letter:

It would appear that this decision is purely political. I am pretty sure he has got that right. He said:

The area of Cowper is not Labor held and although I am a Labor voter, I have lost every bit of confidence in the Labor Party. Your party will do the right thing by the residents of Australia. Being an ALP electorate should not mean you get an advantage over non-ALP electorates in times of “Natural Disasters” … Finally I am not renewing my ALP membership. I have been wondering for some time what support I get from the Labor Party and this is the final straw that has clinched my decision as regional Australia always seems to be left in the lurch.

Prime Minister, the message from the community is clear. The message from your own supporters is clear. It is time to do the right thing and give the flood victims of 31 March a fair go. It was you who said in this parliament:

I have also today authorised this assistance for people affected by the earlier floods in New South Wales in late March.

They are your words, Prime Minister. They are the words of the Prime Minister of this country. These victims need your help. They do not need the spin of the hollowmen in your office. They do not need the excuses of your incompetent minister. They need your help. It is time, Prime Minister, for you to govern for all Australians. It is time for you to give help to the people who need it most. I said at the outset of my contribution that this disaster has brought out the very best and the very worst in the political process. It has certainly brought out the very best in our local community—the very best in a community that wants to support flood victims—and it has certainly brought out the very worst in your government.

**Tasmanian Scallop Fishery**

Mr SIDEBOTTOM (Braddon) (9.18 pm)—I represent regional Australia and I have a very good story about regional Australia to talk about, without exaggeration or hyperbole. Seafood lovers around the House will be rejoicing in the news that the iconic Bass Strait scallop fishery has been reopened. While this is a great moment for those who enjoy the gastronomic delights of the scallop, it is also wonderful news for the seafood industry in Tasmania and particularly for my own region. Like so much primary product from the seas and the soil of Tassie, the Tasmanian scallop is renowned from one end of the country to the other for its quality. In fact, over time a number of less than scrupulous operators have made the most of
its reputation by passing off other product as Tasmanian scallops. But it is hard to match the Bass Strait scallop, with its rich flavour, creamy flesh and orange roe.

The return of the fishery is the result of some detailed work from within the industry and from the federal Department of Agriculture, Fisheries and Forestry. The fishery itself, exploited since early in the 20th century, has had a chequered history, having been overfished for some time and closed down in 1987. The fishery began in the Derwent River estuary, not too far from where I began my days in Tasmania’s south. When the quality of the Bass Strait scallops was recognised, they became a very sought after commodity. But, as has happened with other such delicacies, they were overfished. For eight years, the fishery remained closed to allow stocks to recover, and there has been only limited harvesting since 1998. In 2005, the fishery was again closed by the then Minister for Fisheries, Forestry and Conservation, Senator Ian Macdonald, to allow it to recover after it was again coming under threat.

Over the past 12 months, the industry has been working closely with the department, conducting three research surveys to look at the availability, quality and quantity of scallops. This has revealed three areas of scallops in Bass Strait which are in good condition and one that is ideal for harvest. This information has been referred to the Minister for Agriculture, Fisheries and Forestry, Mr Tony Burke, who has granted permission for limited fishing from today, 1 June. This is a good news story and a positive outcome from what has been a rather tortured journey from plenty to scarcity to replenishment to responsible management and sustainable harvesting.

However, to preserve the industry into the future this approval only covers a single area of Bass Strait. The area itself covers 75 square nautical miles, about 30 nautical miles to the north-east of Flinders Island. Still, the industry has welcomed the opportunity to return to the waters. Mr Bob Lister, Executive Officer of the Tasmanian Scallop Fishermen’s Association, tells me this is welcome news indeed. It will be a definite boost for the industry, expected to bring in about $5 million worth of scallops with a maximum catch of 2,500 tonnes. This will see fishing boats operating out of the ports of Devonport, Ulverstone, Currie, Grassy and Stanley in my electorate, along with other Tasmanian ports such as Bridport and St Helens.

