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SITTING DAYS—2009

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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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<td>Washer, Malcolm James</td>
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<td>LP</td>
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<td>Windsor, Anthony Harold Curties</td>
<td>New England, NSW</td>
<td>Ind</td>
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<tr>
<td>Wood, Jason Peter</td>
<td>La Trobe, Vic</td>
<td>LP</td>
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<tr>
<td>Zappia, Tony</td>
<td>Makin, SA</td>
<td>ALP</td>
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PARTY ABBREVIATIONS
ALP—Australian Labor Party; LP—Liberal Party of Australia;
Nats—The Nationals; Ind—Independent

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

Prime Minister Hon. Kevin Rudd, MP
Deputy Prime Minister, Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion Hon. Julia Gillard, MP
Treasurer Hon. Wayne Swan MP
Minister for Immigration and Citizenship and Leader of the Government in the Senate Senator Hon. Chris Evans
Minister for Defence and Vice President of the Executive Council Senator Hon. John Faulkner
Minister for Foreign Affairs and Deputy Leader of the House Hon. Simon Crean MP
Minister for Health and Ageing Hon. Stephen Smith MP
Minister for Families, Housing, Community Services and Indigenous Affairs Hon. Nicola Roxon MP
Minister for Finance and Deregulation Hon. Jenny Macklin MP
Minister for Infrastructure, Transport, Regional Development and Local Government and Leader of the House Hon. Anthony Albanese MP
Minister for Broadband, Communications and the Digital Economy and Deputy Leader of the Government in the Senate Senator Hon. Stephen Conroy
Minister for Innovation, Industry, Science and Research Senator Hon. Kim Carr
Minister for Climate Change and Water Senator Hon. Penny Wong
Minister for the Environment, Heritage and the Arts Hon. Peter Garrett AM, MP
Attorney-General Hon. Robert McClelland MP
Cabinet Secretary, Special Minister of State and Manager of Government Business in the Senate Senator Hon. Joe Ludwig
Minister for Agriculture, Fisheries and Forestry Hon. Tony Burke MP
Minister for Resources and Energy and Minister for Tourism Hon. Martin Ferguson AM, MP
Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services Hon. Chris Bowen, MP

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

Minister for Veterans’ Affairs  Hon. Alan Griffin MP
Minister for Housing and Minister for the Status of Women  Hon. Tanya Plibersek MP
Minister for Home Affairs  Hon. Brendan O’Connor MP
Minister for Indigenous Health, Rural and Regional Health and Regional Services Delivery  Hon. Warren Snowdon MP
Minister for Small Business, Independent Contractors and the Service Economy, Minister Assisting the Finance Minister on Deregulation and Minister for Competition Policy and Consumer Affairs  Hon. Dr Craig Emerson MP
Assistant Treasurer  Senator Hon. Nick Sherry
Minister for Ageing  Hon. Justine Elliot MP
Minister for Early Childhood Education, Childcare and Youth and Minister for Sport  Hon. Kate Ellis MP
Minister for Defence Personnel, Materiel and Science and Minister Assisting the Minister for Climate Change  Hon. Greg Combet AM, MP
Minister for Employment Participation and Minister Assisting the Prime Minister on Government Service Delivery  Senator Hon. Mark Arbib
Parliamentary Secretary for Infrastructure, Transport, Regional Development and Local Government  Hon. Maxine McKew MP
Parliamentary Secretary for Defence Support and Parliamentary Secretary for Water  Hon. Dr Mike Kelly AM, MP
Parliamentary Secretary for Western 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 SC, MP
Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Trade  Hon. Anthony Byrne MP
Parliamentary Secretary for Social Inclusion and the Voluntary Sector and Parliamentary Secretary Assisting the Prime Minister for Social Inclusion  Senator Hon. Ursula Stephens
Parliamentary Secretary for Multicultural Affairs and Settlement Services  Hon. Laurie Ferguson MP
Parliamentary Secretary for Employment  Hon. Jason Clare MP
Parliamentary Secretary for Health  Hon. Mark Butler MP
Parliamentary Secretary for Industry and Innovation  Hon. Richard Marles MP
# SHADOW MINISTRY

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<td>The Hon. Malcolm Turnbull MP</td>
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<tr>
<td>Shadow Minister for Foreign Affairs and Deputy Leader of the Opposition</td>
<td>The Hon. Julie Bishop MP</td>
</tr>
<tr>
<td>Shadow Minister for Trade, Transport, Regional Development and Local</td>
<td>The Hon. Warren Truss MP</td>
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<tr>
<td>Government and Leader of The Nationals</td>
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<tr>
<td>Shadow Minister for Broadband, Communications and the Digital Economy</td>
<td>Senator the Hon. Nick Minchin</td>
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<tr>
<td>and Leader of the Opposition in the Senate</td>
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<tr>
<td>Shadow Minister for Innovation, Industry, Science and Research and</td>
<td>Senator the Hon. Eric Abetz</td>
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<tr>
<td>Deputy Leader of the Opposition in the Senate</td>
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<tr>
<td>Shadow Treasurer</td>
<td>The Hon. Joe Hockey MP</td>
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<tr>
<td>Shadow Minister for Education, Apprenticeships and Training and</td>
<td>The Hon. Christopher Pyne MP</td>
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<tr>
<td>Manager of Opposition Business in the House</td>
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<tr>
<td>Shadow Minister for Infrastructure and COAG and Shadow Minister</td>
<td>The Hon. Andrew Robb AO, MP</td>
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<tr>
<td>Assisting the Leader on Emissions Trading Design</td>
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<tr>
<td>Shadow Minister for Finance, Competition Policy and Deregulation</td>
<td>Senator the Hon. Helen Coonan</td>
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<tr>
<td>Shadow Minister for Human Services and Deputy Leader of The Nationals</td>
<td>Senator the Hon. Nigel Scullion</td>
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<tr>
<td>Shadow Minister for Energy and Resources</td>
<td>The Hon. Ian Macfarlane MP</td>
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<tr>
<td>Shadow Minister for Families, Housing, Community Services and</td>
<td>The Hon. Tony Abbott MP</td>
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<td>Indigenous Affairs</td>
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<tr>
<td>Shadow Special Minister of State and Shadow Cabinet Secretary</td>
<td>Senator the Hon. Michael Ronaldson</td>
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<tr>
<td>Shadow Minister for Climate Change, Environment and Water</td>
<td>The Hon. Greg Hunt MP</td>
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<td>Shadow Minister for Health and Ageing</td>
<td>The Hon. Peter Dutton MP</td>
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<tr>
<td>Shadow Minister for Defence</td>
<td>Senator the Hon. David Johnston</td>
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<td>Shadow Attorney-General</td>
<td>Senator the Hon. George Brandis SC</td>
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<tr>
<td>Shadow Minister for Agriculture, Fisheries and Forestry</td>
<td>The Hon. John Cobb MP</td>
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<tr>
<td>Shadow Minister for Employment and Workplace Relations</td>
<td>Mr Michael Keenan MP</td>
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<td>Shadow Minister for Immigration and Citizenship</td>
<td>The Hon. Dr Sharman Stone</td>
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<tr>
<td>Shadow Minister for Small Business, Independent Contractors, Tourism</td>
<td>Mr Steven Ciobo</td>
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[The above constitute the shadow cabinet]
SHADOW MINISTRY—continued

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

Shadow Assistant Treasurer
The Hon. Tony Smith MP

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

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

Shadow Minister for Housing and Local Government
Mr Scott Morrison

Shadow Minister for Ageing
Mrs Margaret May MP

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

Shadow Minister for Veterans’ Affairs
Mrs Louise Markus MP

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

Shadow Minister for Justice and Customs
The Hon. Sussan Ley MP

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

Shadow Parliamentary Secretary for Northern Australia
Senator the Hon. Ian Macdonald

Shadow Parliamentary Secretary for Roads and Transport
Mr Don Randall MP

Shadow Parliamentary Secretary for Regional Development
Mr John Forrest MP

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

Shadow Parliamentary Secretary for Energy and Resources
Mr Barry Haase MP

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

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

Shadow Parliamentary Secretary for Health Administration
Senator Mathias Cormann

Shadow Parliamentary Secretary for Defence
The Hon. Peter Lindsay MP

Shadow Parliamentary Secretary for Education
Senator the Hon. Brett Mason

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

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

Shadow Parliamentary Secretary for Immigration and Citizenship and Shadow Parliamentary Secretary Assisting the Leader in the Senate
Senator Concetta Fierravanti-Wells
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Thursday, 18 June 2009

The SPEAKER (Mr Harry Jenkins) took the chair at 9.00 am and read prayers.

SOCIAL SECURITY AMENDMENT (TRAINING INCENTIVES) BILL 2009
TAX LAWS AMENDMENT (2009 MEASURES No. 2) BILL 2009
INTERNATIONAL MONETARY AGREEMENTS AMENDMENT (FINANCIAL ASSISTANCE) BILL 2009

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

COMMITTEES
Employment and Workplace Relations Committee

Mr McCLELLAND (Barton—Attorney-General) (9.01 am)—by leave—I move:

That Ms Hall be discharged from the Standing Committee on Employment and Workplace Relations.

Question agreed to.

Public Works Committee

Reference

Dr KELLY (Eden-Monaro—Parliamentary Secretary for Defence Support and Parliamentary Secretary for Water) (9.02 am)—I move: [omitted]

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Construction of a new Australian embassy complex including chancery, Head of Mission residence, staff housing and recreational facilities in Jakarta, Indonesia. The Department of Foreign Affairs and Trade proposes to construct a new Australian embassy complex including chancery, head of mission residence, staff housing and recreational facilities in Jakarta, Indonesia, as an estimated out-turn cost of $415.1 million exclusive of GST.

On 9 September 2004, the current Australian mission was subjected to a terrorist attack, when a vehicle-borne improvised explosive device was detonated outside the main entry guard station, killing 11 people. Rectification and new physical security works were urgently undertaken to the mission in the aftermath of the attack in order to provide staff and visitors with increased protection.

The government approved the relocation of the Jakarta mission on security grounds. The new site will enable appropriate setbacks to the buildings for blast mitigation, while the buildings themselves will be designed to resist blast. While the new development is driven by the imperative to provide more secure accommodation, a rapid and large increase of staff in the Jakarta mission over recent years has resulted in the chancery being seriously overcrowded and dysfunctional. The development will provide efficient, modern and secure facilities for 14 Commonwealth agencies represented in Jakarta. The chancery will also provide space and facilities for official functions, exhibitions, meetings, lectures and business missions.

Subject to parliamentary approval an early works construction package, if applicable, could commence in late 2010, with the main works likely to commence before mid-2011. Practical completion of construction followed by occupation of the premises would be achieved in late 2014. I commend the motion to the House.

Question agreed to.
FAIR WORK (TRANSITIONAL PROVISIONS AND CONSEQUENTIAL AMENDMENTS) BILL 2009

Consideration of Senate Message

Consideration resumed from 17 June.

Senate’s amendments—

(1) Clause 2, page 2 (table item 9, column 1), omit “and 2”, substitute “to 2E”.

(2) Clause 2, page 2 (after table item 13), insert:

13A. Schedule 23, items 9A and 9B
Immediately after the commencement of Part 3-1 of the Fair Work Act 2009.

(3) Clause 2, page 2 (after table item 15), insert:

15A. Schedule 23, item 21A
Immediately after the commencement of Part 6-1 of the Fair Work Act 2009.

15B. Schedule 23, items 21B and 21C
Immediately after the commencement of Part 6-4 of the Fair Work Act 2009.

(4) Schedule 3, item 23, page 34 (after line 17), after subitem (1), insert:

(1A) If there is a dispute about the application of this item which must be resolved by FWA in accordance with item 26, FWA may compare the entitlements which are in dispute:

(a) on a ‘line-by-line’ basis, comparing individual terms; or

(b) on a ‘like-by-like’ basis, comparing entitlements according to particular subject areas; or

(c) using any combination of the above approaches FWA sees fit.

(5) Schedule 5, item 2, page 58 (after line 23), at the end of subitem (5), add:

; and (c) the likely effects on the relevant industry or industry sector of any modern award that the Commission is considering, or is proposing to make, including on productivity, labour costs and the regulatory burden on businesses.

(6) Page 165 (before line 1), before Schedule 13, insert:

Schedule 12A—Unfair dismissal

1 Meanings of employee and employer

In this Schedule, employee and employer have their ordinary meanings.

2 Meaning of small business employer, for unfair dismissal purposes, prior to 1 January 2011

(1) For the purposes of the application of Part 3-2 of the FW Act in relation to the dismissal of a person before 1 January 2011, a national system employer is a small business employer if, and only if, the employer’s number of full-time equivalent employees, worked out under this item, is less than 15 at the earlier of the following times (the notice or dismissal time):

(a) the time when the person is given notice of the dismissal;

(b) immediately before the dismissal.

(2) The employer’s number of full-time equivalent employees at the notice or dismissal time is worked out as follows:

Method statement

Step 1. For each person who was an employee of the employer at any time during the period of 4 weeks immediately preceding the day on which the notice or dismissal time occurs, work out the number of ordinary hours (including parts of hours) of the person as the employer’s employee during the period.

Note: Subitem (3) sets out what are a person’s ordinary hours.

Step 2. If, during the period, the person took leave to which subitem (4) applies, work out the number of hours of leave to which that subitem applies that the person took during the period.
Step 3. Add together all of the numbers of ordinary hours worked out under step 1, and subtract all of the number of hours of leave worked out under step 2.

Step 4. Divide by 152 the number worked out under step 3. The result is the employer’s number of full-time equivalent employees at the notice or dismissal time.

Note: The number 152 is based on the maximum number of hours that a full-time employee would work in 4 weeks (being 38 hours per week) excluding reasonable additional hours.

(3) For the purposes of step 1 of the method statement in subitem (2), the ordinary hours of work of a person as the employer’s employee are:

(a) to the extent that a modern award, enterprise agreement or workplace determination applied to the person, and the person was not a casual employee—the ordinary hours of work specified or provided for in that award, agreement or determination; or

(b) to the extent that a transitional instrument applied to the person, and the person was not a casual employee—the person’s ordinary hours of work under item 33 of Schedule 3; or

(c) to the extent that:

(i) a State industrial instrument applied to the person as a non-national system employee; and

(ii) the instrument specified, or provided for the determination of, the person’s ordinary hours of work; and

(iii) the person was not a casual employee;

the ordinary hours of work as specified in, or determined in accordance with, that instrument; or

(d) to the extent that no such award, agreement, determination or instrument applied to the person, and the person was not a casual employee:

(i) if the person was a national system employee—the person’s ordinary hours of work under section 20 of the FW Act; or

(ii) if the person was a non-national system employee—what would have been the person’s ordinary hours of work under that section if the person had been a national system employee; or

(e) to the extent that the person was a casual employee—the lesser of:

(i) 152 hours; and

(ii) the number of hours actually worked by the person.

(4) This subitem applies to leave, whether paid or unpaid, that the person took if:

(a) the person was entitled to the leave in connection with:

(i) the birth of a child of the person or the person’s spouse or de facto partner; or

(ii) the placement of a child with the person for adoption; and

(b) the duration of the period of leave has been at least 4 weeks; whether or not the person took any other kind of paid leave while taking that leave.

(5) For the purposes of this item, a national system employer and the employer’s associated entities are taken to be one entity.

(6) This item has effect despite section 23 of the FW Act.

(7) Schedule 13, item 13, page 172 (line 16), omit “item 15”, substitute “items 14A and 15”. 
(8) Schedule 13, page 172 (after line 27), after item 14, insert:

14A FWA may order that industrial action is taken to be authorised by a protected action ballot

(1) A person who is a bargaining representative for a proposed enterprise agreement may apply to FWA for an order under this item if, before the WR Act repeal day, the person was an applicant specified in an order for a protected action ballot in relation to a proposed collective agreement.

(2) The application must be made within 28 days after the WR Act repeal day.

(3) FWA may order that industrial action that was authorised under section 478 of the WR Act in relation to the proposed collective agreement is taken to be authorised, in relation to the proposed enterprise agreement, by a protected action ballot under subsection 459(1) of the FW Act, if FWA is satisfied that:

(a) on or after 1 March 2009, the person organised or engaged in industrial action, for the purpose of supporting or advancing claims in relation to the proposed collective agreement; and

(b) all such industrial action organised or engaged in by the person was:

(i) authorised by a protected action ballot under section 478 of the WR Act; and

(ii) protected action within the meaning of the WR Act; and

(c) the person did not first organise or engage in such industrial action on or after the WR Act repeal day; and

(d) no collective agreement covering the employees whose employment would have been subject to the proposed collective agreement was approved by those employees before the WR Act repeal day; and

(e) the proposed enterprise agreement will cover those employees; and

(f) the person is genuinely trying to reach agreement in relation to the proposed enterprise agreement; and

(g) it is reasonable in all the circumstances to make the order.

(4) Industrial action that is taken to be authorised because of the operation of subitem (3) is only taken to be authorised in relation to employees who:

(a) will be covered by the proposed enterprise agreement; and

(b) were relevant employees (within the meaning of section 450 of the WR Act) in relation to the proposed collective agreement.

(5) For the purposes of subsection 414(3) of the FW Act, the results of the protected action ballot under that Act are taken to have been declared on the day of the order.

(9) Schedule 22, page 246 (after line 28), after item 62, insert:

62A Subsection 158(1) of Schedule 1

Repeal the subsection, substitute:

(1) A change in the name of an organisation, or an alteration of the eligibility rules of an organisation, does not take effect unless:

(a) in the case of a change in the name of the organisation—FWA consents to the change under this section; or

(b) in the case of an alteration of the eligibility rules of the organisation:

(i) FWA consents to the alteration under this section; or

(ii) the General Manager consents to the alteration under section 158A.

(10) Schedule 22, item 63, page 246 (line 29) to page 247 (line 24), omit the item.

(11) Schedule 22, page 247 (before line 25), before item 64, insert:
63A After section 158 of Schedule 1

Insert:

158A Alteration of eligibility rules of organisation by General Manager

(1) The General Manager must, on application by an organisation in accordance with subsection (2), consent to an alteration of the eligibility rules of the organisation to extend them to apply to persons within the eligibility rules of an association of employers or employees that is registered under a State or Territory industrial law, if the General Manager is satisfied:

(a) that the alteration has been made under the rules of the organisation; and

(b) that the organisation is a federal counterpart of the association; and

(c) that the alteration will not extend the eligibility rules of the organisation beyond those of the association; and

(d) that the alteration will not apply outside the limits of the State or Territory for which the association is registered; and

(e) as to such other matters (if any) as are prescribed by the regulations.

Note: If the General Manager consents to the alteration, FWA may make orders that reflect State representation orders (see section 137F).

(2) The application must not be made before 1 January 2011, or such later day as the Minister declares in writing.

(3) A declaration made under subsection (2) is a legislative instrument, but section 42 (disallowance) of the Legislative Instruments Act 2003 does not apply to the declaration.

(4) If the General Manager consents, under subsection (1), to an alteration, the alteration takes effect on:

(a) if a day is specified in the consent—that day; or

(b) in any other case—the day of the consent.

(12) Schedule 22, item 82, page 249 (lines 18 to 21), omit subparagraph 6(c)(i), substitute:

(i) unless subparagraph (ii) or (iii) applies—the fifth anniversary of the earliest day on which an organisation can make an application in accordance with subsection 158A(2); or

(13) Schedule 22, item 82, page 249 (line 25), omit “commencement”, substitute “day”.

(14) Schedule 22, item 82, page 249 (line 28), omit “commencement”, substitute “day”.

(15) Schedule 22, item 89, page 257 (line 23), omit “employee organisations”, substitute “organisations of employees”.

(16) Schedule 22, item 89, page 258 (after line 12), at the end of section 137B, add:

(3) If:

(a) the eligibility rules of an organisation of employees have been altered with the consent of the General Manager under section 158A; and

(b) because of the alteration, members of an association of employees registered under a State or Territory industrial law have become eligible for membership of the organisation;

a reference in this section to the organisation includes a reference to the association referred to in paragraph (b) of this subsection.

(17) Schedule 22, item 89, page 258 (after line 30), after the heading to Part 4, insert:

137F FWA may make orders reflecting State representation orders

(1) If:

(a) the eligibility rules of an organisation of employees have been altered with the consent of the General Manager under section 158A; and

(b) because of the alteration, members of an association of employees that is registered under a State or Territory industrial law (a State regis-
tered association) have become eligible for membership of the organisation; and

(c) immediately before the alteration took effect, an order (a State representation order) was in force that:

(i) was made by a State industrial authority in relation to the State registered association; and

(ii) was an order of the same kind as, or of a similar kind to, an order that FWA could make under this Chapter in relation to an organisation;

FWA may, on application by the organisation or by a party to the State representation order, make an order in relation to the organisation that is to the same effect, or substantially the same effect, as the State representation order.

(2) The order under subsection (1) applies to each organisation that is:

(a) a federal counterpart of the State registered association; or

(b) a federal counterpart of any other association of employees:

(i) that is registered under a State or Territory industrial law; and

(ii) to which the State representation order applied.

(18) Schedule 22, item 353, page 285 (lines 24 and 25), omit the item.

(19) Schedule 22, page 286 (after line 9), after item 359, insert:

359A Subsection 158(5) of Schedule 1

Omit “the Commission” (wherever occurring), substitute “FWA”.

(20) Schedule 23, page 315 (after line 10), after item 2, insert:

2A At the end of subsection 22(2)

Add:

; (c) any other period of a kind prescribed by the regulations.

2B After subsection 22(3)

Insert:

(3A) Regulations made for the purposes of paragraph (2)(c) may prescribe different kinds of periods for the purposes of different provisions of this Act (other than provisions to which subsection (4) applies). If they do so, subsection (3) applies accordingly.