The scallop fishery is a significant industry at its height, employing not just fishermen but people in transport, processing and retail. We will see a hive of activity in places like Stanley, where Stanley Fish will process many of the scallops caught in Bass Strait. This will be replicated in other places such as Georgetown Seafoods, St Helens and the famous Mure’s in Hobart. This will mean valuable casual work for people who will split scallops—a very skilled task and something that can be a very good earner for those who have the knack.

From this week we can expect to see Bass Strait scallops being sold in fish markets along the eastern states, including Sydney, Melbourne and across Tasmania—and they will make their way into the electorate of Hume at some stage. While the industry says it is difficult to put a firm figure on the employment generated, it is estimated that across the board it will support about 100 fishermen and another 200 in seasonal jobs in the processing factories. This is another important boost for regional employment, and the hope is that with careful management it can be sustained well into the future.

These benefits do not come easily. The scallop fishery is one that comes with an element of risk. The fishers will spend up to 14 hours travelling into the middle of Bass Strait. Here they will battle the infamous Roaring 40s to harvest the scallops from the ocean floor. The trips are
regularly interrupted when the weather becomes too treacherous and the boats are forced back to port until the weather improves. One only needs to remember the graphic pictures of Bass Strait at her fiercest during the 1998 Sydney to Hobart race to appreciate the vagaries and challenges of this stretch of water. The scallop fishers are a happy bunch, and take it in their stride as part of the industry that many love.

It is also an industry that they hope to see sustained well into the future. Mr Lister tells me that, after the three years of closure, the scallop fishers are determined to look to a sustainable future. They want to see a regular commercial scallop fishery. He says rebuilding the fishery has been difficult for many fishermen, but they will be reaping the rewards again from today. Fishermen realise it will not be smooth sailing—excuse the pun—because of the conditions they must battle in what is recognised as one of the most difficult stretches of water in the world. They are also working to address other challenges, such as quality and quantity, and marketing of the scallop. But the opening today is good news and they are looking forward with a positive attitude. This is backed by a very careful approach, detailed in the Code of Practice for the Tasmanian Commercial Scallop Fishery, which says that the industry ‘endeavours to harvest scallop stocks in a responsible, sustainable and profitable manner’. It goes on:

While providing the community with highest quality scallops, employment and investment opportunities, the industry seeks to minimise the impact of fishing activities on the environment through the adoption of best fishing practices and coordination and cooperation of fishing effort.

Scallop fishing is traditionally a secondary fishery for rock lobster fishermen during the winter months when rock lobster are either scarce or the fishery is closed. These fishermen have invested heavily in the industry, with boats from 15 to 24 metres in length and harvesting equipment designed to sensitively bring the scallops up from the sea floor. Some have gone to the extent of installing sophisticated washing, sorting and conveying systems to minimise labour, ensure undersize scallops are returned to the water quickly and minimise the time between the catching and the chilling of the product.

Scientific evidence suggests that targeted scallop fishing yields low levels of by-catch and, further, that no by-catch species are threatened by this particular fishing method, which is good for everyone and everything involved. Using sophisticated satellite equipment, fishermen are able to precisely position their vessels and harvesting equipment on scallop beds where there are few other organisms. The advances in technology will also allow a satellite-based vessel monitoring system to provide real-time information to authorities on vessel position. This ensures compliance with fishery rules and regulations and prevents access to areas closed to fishing.

The return of sustainable numbers in the scallop fishery will hopefully lead to a long-term future for fishers. As I mentioned, after a tortuous history from plenty to scarcity to renewal now, that is a good story indeed. This will allow the fishers to continue to invest in the industry—and certitude of resource is an important criterion for investing in the industry—to provide much-needed jobs and lead to a more sustainable income.

I would note that despite the erratic nature over the years, an export market still exists for scallops both in France and in South-East Asia. With some certainty into the future, let us hope that can grow and that the domestic market will also strengthen and make the most of what is another of the wonderful examples of the clean and green industries that we have in
this country, particularly in my home state of Tasmania and more specifically in my region of north-west Tasmania, including King Island.