2C Paragraph 22(4)(a)

Repeal the paragraph, substitute:

(a) a period of service by a national system employee with his or her national system employer is a period during which the employee is employed by the employer, but does not include:

(i) any period of unauthorised absence; or

(ii) any other period of a kind prescribed by the regulations; and

2D Paragraph 22(4)(b)

Omit “of unauthorised absence”, substitute “referred to in subparagraph (a)(i) or (ii)”.

2E After subsection 22(4)

Insert:

(4A) Regulations made for the purposes of subparagraph (4)(a)(ii) may prescribe different kinds of periods for the purposes of different provisions to which subsection (4) applies. If they do so, paragraph (4)(b) applies accordingly.

(21) Schedule 23, page 316 (after line 26), after item 9, insert:

9A At the end of subsection 371(2)

Add “; or within such period as a court allows on an application made during or after those 14 days”.

9B At the end of section 371

Add:

Note: In Brodie-Hamns v MTV Publishing Ltd (1995) 67 IR 298, the Industrial Relations Court of Australia set down principles
relating to the exercise of its discretion under a similarly worded provision of the Industrial Relations Act 1988.

(22) Schedule 23, page 319 (after line 29), after item 21, insert:

21A Paragraph 722(a)
Omit “5 of Part 6-1”, substitute “3 of Part 6-4”.

21B At the end of subsection 779(2)
Add “, or within such period as a court allows on an application made during or after those 14 days”.

21C At the end of section 779
Add:

Mr McCLELLAND (Barton—Attorney-General) (9.05 am)—I move:

That the amendments be agreed to.

At the last election the Australian Labor Party promised the Australian people that we would get rid of Work Choices and replace it with a fair and balanced workplace relations system. This new system, based on the newly enacted Fair Work Act 2009, comes into effect on 1 July this year and will be fully operational by 1 January 2010. Provisions to ensure a smooth, simple and fair transition to the new system while providing for certainty in employment arrangements are set out in the two transitional and consequential bills, which were passed by the House on 2 June. These two bills are the Fair Work (Transitional Provisions and Consequential Amendments) Bill 2009 and the Fair Work (State Referral and Consequential and Other Amendments) Bill 2009. The Senate has now passed these two bills.

The Fair Work (State Referral and Consequential and Other Amendments) Bill was passed without amendment. The Fair Work (Transitional Provisions and Consequential Amendments) Bill has also been passed by the Senate but with a number of amendments. The House now has to consider these proposed amendments. First, I remind the House that the government accepted amendments in the Senate to the substantive Fair Work Bill where they were in accord with Labor’s commitment to the Australian people in Forward with Fairness and improved the operation of the legislation. The government will take the same approach in relation to these bills and, accordingly, as well as a number of amendments moved by the government we will be accepting the two amendments moved by Senator Xenophon and passed by the Senate.

I now briefly outline for the House the amendments moved by the government in the Senate. In respect of unfair dismissal, during the Senate debate on the Fair Work Bill the government made a commitment to Senator Fielding that, until 1 January 2011, the threshold used to define a small business for the purpose of applying the unfair dismissal arrangements would be less than 15 full-time equivalent employees. The amended provisions now before us reflect that commitment. The calculation of the number of full-time equivalent employees is based on the number of ordinary hours of an employer’s employees over the previous four weeks, including periods of authorised leave, whether that was paid or unpaid. At Senator Fielding’s request, it was agreed that the ordinary hours of employees on parental leave are excluded where that employee has been on parental leave for more than four weeks. From 1 January 2011, the threshold will be based on a simple headcount of employees as provided for in the Fair Work Act. The government has also made a commitment to
Senator Fielding to add a further clause to the objects of the Fair Work Act that acknowledges the special circumstances of small and medium sized employers, and this has been done.

The amendments moved by the government and passed by the Senate are intended to improve and clarify a small number of provisions in the bill. In respect of ballots, the bill originally provided that protected action ballots and authorisations under the Workplace Relations Act will be of no effect from 1 July 2009. A government amendment passed by the Senate now allows limited preservation of Workplace Relations Act protected action ballot authorisations after 1 July 2009 on application by a bargaining representative to Fair Work Australia. This will mean that employees and unions who are midway in an industrial campaign will be able to continue to rely on a secret ballot authorisation across the 1 July bridging period avoiding the cost, delay and inconvenience of running a new ballot process.

There are also a number of government amendments passed by the Senate which are intended to further assist state and federally registered organisations to rationalise their affairs and simplify their operations across multiple jurisdictions. These amendments include changes to the provisions allowing federal organisations to extend their eligibility rule to reflect the broader rules of an equivalent state association. There are also changes to ensure that settled demarcations are not reopened by allowing Fair Work Australia to make a federal representation order that reflects a state representation order in situations where a federal organisation has altered its eligibility rules to reflect those of an equivalent state association.

Finally, the list of Senate amendments contains a number of small technical and moderate changes which the government introduced in the Senate. These include provisions for the Federal Court or the Federal Magistrates Court to have the discretion to extend, where appropriate, the 14-day time limit in relation to certain general protection and unlawful termination court applications.

Two additional amendments were moved by Senator Xenophon that the government is also prepared to accept. The first amendment seeks to set out an approach that Fair Work Australia may take when considering an application to resolve the uncertainty or difficulty under item 26 of part 5 of schedule 3 to the bill relating to the interaction between a transitional instrument and the NES. The second amendment adds additional factors to be considered in the award modernisation process and is expressed substantially in terms already set out in the modern awards object in section 134 of the Fair Work Act 2009. Accordingly, the government accepts the amendment.

The government will accept the amendments to the Fair Work (Transitional Provisions and Consequential Amendments) Bill 2009 made by the Senate. The list of amendments that we are now considering deserves to be approved by the House because the changes are all consistent with, and help to promote, the government’s overarching commitment to fairness, balance and flexibility in Australian workplaces. I commend these amendments to the House.

Mr KEENAN (Stirling) (9.07 am)—The opposition will accept the motion. The government amendments are relatively noncontroversial. The amendments of Senator Xenophon deserve greater thought. The most serious problem with this Fair Work (Transitional Provisions and Consequential Amendments) Bill 2009 is that there are aspects of it that will directly destroy tens of thousands of Australian jobs. You do not need to take my word for that; you can listen
to any of the industries that are going to be affected. They have got independent research. In the fast food industry, 18,000 people are going to be thrown out of work unless this government decides to change tack. In the pharmacy industry, thousands will be thrown out of work. Research done in my home state of Western Australia says that almost 700 people will lose their jobs unless this government listens to reason on this so-called award modernisation process.

The amendments of Senator Xenophon go only a very small way to addressing our concerns. The coalition had far superior amendments, but the government, the Labor Party, would not change tack, they would not listen to reason and they are hell bent on pursuing this course of action no matter what the consequences are for average Australians. Some of the most vulnerable workers in our community are literally going to be thrown out of work unless this government listens to reason and changes aspects of their industrial relations regime. This so-called award modernisation process is in pursuit of what we consider to be a laudable aim. But, like so much that the Minister for Employment and Workplace Relations, Ms Gillard, pursues, it has been completely bungled and botched. This minister cannot give the time required to her massive brief, so she bungles in education and she bungles workplace relations, but the consequences in workplace relations are particularly severe because we are talking about people’s livelihoods. We are talking about the ability of Australians to go out there and get a job, particularly in industries which traditionally employ very vulnerable Australians—people who might not be able to find work elsewhere. These amendments will be accepted, but the reality is that the debate about Labor’s industrial relations system, in particular this so-called award modernisation, has a long way to go.

Mr McCLELLAND (Barton—Attorney-General) (9.13 am)—I rise for the purpose of placing on the record the reasons for rejecting the opposition’s amendments. Applying a global test to the National Employment Standards for transitional instruments as suggested by opposition amendments (1) and (2) would deprive almost all employees of the safety net and, we believe, would be unworkable and uncertain. It is inconsistent with the government’s commitment to ensuring that the National Employment Standards, which underpin employment conditions across the country, are operational from 1 January 2010. The employer cost orders proposed by opposition amendment (4) are also unnecessary, we believe. The award modernisation request already requires the Australian Industrial Relations Commission to consider transitional arrangements and the government has made a submission urging the commission to take account of increased or decreased labour costs in each industry or occupation.

Opposition amendment (7) would take away the ability of the Australian Industrial Relations Commission to tailor transitional arrangements for particular industries or sectors, entrenching state based inconsistencies in terms and conditions for another five years, and then providing that they must automatically cease. This big bang approach, we believe, is a recipe for chaos. The commission is best placed to set out an orderly transitional arrangement and arrangements in the awards themselves. Opposition amendment (3) would require the commission to take into account business profitability in carrying out award modernisation. We note that this concept is already covered off in the existing criteria, which require the commission to consider economic sustainability, reducing the regulatory burden on business, the creation of jobs, productivity, high levels of
Mr KEENAN (Stirling) (9.15 am)—I will be brief, because I am very keen to assist the business of the House today. But I cannot let the comments of the Attorney-General—the acting minister—go without making some response. What he said was not correct. If he could have been present for the debate yesterday in the Senate he would have heard that the new junior employment minister—granted he has only been in the job for a very short time—was completely unable to address the concerns that were raised by the opposition, the Greens and the Independent senators about the amendments.

Our amendments in reality alleviate the worst aspects of the so-called award modernisation process that is going to throw tens of thousands of Australians out of work. That is what we are trying to do. They are considered amendments. The government come back with this nonsense about unintended consequences; they come back with this nonsense, ‘Oh well it’s covered off in other areas.’ If it was, we quite frankly would not have needed to move the amendments. Do not just listen to the opposition; listen to any of the industries that are going to be affected by these diabolical changes. This government talks about creating jobs and about caring for the employment prospects of Australians, but then we see them come into this House and do things that directly destroy jobs. As I said, this debate has a long way to go.

Question agreed to.

PRIVATE HEALTH INSURANCE (NATIONAL JOINT REPLACEMENT REGISTER LEVY) BILL 2009

Second Reading

Debate resumed from 17 June, on motion by Ms Roxon:

That this bill be now read a second time.

Mr CHEESEMAN (Corangamite) (9.17 am)—Yesterday I got up to talk to the Private Health Insurance (National Joint Replacement Register Levy) Bill 2009. I was talking about the definition of a joint replacement prosthesis as a prosthesis listed in the Private Health Insurance (Prostheses) Rules which are used for joint replacement, and the provision of a rule-making power for the rate of the National Joint Replacement Register levy.

We are not talking small issues here. Australia’s health system takes up a very significant component of Commonwealth outlays. Total spending is not far off $50 billion. This is a major part of our health system. We are talking about a major, and growing, part of our health care spend. Expenditure on hip and knee prostheses represents around 30 per cent of total expenditure by health insurers on prostheses. Insurers paid over one billion dollars in benefits for prostheses in 2007-08 out of a total $7.4 billion spent on hospital benefits in that year. This means that prostheses expenditure represents around 15 per cent of privately insured hospital benefit outlays in this nation. So it is important to keep a close eye on costs. This is an important area to keep good facts and statistics on so that we can develop new and better products that will give better care and better value to Australians.

The Private Health Insurance (National Joint Replacement Register Levy) Bill 2009 will impose a levy on joint replacement prostheses sponsors in order to fund the National Joint Replacement Register. The register collects information about joint replacement surgeries, such as hip, knee, ankle, shoulder, wrist and spinal disc replacement procedures and reports on the safety and quality of these surgeries and devices used to ensure patients get the best outcomes.
I am informed that around 70,000 Australians had joint replacement surgery in the last 12 months. That is a huge number. The National Joint Replacement Register estimates that the information it has provided has improved surgical practice and changed the use of particular devices, reducing the number of unnecessary revision surgeries by 1,200 Australians per year. In addition to improved patient outcomes, the NJRR estimates that it has saved the health sector and consumers around $44.6 million—a saving of $44 million, and 1,200 Australians saved from painful, debilitating and costly revisions that second surgery often entails. That is what I would call a very good outcome for the health system and for patients.

You can see just how easily health system costs can blow out. In many countries, such as America, where health systems are in chaos and all about money, where the unfettered market is more important than good health care and good value, nobody notices these cost increases. We do. That is why so many of the world’s health care systems get out of control so quickly with regard to costs.

I am very proud to speak on this bill. It is another measure of the quality, sense and efficiency of the Australian health care system that this government promotes. It might sound a bit callous, but in a sense we are dealing with a product that is similar to a car or washing machine. It would be easy for in-built short life spans to be engineered into these products so that more products can be sold and more services provided. As happens in a number of other areas of commerce, short life cycles can be built into products. We are also saying that we can save significant costs to the system. We want better products that will last longer so that people do not have to go through the trauma of repeated hip replacements every few years. That is basically what this is all about.

This bill is also about making the people who have those commercial interests pay for research costs. It is appropriate that manufacturers and importers of medical devices used in joint replacement surgery now fund the NJRR. The new cost recovery arrangements will be similar to the funding arrangements for the United Kingdom’s National Joint Registry, which is funded through a levy on joint replacement products.

The NJRR provides invaluable post-market surveillance of joint replacement prostheses. This monitoring of the safety and quality of devices provides considerable benefit to the industry by improving consumer confidence in the safety and efficacy of joint replacement devices. Any devices showing high failure rates can be identified quickly and promptly removed from the marketplace. The data produced by the NJRR also assists the industry by informing the development of new prostheses, allowing manufacturers to draw on reliable performance information for existing products and designs.

The introduction of cost recovery arrangements will produce $5 million in budget savings over the next four years. Legislated cost recovery arrangements will ensure the independence of the NJRR as the levy will be mandatory and collected by the government on behalf of that registry. The additional costs will be automatically passed on by device sponsors to private health insurers, resulting in increased premiums because the benefits that private health insurers must pay for particular devices are set under Commonwealth legislation.

Any increase in benefits for joint replacement products will need to be negotiated between sponsors and insurers and then approved by the government through changes to the prostheses list, and that is a good thing. We are allowing the private sector to
play a role in our healthcare system, but we are keeping a very close eye on it. We are making sure they provide real value. I think that is very important.

This is a very good Labor bill, a bill built on Labor tradition. We are happy to see enterprise and the private sector operating in the healthcare system, but we want value for our money and we will intervene to get it. It is about making our great Australian healthcare system even better. I commend the bill to the House.

Mr TREvor (Flynn) (9.25 am)—I rise to speak on the Private Health Insurance (National Joint Replacement Register Levy) Bill 2009. This bill creates a new act, the Private Health Insurance (National Joint Replacement Register Levy) Act 2009, for the purpose of establishing the national joint replacement register levy, for funding the National Joint Replacement Registry, the NJRR.

The NJRR was established by the Australian Orthopaedic Association in 1998. It collects data on the implantation of prosthetic joint replacement devices and reports revision rates, complications and other outcomes. The NJRR also monitors mortality rates. Its purpose is to define, improve and maintain the quality of care of patients receiving joint replacement surgery. The information collected provides an accurate measure of the success or otherwise of a procedure. This information is then used to inform surgeons, other healthcare professionals, governments, sponsors of joint replacement products and patients. The NJRR provides post-market surveillance of joint replacement prostheses, and this monitoring of the safety and quality of devices provides considerable benefit to the industry by improving consumer confidence in the safety and efficacy of joint replacement devices. Any devices showing high failure rates can be identified quickly and promptly removed from the market. This is good news for recipients.

The data produced by the registry also assists the industry by informing of the development of new prostheses, allowing manufacturers to draw on reliable performance information for existing products and designs. The cost recovery arrangements contained in the bill will ensure continuing funding for the registry, while preserving the independence of the registry. As levies will be imposed under legislation and collected by the government on behalf of the registry, there will be no possibility of funding being withdrawn from the registry by medical devices sponsors. Sections 1 and 2 of the bill will commence on the day on which the act receives royal assent. Sections 3 to 9 of the bill will commence on 1 July 2009 or on the date of royal assent, whichever occurs later.

The bill will enable the costs of operating the NJRR to be recovered by means of a levy imposed on each joint replacement prostheses sponsor, on each day specified in the Private Health Insurance (National Joint Replacement Register Levy) Rules as a national joint replacement register levy day, and on each day, if any, determined by the Minister for Health and Ageing, by legislative instrument, as a supplementary national joint replacement register levy day. There can be no more than four levy days in a financial year and the minister cannot specify more than two supplementary levy days in a financial year.

A person is a joint replacement prosthesis sponsor if a joint replacement prosthesis is currently listed in the Private Health Insurance (Prostheses) Rules—commonly referred to as the Commonwealth Prostheses List—either as a result of an application made by the person under section 72-10(2) of the Private Health Insurance Act 2007 or as listed
in accordance with section 12 of the Private Health Insurance (Transitional Provisions and Consequential Amendments) Act 2007, and the person was the sponsor of that prosthesis for the purposes of the National Health Act 1953. Sponsors will be levied according to the number of joint replacement prostheses they sponsor, and the levies will be used to fund the operation costs of the registry. The bill does provide that there may be different rates set for different kinds of joint replacement prostheses, that the rate may be set at zero and that there will be a maximum rate of $5,000.

There are a wide range of prosthetic devices used in joint replacement surgery, as we know. These correspond to a great variation in benefits for different kinds of joint replacement prostheses listed on the Commonwealth Prostheses List. Benefits for some joint replacement prosthetic devices are set at less than $50, while others receive benefits as high as $67,000 per product. The Private Health Insurance (National Joint Replacement Register Levy) Rules may specify that different kinds of joint replacement prostheses may have different levies. Given the variation in benefits for different kinds of joint replacement prostheses, a maximum rate of levy of $5,000 for a financial year is considered reasonable.

Continued social integration for aged people is an important issue for their physical and mental health and general wellbeing. Unfortunately, several factors make it difficult for the elderly to achieve that goal, namely health problems, loneliness, changes in the social network structure and, importantly, mobility. In order to successfully integrate into the community the elderly need formal and informal support by way of family care, but they also need to consider themselves as the principal architect of their own care, wellbeing and development. It has been well demonstrated that physical mobility, particularly outside the home, favours the maintenance of activities representing for the elderly a vital condition for their social integration. A high level of activity has been shown to be positive for successful ageing, health status and everyday wellbeing. Therefore, a better description of the elderly people’s daily activity patterns, referring to either necessary or leisure activities, is important for a better understanding of how older people remain integrated in the community.

A considerable amount of research has focused on the advantages of maintaining an individual’s independence at home for as long as possible and the impact of physical mobility as a means to achieve social integration. This is a major issue, considering the fact that about 30 per cent of the overall activities of the elderly take place in the community. Mobility of the elderly is not only desirable for their social connectedness but also contributes significantly to their quality of life. To a large extent a socially integrated older person is mobile, autonomous, part of a social network and engaged in meaningful social activities. One of the most relevant instrumental activities in daily life for maintaining independence and reinforcing self-identity is the ability to either drive a car or catch public transport, which represents independence and convenience and further symbolises autonomy and freedom.

A community organisation in my home town of Gladstone, called the Gladstone Aquatic Therapy Association, helps many aged people who have had joint replacements. The Gladstone Aquatic Therapy Association was formed by a small group of volunteers in 1989 to meet community demand for water therapy following construction of a heated, enclosed purpose-built pool in the city. In 1994 the organisation became incorporated and was awarded recurrent Home and Community Care Program funding, allowing the group to greatly expand
their consumer case load, appoint staff to administer the service and coordinate the volunteer program. In 2009 we now see the service accommodating between 90 and 100 frail aged and children with a disability, at any given time. Gladstone Aquatic Therapy Service provides aquatic therapy classes and water exercise to the frail aged and adults and children with a disability. The association is full of wonderful community minded people who do a fantastic job for our community of Gladstone and surrounding districts.

One of the Gladstone Aquatic Therapy Association outcomes is to foster consumer independence and health maintenance. They have personal care assistants who hold aged-care certificates and coordinate the volunteer personal care assistants. The association provide a supervised aqua program to both the elderly and people with a disability to help those people improve their mobility, confidence, lifestyle, socialisation and health. They assist the frail aged, and younger and older people with moderate to severe or profound disabilities, from Miriam Vale to the south, Ambrose to the north, Many Peaks to the west, and the towns of Boyne Island, Tannum Sands, Calliope and Gladstone, which fall in between. The association assist people with arthritis, acquired brain injury, muscular dystrophy, multiple sclerosis, paraplegia and quadriplegia, those with a profound or multiple disabilities and those who have had a stroke, hip or knee replacement or some other form of serious injury. The Gladstone Aquatic Therapy Association are to be commended for their efforts. The consumer’s health, wellbeing and independence is optimised, allowing people to live, to as great a degree as possible, independently and in the local community. I commend this bill to the House.

Mr BUTLER (Port Adelaide—Parliamentary Secretary for Health) (9.36 am)—I thank members for their contributions on this bill. I particularly thank the member for Flynn for his recent comments showing the level of understanding he has of the contribution the joint replacement register program makes to his community in northern Queensland. We also thank the opposition for their support for this bill, as we understand it—though the shadow minister spent most of his speech making fairly gratuitous remarks completely unrelated to this bill, which does him no service at all. The one issue the shadow minister addressed related to this bill in a tangential way, and that was the issue of consultation. I understand that the Department of Health and Ageing will be discussing the implementation of this program in the bill with stakeholders.

The Private Health Insurance (National Joint Replacement Register Levy) Bill 2009 will impose a levy on the sponsors of joint replacement prostheses in order to fund the National Joint Replacement Registry. A joint replacement prosthesis is a prosthesis that is listed on the Commonwealth Prostheses List and used in joint replacement surgery. The person who made the application to have the joint replacement prosthesis included on the list will be the sponsor for the purposes of the new levy. The registry collects information about joint replacement surgeries, such as hip, knee, ankle, shoulder, wrist and spinal disc replacement procedures, and reports on the safety and quality of these procedures and of devices used in the operations.

The work of the registry is critical to improving health outcomes for many Australians, as has been outlined by the members who have contributed to this debate. The registry provides improved patient outcomes, and it is estimated that, due to reductions in the level of hip and knee revision procedures while the registry has been operating—a decade or so—the registry has saved the health sector and consumers around $44.6
The registry provides data indicating which devices are linked to higher revision rates, which helps orthopaedic surgeons to select better-performing prostheses.

Taxpayers have met the operating costs of the registry for over 10 years, which are now around $1.6 million a year. It is appropriate that these costs are now recovered from industry, which derives considerable benefit from the registry. The registry provides invaluable post-market surveillance of joint replacement prostheses and also assists the industry by informing the development of new prostheses. The proposed arrangement will preserve the independence of the registry. There will be no possibility of funding being withdrawn from the registry by medical devices sponsors who are not happy with its findings. The introduction of cost-recovery arrangements will also produce $5 million in budget savings over four years. Legislated cost-recovery arrangements will ensure continuing and stable funding for the critical work of the registry and ensure that it can continue to provide data to improve patient outcomes.

Sponsors will be levied according to the number of joint replacement prostheses they sponsor, and the levies will only be used to fund the operating costs of the registry. The bill provides that there may be different rates of levy for one or more kinds of joint replacement prostheses, the levy rate may be set at zero, and there will be a maximum levy rate of $5,000 per listing per year. This range of levies is appropriate, as there are a very wide range of products included in the registry, from screws and bolts that are priced at less than $50 each to specialised knee replacement systems, which can have prices of more than $67,000. The government will determine the amount of levies through rules made under the legislation following consultation with the registry and the medical devices industry.

Question agreed to.
Bill read a second time.

Third Reading

Mr BUTLER (Port Adelaide—Parliamentary Secretary for Health) (9.41 am)—by leave—I move:

That this bill be now read a third time.

Question agreed to.
Bill read a third time.

TAX LAWS AMENDMENT (POLITICAL CONTRIBUTIONS AND GIFTS) BILL 2008

Consideration of Senate Message
Consideration resumed from 4 February.

Senate’s amendments—

(1) Schedule 1, item 7, page 7 (lines 4 to 7), omit the item.

(2) Schedule 1, item 8, page 7 (lines 9 and 10), omit the item, substitute:

8 Section 12-5 (table item headed “political parties”)

Repeal the item, substitute:

political contributions and gifts

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(3) Schedule 1, item 9, page 7 (line 13), at the end of the heading to section 26-22, add “by companies”.

(4) Schedule 1, item 9, page 7 (line 14), omit “You”, substitute “Companies”.

(5) Schedule 1, item 9, page 7 (line 15), omit “You”, substitute “A company”.

(6) Schedule 1, item 10, page 8 (lines 26 to 28), omit the item, substitute:

10 Subsection 30-5(1)

Before “making”, insert “an individual”.

(7) Schedule 1, item 11, page 8 (lines 29 and 30), omit the item.
(8) Schedule 1, item 12, page 8 (lines 31 and 32), omit the item, substitute:

12 Subsection 30-5(1) (note 2)
After “gifts”, insert “by individuals”.

(9) Schedule 1, item 13, page 9 (lines 1 and 2), omit the item.

(10) Schedule 1, item 14, page 9 (lines 3 and 4), omit the item, substitute:

14 Subsection 30-15(2) (note 2)
After “gifts”, insert “by individuals”.

(11) Schedule 1, item 15, page 9 (lines 5 and 6), omit the item, substitute:

15 Subdivision 30-DA (heading)
After “Donations”, insert “by individuals”.

(12) Schedule 1, page 9 (after line 6), after item 15, insert:

15A Section 30-241
Omit “you” (twice occurring), substitute “an individual”.

(13) Schedule 1, page 9 (after line 6), after item 15, insert:

15B Section 30-242 (heading)
After “Deduction”, insert “by an individual”.

(14) Schedule 1, page 9 (after line 6), after item 15, insert:

15C Subsection 30-242(1)
Omit “You”, substitute “An individual”.

(15) Schedule 1, page 9 (after line 6), after item 15, insert:

15D Subsection 30-242(2)
Omit “you”, substitute “an individual”.

(16) Schedule 1, page 9 (after line 6), after item 15, insert:

15E Subsection 30-242(4)
Omit “You”, substitute “An individual”.

(17) Schedule 1, page 9 (after line 6), after item 15, insert:

15F Section 30-243 (heading)
After “deduction”, insert “by an individual”.

(18) Schedule 1, page 9 (after line 6), after item 15, insert:

15G Subsections 30-243(1) and (2)
After “deduction” (wherever occurring), insert “by an individual”.

(19) Schedule 1, page 9 (after line 6), after item 15, insert:

15H Paragraphs 30-243(2)(a) and (b)
Omit “you” (wherever occurring), substitute “the individual”.

(20) Schedule 1, page 9 (after line 6), after item 15, insert:

15I Subsections 30-243(3) and (4)
Omit “You” (wherever occurring), substitute “An individual”.

(21) Schedule 1, item 16, page 9 (lines 7 and 8), omit the item.

(22) Schedule 1, items 19 and 20, page 9 (lines 19 to 22), omit the items.

Dr EMERSON (Rankin—Minister for Small Business, Independent Contractors and the Service Economy, Minister Assisting the Finance Minister on Deregulation and Minister for Competition Policy and Consumer Affairs) (9.41 am)—I move:

That the amendments be disagreed to and amendments made in place thereof be agreed to:

(1) Schedule 1, items 1 to 7, page 3 (line 4) to page 7 (line 7), omit the items.

(2) Schedule 1, item 8, page 7 (lines 9 and 10), omit the item, substitute:

8 Section 12-5 (table item headed “political parties”)
Repeal the item, substitute:

political contributions and gifts

denial of certain 26-22
deductions......
deductions for Subdivi-
individuals ...... sion 30-DA
The government proposes that the House disagree to the amendments to the bill made in the Senate and accept in their place the amendments that I am moving on behalf of the government. Legislation to remove deductions or political donations was introduced into parliament for the second time in August 2008 in the Tax Laws Amendment (Political Contributions and Gifts) Bill 2008. Specifically, the legislation aimed to remove the ability of businesses and individuals to deduct a capped political donation up to $1,500, and remove the ability of businesses to claim political gifts and contributions under the general business expenses deduction provision. The Senate has proposed that businesses not be allowed to deduct political donations but that deductibility for donations by individuals be retained. The government agrees to the intent of the amendments proposed by the Senate; however, the specific form of the legislative amendments proposed by the Senate needs to be changed to avoid the creation of loopholes that would allow deductions by some types of businesses but not others. I note that the new measure will not reduce the tax expenditure as much as the original measure: the original measure saved approximately $10.5 million across the forward estimates while the new measure saves approximately $3.7 million. The government seeks to move amendments to the bill that are in the spirit but not in the form of those proposed by the Senate. Therefore, the government recommends that the House disagree to the Senate’s amendments and substitute the amendments that the government is moving in their place.

Just to recap, we accept the spirit of the Senate amendments, but they have been incorrectly drafted. We wish to give effect to the Senate amendments but in a way that ensures that all businesses are treated equally. The problem with the Senate’s amendments relates to some businesses—roughly, in the order of two-thirds of small businesses—being unincorporated, which under the Senate amendments means they would be treated as individuals, whereas incorporated businesses would be treated as businesses, and therefore there would be this unequal treatment of different businesses. That is the purpose of the amendments I have moved. We accept the spirit and intent of the Senate’s amendments, but they have not been accurately drafted. So I ask that the coalition support our intent to give effect to the spirit of the Senate amendments but in a more precise and accurate way, through the amendments I have circulated here in the chamber today.

Mr PYNE (Sturt) (9.45 am)—The original aim of the Tax Laws Amendment (Political Contributions and Gifts) Bill 2008 was to remove all tax deductibility for donations to political parties. This was unquestionably an overreaction on the part of the Labor Party. We believe that at the core of the democratic process is the participation of ordinary Australian citizens. They are the ones who make up our electors and they are the ones who are the foundations of our political parties—especially on our side of the House. There are quite a few academics and commentators
who talk about the antidemocratic nature of big donations from business and the unions. Yet I do not know of a single one who believes there should be less participation by ordinary Australians. The original bill would have done just that.

By removing the income tax deduction for donations, Labor would have effectively pushed the parties to place a greater emphasis on three categories of donors: businesses, who can claim the donation back in other ways; unions, who do not care about a $1,500 tax break; and high net worth individuals, who do not need a $1,500 tax break. That was Labor’s solution. No wonder that even the Greens, who normally support the most extreme positions on electoral reform, simply would not stomach or support the bill in its original form.

To this end, the coalition supports the changes that have been proposed in the Senate. If we are serious about improving participation rates in the political process, we cannot put more disincentives and more hurdles in the way. Perhaps Labor realises that it no longer has the support of ordinary Australians in terms of finance and is betting its future on the accumulated wealth of decrepit and dying trade unions. The irony is that fees to trade unions, which invariably come back as donations to the ALP, are fully tax deductible. So Labor, as usual, wants to have its cake and eat it too. It does not surprise me that members of the New South Wales Labor Party have come in for this debate, because they watch it very closely. Those in the New South Wales Labor Party always want to have their cake and eat it too, but their day of reckoning might well be coming. But I digress. Similarly, people can make donations to quasi political, religious, environmental, welfare and foreign aid groups. All of those are fully tax deductible. But a donation to a political party is certainly not, under Labor’s original bill.

Our fundamental position is this. The coalition support greater participation by individuals in the political process. To facilitate that, we believe there should be a level of tax deductibility which is neither too high nor too low. A cap of $1,500 is in our view the correct amount. That is about three per cent of the annual earnings for an average Australian worker. In conclusion: let me again express the concern of the coalition that the ALP is tampering with electoral matters before the finalisation of the green paper on electoral reform. While I am normally loath to ascribe bad motives to the Labor Party, it does make one wonder why they feel the need to push ahead with a law which makes it harder for every party other than the ALP—with its union war chest—to raise funds for both the campaigning and the day-to-day operations of political parties. Surely the appropriate time for the consideration of any bill, as the one before us, would be after the government’s response to the green paper has been finalised.

I note the minister has tabled amendments today from the government, which he says will give effect to the amendments that the Senate passed and insisted upon. There were 17 amendments in the Senate that the coalition and the Greens supported, which therefore became part of the bill. We are debating today whether the House should support the Senate in insisting on its amendments. The coalition’s view is that we should support the amendments from the Senate, and we will not be disagreeing with those amendments. The minister has tabled new amendments today. The first I saw of those amendments was momentarily before I started speaking in the House. I am very alone, I notice.

Mr Melham—You are always alone!

The DEPUTY SPEAKER (Hon. BC Scott)—Order! The member for Banks is commenting outside of his place.
Dr Emerson—We have filled the chamber for you!

Mr Pyne—Thank you! In the absence of any better advice, the coalition will be voting in favour of supporting the Senate’s amendments and will be voting against the motion of the minister.

Dr Emerson (Rankin—Minister for Small Business, Independent Contractors and the Service Economy, Minister Assisting the Finance Minister on Deregulation and Minister for Competition Policy and Consumer Affairs) (9.49 am)—This is the problem. The Senate amendments essentially were to give effect to individuals being able to retain the ability to claim a tax deduction of up to $1,500 for political donations but not businesses. In drafting the Senate amendments, an error was made which means that a very substantial number of businesses would, for these purposes, be treated as individuals, whereas the other businesses would not. The consequence would be that some businesses would be able to claim a tax deduction of up to $1,500, while other businesses would not. This would be arbitrary in its operation. I do not believe that it was the intent of the Greens to arbitrarily apply these tax deductibility provisions in relation to some businesses and not others. That is why we are saying that we agree with the intent of the Senate amendments that individuals be able to claim the tax deduction of up to $1,500 but that businesses not be. However, in the drafting of the Senate amendment an error was made that provides that some businesses be able to retain that tax deduction capacity while other businesses not be.

This was not the intent, as we understand it, of the Greens in moving these amendments. I see the shadow minister is here, in the advisers box, and I will appeal to him right across the dispatch box to say, ‘Let’s be reasonable about it.’ If, indeed, the view of the coalition is that individuals should be able to claim the deduction—and that is what the shadow minister said in his presentation, that they want to retain that—we agree. But if the view of the coalition is that businesses should not be able to claim the tax deduction then they should in fact support our changes, which negate the amendment agreed by the Senate but give effect to the intent of the amendment agreed by the Senate.

The purpose of this debate here and my contribution in particular is to clarify whether the coalition in fact are prepared to accommodate the intent of the Senate amendments, which we are prepared to accommodate, or whether this is just a ruse. We want to clarify whether this is just a ruse in order for them to try to knock over this legislation, to knock over a budget savings measure which would prevent the tax deductibility of political donations of up to $1,500 by businesses. The shadow minister who has just spoken, the member for Sturt, has said, ‘Why not wait until a particular inquiry considers its deliberations?’ The problem is that the coalition, on matters such as this—that is, the tax deductibility of political donations by businesses—would rather wait forever. They want something that they can pin their argument upon, so that they can say, ‘Let’s just wait.’ If that is their position they should come forward and say, ‘The truth is that we disagree with the government and the Greens in their intent to deny tax deductibility for all businesses.’ If that is their position, at least the Australian public will know that. But to use as a ruse—and I hope they are not doing that—the fact that there is another inquiry and that they do not accept that there is an error in the Senate amendment drafting process, just as a way of sustaining and maintaining the tax deductibility of political donations by businesses, would be disappointing.

They should at least have the courage of their convictions and say that is their
position. If it is their position, fine; we will all know that. If it is not their position, if they have now realised, that the Senate amendments have not been accurately drafted, then they will join with the government here and now, when we put these amendments, and say, ‘We accept the amendments to the Senate amendments.’ Then we can all retire from this debate happy in the knowledge that we have made some real progress in this area. I formally present the supplementary explanatory memorandum.

Mr PYNE (Sturt) (9.54 am)—I will speak very briefly. I will not hold up the House any longer. We will have the vote and be able to move on to the next item of business. The opposition support the 17 Senate amendments that have come down to the House. We voted for them in the Senate. They were put by the Greens to give effect to the opportunity for individuals to make political donations of up to $1,500 and still have tax deductibility for those contributions. We do not believe that government should be run on the basis that, apparently, on this occasion, for the first time in history, they are telling the truth when they say that their amendments actually do reflect what the Senate has insisted upon. From bitter experience, we on this side of the House know that usually what the government say is quite different from what they do. So I am not going to take as the basic truth that these amendments reflect what the coalition support until they have been properly considered. We will be voting to insist on the Senate’s amendments and then the Senate can deal with this matter when it returns there.

Mr MELHAM (Banks) (9.56 am)—I find it interesting that the member for Sturt is squealing about the lack of notice in relation to these amendments when it was actually commonplace for his government to bring on substantive bills with a lack of notice. When we were in opposition, the then government used to drop bills—some hundreds of pages of bills—on the opposition with minimum notice. I will quote some examples: you had the Tampa legislation, you had the intervention in the Northern Territory, you had the terrorism bills and you had the ASIO bills. These were substantive pieces of legislation.

What we have here is the government saying to the opposition that we agree now with the amendments that the Senate has proposed but there are some technical deficiencies in those amendments. We have redrafted those amendments so that they reflect the will of the Senate. The interesting thing is that Senator Ronaldson, the shadow minister, is in the chamber, in the advisers box. The committee which I chair, the Joint Standing Committee on Electoral Matters, took a much harder line than the position that is currently proposed by the Senate because we wanted to pare it all back to the previous position in relation to tax deductibility. We wanted to go further than this. But the minority report of the Liberal senators went nowhere near this in relation to holding the line that they are holding at the moment. The only comments they made were about anonymous donations. They suggested that our committee report be amended from what we were recommending, which was a $50 cap on anonymous dona-
tions, to $250. Their attitude was: ‘Let’s have this bill dealt with so that it includes all other amendments in relation to electoral matters—political donations and the like. Let’s do it all together.’ So it is a bit rich for them to be claiming foul, that what they have got is late notice of technical amendments.

The truth is that they should take the government on trust. They still have until the matter goes back before the Senate to expose whether or not these amendments live up to what we are saying. If the amendments the government have now proposed do not live up to what we are saying, then you have the numbers in the Senate to further insist on your old amendments. That is where you have time to check and test and say, ‘The government have deceived us.’ I think what you will find is that the government have not deceived you at all. What the government have done is tidy up what the Senate was proposing. I am not critical of the Senate. The Senate makes a lot of amendments to government bills. Frankly, in terms of resources, occasionally its drafting does need to be further clarified. What I am saying to the opposition is: take us on trust. You have between now and when the Senate considers the matter to then say—

Mr Pyne—I’ll take you on trust, but not the others!

Mr MELHAM—That is very kind of you.

The DEPUTY SPEAKER (Hon. BC Scott)—The member for Sturt! The member for Banks has the call.

Mr MELHAM—The reason that I put that as an alternative to the opposition is that, if they vote in favour of the government’s revised amendments, that is not the end of the matter. It is not as if we have duded you and it becomes law. It will have to go back to the Senate and Senator Ronaldson, the honourable shadow minister can go through it with a fine toothcomb—as he does. But I say to you: there is nothing wrong with taking us on trust in relation to the nature and quality of these amendments. What stands out at the moment in the government’s proposed amendments that looks fishy? Nothing. It is just, ‘We don’t trust you because we were given them late.’ I say to you: you have the safety net of giving us a belting in the Senate when these amendments return there—and that is the proper way to do it. It is obvious now that both sides have agreed on the defined area of this bill. That is what appears to be coming through. I am sure that Senator Ronaldson can maintain the rage in the Senate if what the government proposes is not what will actually be achieved by the bill. I implore the opposition: for once in your life take us on trust. If we let you down, give us a belting in the Senate.

Dr EMERSON (Rankin—Minister for Small Business, Independent Contractors and the Service Economy, Minister Assisting the Finance Minister on Deregulation and Minister for Competition Policy and Consumer Affairs) (10.01 am)—This is the flaw in the plot that the opposition is seeking to hatch here. I thank the member for Banks for not only his eloquent exposition of the argument but his advice to the coalition that, if, upon further consideration and passage of these amendments, the coalition forms the view that they do not give effect to the intent of the Senate amendments, the coalition could indeed deal with it in the Senate and it would not be the end of the match.

The shadow minister for education, apprenticeships and training has been protesting that he and the coalition only saw the amendments a few minutes ago. I have in front of me two documents: the Tax Laws Amendment (Political Contributions and Gifts) Bill 2008—that is a covering note—and the actual amendments. The date on both of those is 26 May 2009. It is now 18 June
2009. Far from these amendments having been made available for the first time a few minutes ago, as asserted by the member for Sturt, the shadow minister, they have been available since 26 May. The coalition assert that this is the first time they have seen the amendments when they have been available for several weeks. The coalition strategy—the true motivation behind this—is now clear to me. It becomes clearer by the day and by the moment through this debate that the true intent of the coalition is to defeat the entire bill. That is the true intent of the coalition.

I just ask that they have the courage of their convictions. If the coalition have an ideological position on this bill, which provides that businesses are able to claim a $1,500 tax deduction for political donations, that is their position and they can be judged on that position by the Australian people. We now know it is their position, but they do not want to be judged by the Australian people on that position and have come up with this ruse that the government amendments were made available only a few minutes ago, with all the feigned indignation and outrage of the member for Sturt—‘We only just saw it. We didn’t know. If we’d known, we might have voted differently, but we can’t.’ We see the old hangdog look: ‘We’d love to do the right thing by Australia and by the parliament, but, gee, we just haven’t had time to look at it.’ Well, 26 May is a fair while ago. These amendments have been available since 26 May and the coalition, and Senator Ronaldson, know that.

The House has substituted amendments for the Senate amendments. The House amendments result in a bill that removes the ability of businesses to gain a specific tax deduction for their political gift or contribution to political parties and Independent candidates and members but retains the availability of this deduction for individuals, other than in the course of carrying on a business, up to the current threshold of $1,500. Furthermore, businesses are not able to deduct political donations under the general business expense deduction provision, but the application of this provision to individuals seeking to deduct political donations would remain unchanged. Accordingly, the House of Representatives does not accept the Senate amendments and has substituted other amendments.

I make one final suggestion to the coalition: get on board. If you truly believe in the intent of the government’s amendments, you will vote with the government and we will all go away at least feeling that we have had a proper debate rather than this ruse with the coalition pretending it only got the amendments a few minutes ago and pretending that it agrees with the intent of the government’s amendments but has had no time to look at them. I urge the coalition one last time to support the motion before the House and pass the government amendments.

Question put:

That the amendments be disagreed to and amendments made in place thereof be agreed to.

The House divided. [10.10 am]

(The Deputy Speaker—Hon. BC Scott)

Ayes………… 76
Noes………… 58
Majority…… 18

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.
Champion, N. Cheeseman, D.L.
Clare, J.D. Collins, J.M.
Combet, G. D’Ath, Y.M.
Danby, M. Debus, B.
Dreyfus, M.A. Elliot, J.
Ellis, A.L. Ellis, K.
Emerson, C.A. Ferguson, L.D.T.

CHAMBER
Mr Price—Mr Deputy Speaker, on a point of order: quite rightly, you allow a little bit of flexibility in the dress of honourable members in a division, but I must say your tolerance of the member for Herbert’s dress goes well beyond the normal limits that you accept.

The DEPUTY SPEAKER (Hon. BC Scott)—Chief Government Whip, that is not a point of order. It was tolerated on both sides of the chamber. I noted that during the division. There is no point of order.