In conclusion, although it is a grievance debate, I am pleased to bring a positive story for regional Tasmania. I would like to congratulate the industry itself. I would certainly like to congratulate the department and the minister, both past and present, for investing in a proper management plan for this important industry and bringing it to fruition. Today, 1 June, is a red-letter day for the Tasmanian scallop. I look forward to eating many more. The price is, of course, like gold. Without the knowledge of my wife and by blackmailing those in my local shop, I imbibe in the scallop every now and again when I drive past my local store. (*Time expired*)

The DEPUTY SPEAKER—Order! The time for the grievance debate has expired. The debate is interrupted in accordance with standing order 192B. 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 9.28 pm
QUESTIONS IN WRITING

Attorney-General’s: Program Funding
(Question No. 463)

Mr Hockey asked the Attorney-General, in writing, on 1 December 2008:

(1) Which agencies and departments in the Minister’s portfolio will return money to budget in the 2008-09 financial year as a result of underspends in the 2007-08 financial year; and what sum of money will be returned to budget from these programs.

(2) From 1 December 2007 to 30 June 2008, what sum of money has the Government committed to spending under Regulation 10 of the Financial Management and Accountability Act 1997 for applicable departments and agencies under the Minister’s portfolio; and how much of this commitment was approved:
   (a) at the department and agency level; and
   (b) by the Minister for Finance and Deregulation.

(3) What sum of depreciation funding:
   (a) is available for each department and agency in the Minister’s portfolio as at 30 June 2008;
   (b) was spent by each department and agency in the Minister’s portfolio in the 2007-08 financial year; and
   (c) was spent by each department and agency in the Minister’s portfolio in the 2007-08 financial year to directly replace assets for which it was appropriated.

Mr McClelland—The answer to the honourable member’s question is as follows:

(1) The departmental appropriations of agencies do not lapse and underspends are retained by the relevant agency. Administered appropriations lapse and underspends are returned to the Budget.

The Attorney-General’s Department had an underspend against its administered appropriation of $112.930 million. Of this amount, $36.893 million has been moved from the 2007-08 financial year to the 2008-09 financial year as part of the 2008-09 Budget process and Additional Estimates process. The Attorney-General’s Department therefore returned $76.037 million as a result of underspends against administered appropriation in the 2007-08 financial year.

The Federal Magistrates Court had an underspend against its administered appropriation of $0.3 million. The Federal Magistrates Court therefore returned $0.3 million as a result of underspends against administered appropriation in the 2007-08 financial year.

The Australian Federal Police had an underspend against its administered appropriation of $9.5 million. The Australian Federal Police therefore returned $9.5 million as a result of underspends against administered appropriation in the 2007-08 financial year.

The National Capital Authority had an underspend against its administered appropriation of $0.66 million. The National Capital Authority therefore returned $0.66 million as a result of underspends against administered appropriation in the 2007-08 financial year.

(2) The below table provides funds committed, for agencies in the portfolio, for the period 1 December 2007 to 30 June 2008, under regulation 10 of the Financial Management and Accountability Act 1997. The table also provides how much of the commitments were approved at the agency level and by the Minister for Finance and Deregulation.

QUESTIONS IN WRITING
(a) The budget is allocated to priorities on the basis of need and the Government does not try to allocate funding from particular sources to programs.

(b) and (c) The table below provides details for each department and agency in the portfolio for depreciation spent in the 2007-08 financial year.
Agency Name | Depreciation funding spent in 2007-08
---|---
Family Court of Australia* | $4.84m
Federal Court of Australia | $3.47m
Federal Magistrates Court | $2.95m
High Court of Australia | $1.94m
Australian Human Rights Commission | $0.38m
Insolvency & Trustee Service Australia | $2.37m
National Capital Authority* | $7.39m
National Native Title Tribunal | $0.64m
Office of the Director of Public Prosecutions | $3.24m
Office of Parliamentary Counsel* | $0.17m

* These Agencies also received capital funding for the purchase of new assets that were acquired in 2007-08.