MIGRATION AMENDMENT (PROTECTION OF IDENTIFYING INFORMATION) BILL 2009

Second Reading

Debate resumed from 27 May, on motion by Mr Haase:

That this bill be now read a second time.

Dr STONE (Murray) (10.17 am)—I rise to speak on the Migration Amendment (Protection of Identifying Information) Bill 2009. The objective of this bill is to better codify current departmental practice in relation to the protection and handling of personal identifiers. These are described in section 5A of the act and include fingerprints or hand prints, measurements of a person’s height and weight, a photograph or other image of a person’s face and shoulders, an audio or video recording of a person’s face, an iris scan, a person’s signature or certain other identifiers prescribed by the regulations. They do not include products such as DNA or blood.

The Migration Act currently provides for a strict regime for the collection, use, access
6510

and disclosure of personal identifiers collected under the act. Section 4A describes the department’s obligations in relation to the handling of this information and contains criminal penalties for any breaches. Amendments to the act in 2007 were important. For instance, if the department held a photograph of someone who had made a threat against an Australian high commission or embassy, those amendments allowed the department to provide that photograph to the Australian Federal Police. However, they also had the unintended consequence of the data not being strictly covered by the privacy provisions, as was originally intended. We are told that departmental legal advice has said that personal identifiers collected by other domestic or international agencies and unsolicited external sources and from law enforcement agencies were not fully protected by section 4A of the act. These amendments aim to ensure that they are. So we the coalition support them. The bill ensures that the rights and privacy of people whose personal identifiers are provided by international and external sources are protected under the act and assures our international partners that the data they provide will be given this protection.

It is also extremely important, of course, for individuals whose identifier information is collected. They want to be sure that there is not an extraordinary episode or incident where their photograph is taken to places where knowledge of their whereabouts would endanger them. So it is both for the protection of our own country’s knowledge of the person’s identity and for the individuals themselves that their identifiers are kept strictly private and used only for appropriate purposes. This bill further codifies the handling of personal identifier information and puts beyond doubt the protection of the information.

These amendments in themselves, therefore, are not very remarkable, but the context in which they are to operate remains one of the great challenges for any Australian parliament and for the nation itself. The collection of identifying information, as set out in the Migration Legislation Amendment (Identification and Authentication) Act 2004, was intended to strengthen the capacity of the Australian government and its agencies to ensure, for all passing across our borders, whether as visitors or temporary or permanent residents, that the Australian government could establish their identity and that there was no concern about the accuracy of the information obtained. Labor must realise the coalition’s position in relation to these matters is firmly embedded in our belief that our migration program is a nation-building program, that people who are newly arrived and perhaps susceptible to typecasting or stereotyping should be protected in their identity and not subject to questions about who they are or where they are from and that those people can settle quickly and easily into the broader community and, in time, enjoy the full opportunities that our great nation offers to all.

These are the values that the ALP supported as well at one time in the early nineties. Minister Gerry Hand, a scion of the Left, was a strong proponent of securing the integrity of Australia’s migration programs. The migration integrity measures that have been introduced by the coalition over time or championed by us over the last decade have been about ensuring that no-one in the community can doubt the integrity of our processes of identifying exactly who is coming into our country; what the purpose of their visit is; and whether or not they are suitable to remain in our country, potentially to become new Australian citizens. Everyone in the community needs confidence in that process. These amendments should help, we
hope, to build confidence in the process of identifying individuals and giving them a chance to settle into our country with no long-term unresolved issues or concerns hanging over them about where they have come from and why they are here.

We very strongly believe that there should be proper investment in identifying technologies. There is a whole range of new ways, particularly more recently, in which biometrics can be used. It is also important that we have a strong database which is shared between agencies so that we are able to establish if someone has been to our country before and has been required to leave, for whatever reason. We need to be able to establish quickly, when someone arrives, if they are known to international agencies for any activities that we would not welcome in our country. So I urge the government to look at the latest technology in personal identifiers to ensure that we are not left behind in the business of establishing who someone is or whether they have already been dealt with by international agencies or other countries and there are concerns about their character.

We recently had the Joint Standing Committee on Migration’s report No. 2 tabled. It looked at future options for additional community based detention alternatives. I did not support all of the recommendations as a member of that committee. The recommendations made in this report included that people be given access to the community before the government has fully completed its identification process. That may involve their security status, their identity or, indeed, even their health status. The recommendations of the report were that a person should be fast-tracked as quickly as possible into the community and be placed into a bridging visa framework where they could have work rights and support from Medicare and from Centrelink if required if they could not find work.

My concern in opposing those recommendations and writing a minority report was that it is far better for this government to put every effort into completing the process of identifying an asylum seeker, for example, and establishing if that person does in fact have a claim to full and adequate protection in our country, rather than fast-tracking them, half-processed, into the community, where they might languish for quite some time as this government deals with more and more arrivals coming via the people smugglers. My concern and the coalition’s concern is for resources to be put upfront into comprehensively and completely identifying an individual coming to our country without documentation, typically to seek asylum, and for that process to be completed as quickly as possible so as to make time in detention the absolute minimum required. That person could then be welcomed into our community as a refugee, or quickly required to exit the country if their claim has been false and they are not in fact a legitimate asylum seeker. That is why the identifier technologies are so important and the legislation dealing with the privacy and confidentiality of that information is so important. That is why we are supporting wholeheartedly this particular set of amendments.

I have to say that we in Australia have had some unfortunate episodes in our history of wrong identification. After the Second World War it was found that people had come to this country who were war criminals. They should never have been allowed to remain, or to have come in the first instance, but of course information flow and international cooperation on identification were different in those days. We need to make sure that our country, as far as possible, never gives sanction and protection to a person who should
never expect to be welcomed into a freedom-loving place like Australia.

Recommendation 10 in the Joint Standing Committee on Migration report No. 2—the report I have just referred to—said in relation to bridging visa holders:

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.

I repeat: we would much rather see the efforts of the Department of Immigration and Citizenship put into completing identification and establishing a person’s right to asylum upfront, not having a halfway house, given that we heard a great deal of evidence about the problems of people without adequate English, without recent work experience and without qualifications that are acceptable in Australia trying to find work in the Australian community with limited support while they await a final outcome on their status being established as asylum seekers. We are concerned that this government has not put the effort that is needed into teaching English to these new arrivals and new settlers; in fact, the budget has been slashed for the Adult Migrant English Program. That is to be deplored. We are also concerned that there has not been appropriate support in the budget for accommodation for new settlers, particularly through the community care program. As a nation we should be fully responsible and caring about people who come to our shores seeking protection and a better life and who, under the UNHCR criteria, more than deserve that protection.

These amendments are welcomed by the opposition. We understand that they are important and necessary due to the unintended impacts of amendments that were made three or four years ago. It is of critical concern to individuals who are fearful for their lives and seeking to come to Australia that their personal information be kept strictly confidential. On the other hand, it is essential that overseas agencies have confidence in our system so that they supply all information we request with confidence and wholehearted cooperation, knowing that we have in place proper instruments of protection for that data.

We know that there were over 25,700,000 movements across our borders in the last financial year. That is an enormous number of individuals coming and going across our borders, both by sea and by air. That is to be applauded. Long may we see that movement of visitors, tourists, students, potential future settlers and spouses. We are proud and we should be proud of the fact that we have open borders and we are a welcoming nation. However, our capacity to correctly identify all of those individuals is absolutely necessary. It is a huge task. It requires the latest, best and most effective technology and it requires a department not too stressed in terms of its own staff numbers and financial resources; otherwise it cannot do a proper job. We are concerned that there is now a requirement for a contraction of nearly 800 Department of Immigration and Citizenship staff. There is also, of course, a huge contraction of the department’s budget itself. We are concerned that they are too hard pressed to do the job of processing these over 25 million movements which occurred in one financial year—that is the information that DIAC gave us in Senate estimates very recently.

The ALP had seven immigration ministers in their years in government and seven shadow ministers for immigration while in opposition. The Labor Party’s commitment to long-term engagement with the immigration portfolio is therefore somewhat of a rolling feast. We have to hope that, with the most recent turnover—with a new minister
for home security and with the Minister for Immigration and Citizenship, Senator Evans, having the enormous task of leading the Senate—the Labor government does start to take the immigration portfolio seriously. It is to do with nation building. It is to do with the security of our nation. It is to do with ensuring a good quality of life for all of those who seek to live in our great nation. We are a nation of immigrants. In my own family two sons-in-law and a daughter-in-law are all immigrants. One is from a refugee background. I am proud of the way they have made extraordinary contributions to this nation as Australians in addition to the fact that they have provided me with eight grandchildren.

It was a concern when the former ALP president Barry Jones wondered out loud about Labor’s mismanagement of the migration program during its years in office before. He said that the focus of the Labor government was to build up a long-term political constituency rather than to be looking at the broader issues of continuing a fair and proper migration program which gave us one of the most multicultural, multiracial and tolerant societies on earth. It is a concern that the Parliamentary Secretary for Multicultural Affairs and Settlement Services has already been found to have been directing grants from the migration portfolio budget to his electorate. The Auditor-General had words to say about that in a recent report.

When it comes to government, the coalition took decisive action to rebuild the national security of the country. It took decisive and firm but very fair approaches to make sure that we reinstated our migration program as objective and evenhanded. We also made extraordinary efforts to give temporary safe haven to those from East Timor and to those who were caught up in the Balkan wars. They were experiments, in a sense. These short-term safe haven visas had not been offered before. We learned from that experience.

However, we do have great concern, not having been given enough information, over exactly what this government intends with the introduction of what it calls a new complementary visa. We need to know exactly what is in mind. It is not good enough to have in front of the House, with just a few hours or less notice, the reading of a ministerial speech describing what that complementary visa status will mean to a person in Australia achieving that status. I ask that this government take the opposition more seriously by informing the opposition of exactly what it does intend if it is going to introduce another category of protection visa. It may be that this is a good move; it may be, though, that it is just another way to clog up the courts, the Refugee Review Tribunal and the Migration Review Tribunal with vexatious claims. No-one needs that.

It is of great concern to the Department of Immigration and Citizenship public service that there are over 900 cases outstanding in the courts at the moment to do with migration. It is amazing to see that Minister Evans has intervened in over 1,000 cases since he took office. In other words, he has overturned Refugee Review Tribunal and Migration Review Tribunal decisions in over 1,000 episodes. This is a rate never before seen with any minister for migration in an Australian government. We need to know this: has the minister lost faith in the workings and outcomes of the Migration Review Tribunal and the Refugee Review Tribunal? Of course, these overturns also include court decisions. These 1,000 overturns of decisions would seem—and we are still trying to get the full data as to how many cases were dealt with—to be running at 25 per cent of all the cases brought before the minister. Previous levels of overturns have been in the order of three to five per cent by ministers like Philip
Ruddock and between two and three per cent by Robert Ray and other Labor ministers. So this 25 per cent rate of decisions being overturned does need very careful explanation and investigation. We in the opposition are attempting to unravel the mystery because there are very significant implications if the minister has lost faith in the working of the two tribunals.

It is very important that the minister’s use of his interventionary powers are transparent and accountable, given that in public statements the minister himself questioned the interventionary powers of the immigration minister—the powers which have gone with the minister since Labor introduced interventionary powers back in the early 1990s. We need to know about that because it goes to the heart of the integrity of our migration system, particularly in our asylum-seeker determinations. Our asylum-seeking processing must be fair and transparent and the minister of the day needs to be accountable. The Minister for Immigration and Citizenship, Senator Evans, himself said that he wondered whether a minister could be fair in exercising his interventionary powers. So, when we discover this extraordinary rate of tribunal decisions being overturned, we are very curious about what is going on.

This brings me back to the bill. This is all part of having a migration policy and program which has integrity and the confidence of the nation. We are a nation of migration. All Australians—unless you are an Indigenous Australian—are from a migrant background. We have built the most stunning, tolerant, multicultural and multiracial nation. It had shaky beginnings, because Federation was very much founded on a White Australia policy. It was the Labor Party and trade unions who were most concerned at the turn of the 20th century about coloured labour lowering work conditions and pay. It was Robert Menzies who began the unravelling of the White Australia policy, which culminated in Prime Minister Harold Holt dismantling the White Australia policy in 1966.

We are proud of the Liberal Party’s legacy of doing away with that racist policy, which was a shameful part of Australian history. I think of my Chinese-Australian son-in-law and that if he had been born in the 1920s, 1930s, 1940s or 1950s he could not have lived in this great country and I could not have had my beautiful Eurasian grandchildren. We are an interesting country which other nations look upon with awe and respect. Our refugee policies and the resources that we put into new settlement are respected and applauded by other nations. Along with the USA and Canada, Australia does the most heavy lifting in permanently resettling those who are most in need of our protection as refugees—as identified by the UNHCR—from the hellholes of the world. We have 13½ thousand people to come to Australia under our humanitarian refugee program and I applaud Labor in continuing our commitment to putting special effort into settling refugees and humanitarian settlers.

My own electorate of Murray is the most multicultural and multiracial of any regional electorate in Australia. We have some of the biggest numbers of refugees, particularly from the Middle East, in our electorate. We welcome every one of those. We also welcome the first regional settlement pilot undertaken in Australia, where we took the newly arrived Congolese families straight from the airport to Shepparton to settle them into a community which had been preparing for their arrival for six months. That Congolese community is a stunning example of how Australia opens its arms to families, most of them with more than eight or nine children. Two days ago two individuals from that Congolese community attended Parliament House as part of the Fairley Leadership group. This is a community leadership pro-
gram which selects from applicants those who are most interested and likely to become community leaders. Amongst them were two of our Congolese refugees who are taking community leadership positions in the Goulburn Valley communities. We had one of our refugees from the Congo stand for local government in the most recent Greater Shepparton City Council election. We have another of our Congolese men in the process of becoming a justice of the peace. For years these people had been in war zones in Africa and we can only imagine the difficulties and the suffering that the wars inflicted on them.

We are a great nation, but we have to make sure our systems have integrity and are properly resourced. We have to make sure that those in the public sector who administer our various programs have high morale and are committed to the work they do. They should not have to fear that the slashing of resources and contraction in numbers will make it impossible to do the task at hand. I commend this set of amendments. The coalition support the amendments because we do not want to see a single individual suffer as a result of their personal information falling into the wrong hands. We also do not want the processing of a person’s personal information so that they can be properly identified and their status properly established to take any longer than is necessary, because we are not properly using or protecting identifying information. We support this bill and I commend it to the House.

Mr DANBY (Melbourne Ports) (10.43 am)—I am pleased to speak on the Migration Amendment (Protection of Identifying Information) Bill 2009. The bill is an important part of the government’s streamlining of the Australian migration system. It is designed to create a system that better serves the needs of Australia’s society and Australia’s economy while treating migrants and those who wish to come to this country with fairness and dignity. In his second reading speech last month my good friend the Parliamentary Secretary for Multicultural Affairs and Settlement Services, the member for Reid, explained the reasons we are introducing this bill. The bill seeks to fix a problem which has arisen with the legislation that was passed by the previous government in 2004. I do not seek to make a political point about that. This is a complex area of policy and it is not always possible to foresee all the consequences of any piece of legislation. To paraphrase the honourable member for Warringah—‘stuff happens’.

I do note, however, that when the bill was debated the then shadow minister, the member for Gellibrand, now Minister for Health and Ageing, did raise some concerns about the operation of the scheme that the previous government was setting up. Problems have indeed now arisen with that piece of legislation and this bill is designed to fix them.

The purpose of the Migration Legislation Amendment (Identification and Authentication) Act 2004 was to create a new regime for the collection, use, access and disclosure of personal identifiers collected by the Department of Immigration and Citizenship under the Migration Act 1958. It was a recognition that identity theft and identity crime are an increasing problem for governments all over the world and that this is particularly a problem for governments in the field of migration. Labor supported this objective in opposition and we are consistent in supporting it in government. This government is determined to protect the security of Australia’s borders and the integrity of our immigration system. Both as a matter of security and as a matter of immigration policy, it is important that we know that people coming to this country as immigrants, visitors, businesspeople, family members or students are who they say they are. Just as those who steal and fake identities are becoming more
sophisticated in their operations, we must be more sophisticated in our response.

But it is also important that personal data collected from people entering Australia be kept confidential and that there be no possibility of it being misused. That is, of course, how identity theft works—by misusing someone else’s personal data, whether it is their date of birth, their fingerprints, their credit card number or their signature. Australians, unfortunately, are increasingly aware, particularly, of the abuse of credit card theft by other people. I think that is probably the fact that is uppermost in the public consciousness at the moment, but it is a problem in other areas as well, particularly in a serious area like immigration.

It is the responsibility of government to prevent that, and we are taking this responsibility seriously. The problem that has arisen is that there is a technical incompatibility between the 2004 act and some other pieces of legislation, which means that it is not as clear as it should be that all personal information collected from people dealing with the Department of Immigration and Citizenship is fully protected regardless of who actually collects the data or whether it is collected inside or outside Australia. In order to redress this problem, to ensure that the rights and privacy of such people are protected under the act and to assure our international partners that the data they provide us will be given this protection, it is necessary to make sure that all personal information collected by the Department of Immigration and Citizenship for these purposes is covered by the same statutory regime—namely, part 4A of the act. This bill will bring the definition of identifying information in the act into line with the original policy intention of 2004 that all personal data obtained by, or on behalf of, the department is protected by part 4A of the act.

As the Parliamentary Secretary for Multicultural Affairs and Settlement Services, the member for Reid, pointed out, it is important that this matter be dealt with quickly. There are criminal penalties associated with unauthorised disclosure, modification, impairment or failure to destroy identifying information when required. Any loophole in our law can be exploited by criminal elements who may want to evade or subvert our border protection system. They include identity thieves, people smugglers, potential terrorists, drug runners and those who traffic in illegal sex workers. Any such loopholes must be closed as quickly as possible.

And here I want to give some context to these measures. This is not seen by the current government as some hysterical problem that we have to react to as a result of vast numbers of boat people. To hear the opposition talk over the last few months, one would have thought not that 350 people had arrived by boat to be dealt with by Australian immigration authorities but that there had been 350 boats full of people who were unauthorised arrivals. We have measured and considered immigration policy. This government is not hysterical, as the previous government was, about unauthorised arrivals, and the current minister has obviously taken a measured and intelligent way of responding to the few boats that have arrived.

I must say that I was surprised by the member for Murray’s description of recommendation 10 of the second report on immigration detention from the committee which I chair and by her discussion about whether people should be released into the community or not. Of course, what she did not mention was the fact that the report had taken evidence that people kept in immigration detention—about whom there was no dispute that ultimately they would be identified and who were no security risk to Australia—had suffered by being kept in detention for many
years and months, as had happened under the previous Australian government. That was a balancing factor that the committee took into consideration when making its recommendation.

This bill is further evidence that the Labor government is determined to protect Australia’s borders and the integrity of our migration system while also safeguarding the rights of all individuals who come in contact with that system. It shows once again the falsity of claims made by some members opposite that Australia’s border protection has in some way been softened or weakened under this current government. The member for Murray said that the previous government’s policy on immigration was widely considered as objective and even-handed. I must say that that is not a perception in the community that I have picked up over the years. In the context of speaking on these justified measures about identification and making sure that acts of parliament enable the Department of Immigration and Citizenship to deal with this properly, this government has not had a hysterical attitude to boat refugees coming to Australia. It has not been involved in disgraceful events like that of the Tampa, and to describe the migration policy and the refugee policy of the previous government as ‘objective’ and ‘even-handed’—as the member for Murray, the opposition spokesperson on immigration, did—is certainly in a context that is completely illegitimate in my view and, I think, in the view of the majority of the Australian people on this very important bill.

Let us stay measured and balanced. Let us protect the integrity of Australia’s migration system and let us welcome refugees when they do come here. Let us judge them properly. Let us release them into the community if there is no problem about their identification. If the information about their identification is ultimately going to come and if there is no worry about their security, it is much better for people be under a bridging visa than to be locked up in detention for months and years. If there is no threat to the Australian community—apart from the cost to the Australian community—they may as well be out in the general community earning a living under the bridging visa proposals that were proposed in the report of the Joint Standing Committee on Migration. I commend these bills on the integrity of the migration system to the House.

Mr ROBERT (Fadden) (10.52 am)—I rise to speak on the Migration Amendment (Protection of Identifying Information) Bill 2009. There is no doubt that the issue of migration and the wider issues of refugees, illegal immigrants and boat people are a debate this parliament needs to have, what with the recent surge in boat people. Notwithstanding that the push factors have not substantially changed globally, and considering the recent surge, this is a debate the nation needs to have. It is a debate that should be carried out with great compassion but with a firm resolve to represent the best interests of our nation. Let us not forget we are a young nation, just over 200 years old; we are a nation of immigrants. Some reports suggest that over 25 per cent of Australian citizens were born overseas. We are one of the great nations of immigrants. Our diversity is what gives us strength, it is what pulls our communities together and we need to do everything possible to ensure a strong sense of integration with all people who come to our nation—a strong sense of shared values and of shared commitment to our nation, its direction and its future. And it is in this context that I wish to raise some comments in supporting the migration legislation amendment bill.

The objective is to amend the Migration Act 1958 to ensure that identifying information obtained by the department or provided
to the department by other external and domestic agencies is better protected and governed by part 4A of the act. The Migration Act currently provides for a strict regime for the collection, use, access and disclosure of personal identifiers collected under the act. Part 4A describes the department’s obligations in relation to the handling of this information and, of course, contains a range of criminal penalties for any breaches. Amendments to the act in 2004 and 2007 unfortunately had the unintended consequence of limiting the provisions as they were originally intended. It would appear the departmental legal advice has said that personal identifiers collected by other agencies may not now be fully protected by part 4A of the act—clearly an unintended consequence. So this bill seeks to ensure that the rights and privacy of people whose personal identifiers are provided by external sources, including international agencies, are protected under the act and to ensure that the data our foreign and domestic partners provide to us will also be provided this protection. Furthermore, the bill codifies the handling of personal identifier information and puts beyond doubt the protection of the information. The amendments are therefore not contentious.

However, the context in which these amendments operate is far from simple. The amendments go to the heart of the integrity of our migration, immigration and refugee-handling policy. The collection of information set out in the Migration Legislation Amendment (Identification and Authentication) Act 2004 was designed to ensure that all migrants from any country arriving in this great nation, whether they are coming permanently to settle or temporarily to visit, do not pose any threat to Australia and her interests, that people coming to our great nation come here for the right reasons—that is, they come here to join in and celebrate our democracy; that they come here with the intention of taking on our shared values; and, importantly, that when they arrive, be they temporarily arriving or coming permanently, they are who they say they are. The first rule for any country is to know who is in it, and indeed for those coming here to know who they are as well. Our entire migration and immigration system hangs off this concept of integrity.

We are a nation of immigrants, a nation built on the backs of those who have come here seeking a better life. And why wouldn’t you? Australia is one of the greatest nations on earth and, as the member for Fadden, I simply say that Fadden, with the glorious beaches of the Gold Coast and the great broad water and hinterland, is one of the greatest places in one of the greatest countries on earth. So why wouldn’t people want to come here? And, because our nation is built on the hard work, the sweat, the tears and the blood of those who have come, they are indeed welcome. But the integrity of that system that brings them here is fundamental.

Let us not forget that on 25 April 1915, when the Anzacs so heroically charged the beaches of Anzac Cove, many of them had not been born in Australia. They were migrants, yet they had adopted Australia as their own. They were willing to fight, and so many of them died, for that adopted country. It is why this debate must be held with great resolve but also great compassion.

Our migration program has always been a nation-building program—a true one in all senses, not just in words. The Department of Immigration and Citizenship estimates that a person comes or goes from our shores every second. That is a staggering number. The department said in Senate estimates that there were more than 25 million movements in the last financial year—an astonishing number of people coming and going. And our capacity to correctly identify these people and to ensure they have an entitlement to
be here is imperative not only to our national security but also to our community harmony.

People are free in our country. When people arrive on our shores, holidaying or voluntarily, they are free to roam right across this grand continent. There are no police checks. There is no border security. There are no gates and bars. People are free. The only check we have is on our borders, hence the integrity of that checking mechanism is fundamental. We absolutely insist on a strong framework of checks and balances.

I join the shadow minister in not supporting some of the recommendations of the Joint Standing Committee on Migration report No. 2 into future options for additional community based detention alternatives. As she quite rightly pointed out, a number of these recommendations patently fail the integrity test. The recommendations will be seen as further softening of this government’s response to people smugglers. Although the push factors globally have not changed significantly, though the government would like to tell us they have, upwards of 20 illegal vessels have come to our shores in the last 18 months. The undoubtable conclusion is a softening of policy. I cannot support a new bridging framework, because it does not deter the abhorrence that is people smugglers. Recommendations Nos 2, 3 and 8 describe the view of the majority of the committee that unlawful noncitizens be diverted out of detention before their security and health identification status check is complete. I say with great compassion that this is completely and utterly unsupportable. It is absolute nonsense to suggest that before we know exactly who someone is, what their background is, what their criminal record is and what threat they may possibly pose to community, we are happy to release them into a free society where they can move around unencumbered.

These ex-detainees are to be transferred into the community within a bridging visa framework which entitles them to a basic range of basic income assistance, health care, temporary accommodation and furnishing requirements under recommendation No. 8. Recommendation No. 10 refers to a proposal that these bridging visa holders will also have a range of full working rights. All this will happen before we know who they are. Are we prepared to say to the employers of our nation: ‘There are a range of people who have just been released from detention on a bridging visa, and we actually don’t know their full background but we are happy for you to employ them’? Are we prepared to accept that risk? Is that appropriate due diligence for our nation? Are we taking appropriate care of Australian citizens by allowing this to occur? Are we prepared for the repercussions of a dreadful incident—a heinous crime—occurring because we failed in our responsibility in releasing people into the community before knowing fully their history and their background?

The fact is that most detainees do not stay for an extended period of time in secure detention. All detention centres are now either upgraded or in the process of being upgraded. The committee I referred to actually took evidence on 1 May that 47 per cent of stays in detention were for less than one month and 72.1 per cent of the stays were for periods of less than three months. Even processing times for the recent massive surge in boat people are being shortened. One of the more substantial issues that should be included in the debate we have to have, is on the 1951 refugee convention and the 1967 protocol. Our immigration program is one of the most generous in the world. Over the last 50 years this great nation has settled, on average, 12,000 people a year through our humanitarian program. Some commentators are saying that we are the most generous nation
in our humanitarian program, per capita, on the planet outside of Canada. Whilst I cannot substantiate the numbers, I can stand here confidently and say that we would at least be in the top five most generous nations. We should be proud of that. Australians should be proud of their generosity in helping those from some of the most dreadful and unfortunate circumstances across the globe.

I am one of the international directors of Watoto, one of the largest non-institutional orphan care programs in Uganda and Africa, with over 2,000 children we have picked up from the pit latrines and the garbage tins of the world. I have seen first hand the horror of the Third World, and the generosity of our humanitarian program is something we should all rejoice in. It is something we should be incredibly proud of. Yet, within that and within the work I do on a humanitarian basis, I remain firmly of the conviction that we should continue to decide who comes to this country and the circumstances in which they come. The only thing we have is a strong sense of policy, and this has been watered down.

Let us look at the signatories from the 1951 convention between us and Afghanistan—between us and half the world away: Azerbaijan, Iran, Kazakhstan, Kyrgyzstan, Tajikistan Turkmenistan, Yemen and Cambodia—

Mr Laurie Ferguson—What about the other side of Afghanistan?

Mr Robert—that is it. Those are all the countries that have signed. Pakistan, Malaysia, Indonesia and all of the countries in between—countries that are notorious for hopping of illegal immigrants—have not signed. There seems to be little indication within these countries’ policy platforms that they will. Considering that so many intermediate countries have not signed the convention, and all indications are they may not, we only have one stand—and that is policy. The Howard government introduced a very strong border protection mechanism and policy framework, which included Operation Resolute with the use of our military and Customs planes. Even then, with the great compassionate nature of this nation, we brought back for processing those found on the high seas. Thus, the only thing we have to rest on is a strong sense of policy. And I see that being watered down at every step.

I would encourage the government to move away from looking to self-aggrandisement on the United Nations scene and instead to look to some tangible results—to look at a new framework for the 1951 convention, to revisit it and encourage other countries to sign up and to look at ways that we can encourage the rest of the world to come on board and accept their humanitarian responsibilities in assisting those in need. Until such time as the 1951 convention and its associated protocol is redefined to include the rest of the world and until such time as the rest of the world is encouraged to accept its responsibilities, all we have is policy—nothing more, nothing less. Strong policy combined with the strongest possible integrity in our migration and refugee system is needed. I commend the bill, I commend this strength of integrity, I commend the government to accept the need for the strongest possible policy and I ask the government to review its policy positions and to strengthen them, as that is the only weapon we have against the great surge of boat people.

Mr Laurie Ferguson (Reid—Parliamentary Secretary for Multicultural Affairs and Settlement Services) (11.08 am)—in reply—I thank members for their contributions to the debate on the Migration Amendment (Protection of Identifying Information) Bill 2009. The bill provides the appropriate framework for handling personal identifiers in the future. The Migration Leg-
islation Amendment (Information and Other Measures) Act 2007 made an amendment to the definition of identifying information in paragraph 336A so that identifying information became any personal identifier provided under sections 40, 46, 166, 170, 175, 188, 192 or 261AA of the act. However, these amendments to the definition in 2007 made these provisions more limited than the original policy intended.

Recent legal advice suggests that personal identifiers belonging to the department’s clients that are not currently protected by part 4A include those collected from other agencies, domestic or international, unsolicited external sources and law enforcement agencies, often shared with the department as part of an investigation. In relation to these personal identifiers, DIAC has been adhering to part 4A of the Migration Act 1958 and the Privacy Act 1988 where applicable so there is no question of either act being breached. In order to ensure that the rights and privacy of persons whose personal identifiers are provided by international external sources are protected under the act, and to assure our Australian and international partners that the data they provide will be given this protection, this bill will subject all personal identifiers collected by DIAC for immigration purposes to the same statutory regime, that being part 4A of the act.

I now turn to some of the contributions by members. The member for Fadden might be quite knowledgeable about how Logan City and Redcliffe went in the Queensland Rugby League results last weekend, but I do not think he has the same level of knowledge about immigration or international events. He made the outrageous comment that there were no push factors in immigration at the moment. He would also probably be telling us that there were no elections in Iran last week and that there was no swing to the Right in the European elections. With such a perfunctory lack of knowledge in this area, he would not be able to comment on any of these matters. Most of the Australian population has picked up that the civil strife in Sri Lanka has come to a bloody conclusion. Most people are aware that for weeks on end there were massive attacks in the north of Sri Lanka on the remaining Tamil Tiger heartlands and that large numbers of civilians were killed in the process. But, according to the member for Fadden, there is no big push, there is no big change in Sri Lanka and there will be no Tamils wanting to come to Australia. It has not happened!

Seemingly, the member for Fadden does not think that NATO and other international bodies know anything about Afghanistan. He seems to think that it is all quite calm and peaceful there and that there were no controversies recently about changes made by the Karzai government on women’s rights. Apparently, I did not see an interview with an Afghan women’s representative on TV this week—it did not happen! According to the member for Fadden, it is very peaceful, there are no measures disturbing anyone in the world and we will pull out next week. It is all over and there are no problems! That is a major insult to a delegation of Hazaras I met here the last time we were in parliament. They came to indicate the very serious pressures on their community. Hazaras have historically been persecuted by whatever regime is in power in Afghanistan, whether it is the former royal family, the current administration or the Taliban. The Hazaras have been a minority subject to pressures for quite some time. The delegation I met raised very clear problems confronting their community, and this is before we start talking about all of the other regional and tribal issues that confront Afghanistan. They raised issues such as the increased pressures the Iranian regime has brought to bear on the Shi’ite confreres of the Iranians—the Hazaras and other Shi’ites
who have fled to Iran—to make them leave the country. According to the member for Fadden, all the Iraqi Christians can just walk back to Baghdad tomorrow afternoon with no problems. I think the Assyrian community in Western Sydney would be very surprised by the analysis by the member for Fadden that there are no push factors leading to refugees wanting to come to this country. According to the member for Fadden, it is all very nice out there and there are no problems. This is preposterous. It was a major embarrassment to the opposition spokesperson in this area. I do not think she would have the effrontery to go anywhere near the kinds of suggestions that the member for Fadden has made.

The UNHCR global trends report showed 42 million forcibly displaced people worldwide at the end of 2008, a figure which included 15.2 million refugees. A staggering 44 per cent of all refugees and asylum seekers were children under the age of 18. I also note a very significant presence of people in our part of the world. Roughly one-third of refugees at the end of 2007 were residing in the Asia Pacific region, with 80 per cent of these being Afghans, yet the number of boat arrivals in Australia remained low by world standards. We have the comfort of being where we are in the world. The member for Fadden talks about the lack of signatories in this region. That is very true. One thing on which I agree with him is the need for international pressure to increase the number of signatories to UN conventions in our region—there is no doubt about that. But, compared to the Europeans, we have the comfort of being very distant when it comes to boat arrivals. You only have to look at the measures that Italy has been forced to undertake in the last few years with Libya to try to negotiate some reduction. This has led to xenophobia and racism in northern Europe. Countries such as the Scandinavian nations, which never had these problems before, are swinging towards political conservatism, racism and even neo-Nazism because of the huge pressures.

I think we should get these things in a bit of perspective. We should get rid of this rhetoric that there are no problems out there and the boats are just a reflection of some change in government policy. This is preposterous; it is ridiculous. It manipulates the Australian people. It gives them a false sense of confidence that, if there are few hardline laws, then we will not have a problem. We do have a problem, and that is why in the budget this year $1.3 billion has been devoted to strengthening Australia’s border protection and national security regime, and $654 million of that is specifically dedicated to a whole-of-government—that is, interdepartmental—strategy to combat people-smuggling. Even when we are bringing in laws in regard to detention debts this week, we single out people-smugglers as a group of people to which we will not be showing the same consideration in regard to those detention debts as we will be showing to other people who have been detained. The member for Fadden’s contribution was disturbing and ill-informed—he really should stick to Rugby League and Aussie Rules commentary.

I want to now turn to some comments made by the shadow minister for immigration. She referred to a National Audit Office report in regard to my handling of settlement grants. I think we should put that kind of comment in the context of the momentary, perfunctory interest in this matter by the opposition in estimates. The senator who handled this matter, Senator Fierravanti-Wells, asked a few perfunctory questions, made a few snide comments and left it there. It solicited one bit of interest in the media.
I want to make the point that my electorate just happens to be an electorate that has heavy migration. It is an electorate where half the population were born overseas. As the member for Fadden noted, the Australian average is about 25 per cent. Half of the people that live with me in Reid were born outside this country, and 75 per cent of those are from non-English-speaking countries. My electorate is either the first or the second in regard to Arabic speakers, Muslim Australians and Chinese Australians. It is heavily characterised by new arrival communities, the suburb of Auburn particularly being characterised by a high Iraqi Shia population. Afghans are spread throughout suburbs such as Harris Park. This might surprise the shadow minister, but there are significant settlement grants in my electorate. I should also advise her that this year the electorate lost three of those longstanding grants. I note that the audit report singled out the department for criticism in regard to paperwork. As I said, the opposition showed its disdain and disinterest in these matters during the estimates process.

I note that one of the four grants that were questioned by the national audit report was questioned after the very persuasive intervention of the member for McMillan, who directed to my attention the secondary movement of Sudanese to the Gippsland region. This is a very dangerous area for the opposition to tread on. Probably the biggest scandal in Australian immigration in regard to visas was the Kisrwani case. I would advise the shadow minister to take a bit more interest in that history.

We have the rhetoric that accompanies this of her family’s Chinese connections and the Congolese council candidate, and I have seen her make some very impressive speeches. I praise the multiculturalism and the Chinese events in Sydney. However, this rhetoric, these speeches, in home-ground venues where it is good to mouth these kinds of slogans, must be accompanied by the reality of policy. I know that the shadow minister did go to the opposition ministry with a proposal to support the government on detention debt and was rolled. We must give her some credit for waging that fight. But to come in here and try to connect the very necessary changes in regard to detention with apprehension, scaring people and the waves of people that the member for Fadden accompanied her speech with is really disturbing.

I want to say again, for the member for Fadden, who seems to be styling himself as some sort of expert in this field, that the second report does nothing about the question of unlawful noncitizens. It does not say that they should be released from detention before health, security and identity checks. This is why we do detain people for a period of time—so we can have these checks. We do not detain them as a punishment. We do not detain them for criminal purposes. We detain them to take these checks. I am contacted every day of my week by people in my electorate who are waiting for six months for their spouses to enter this country because of security checks by ASIO. If anything, they are taking too long in regard to this processing. So there is nothing that says we have an open door, that we are not checking people—of course we are. Where we differ is on the question of whether children should be detained and whether people should be shown compassion or basically be condemned to very long periods of detention for no real public policy purpose—just to assure people with some subliminal message that we are protecting them from terrorism, implying at least some of these people who have come by boat are terrorists. This is, as I say, a false premise. It is aimed at alarming people. It really gives no practical support. It simply creates an illusion.
As I said, we have seen today an opposition that is floundering to in some way justify the Howard legacy in this area after having repudiated it to some degree. They basically see some opportunities because we have a very strong push factor in regard to refugee claims throughout the world at the moment. We face very grave difficulties in a lot of regions of the world in regard to refugee claims. Indisputably, people are going to seek protection around the world. To try and tie the number of boats in with changes in government policy in this country is absolutely ridiculous.

We have seen also of course that, despite all the rhetoric of the government, somebody sitting around Indonesia for a large number of years with nothing being done to return him to Australia. It is this government that is effectively prosecuting him and driving home against that individual allegations in regards to people-smuggling. I want to again commend this bill to the House. The member for Melbourne Ports, who takes a deep interest in immigration matters, has very adequately covered the provisions of this bill.

Question agreed to.

Bill read a second time.

**Third Reading**

Mr LAURIE FERGUSON (Reid—Parliamentary Secretary for Multicultural Affairs and Settlement Services) (11.23 am)—by leave—I move:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

**Third Reading**

Mr ABBOTT (Warringah) (11.23 am)—If you go to a remote Indigenous township you will invariably find a school, a clinic, a store and a council. Under the aegis of the council, you will invariably find municipal services, employment services and housing services. These are a lot of governmental institutions to operate in what are often quite small communities. In, for argument’s sake, a community of say 500 people you will often get 50 to 100 resident officials or professional staff staffing the school, the clinic, the store and the various services run by local councils. While there are well-developed vertical lines of command between, say, the school and the educational authorities in the state capital and between, say, the clinic and the health authorities in the state capital, there are often not well developed lines of horizontal communication and coordination between the various governmental bodies and agencies in these places.

Indigenous communities often provide very powerful illustrations of the defects of services in silos. This is a well-known problem with the delivery of governmental services generally, but it is particularly acute in many Indigenous places. Indeed, Indigenous places are often characterised by an abundance of government but an absence of authority generally. If you look at these remote Indigenous communities, you often see in the lifetimes of the older people resident in them transitions from traditional authority to mission authority to virtually no authority. It is a real problem. One reason why so many of these places are hotbeds of social dysfunction is that there is very little effective authority in them. So often we have committed idealistic young officials and professionals going into these communities and returning after six or 12 months defeated and disillusioned, because they feel that nothing really changes. Those who are there for the long
term have begun to think that nothing really matters anyway.

This problem of disorientation and disillusion in Indigenous communities—especially among the people who deliver services to Indigenous communities—is very serious and needs to be tackled. This bill to provide for a Commonwealth Coordinator-General of services to remote Indigenous communities is the government’s attempt to move in this direction, and I want to commend the government for its good intentions.

There is the potential here to make a significant difference, because the Coordinator-General will have the power under this legislation to require people such as state and federal officials to provide information and documents, to require people to attend meetings and to request assistance from Commonwealth, state and territory agencies. It is envisaged that the Coordinator-General will have the power to—metaphorically, at least—bang heads together where problems are not being addressed in an attempt to make a difference. As I said, this is a worthy move on the part of the government. The Minister for Families, Housing, Community Services and Indigenous Affairs has said that the establishment of this office is long overdue, and I have to say that I am inclined to agree with her.

I should point out, though, that as part of the intervention in the remote townships of the Northern Territory the former government did establish in virtually each of the 73 remote communities affected by the intervention the position of government business manager. The idea behind these government business managers was that they would be people with the authority of the Commonwealth government who would be in a position to try to ensure that all the services and agencies in this town were working together rather than pulling in different directions. So, if the teachers were not talking to the doctors and nurses, the government business manager would be able to have a quiet but authoritative word in the ear of all of them and try to ensure that common sense prevailed.

I have to say that, in my opinion, even better than the establishment of one coordinator-general based in Canberra would be the establishment of a whole series of mini coordinators-general in every single remote Indigenous community. In my opinion, the establishment of a senior Commonwealth officer in residence in each of the remote communities would be an even better step than this. But I do think that this is a step in the right direction.

I hope that the coordinator-general, once appointed, turns out to be a person of great natural authority as well as a person who is widely respected by the Australian community and widely experienced in getting things done—in making a difference. I hope that, in looking for people to fill this job, the government might consider former senior military officers, for instance—former senior officers of those institutions and establishments which do not muck around but get on with things and are used to being treated with respect and taken seriously, because that is the kind of officer that we need in this role if it is going to make a difference.

The coordinator-general has to be focused on the actual delivery of services on the ground. The coordinator-general has to be focused on trying to ensure that the people on the ground are absolutely committed to their role. That is what is necessary if this job is to start to make a significant difference to what can often be ghastly conditions in our remote Indigenous communities—the Third World in the midst of what is otherwise one of the greatest countries on earth. I do not want this coordinator-general to end up being just an addition to the bureaucracy; I would
like to think that this coordinator-general is going to spend most of his or her time out in the remote places of our country actually making a difference where it matters. I commend the bill to the House.

Mr HALE (Solomon) (11.32 am)—I support the comments of the member for Warringah. The Coordinator-General for Remote Indigenous Services Bill 2009 allows for government investment to be prioritised and coordinated to ensure that each priority location has the infrastructure and services that support and sustain healthy social norms so people can reach their potential and communities can thrive. The position of coordinator-general is being established to address the practical problems associated with designing, sequencing and rolling out myriad programs in remote communities. As the member for Warringah mentioned, this position of coordinator-general is important. However, Indigenous communities have waited a long time. There is a sense of worthlessness and despair in many of these communities. The government joins with the opposition in a bipartisan approach to make sure that we bridge the gap between Indigenous and non-Indigenous Australians.

The bill makes provisions for the coordinator-general to arrange with the Secretary of the Department of Families, Housing, Community Services and Indigenous Affairs for the services of the APS employees from the department to be made available. If the coordinator-general is not satisfied with the response from the head of the agency, the coordinator-general may report the matter to the minister and also the Prime Minister if necessary. This is an important mechanism because too often we see there is too much slippage in programs and the money is not actually getting to where it is most needed in Indigenous communities.

I would like to draw the attention of the House to today’s Age. A young guy by the name of Liam Jurrah is pictured on the front page. He is a traditional man—a Walpiri man—from Yuendumu. Anyone who follows AFL football would know what our Indigenous brothers bring to the game. Some 12 per cent of AFL players are Indigenous and the league is working towards getting that to around 20 per cent by approximately 2020. There is also an aim for four per cent of employees of the AFL to be of Indigenous descent in the near future.