Moncrieff Electorate: Program Funding
(Question No. 596)

Mr Ciobo asked the Minister for Families, Housing, Community Services and Indigenous Affairs, upon notice, on 12 February 2009:

In respect of the Government’s funding of organisations and projects between 3 December 2007 and 20 January 2009: (a) which organisations and projects based in the Moncrieff electorate received funding from the Minister’s department; (b) what sum of funding did each organisation and project receive; and (c) for what purpose was each funding commitment made.

Ms Macklin—The answer to the honourable member’s question is as follows:

The following organisations in the electorate of Moncrieff have received funding from the Department of Families, Housing, Community Services and Indigenous Affairs between 3 December 2007 and 20 January 2009.

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Purpose</th>
<th>Funding (excluding GST)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bosnia Herzegovina Association Inc Gold Coast</td>
<td>Volunteer Grants funds non-profit community organisations to support their volunteers through the purchase of equipment and/or contribute to the reimbursement of their volunteers’ fuel costs.</td>
<td>$4,936</td>
</tr>
<tr>
<td>Capri Broadbeach U3A Association Inc</td>
<td>Volunteer Grants funds non-profit community organisations to support their volunteers through the purchase of equipment and/or contribute to the reimbursement of their volunteers’ fuel costs.</td>
<td>$1,139</td>
</tr>
<tr>
<td>Organisation</td>
<td>Purpose</td>
<td>Funding (excluding GST)</td>
</tr>
<tr>
<td>-------------------------------------------------------</td>
<td>-------------------------------------------------------------------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>Friends of the Gold Coast Regional Botanic Gardens, Inc</td>
<td>Volunteer Grants funds non-profit community organisations to support their volunteers through the purchase of equipment and/or contribute to the reimbursement of their volunteers’ fuel costs.</td>
<td>$3,000</td>
</tr>
<tr>
<td>FSG Australia</td>
<td>Provision of respite care under the Mental Health Respite Program.</td>
<td>$1,929,331</td>
</tr>
<tr>
<td>Gold Coast and Hinterland Historical Society Inc</td>
<td>Volunteer Grants funds non-profit community organisations to support their volunteers through the purchase of equipment and/or contribute to the reimbursement of their volunteers’ fuel costs.</td>
<td>$3,458</td>
</tr>
<tr>
<td>Gold Coast Catchment Association Inc</td>
<td>Volunteer Grants funds non-profit community organisations to support their volunteers through the purchase of equipment and/or contribute to the reimbursement of their volunteers’ fuel costs.</td>
<td>$2,750</td>
</tr>
<tr>
<td>Harmony in Paradise Chorus Inc</td>
<td>Volunteer Grants funds non-profit community organisations to support their volunteers through the purchase of equipment and/or contribute to the reimbursement of their volunteers’ fuel costs.</td>
<td>$3,500</td>
</tr>
<tr>
<td>Labrador State School P and C Association</td>
<td>Volunteer Grants funds non-profit community organisations to support their volunteers through the purchase of equipment and/or contribute to the reimbursement of their volunteers’ fuel costs.</td>
<td>$1,012</td>
</tr>
<tr>
<td>Lions Club of Southport Inc</td>
<td>Volunteer Grants funds non-profit community organisations to support their volunteers through the purchase of equipment and/or contribute to the reimbursement of their volunteers’ fuel costs.</td>
<td>$2,587</td>
</tr>
<tr>
<td>Mercury’s Wings Theatre Company Limited</td>
<td>Volunteer Grants funds non-profit community organisations to support their volunteers through the purchase of equipment and/or contribute to the reimbursement of their volunteers’ fuel costs.</td>
<td>$2,500</td>
</tr>
<tr>
<td>Queensland Country Women’s Association Southport Branch</td>
<td>Volunteer Grants funds non-profit community organisations to support their volunteers through the purchase of equipment and/or contribute to the reimbursement of their volunteers’ fuel costs.</td>
<td>$1,623</td>
</tr>
<tr>
<td>Organisation</td>
<td>Purpose</td>
<td>Funding (excluding GST)</td>
</tr>
<tr>
<td>--------------------------------------------------</td>
<td>-------------------------------------------------------------------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>South Coast Industry Schools Coordinating Org.</td>
<td>Volunteer Grants funds non-profit community organisations to support their volunteers through the purchase of equipment and/or contribute to the reimbursement of their volunteers’ fuel costs.</td>
<td>$2,500</td>
</tr>
<tr>
<td>Special Olympics Queensland Gold Coast Region</td>
<td>Volunteer Grants funds non-profit community organisations to support their volunteers through the purchase of equipment and/or contribute to the reimbursement of their volunteers’ fuel costs.</td>
<td>$2,500</td>
</tr>
<tr>
<td>Surfers Paradise Anglican Crisis Care Inc.</td>
<td>Provision of financial and other assistance to people in financial crisis under the Financial Management (Emergency Relief) Program</td>
<td>$36,591</td>
</tr>
<tr>
<td>Wahine Maori QLD Inc</td>
<td>Volunteer Grants funds non-profit community organisations to support their volunteers through the purchase of equipment and/or contribute to the reimbursement of volunteers’ fuel costs.</td>
<td>$4,099</td>
</tr>
<tr>
<td>Warner Bros SeaWorld</td>
<td>Support for indigenous apprenticeships through the Indigenous Community Strategic Investment Program</td>
<td>$63,750</td>
</tr>
<tr>
<td>Kalwun Development Corporation</td>
<td>Contribution to the management of indigenous housing under the Community Housing and Infrastructure Program</td>
<td>$10,480</td>
</tr>
</tbody>
</table>