Liam Jurrah’s is an interesting story. He is a boy from Yuendumu. I coached Liam Jurrah when I was coach of the Northern Territory Thunder a couple of years ago. I remember taking Liam to Melbourne. He played at Princes Park—or Optus Oval, depending on who was sponsoring the Carlton ground at the time—and I remember how cold it was. Liam Jurrah, the boy from Yuendumu, really struggled with the cold. He found it very difficult. After a game we would do a rehab session where the guys would go down to the beach at St Kilda. It is quite an interesting spectacle. You see all these guys up to their waists in the sea. The coach and all the coaching staff even went in—I made it compulsory for everyone to go into the sea. From memory, the water was about eight degrees. Liam Jurrah stood there and looked at me as if to say, ‘Coach, please, don’t make me do this.’ I thought at the time that by making Liam Jurrah do that we would lose him from the program, but he hung in there.

Last year, the Collingwood Football Club gave Liam an opportunity to play reserve grade, but he had to go back to Yuendumu for his tribal business. He is a ‘ceremony man’, as they say, and already one of the elders in the community—he is a leader. Liam Jurrah played for Collingwood and went back to Yuendumu, and this year the
Melbourne Football Club drafted him in the rookie draft and promoted him to their list. On Friday night, Liam Jurrah plays his first game for the Melbourne Football Club. It is a fantastic story.

I would just like to say that the AFL probably does it better than anyone when it comes to working in Indigenous communities and giving hope to a lot of young Indigenous footballers. Liam Jurrah will run out onto the MCG on Friday night to realise his dream of playing AFL football. The game is against the mighty Essendon, I must add—the side I support. Essendon has a long association with Indigenous Australia. We remember the association that Kevin Sheedy had with Michael Long.

I see that the Minister for Families, Housing, Community Services and Indigenous Affairs is in the House. I would like to acknowledge her. Last year I had the pleasure of walking with her on the Long Walk with Michael, from Federation Square in Melbourne to the MCG to celebrate Indigenous Australia and what they have contributed to AFL football. What the AFL does in Aboriginal communities is certainly something that government can support and work closely with. I would be very proud. I hope that Essendon beats Melbourne, I must admit, on Friday night. I also hope that Liam Jurrah plays well but he will certainly be a hero in Yuendumu. One of the comments was:

In Yuendumu, this is bigger than going to the moon ... somebody’s already been to the moon.

No-one from Yuendumu has ever played AFL football. Good luck to Liam Jurrah.

The challenges are enormous. I have a part-Aboriginal wife and five kids; I have been to Ti Tree and I grew up in places like Katherine; I lived in Maningrida as a four-year-old. A lot of Aboriginal people in communities have got to a point where they have said: ‘Nothing will ever change. There’s no hope for us.’ I welcomed the comments from the member for Warringah because this is bipartisan. Aboriginal people do not need to be a political football. As a nation we certainly need to really address the crisis that has occurred in communities for a number of years.

It started, I suppose, on 13 February last year with the apology. This was a significant moment. People who do not think it was significant are wrong. There are a lot of people within my community from the stolen generation. My mother-in-law was one of those people who were taken away from Tea Tree when she was seven years old, never to see her mother again. She grew up on Melville Island. There was always a worry about compensation. Sure, there are avenues for people to get compensation, but certainly my mother-in-law was just happy with the fact that it had been acknowledged that things were not done properly back in those times. The apology from the Prime Minister on 13 February was certainly well received in my area.

The Coordinator-General will provide information to agencies on obstacles within their areas of responsibility and advise the minister and COAG on the need for systematic change. If the Coordinator-General fails to receive an adequate response from the agency official, this bill allows for the matter to be reported to the head of the relevant Commonwealth, state and territory agencies.

The then Minister for Employment Participation, Brendan O’Connor, came to Darwin and we toured one of my Aboriginal communities in Bagot. We drove around and the minister was quiet. I think he was taken aback with what he saw and how some of these people were living. We had a meeting with the local council. The minister said to me, ‘Should I go around and meet people
and say hello?’ I said: ‘Look, with all due respect, Minister, you don’t have to do that. These people have met all politicians. They have met former politicians from the other side, in Mal Brough and David Tollner; they have met Damian Hale and Matty Bonson, the local member. They will show a lot of respect. They will stand up, shake hands and say, ‘How are you going?’ and it will be just another white politician who has come to visit. They will go back and sit under the tree and nothing actually changes.

To the credit of the minister, who is in the House today, I had a conversation with her last year and she said, ‘Where do we start?’ We started on housing as an issue. Overcrowding probably leads to a lot of the dysfunction in Indigenous communities, as well as a lot of the health issues, the truancy from school and the inability to go to work. The housing program has been rolled out—some $800 million of housing for the Northern Territory. It is a vital component and starting point. The minister has been very proactive in listening, talking and consulting with communities. It has certainly been appreciated. But the time has come for us as a nation to actually get the results that we need to get in these communities. We have talked about it and we have been here for 240-odd years, and for a lot of that time Indigenous Australian communities have gone backwards. The time for results is now. We cannot continue to muck around, take our time, have inquiries and write reports. It is about making time now for action in Indigenous communities.

I applaud this bill. The Coordinator-General will be the person who can make action happen on the ground where people need it, so that the four-year-old kid does not end up with sickness caused by bad living conditions. Gingivitis in your mouth has a direct association with heart disease. Gingivitis in a four-year-old’s mouth can cause heart disease when they are 45. Already a lot of Indigenous friends of mine have died between the ages of 35 and 40—young men who have died from heart disease at a very young age. It is a challenge.

I notice the member for O’Connor is here. Certainly over his time he has been involved heavily in Indigenous Australia in Western Australia. I acknowledge his commitment to this cause. It is something that goes above politics. It is not about politics at all. This is about our First Australians. Let’s remember: they are the First Australians; they were here before anyone else. They are the longest-living, structured culture in the world. For so long we have looked at them as a problem. We should not look at it like that. We should be embracing Indigenous Australians because they are unique. They bring a unique set of skills; they bring something unique to our country.

It was interesting to hear what the Prime Minister had to say in a conversation I had with him and that he had with us at caucus. After the apology, he went around the world talking to other world leaders. He met with the President of the United States of the time. They begged to differ on a few issues—on Iraq and withdrawing troops and climate change and that sort of stuff. But predominantly what leaders around the world wanted to talk to the Prime Minister about was what it was like to apologise to Indigenous Australians. That is the impact that it has had.

Now is the time when we need to really start to look at what we can do for Indigenous Australians, in particular those in remote communities. How can we make those communities function better? How can we rid them of the alcohol problems, the drug abuse and the petrol sniffing? We continue to build houses. We get them into functional communities. How do we give them economic development through working not only with government agencies but also with
Closing the gap in Indigenous life expectancy has been the focus of the Rudd government from day 1. That has not changed. The coordinator-general will now provide us with a vehicle for somebody to really ask the hard questions and to say: ‘Well, all right, we have put this money into this community. Fine. What effect is it having on the ground? What is it going to do? How is it improving things?’ These things are measurable.

How many kids are getting to school? We need to work with parents in order to make sure their kids go to school. We take it as given that kids will go to school. But, in some of these communities, mums are very protective of their children—they are very close to their children—and some of them do not like their children going away for six hours during the day. Some people do not understand the benefits of that. They want their kids near them. That is their culture. That is the way they are. They are very clingy to their kids. My wife is no exception to that. She is very close to our five kids. You can go to the football and just buy one seat for her to sit on because they all sort of sit on top of her—and they are getting to be 16, 17 and 18 years old. But they are still very clingy to their mother.

Ms Macklin—I hope they are not all as big as you.

Mr HALE—It would be a lot cheaper to just buy the one seat, Jenny, instead of the six that I usually have to pay for!

We need to continue to work with Indigenous Australians because they are a gift to us. The gift that they do bring—and I go back to Liam Jurrah, and I see his picture on the front page of the Age—comes not only through football but certainly through the arts and drama. David Gulpilil was from a place called Ramingining. My father taught at Maningrida and he taught David Gulpilil. David has had to walk both sides of the street his entire life. I had the pleasure of catching up with him in the mall a couple of weeks ago in Darwin. He tried to sell me a painting, I must admit, which I did not purchase, but he was very friendly. David has done it for so long. We take it for granted that he should be able to do it. But, when you think about it, he is a full-blood Aboriginal man who has grown up and lived in Ramingining all his life and he has not only been able to be with his people and his culture but also been able to walk the walk in New York and places like that overseas, where he has been a superstar of the screen in movies like Storm Boy. He cut his teeth on Storm Boy, then he went on to Crocodile Dundee and he played a starring role in Australia recently. David is a great example of somebody that has had to really struggle. He has had his own personal struggles, but certainly he is an iconic actor. When you meet him he still has the big smile and the sparkle in his eye. He is certainly an individual that all Australians should be very proud of.

Hopefully, if the coordinator-general can do this, we can get some real goals kicked for Indigenous communities. The time has come; we cannot talk any longer. Time is running out for a lot of these people. As I just said about the time the minister came to bag it with me in my community, the trouble is—and the community said this—that a lot of them have given up. They have just decided: ‘Well, my lot in life is that I am not going to have a job. I am not going to have a house. I am just going to sit under this tree and die when I am 50 because that is my lot.’ That is a tragedy. We need to address that.

As I said, I welcome the comments from the member for Warringah and I do believe that he has a genuine concern about Indigenous communities. I think, as I said, this has
got to be a bipartisan approach. It cannot be a political approach. It has got to be a bipartisan approach. Do what is best for Indigenous Australia.

When the coordinator-general is appointed, I wish that person the best of luck to work closely with government to make sure that we deliver services on the ground. We do not need layers and layers of bureaucracy. We need to have a coordinated effort in which money that is committed by government actually hits the ground so that we start to make some real changes for these people that live in these remote communities—not only remote communities, but also in places such as in my area of Solomon in Darwin and Palmerston, where I have five Indigenous communities. They are suffering like the Yuendumus and the Lajamanus and the Ti Trees and the Santa Teresas and those communities, like Mutitjulu, that are more in the spotlight.

There is a crisis there, and I commend the minister on her efforts so far in 18 months. Certainly it is not an easy job. I will continue to work closely with her for my communities. I think that, whenever this position is filled, it needs the support of everyone in this place so that when we walk of this place one day—when we are voted out or we retire—we can look back on our time here and say: ‘Well, did I make a difference? Did I get into politics for the right reasons?’ I believe that the 150 members in this place are all here for the right reasons and are all passionate about their areas and are all passionate about Australia.

But being in politics is about trying to make a difference. This parliament can make a difference in the next 18 months, as can whoever wins the next election after that. This is our time right now to make a difference to Indigenous Australians. We cannot wait any longer. To Liam Jurrah, my friend: I wish you luck. I hope the Bombers win, but I hope he gets a kick. I commend the bill to the House.

The DEPUTY SPEAKER (Mr AJ Schultz)—It is good to see the member for Solomon has maintained his enthusiasm for Aussie Rules football from his days in Temora in New South Wales.

Mr TUCKEY (O’Connor) (11.52 am)—I congratulate the member for Solomon on his genuine interest in the constituents he represents and in the broader Indigenous population. Let me say of the AFL that I am not exactly sure that there is a degree of altruism in their giving opportunities to Aboriginal footballers; it so happens they are very good at the game. Let me also make a comment in passing, and a reference to the shadow parliamentary secretary for energy, who is at the table, about the efforts of Gerard Neesham in the early stages—and Mr Randall, the member for Canning, also prosecuted this—in gaining Commonwealth grants for the program: ‘If you go to school, you can play in the footy team.’

I have some serious things I want to say, but I might just add while I am on these ‘anecdotal facts’ that when I went to Carnarvon in 1958 we had three football teams and the East Carnarvon team was 90 per cent Aboriginal. It may seem a funny thing to the member for Solomon, who has been a football coach, that in those days we played to position—and your coach gave you a nice bollocking if you were in the back pocket and were seen running up the ground to try to kick at goal. I used to make the odd contribution—I was very ineffectively as a footballer, I might add. But, as the president of the Warriors football club, if we were short I had to play. But we always used to laugh at East Carnarvon because they used to run up and down the ground following the ball wherever it went, and we would say, ‘That’s
not football!’ Of course, today that is the way the game is played. I want to make another point there, and that is that in all sectors of society we should always give people the opportunity to be good at what they are good at. You just cannot turn people into things they may not be, but our Indigenous people will excel in many areas of sport, as Cathy Freeman and others have demonstrated, and there should be a strong effort to ensure that they get the opportunity to achieve that potential.

I could not go through a whole speech without a little bit of political irony. I note that the Minister for Families, Housing, Community Services and Indigenous Affairs said in her second reading speech on this Coordinator-General for Remote Indigenous Services Bill 2009 that:

... this bill will give the coordinator-general the powers:

- to require people to provide information and/or documents;
- to require people to attend meetings; and
- to request assistance from Commonwealth, state and territory agencies.

Those first two items sound a bit like another piece of legislation that is being hotly contested at the moment when it is applied, of course, to trade unions. As I said, I just could not avoid the irony of that circumstance, and I understand and hope there is a difference.

I want to take this opportunity in speaking on this legislation to make a point that the member for Solomon actually put into words: getting the money on the ground. This is the challenge for the coordinator: is this another layer of bureaucracy that consumes money that would be better on the ground? And that question arises in many respects. For example, I have been a long-time critic of the type of house that we build for Aboriginal people. We seem to think we do them a favour by giving them a European design because we want to give them equality with us. I know a lot of the $800 million mentioned has gone to transportable homes; furthermore, they in themselves, by the nature of their fabrication, are not suitable. I have proposed to our shadow minister that, instead of him having another Pollie Pedal, we have a pollie house-building exercise, because there are methods of construction which can be easily taught to people in remote communities, using a lot of remote area equipment, that would provide very adequate housing of a robust nature and of a design, to my mind, that better accommodates the housing desires of people in remote communities, but I will go no further into that.

In the time available to me I want to touch on some issues from our history. I took my wife as a very young person to the town of Carnarvon in 1958. That was nine years before a constitutional amendment gave any power whatsoever to the Australian parliament, in fact the parliament was forbidden, to pass laws relevant to Aboriginal people. It was forbidden to spend any money in that area. The peculiarity was that the Aboriginal people I knew at that stage were hugely self-reliant, partially, I guess, through neglect. They did not have a nanny state of any nature. They had some supervision by state agencies. They even had to apply for citizenship, which I always thought was pretty outrageous. But what did these people do? They all had jobs. They were very, very competent workers. And they did have houses, they paid rent for them and they got them, in competition with white people and others, as residents of the community.

When the Western Australian Main Roads Department constructed the North-West Coastal Highway from just north of Geraldton all the way to Onslow, the third in charge was an Aboriginal man and good friend of mine. I ended up having a business hiring out graders and I was very happy to get some of
those Aboriginal people to drive my graders and other forms of earth-moving equipment. And, yes, out there on the pastoral properties were communities. They lived on the pastoral property as a community and as a labour pool, but they had employment.

Then along came a Liberal government—and, with the best goodwill in the world, got a constitutional amendment that was supported by something like 97 per cent of the electorate, and my vote was yes also, to give the Australian parliament a responsibility and the capacity to assist these people. I believe that, one after another, we have failed. This legislation is probably another recognition of that fact, that we are uncoordinated et cetera, but it is another process of top-down funding.

I have a paper—and the member for Solomon might want to read it some time—that was presented to John Howard after he closed down ATSIC that was signed by every member of the coalition who had a significant Indigenous population within their electorate. We referred in that paper to bottom-up funding. It is interesting if not just for the simple arithmetic alone. If the total expenditure of this parliament were $3 billion on Aboriginal matters, although I think it would be closer to $4 billion these days, and you shared that equally on the basis of the 300 identified language areas, the grant to each of those bodies in average terms—of course the amounts would be much greater for some and much less for others—would be $10 million per language area, and you could then divide that up as you like. The fundamental issue of our proposal was to do as is done with local government whereby the financial assistance grants are not distributed by this parliament, so it is not about going to your friendly local member of parliament to get you a bit more. This parliament puts a one-line item in the budget and the federal Grants Commission, on this occasion, distributes that on a needs basis to the states and then in this case it goes through—and it would be unnecessary in terms of this parliament—what the states have. A state local government grants commission—and I was one of the original persons on that—distributes all of the money on a needs basis.

Our proposal went further, and I am pretty sure the member for Solomon will not disagree with me on the management responsibilities that we give to Aboriginal people. All those Main Roads workers in those days used to get paid by cheque and my hotel was the bank. On Thursdays we had to have a very large amount of cash for when these people brought their cheques in and got them cashed. We also had to have a large amount of small-denomination notes, because these hardworking people, managing their own affairs without any government assistance, knew that when they got out the door there would be a few hard-up rellies wanting them to give them money. They had an obligation to give it and they managed that by having small-denomination notes. That is not a criticism; that is a fact of life. When asking these people to manage taxpayers’ money, we must always ensure they are protected from a cultural fact of life.

So we said, having decided that all moneys would be distributed by the federal Grants Commission on a needs basis according to whatever was an appropriate formula, that it would be managed at the grassroots level by an Aboriginal board of trust. We used those words advisedly because there were to be trustees and we suggested that they be, in most cases, the local government authority which already had a high level of prudential legislation applicable to its management. We then looked at the opportunity of how you would spend that money. It was our view that that body would be buying services from all echelons, including the state.
and federal governments, as they needed
them. If it were the view of a community that
an additional police officer was a need or
that upgrading a police station was a need,
they could fund it from that money. More
particularly, if they thought they needed
some public health nurses, they could hire
them from state authorities or from, in our
state, the charitable agency called Silver-
chain. Furthermore, we said they should
have the power to say to those service pro-
viders, ‘We want you to create a couple of
training positions which we will also fund.’
So there would be a process over time of
training in all sorts of skills being achieved.
Of course they would have a right to buy
housing and of course they would have a
right to do many other things. The decision
would be theirs with appropriate assistance
in doing so. They would not be paid large
salaries. They would be paid a meeting fee
and whatever costs were associated with a
meeting to decide how the money should be
spent.

I am prepared to bet that you would get a
lot better outcomes from that. But above all,
member for Solomon, just think of the
money that these people spend from time to
time to get a grant. They actually have to go
and get consultants to get their money, which
we have provided in the budgets in this
place. I am saying that with those communi-
ties, however they were structured—and we
used the language areas but it was evidenced
that those boundaries could have been ad-
justed somewhat to be more sensible—the
whole idea was to give people some power
over the way that money was spent and I
think then you would not need a coordinator.
By the way, as far as I was concerned, an
Aboriginal legal service would survive on
how many customers they got from those
groups, as would land council services and
others. In other words, if you thought locally
known solicitors would provide better repre-
sentation for your group in whatever area—
not as occurred in the Kimberley recently
where they killed off a negotiation without
even saying what the final offer was—then
you would have the opportunity to buy ser-
vices from those people. Think of the money:
if we are dividing $4 billion by 300 commu-
nity areas, it is a lot more than $10 million
per group on average. I put that forward as I
consider this process brought into this
House, with all the goodwill in the world, as
an admission of failure to date—a failure as
much administered by our side of the House
as by the other. Let me say that when we
took that proposal I have outlined to Mr
Howard he would not have a bar of it, which
shows the problem of having prime ministers
coming from Sydney: they do not understand
and, unfortunately, they still believe that this
is the dominant parliament to assist these
people.

The money—to quote the member for
Solomon—needs to get on the ground. After
having taken his salary and the salaries of his
staff out of this budget amount, which we
allocate in various lumps and in a variety of
ways, maybe the coordinator will achieve
that on this occasion. With the best of good-
will, I doubt it. The problem is top-down
funding and this is another process of top-
down funding. The member for Solomon is a
person who might want to get a copy of this
and have a look at it. You can have variations
of the scheme, but my fundamental view is
that there is no solution other than to give
people the first decision about how they
should spend their money. You want to create
scholarships and send some of the young
kids to better schools or you want to hire a
truancy officer? All of those things should be
their responsibility and their first choice. I
think those people exist in those communi-
ties and the advice they might get from the
local shire clerk, as part of that system,
would be beneficial.
I do not go back to Carnarvon very often nowadays, but after I left someone up there decided they wanted an interpretative centre. From my recollection, that community had grown a long way away from Aboriginal culture. There was quite a significant infusion of Asian bloodlines that had occurred over the century. But they were going to have an interpretative centre. They spent $4 million on it while there were still inadequacies in housing and education. It has never opened because, after building it, they could not decide who was going to run it. We know why—it goes down to family issues. I think that has got to be better understood.

I do not oppose this legislation. The shadow minister gave it a glowing reference. I understand that the government has done this in the hope that it can make things better. But, until this parliament decides in a bipartisan fashion that the whole funding structure is wrong and that the involvement of federal parliament has brought no good to the Aboriginal people, I think we will go on passing similar laws, introducing more public servants and bleeding more of the funds away from the grassroots and it will not succeed. I do not want to predict that on this occasion but I think that is time that we revisited the whole program and took that local government example as a basis for distributing the money to the people who need it most and allow them to decide how it should be expended, from community to community. The people of Redfern are going to have a different view on that than the people of Yundumu.

In closing, substance abuse and all these things are first driven by idleness—although I do not want to make idleness a dirty word. Regarding children, my attitude always was that, if they were not so tired by 6 o’clock that they needed to go to bed, there was a chance that they would want to go out and get into trouble. The original lifestyle of the Aboriginal people was such that they spent all day hunting and gathering. They were a very fit people and very much involved. We come along and replace the kangaroo with the government store. Of course, they have extra time, and it is a great tragedy that in many cases they have consequently resorted to substance abuse. We have got to create environments where the people have got something to do. I agree with the member for Solomon that we should give them more sporting opportunities and things of that nature—in which they are very capable—or else we are just leaving them to missed opportunities.

Ms MACKLIN (Jagajaga—Minister for Families, Housing, Community Services and Indigenous Affairs) (12.12 pm)—in reply—I thank the various members from both sides of the parliament for their contributions and their support for the Coordinator-General for Remote Indigenous Services Bill 2009. This important bill creates the position of the Coordinator-General for Remote Indigenous Services to drive the implementation of the Council of Australian Governments reforms across a wide range of areas, including service delivery, employment and housing. Resources will be initially concentrated in priority locations across the country and we will seek to deliver to those communities facilities and services that are comparable with those in non-Indigenous communities of a similar size, location and need in other parts of Australia. I think that will be a very significant step forward.

New locations can be added to the purview of the coordinator-general by the minister specifying the remote community by a notice published in the Gazette. A remote community in a state or territory can only be specified after that state or territory has been consulted. Government investment will be prioritised and coordinated to ensure each priority location has infrastructure and ser-
vices that support and sustain healthy social norms so that people can reach their potential and communities can thrive. It is intended that the approach will be extended to other remote locations.

Reporting directly to the Minister for Families, Housing, Community Services and Indigenous Affairs, the coordinator-general will work closely with governments to make sure that we have real improvements for Indigenous Australians against the Council of Australian Governments Closing the Gap targets. The position of coordinator-general has been established to address the practical problems—and I really want to emphasise that. It is about addressing the practical problems associated with designing, sequencing and rolling out myriad programs in remote communities. The coordinator-general will make sure that the delivery of all government programs in the specified remote communities is coordinated between governments instead of being planned and delivered in isolation.

It is our aim to remove bureaucratic blockages and ensure commitments by government agencies are delivered on time by monitoring requirements under the National Partnership Agreement on Remote Service Delivery and other COAG reforms. The coordinator-general will be assessing progress and advising governments where there are gaps or slow progress or where improvements need to be made. The coordinator-general will oversee planning and strategic investment in communities and provide agencies with guidance on good practice. I will certainly expect, as the minister, to receive regular reports on progress and the coordinator-general will make sure that all government agencies are held to account for their implementation responsibilities.

The coordinator-general will also meet regularly with national, state and territory officials, who will be identified as coordinators within relevant government agencies. There will be provision of information by the coordinator-general to agencies on obstacles within the areas of responsibility of those agencies and he or she will have to provide advice both to the minister and to the Council of Australian Governments on the need for systemic changes.

When there is an issue requiring urgent remedy, this legislation will give the coordinator-general the powers to require people to provide information or documents. The coordinator-general will be able to require people to attend meetings and to request assistance from Commonwealth, state and territory agencies. In the case of state or territory governments, the coordinator-general will make his or her request to the state or territory coordinator-general in the first instance. If that request fails, the coordinator-general may make his or her request of the head of the relevant state or territory service agency. If the coordinator-general fails to receive an adequate response from an agency official, this bill allows for the matter to be reported to the head of the relevant agency. If the coordinator-general is not satisfied with the response from the head of the agency, the coordinator-general may report the matter to the minister and also to the Prime Minister, if necessary. I think this emphasises the critical importance we place on this task. The coordinator-general will report to the minister twice each year, or as otherwise required, on the development and delivery of remote services since the last report and on the progress that has been made in achieving the Close the Gap targets within the specified remote locations.

The bill outlines the administrative provisions about the appointment of the coordinator-general including their appointment, acting arrangements, staff, remuneration and leave, and resignation or termination of ap-
pointment. The establishment of this office, supported by all Australian governments through the Council of Australian Governments to ensure government commitments in remote Indigenous communities are met, is long overdue. 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.

Ms MACKLIN (Jagajaga—Minister for Families, Housing, Community Services and Indigenous Affairs) (12.19 pm)—by leave—I present a supplementary explanatory memorandum to the bill and move government amendments (1) to (5) as circulated together:

1. Clause 4, page 3 (after line 15), after the definition of *Indigenous*, insert:
   
   **Indigenous Affairs Minister**, of a State or Territory, means the Minister of the State or Territory who is responsible for the administration of matters relating to Indigenous affairs.

2. Clause 4, page 4 (after line 1), after the definition of *specified remote community*, insert:
   
   **State or Territory Coordinator-General** has the meaning given by subsection 9A(3).

3. Clause 5, page 4 (after line 8), after subclause (2), insert:
   
   **(2A) Before the Minister specifies the remote location under subsection (2), the Minister must consult with the Indigenous Affairs Minister of the State or Territory about the proposal to specify the remote location.**

4. Page 7 (after line 4), at the end of Division 2 of Part 2, add:

   **9A Requests to be made through State and Territory Coordinators-General**

   (1) The Coordinator-General may make a request (the *original request*) under this Act to a member of the staff of a service agency of a State or Territory only by:

   (a) requesting the relevant State or Territory Coordinator-General to give the original request to that member of the staff of the service agency; and

   (b) the State or Territory Coordinator-General giving the original request to the member.

   Note: If a State or Territory Coordinator-General fails to comply with a request under paragraph (1)(a), the Coordinator-General may report the failure: see section 16.

2. However, if the Coordinator-General is not satisfied that the State or Territory Coordinator-General has complied with the request made under paragraph (1)(a), the Coordinator-General may make the original request by:

   (a) requesting the head of the service agency to give the original request to that member of the staff of the service agency; and

   (b) the head of the service agency giving the original request to the member.

   Note: If the head of a service agency fails to comply with a request under paragraph (2)(a), the Coordinator-General may report the failure: see section 16.

3. The relevant **State or Territory Coordinator-General** is the person (if any) nominated by the Indigenous Affairs Minister of the State or Territory.

4. Clause 16, page 11 (after line 30), after paragraph (1)(b), insert:

   (ba) a State or Territory Coordinator-General fails to comply with a request made by the Coordinator-General under paragraph 9A(1)(a); or
These amendments are small but important and designed to improve the workability of the legislation to make sure that the rights and responsibilities of state and territory governments are not affected. They are consistent with the broad thrust of the bill and certainly do not change its intent. Rather, they clarify a number of potentially ambiguous points and reflect our commitment to work very closely with the states and territories in the rollout of our Remote Service Delivery Strategy. I recommend the amendments to the House.

Mr ABBOTT (Warringah) (12.22 pm)—
The opposition will support the amendments, but this is the trouble with the states, is it not? The states can be difficult to work with. All of us think that it would be marvellous to have more cooperation with the states. All of us wish for more cooperation with the states. But the states, as we know, are very good at pledging cooperation and then just going on and doing exactly what suits them. I foresee much prickliness on the part of state governments when the coordinator-general wants to give polite requests to state government agencies and state government officials. I think that the amendments which the government is understandably making here at the request of one of the state governments are, alas, a foretaste of things to come.

In conclusion, the only reason why the Commonwealth government has been able to put the intervention in place is that it is the sovereign level of government in the Northern Territory. The Northern Territory is a subordinate legislature to the Commonwealth. This is not the case in the states, which is why, as much as the former government would have liked to extend the intervention to the remote communities of Western Australia, South Australia and Queensland, we could not. We could only do it in the Territory because in the Territory we call the shots; in the Territory, the Common-
Wealth is ultimately in charge. We plainly are not, as things stand, in charge in many areas in the states, and this very worthy legislative innovation, the coordinator-general, is going to find it quite difficult, I suspect, to get real action out of state agencies. But, still, it is good legislation; there is much promise in what the government has in mind. Because I do not want to make life needlessly difficult, we are happy to support the amendment.

Question agreed to.

Bill, as amended, agreed to.

Third Reading

Ms MACKLIN (Jagajaga—Minister for Families, Housing, Community Services and Indigenous Affairs) (12.25 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill, as amended, agreed to.

FAMILY ASSISTANCE AND OTHER LEGISLATION AMENDMENT (2008 BUDGET AND OTHER MEASURES) BILL 2009

FAMILY ASSISTANCE AMENDMENT (FURTHER 2008 BUDGET MEASURES) BILL 2009

Returned from the Senate

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

RURAL ADJUSTMENT AMENDMENT BILL 2009

Second Reading

Debate resumed from 14 May, on motion by Mr Burke:

That this bill be now read a second time.

Mr JOHN COBB (Calare) (12.26 pm)—The bill before the House that we are now debating amends section 7 of the Rural Adjustment Act 1992 to allow for the appointment of members to the National Rural Advisory Council, which is termed NRAC, for three terms. The proposed amendment will remove the current provision that a person might be reappointed as a member on one occasion only. The Rural Adjustment Act 1992 specifies that NRAC’s main role is to provide advice on rural adjustment and regional issues, including whether areas should be assessed as being in drought exceptional circumstances. This bill will ensure that current or previous members who have served two terms will, in the future, be able to serve an additional term.

The work of NRAC is difficult; it is harrowing. The decision on whether or not to extend drought EC can be the difference between survival and ruin for a lot of farmers. I acknowledge Mr Keith Perrett, who has been the NRAC chair for some time now, and I thank him and his fellow NRAC members. It is not a happy job. I have done a couple of tours with them in a previous life as a representative of farmers. It is hard work and you are well aware that the decisions that you will recommend—not make, but recommend—to the federal minister can have long-term consequences.

My electorate of Calare has, over the past eight years, probably been the most drought affected electorate in Australia. I think Bourke was the first area to become EC declared in this current drought. That was in June 2002, and the drought had obviously been in force for some time before that. In later years the Riverina, Farrer, Mallee and Hume—even though it is a bit further east—have all been in the thick of it and a lot of those areas still are, particularly in the Mallee, in the west of my electorate and in the south of New South Wales. South-west Queensland has also had an awful flogging. In the past three or four years in particular we have seen something that we have not seen before: irrigation water has failed in a lot of those areas. At one stage—I think it
was in early 2007—the then Howard government included all forms of agriculture so that irrigation did not have to be specifically included in drought. I will speak about that again a little later.

I am not suggesting for one second that ours was a perfect system, but everybody has got used to it and they know what it is. I will go back to my electorate and use it as an example to explain one of the big problems with handling drought. Recently a lot of areas—16 around Australia, but particularly a lot of areas in my electorate—lost exceptional circumstances assistance for two reasons: one reason being that the rules changed. The rules that used to exist meant that farmers had a breathing space between better seasons coming and losing EC. That was because, as the Deputy Speaker would be well aware, rain does not mean water. Sorry, I was referring to Deputy Speaker Schultz, who was previously in the chair.

The DEPUTY SPEAKER (Ms JA Saffin)—It had changed.

Mr JOHN COBB—Sorry, I did not realise that it had changed. In the seat of Hume, obviously, drought has been a very big issue. As a matter of fact, in Page the drought has been an issue too at various times.

The DEPUTY SPEAKER—Yes.

Mr JOHN COBB—My point is that there was a time when NRAC’s guidelines, or the guidelines on drought, meant that there had to be a 12-month recovery period after the rain so that people had a chance to get their finances back in order. I think when a drought has been going for as long as this one has, the guideline should be reintroduced, because without a doubt there is absolutely no way any government can come up with a drought program which takes into account that a drought might go for eight years, as this one has in a lot of areas.

I will talk about this again later, too: for the Productivity Commission to make the comments it did in its report, after a drought of this length, was beyond belief. However, I mentioned two areas where I believe things have gone wrong. I was talking about my own electorate. The first is that we are not taking into account the fact that it does not rain money; it rains opportunity. Whereas a lot of areas are looking a lot better, particularly in my own region, nobody has made any money out of how it looks; they make money out of taking advantage of the time to bring stock in to fatten and sell or to put in a crop. That has certainly not happened yet, particularly the cropping. By and large, the croppers have been much worse off over the past few years. Stock people seem to have had more opportunity to get through this period. I am not suggesting they have got fat—they certainly have not—but they probably have not been as financially devastated as the broadacre croppers and as the irrigators have been in more recent times.

I think there has been a failure—and once again I refer to my own area, in places like Molong, out at Nyngan or wherever it might be—because they have simply taken huge tracts of land out of drought but have not looked at individual places within the areas of those PP boards. One of the problems in New South Wales is that they are enlarging the boards. I hope that does not mean that NRAC will look at even bigger areas rather than looking at what is going on within those boundaries.

I have heard the Minister for Agriculture, Fisheries and Forestry make assurances, over time, about the government’s claim that it is not going to abolish EC drought support. We spoke about this a couple of nights ago when we were looking at particular portfolios during, I guess, the House of Representatives’ equivalent of the Senate estimates—although it was not quite as gruelling for the ministers
concerned and we do not get a go at the bureaucracy, unfortunately. That would be interesting; I would like to do that. The advisors do not look as amused at the thought!

I will come back to the issue brought up by the member for Riverina the other night. I take the minister at face value on his comments about the relief payment and the fact that there is no suggestion that they are going to walk away from dealing with the social side of drought. I certainly hope not, although I must say that the transition payments for areas that lose EC are extremely hard to get—much harder than it was to get the relief payment. I noticed that when the minister talked about not walking away from drought he did not talk about the period after 2009-10, when there is no forward estimates on drought. I can accept the fact that that might be true; I still have enormous issues with the fact that page 60 of the agricultural budget papers specifically states that the reduction in expenses is due to the cessation not of drought, which would be understandable and hopeful, but of drought programs.

I have never heard the minister mention the interest rate subsidy when he talks about continuation of drought programs. If he makes a statement that he will continue the interest rate subsidy past 2009-10 then I would love to hear it. I think that 21 March 2010 is the latest time for which the current interest rate subsidy is in place in particular areas. I notice, too, that the minister said the other day, ‘Don’t get excited about us not having any drought funding in the forward estimates—it doesn’t mean we are not going to fund drought,’ yet the same minister made the point on AQIS that because it wasn’t in the forward estimates he assumed that the coalition was going to cease the funding of AQIS. That argument is hung on a bit of a nail there; perhaps the minister can explain the difference. As he well knows—and he has explained this himself, in defending AQIS—you do not always make provision for funding; a lot of it is discretionary, as indeed was our intention to fund AQIS. Perhaps the minister might be good enough to talk us through that a little later.

Given the minister’s record of slashing and burning lapsing programs for agriculture—and AQIS is a pretty good example of that—I think he has to accept that farmers have every reason to be particularly nervous and concerned about whether they will ever see new drought programs under a Labor government. The simple fact is that I wonder whether the government has any money, given the cash splashes that have gone into providing more programs. I will state right here and now that I have absolutely no problem with the idea of a drought review—I think it is necessary—because there is no perfect system. But everyone is used to this system and I have never been in favour of changing horses mid-stream, and I do not think the minister is, either. I would hope not.

Let us just talk about the Productivity Commission report for a while. It was interesting to note that, despite having had that report since—I think I am right in saying—February, the minister for agriculture chose to put it out for public discussion on the Tuesday morning of the budget, when I am sure he expected it to be the headline everywhere the next day. It was probably coincidence, and I am sure he will tell us if it was. That Productivity Commission report is the most ruthless thing that I have ever seen in any industry in my time not just as a member of this House but as an agripolitician representing farmers and other people. I have never seen anything quite so ruthless and quite so determined not to see any view but that of Treasury as this report.

Let us remember that the Productivity Commission is a creature of Treasury. When
the minister said, ‘This is an unbiased review and we’re looking at the facts,’ I thought of the car industry. The government obviously wanted to help the car industry and to be seen to do so. They did not get the Productivity Commission or Treasury as their boss of an inquiry into the state of the car industry. They got one of their mates, a one-time Premier of Victoria, Madam Deputy Speaker, whom you probably know, to head up the inquiry. That was ex-premier, Steve Bracks. And, surprisingly, he came down with a report that said, ‘Yes, the car industry needs government to take a hand’, and consequently about $4 billion was targeted in that direction. But when it comes to drought and agriculture, which does not seem to get a lot of sympathy from the government, the government does not get a former farmer or anyone who is sympathetic to what is involved in a drought to head an inquiry.

I am the first to admit that there are some farmers who do not believe in assistance for anything, and in some cases they are right. But we are talking about a drought that has gone on for eight years. So what do we do? We get Treasury to make a report. Treasury are not famous for wanting to hand out money, as I think even the minister would agree. They are not known for wanting to give presents. They only do it when the Rudd government decides to do a splash. The report says things like: ‘Farmers have to realise that there are rates and taxes and every business should make provision for them.’ Why would a farmer, after eight years of drought, assume that he would not have water and that the New South Wales government would charge him for it? Let us get real here. The Victorian government, to be fair to it, does help its farmers a little bit with water rates. But New South Wales is still charging farmers the full cost of water delivery and licensing for something that it cannot deliver. The Productivity Commission said: ‘Farmers should have thought of that. They should have made provision for that eight years before.’ Obviously, they did not have much money then.

The Productivity Commission want everything terminated. They are a little bit careful about the social side of things, because they are well aware that their government believes in a lot of it. Thank heaven they are not totally walking away from the social side of drought. But the social side of drought does not just include farmers; it includes the towns. It includes everybody who works on agriculture or processes it, and that does mean the towns. It very much means the towns in the same way that to walk away from EC payments does not take into account the fact that it does not rain money; it rains opportunity. In fact, when it does rain, it actually means that your expenses go up, because you then have to buy all that stuff you did not buy in the drought. If you are a fattening station, you have to go and buy stock and then fatten them, drench them and do all the other things that in a drought you would close down. You just hope you can find the interest payments somewhere—that is another point.

I think that the minister is well aware of how the Productivity Commission report was received. I would like to hear him say, as I am sure agriculture would, that the report’s recommendation for the cessation of drought programs was a mistake and that it should not have been made. A few nights ago, the minister said that the government continues to fund drought, but I got the impression that he was talking about the social side of drought rather than the hard core side of it. Relief payments might help the farming family but they do nothing for the towns or the businesses who have to be paid for super, fuel et cetera, whereas the interest payments do. That is a social side of drought, too. It supports the towns that are involved.
There is another issue in the current situation which has changed drastically over the past few years. When we were in government, we changed the rules four, if not five, times because the drought kept getting worse as it went on. I will say here and now that there is absolutely no way that a government can come up with a program—and I totally concede this in any forum—that takes into account a drought that has lasted as long as this one has, and they would be very foolish to do so. I have spoken about my horror and, I think, a lot of other people’s horror about the Productivity Commission handing down this report after a drought of such duration. It shows their total lack of understanding. Obviously, they had their riding instructions and were sticking to them.

Water: when we put all forms of agriculture, whatever it was—horticulture, broadacre—under EC it took away the issue of irrigation, which at one stage was treated differently. After a few years of drought we did bring in a system of EC for irrigation whereby irrigators could apply separately. Once we made it a level playing field in that sense irrigation was able to be part of normal EC. Even if broadacre, dryland agriculture has had rain—and I am not conceding they have made money; I am conceding that in areas they have had rain—irrigation has not. Irrigation is now going to be stuck out there without water. You only have to look at the dairy industry along the Murray. Gippsland might be fine but the dairy industry in the Mallee and along the Murrumbidgee, the Lachlan and the Macquarie is still totally devastated. It is in enormous trouble.

We changed the rules not because EC was necessarily totally wrong originally but because drought two years on is one thing but all that time is another. We changed it to take into account the severity and the length of the drought. Irrigation is getting worse, not better, and yet it is being wiped with every-thing else. In areas that are being taken out of drought, where there is irrigation they are losing EC along with the dryland. Even if the dryland has had rain and is able to take advantage of that for sowing crops, fattening stock or getting store stock ready to sell, irrigation does not have that opportunity because it has no water. I think the government and the minister, if he is fair dinkum, should look at those areas where EC is presumed not to be necessary for dryland—it is certainly still necessary for irrigation and I believe that should be looked at.

Minister Burke looks anxious to speak and I am sure he is going to reassure us on all those issues so I am not going to speak all morning. The issues on EC are far from over—it does not rain money; it rains opportunity. The government is not taking that into account. That is not NRAC’s fault. As I said earlier, before the minister was here, I thank NRAC for their job. It is not a pleasant one. I do wonder if we are extending the term that people can serve on NRAC because they intend to do as the budget papers say and cease drought programs and they do not want to have new people coming in who are not used to it. I do not actually have a problem with the people who do it. We probably appointed most of them, if not all.

Mr Burke—All!

Mr JOHN COBB—I thought that might be correct. As I said earlier, I think Keith Perrett has done a good job—being chairman of that body is probably a pretty thankless job. I hope the reason for extending the term of service is not because you intend for it not to exist anymore.

The interest rate subsidy, as I said before, has a very big social component—if not for the farmers concerned then for the towns that depend on the money that the farmers spend. I am well aware that the small business side has not been taken up to a big extent partly
because they have a totally different structure from farming. It has not been taken up to a large extent by the town small businesses.

Minister Burke, I think you have been too frightened to change it in case you make a mistake. We changed it a lot to take into account the changes and also the length of the drought. You should too. Come to us for advice on what to do and how to change it, if you want. I am well aware that you are much more fascinated by the National Party than you are by agriculture. That is fine—we are quite happy for you to concentrate on us; you won’t be concentrating on your politics! This is an extraordinarily serious issue. To simply assume that if you do what we did you will keep it out of trouble is not true. Some areas now have gone even longer into drought. I never dreamt I would see a drought go this long in my lifetime; I never want to see another one. Irrigation is something the government should think about. The irrigators have not had water even if the dryland people have.