It is important to note that the Department also funds organisations in neighbouring electorates that may provide services to people who live in the electorate of Moncrieff.

**Financial Borrowings**

*Mr Tuckey* asked the Treasurer, in writing, on 16 March 2009:

In respect of a recent media report ‘Search for state funding getting harder’ by Mr Mathew Dunkley (*Financial Review*, 10 March 2009, page 3) on the difficulty for the Tasmanian Government to raise $100 million through a bond issue—

1. What effect on the flow of credit and interest rates is arising from the Australian Government’s massive issuance of its own debt instruments to fund the deficit.

2. What is the estimated full percentage cost of the consequent overseas borrowings of Australian banks when taking account of currency fluctuations and other similar charges which increase the cost of overseas debt.

3. To what extent can such costs of funds be attributed to the banks’ maintenance of over 10 per cent interest charges to small business and other such borrowers when the Reserve Bank cash rate is 3.25 per cent.
Mr Swan—The answer to the honourable member’s question is as follows:

(1) There is little risk of Australian Government borrowing crowding out private sector investment. The Government’s borrowing requirements are relatively small when compared with GDP and the overall size of credit markets.

The Government can provide important support for economic activity by borrowing to fund public expenditure when growth in private domestic demand is slowing. Demand for funds by the private sector is typically lower during periods of weaker domestic demand.

(2) Prior to the financial crisis, banks sourced a significant portion of their funding from overseas borrowings. While overseas borrowing remains an important source of funding, its cost has increased following the crisis due to a repricing of risk.

The Government’s guarantee of wholesale funding assists Australian banks to raise funds both domestically and offshore so that they can continue to lend to Australian businesses and households. This is helping to support economic activity at a time when the economic outlook is uncertain.

(3) All Australian borrowers have been impacted by the dislocation in global and domestic capital markets and the resulting repricing of credit. While the banks maintain that, due to elevated funding costs, they have been unable to pass on the full official cash rate reductions to borrowers, including small businesses borrowers, the Government has strongly encouraged the banks to do so.

Without the guarantee on bank wholesale funding, banks would not have been able to maintain lending to households and businesses and would have charged much higher interest rates on what lending they did undertake.

Small Business
(Question No. 664)

Mr Ciobo asked the Minister representing the Special Minister of State, in writing, on 19 March 2009:

(1) From 3 December 2007 to 19 March 2009:
   (a) how many and what percentage of payments made by the Minister’s department to small businesses were not made within
      (i) 30, and
      (ii) 60 days of receipt of the goods or services and an invoice; and
   (b) what was the average time lapsed between invoice received and payments made by the Minister’s department to small businesses.

Mr Tanner—The Special Minister of State has supplied the following answer to the honourable Member’s question:

(1) (a) Please refer to the below table for details of payments made between 1 July 2007 and 30 June 2008.

<table>
<thead>
<tr>
<th>Number of invoices</th>
<th>TOTAL not paid within 30 days</th>
<th>TOTAL not paid within 60 days</th>
</tr>
</thead>
<tbody>
<tr>
<td>126</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>1.06%</td>
<td>0.15%</td>
<td></td>
</tr>
</tbody>
</table>

(1) (b) For payments made between 1 July 2007 and 30 June 2008 the average time lapsed between invoice received and payments made by the Minister’s Department to small businesses was 17 days.
Small Business
(Question No. 668)

Mr Ciobo asked the Minister for Health and Ageing, in writing, on 19 March 2009:

(1) From 3 December 2007 to 19 March 2009:

(a) how many and what percentage of payments made by the Minister’s department to small businesses were not made within (i) 30, and (ii) 60 days of receipt of the goods or services and an invoice; and (b) what was the average time lapsed between invoice received and payments made by the Minister’s department to small businesses.

Ms Roxon—The answer to the honourable member’s question is as follows:

(1) (a) (i) In the 2007/08 financial year, 2,120 payments were made to small business, in excess of 30 days. This is 27.1% of the total payments made to small business.

(ii) In the 2007/08 financial year, 430 payments were made to small business, in excess of 60 days. This is 5.5% of the total payments made to small business.

(b) The average time lapsed between invoice received in the Department and payment to small business was 27 days.

Small Business
(Question No. 672)

Mr Ciobo asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 19 March 2009:

(1) From 3 December 2007 to 19 March 2009:

(a) how many and what percentage of payments made by the Minister’s department to small businesses were not made within

(i) 30, and

(ii) 60 days of receipt of the goods or services and an invoice; and

(b) what was the average time lapsed between invoice received and payments made by the Minister’s department to small businesses.

Mr Albanese—The Minister representing the Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member’s question:

(1) As it would require a significant level of resources to provide information to Thursday 19 March 2009, data has been provided for payments made for Departmental expenses for the period 3 December 2007 to 31 March 2009.

(a) (i) 657 payments or 7.0% of total payments made.

(ii) 99 payments or 1.2% of total payments made.

(b) 19.9 days for all payments.

Small Business
(Question No. 676)

Mr Ciobo asked the Attorney-General, in writing, on 19 March 2009:

(1) From 3 December 2007 to 19 March 2009:

(a) how many and what percentage of payments made by the Minister’s department to small businesses were not made within (i) 30, and (ii) 60 days of receipt of the goods or services and an
invoice; and (b) what was the average time lapsed between invoice received and payments made by the Minister’s department to small businesses.

Mr McClelland—The answer to the honourable member’s question is as follows:

(1) (a) (i) For the period 1 July 2007 to 30 June 2008, 680 payments, representing 9.1% of total payments to small businesses were not made within 30 days of receipt of correctly rendered invoices.

(ii) For the period of 1 July 2007 to 30 June 2008, 80 payments representing 1.06% of the total payments to small businesses were not made within 60 days of receipt of correctly rendered invoices.

(b) The average time elapsed between invoices received and payments made to small businesses for the period 1 July 2007 to 30 June 2009 was 31.5 days.