Mr TREVOR (Flynn) (12.49 pm)—I rise this afternoon to speak on the Rural Adjustment Amendment Bill 2009. This bill amends section 7 of the Rural Adjustment Act 1992 to allow for the appointment of National Rural Advisory Council, NRAC, members for three terms. The proposed amendment will remove the current provision that a person may, on one occasion only, be reappointed as a member. The Rural Adjustment Act 1992 specifies that NRAC’s main role is to provide advice on rural adjustment and regional issues, including whether areas should be assessed as being in exceptional circumstances, EC. The bill will ensure that current or previous members who have developed considerable expertise in undertaking EC assessments through membership for two terms can serve an additional, third, term and continue to contribute to NRAC.

The National Rural Advisory Council is a skills based independent advisory council to the Australian government Minister for Agriculture, Fisheries and Forestry. NRAC was established in December 1999 as a statutory consultative body following legislative changes to the Rural Adjustment Act 1992. It replaced the Rural Adjustment Scheme Advisory Council and expanded the range of roles and functions of the original council. NRAC advises the Minister for Agriculture, Fisheries and Forestry on rural issues, including EC applications and extensions to EC declarations.

Currently NRAC consists of a chairperson and not more than seven other members. The members are appointed by the minister on a part-time basis. At least one member is appointed to represent the states, at least one member is an officer of the Department of Agriculture, Fisheries and Forestry who is appointed to represent the Commonwealth, one member is appointed to represent the National Farmers Federation and the other members are appointed because of their expertise in economics, finance and administration, banking, sustainable agriculture, regional adjustment, regional development and farm management or training.

Four of the eight current members’ second terms expire on 30 June this year and, without the proposed amendment, those members will be unable to serve a third term. The amendment will mean that current members, who have developed considerable expertise in undertaking EC assessments, can continue to make significant contributions to NRAC by serving a third term.

A streamlined review process was introduced by the Australian government to make it easier for farmers who have not experienced a break in the drought to have their EC declarations assessed for a possible exten-
sion. Under the review process, NRAC reviews EC declared areas before their expiry date to assess whether an extension to the declaration is warranted. As part of the review, NRAC assesses information from a number of sources, including the National Agricultural Monitoring System, analysis provided by the Bureau of Rural Sciences and the Australian Bureau of Agricultural and Resource Economics, state and local governments and local producers. Additionally, NRAC may undertake an inspection tour of the area. I implore members to continue to undertake an inspection tour of all areas under consideration.

If NRAC assesses an area as no longer being in exceptional circumstances and the minister accepts advice not to extend the declaration, assistance ceases on the date the declaration ends. If NRAC supports extending the declaration and the minister agrees, assistance continues until the new declaration end date. Exceptional circumstances assistance is the Australian government’s main mechanism for providing assistance to eligible farmers and small business operators who are experiencing a severe downturn in income due to rare and severe climatic or other events. The rationale for providing EC assistance is to ensure that eligible farmers and small business operators with long-term prospects of viability are not forced to leave the land or the business due to short-term adverse events which are beyond their ability to manage.

Australian farmers have, to a large extent, been successful in managing the inevitable booms and busts that occur in agriculture. It is a way of life for them. They work very hard and are an extremely resilient bunch of Australians. They have done this by developing flexible farm management practices and plans which minimise the risk to their farm business of changes in prices, seasonal conditions and personal circumstances. They have also achieved this through other means such as using investment opportunities, savings strategies and private insurance where it is available.

Australian state and territory government rural policy encourages continued improvements in efficiency and competitiveness in all rural industries. The role of government is therefore to assist farmers enhance their skills in key areas of risk management, business planning and natural resource management. Agriculture, fisheries and forestry industries are a vital component of the economic security of my electorate of Flynn. Compared to other electorates, Flynn is ranked 10th in the proportion of people employed in these sectors—some 14 per cent. In comparison to other electorates, Flynn was ranked eighth in the total number of people employed in the agriculture, fisheries and forestry industries, with the beef industry being the largest. Over 4,700 people are employed in this industry. There are over 6,700 businesses in Flynn in the agriculture, fisheries and forestry industries, which is equal to 43 per cent of all businesses in my electorate. In comparison to other electorates, Flynn is ranked fifth in the number of businesses in these industries.

My electorate of Flynn has a diverse range of agriculture, fisheries and forestry industries, including but not limited to beef, sheep, sugar cane, fruit and vegetable growing, sawmilling, pig farming, cotton growing, grape growing, fishing, logging, dairy farming and nut growing, to name a few. Agriculture, fisheries and forestry industries are a vital component of my electorate, with a total gross value of over $1.6 billion, which is 18 per cent of the entire gross value for Queensland.

My electorate of Flynn is known as the industrial hub of Australia because of our coalmines, aluminium plants, power stations,
deep-sea ports and many other associated industries, including the proposed LNG industry for Gladstone. Only a few hours ago, Australian oil and gas company Santos and its Malaysian joint venture partner Petronas announced the first binding sales contract for Queensland to produce liquefied natural gas. This announcement is a significant step in the development of the project, which is set to inject up to 6,000 much-needed jobs into regional Australia. I congratulate Santos and its partners. This news today means that Australia is set to become a significant exporter of cleaner energy to fuel economic growth in Asia, while creating thousands of jobs here at home, in particular in my electorate of Flynn.

In addition, and getting back to the point, the electorate of Flynn also contributes enormously to the Australian economy through the agriculture, fisheries and forestry industries. These industries are a vital component of the economic prosperity of my electorate. They are the lifeblood of many rural and regional towns and communities in Flynn, creating wealth and employment for these areas. They keep the local corner store open, they keep the local hardware store open, they keep the local school open and the local clothing store open. Australia was built on the back of these industries.

Unlike many other industries, family businesses in the agriculture, fisheries and forestry industries are often handed down through generations. To the people involved in these industries—and there are thousands of them—it is not just a job; it is a family tradition, a way of life, a certain culture, a certain existence. To these many hardworking people the weather can be both cruel and kind. Often their livelihoods depend on: ‘Will it rain; won’t it?’ ‘Will it hail; won’t it?’ ‘Will there be a bushfire or won’t there?’ or ‘Will it flood or won’t it?’

The Rural Adjustment Amendment Bill 2009, which will allow for the reappointment of National Rural Advisory Council members for two subsequent terms after their initial term, is an important and integral component of the agricultural, fisheries and forestry industries in my electorate. Passage of this bill will ensure that members who have developed considerable expertise can continue to make significant contributions to NRAC and to the government. May their decisions be just and equitable, fair and reasonable, and in the best interests of farmers in my electorate, many of whom continue to do it extremely tough, especially in the Burnett area. As I have said before, I implore them to continue to visit all areas before recommendations are made. Farmers are our lifeblood and the heart and soul of this nation. I commend this bill to the House.

Mr SCHULTZ (Hume) (1.00 pm)—I rise today in an environment where there will be negativity from this side of the parliament about the current government’s contribution to rural and regional Australia, and there will be defences from the government’s side about the wonderful job that the current government is doing for rural and regional Australia. The reality is that there are arguments that are positive on both sides as far as rural and regional Australia is concerned. But the Rural Adjustment Amendment Bill 2009 is about an extension of the National Rural Advisory Council, which is responsible for giving the minister sound advice about the conditions in drought declared areas throughout Australia.

I am pleased to see the Minister for Agriculture, Fisheries and Forestry is here. I have to say, Minister, despite what my parliamentary colleagues on this side of the House might say, I appreciate the responses that I get from you when I raise very serious concerns about the people I represent in my rural electorate of Hume. Why do I say that? I say..
that because I can go back into history and talk about the weaknesses of the National Rural Advisory Council. The weaknesses are there on record. I am going to quote some of them. But the reason I raise the issue of your responses to me is that, to be quite frank with you, in the past I have had some very poor reactions from ministers for agriculture in a previous government that I was a member of. I go back, as an example, to 5 April 2005. I raised a very serious issue about the lack of correct decision making being undertaken by the NRAC about the problems of exceptional circumstances funding in the area of the cherry growers of Young. I wrote to the then minister, Warren Truss, at the time, outlining and questioning the decision made by the NRAC to cut out exceptional circumstances for farmers in that area. I produced all of the evidence that illustrated the facts behind the decision that should not have been made in the negative as far as exceptional circumstances funding was concerned. I will quote the pertinent paragraphs in my letter, so that the minister is aware, and the House is aware, of why I am raising this concern today:

Minister it is obvious the NRAC has not fulfilled its obligation to accurately report the facts which I might add can only be obtained by procedures which include an on ground inspection process and receipt of up to date accurate and current information from State agencies such as the NSW DPI.

Feeding suspect information to a Minister of the Crown which then results in the Minister making a decision to withdraw Exceptional Circumstances assistance to producers in severe trauma as a result of an ongoing long term drought is reprehensible in the extreme.

It also gives the impression that Members of Government funded committees such as NRAC have become complacent in the role taxpayers would expect them to play out as a group employed to accurately advise an Agriculture Minister on critical issues like Drought Assistance to producers such as the Cherry & Stonefruit growers of Young.

I might add, Minister, that I never got a response from that agriculture minister to my concerns. He bypassed me and went straight to members of his own party who happened to be cherry growers and gave them the information. So you can understand why I get a little bit emotional about some of these issues.

Do you think that that solved the problem? Despite the fact that I pointed out to a then minister for agriculture the weaknesses in the system, I was forced to again write, not to the agriculture minister of the day in 2006 but to the former Prime Minister, on 7 August 2006. I once again, in my sheer frustration, outlined to him the weaknesses in the system, because the NRAC once again refused exceptional circumstances to a group of people who were in dire straits as far as drought was concerned. At the invitation of these people I spent two days out there in the field. I looked at the properties myself. I was absolutely disgusted to hear what had occurred which forced the minister of the day to then say, ‘No, we are removing exceptional circumstances from this area.’

Let me read again, from a letter that I wrote to the then Prime Minister. I addressed it to one of his very capable staff, to make sure that it got to the Prime Minister. I said in part:

These procedures are being inappropriately used, are driven by out of date data and are thereby causing unnecessary mental health and financial pain to farmers affected by severe drought conditions.

It would appear that despite concerns I raised in correspondence to former Agriculture, Fisheries and Forestry Minister Warren Truss last year which he did not respond to (copy attached), the National Rural Advisory Committee is still not reporting the facts based on procedures such as on ground inspection and use of up to date accurate
and current information from State agencies such as Rural Land Protection Boards … and NSW Department of Primary Industries.

I went on—and I think it is very important that I make these points, Minister:

This shoddy and unprofessional facade of a “genuine” NRAC inspection occurred between the hours of 10.00am and approximately 2.30pm (4½ hours) because the NRAC representatives had to catch a flight at around 3.30pm that day.

It was obvious to me when I learnt of this disgraceful visit that the Department of Agriculture, Fisheries and Forestry went into this EC Drought Review process with a predetermined outcome of terminating EC assistance.

I went on to explain it, and I enclosed all of the facts—facts that came from people who were involved at the ground level from various government agencies. I went on to say:

People with any appreciation of farming know that drought can affect a property in one of three ways:

• A fodder drought
• A water drought
• A cash drought
• Or a combination of any of the above.

the area was Braidwood, and I understand, Minister Burke, that you were out there recently; good on you for going out there—producers were experiencing all of the three!!!

The decision to discontinue EC assistance was premature and cruel. All of the depressing conditions being experienced by Braidwood producers went unheeded in the decision making process and was compounded by key people such as the Goulburn Branch of the New South Wales Department of Primary Industries, the Drought Support Officer and the Rural Financial Counsellor not being present at the NRAC meeting to give vital accurate information on just how bad the drought conditions were.

In conclusion, the fact that the former Minister Truss not only ignored the warning in my correspondence to him of April 5th 2005 and also did not reply to me, is an indictment of his arrogance or indeed his inability to recognise deficiencies in a process under his control and his failure to be professional enough to accept a genuine criticism of an obvious problem within the system which he had carriage of.

Thankfully, the Prime Minister read what I gave him, looked at the evidence that I had presented and attached to the letter and acted upon it, and they got their EC assistance.

But, as you know, Minister, it does not end there. On 20 February I wrote to you raising the problems associated with the possibility of the decision to extend EC payments excluding the Tuena, Bigga, Peelwood and surrounding areas. To your credit, you responded to me on 4 May, saying:

I have received a letter from the Hon. Ian Macdonald MLC, the NSW Minister for Primary Industries, requesting a review of the recent decision to cease the EC declaration in the Central Tablelands area. Included in the request was additional data concerning seasonal conditions in the area.

And you put out a press release to this effect on 8 April 2009. I not only made representations to you; I made representations to the state minister as well, and, to his credit, he also responded to me. In between all of this happening, we had certain people from a certain political party on my side of politics out there running around making mileage out of what they were doing, when they were doing absolutely bugger-all as far as my constituents were concerned. I condemn that sort of deceptive behaviour from politicians.

When the New South Wales Minister, Ian Macdonald, responded to me—he wrote on 4 May; I received it on 8 May—he said, in the second last paragraph:

In a number of areas, including the parts of the Upper Lachlan Shire you have identified, I have requested that EC assistance be extended for a full 12 months.
On 8 April 2009, Minister Burke announced that he has asked the National Rural Advisory Council to consider my request.

I wrote to you again, Minister, on 22 May, and I said, amongst other things:

I refer to your decision to accept the advice of the National Rural Advisory Council (NRAC) not to extend Exceptional Circumstances (EC) assistance for 10 regions in New South Wales. Areas of the Hume electorate affected include the Bigga, Tuena and Peelwood districts that overlap the EC area of the Central Tablelands.

I also wrote about how the NRAC makes its decisions, without having been to the areas to look at the problems. Part of the problem is that the NRAC is made up of interstate people that have no idea of the conditions in one state or indeed in a section of the state within which they might be farmers.

Minister Burke, I understand why you are extending the terms of these NRAC people; it is a demanding situation and they need to have some continuity of tenure in their advisory positions to you as the minister. Minister—and I have invited you, as you know, to come to the electorate and look at some of these areas—please do not take what the NRAC tells you as gospel, because, sadly, as elected members of the committee they are taking the money from the taxpayer, through you, and they are not doing their bloody job—pardon the expression, but they are not doing their job in all the circumstances. I think that the response from the state minister for agriculture to me and to you saying that the matters that I raised have some validity is an indication of what I am talking about.

I am not here to play politics with you, Minister. I respect you as a minister of the Crown. You have come from an urban area into this portfolio, but I have had feedback from farmers in my electorate who have an association with you, and they speak very highly of you. I did not want to play politics with this; I want to continue the working relationship I have got with you because I think that is in the best interests of my constituency. I get angry when, despite the urgency of some of these problems within the agricultural sector, some ministers for agriculture tend to play politics, even with their own coalition partners. That makes me angry—because it is not me that suffers as a result; they can deprive me of an opportunity to achieve for my constituency, but the bottom line is that they have deprived people that are in need and that are suffering.

Minister, you know that my wife and I, on her initiative, have been delivering drought parcels and pamper packs to people on the land for the last six years. They are in their seventh year of drought, some of them. We delivered something like 740 drought parcels over the December period. It just breaks my heart when I have to look into the faces of the men and women who are really struggling and who depend on the EC assistance to help get them on their feet. A lot of people do not understand that, when people are eligible for exceptional circumstances assistance, they are eligible for a number of reasons: (a) they are not getting an income; (b) they are trying, in many instances, to raise a family; (c) they are isolated and cannot go and find part-time work because they are too far away; and (d) they do not have the money to pay for things such as petrol.

The first thing they do when the pressure comes down on them is give away what we all refer to as non-essential items; they give away the small luxury items that make women feel good. Minister, we have rural women in this country who give away what they term non-essential items, such as face cream, perfume and stuff, and who are trying to carry the burden of the pressures of depression coming from their husbands. If we do not prop those women up and give them something to look at we will lose their sup-
All of us males know the wonderful support we get from our wives. But let me tell you, in a drought situation these women carry the burden on behalf of their husbands, who, in many instances—and I have had experience of this—have got their rifles and gone out and shot themselves or hung themselves from trees because they can no longer cope. That is why I get emotional about the issue. I do not care what the politics of the day are. Ministers of the Crown in this place have an obligation to look after all Australians. It does not matter what electorate it is or what political party holds that electorate; if there is a need in the electorate it needs to be looked after.

Minister, I compliment you on extending the NRAC time frame to a third term. I think that is going to be beneficial. But sit down with these people and tell them that when they come to give you advice you expect them to give you professional advice based on the conditions on the ground and how they are affecting people. If they do not give that to you and something crops up as a result of that bad advice, that then flows back to impact on you in a negative way. You are the one who wears the outcome, not the people giving you the advice. Minister, I commend you on this bill and I thank you most sincerely from the bottom of my heart for the open and frank way in which you respond to the representations that I make to you on behalf of the rural people who are struggling out there. We need to make sure that all of the assistance that we as a nation can give them is given to them so that they can survive and continue to produce the agricultural products in the way that they do so well, despite all of these pressures on them.

Mr CHEESEMAN (Corangamite) (1.17 pm)—I caught the last part of the member for Hume’s contribution. I know he spoke from the heart on the difficulties that people in regional Australia—including regional Victoria—experience. I acknowledge his contribution. Whilst the Minister for Agriculture, Fisheries and Forestry is here, I would also like to put on record my thanks for the recent Landcare announcements. The announcement about the coordinator positions has been well received within my electorate. I would also like to acknowledge Martin Breen, the adviser in this area. I wish him all the best in his exciting new career ahead.

I am pleased to rise today to speak on the Rural Adjustment Amendment Bill 2009. This is a bill that is important to Australia and, of course, my electorate of Corangamite. As most members would know, this bill is about the Rural Adjustment Act 1992, which covers the critical issue of addressing change in the farming sector. Whilst the amendments proposed in this bill are technical in nature, ensuring continuous governance, the bill gives me a chance to talk about the fantastic contribution made by the farming sector in my electorate and the challenges that it faces.

This bill makes a relatively minor amendment from a legislative point of view. Basically, it amends section 7 of the Rural Adjustment Act 1992 to allow the members of the National Rural Advisory Council, the NRAC, to be appointed for two subsequent terms after their initial term. There is no financial impact resulting from this bill. The bill needs to be passed in the winter sitting in order for the four current NRAC members whose second terms cease on 30 June 2009 to be reappointed for a third term. If this legislation is not progressed in the winter sit-
ting, the remaining members of the NRAC will be required to take on additional responsibilities and will have an unacceptable workload as a consequence, or new members will need to be selected to replace the existing notionally retiring members.

The National Rural Advisory Council is a skills based, independent advisory council to the Australian government. It was established in December 1999 as a statutory consultative body, following legislative changes to the Rural Adjustment Act 1992. It replaced the Rural Adjustment Scheme Advisory Council and expanded the range of roles and functions of the original council. The NRAC advises the minister for agriculture on rural issues such as exceptional circumstances, or EC, applications and extends the EC declarations where required. When the Australian government receives an EC application, the minister may refer it to the NRAC for assessment if he agrees that a prima facie case has been established.

In doing assessments, the NRAC must look at a wide range of issues and data. It looks, for example, at the National Agricultural Monitoring System and at analyses provided by the Bureau of Rural Sciences, the Australian Bureau of Agricultural and Resource Economics, state and local governments and local producers. Additionally, the NRAC may undertake an inspection tour of an area to witness firsthand the devastation that drought might be causing. If the NRAC assesses an area as no longer being subject to exceptional circumstances and the minister accepts the advice not to extend the declaration, assistance ceases on the date the declaration ends. If the NRAC supports extending the declaration and the minister agrees, assistance continues until the new declaration date ends.

So you can see that the NRAC representatives are very powerful people who represent the interests of the communities and the government. They can hold people’s futures in their hands by making a simple declaration or by ending such a declaration. It is a job that has enormous responsibilities and requires enormous amounts of experience, so it is very important that there is continuity of service on this body and a higher level of experienced management in place. It really is important for my own electorate but also for people right across the country that the skills and knowledge of the current NRAC members are continued.

Corangamite, like most farming areas today, is facing some very real challenges. To show how important farming is to Corangamite, I will run through some of the recent ABARE figures. Milk is one of south-west Victoria’s most important agricultural products in value terms. Milk accounts for about 30 per cent or nearly $690 million of the $2.1 billion total value of agricultural production in the region. Cattle trail by only a marginal amount, with 17 per cent of total production, while sheep and lambs contribute 15 per cent to the total value of agricultural production within my seat. Wool accounts for about 14 per cent and vegetable production around three per cent. Pasture and hay production account for just over six per cent of the total value of agricultural production and barley, canola and other oil seeds each account for around two per cent, as measured in 2004-05. There are about 7,900 farms in south-west Victoria. Most farms in the south-west Victorian region are small or medium in size, and over half the farms produce less than $150,000 in agricultural outputs, as measured in that 2004-05 financial year. In 2007 around 294,000 people were employed in south-west Victoria, with 27,000 people—or eight per cent of the workforce—employed in the agriculture, forestry and fisheries sector.
As you can see, this is a very important industry to my region and, I know, a very important industry to the whole of south-west Victoria and the whole of Australia. It provides us with employment, it provides us with food and it provides us with exports that we desperately need. Climate change is now having a real impact. A number of areas across south-west Victoria have been drought declared. A number of areas have been drought declared for quite some time, and almost all of these areas have been affected by climate change to one degree or another. Farmers are very familiar with El Nino and La Nina events and with how they can greatly affect seasons and rainfall. We all know that it will just get harder for the farmer to respond to climate change. All the science tells us this. On top of climate change challenges, farmers have to deal with the real impacts of worldwide markets. These can have a very big impact upon their small businesses. For example, the dairy price index of international dairy product prices recently fell by 58 per cent from its peak in 2007. Prices appear to have bottomed out in the first quarter of 2007 and to have recovered a bit. Production prices in the Oceania region this year were about half of what they were in previous years, I understand. Of course, dairy is not the only farming sector that is subject to quite volatile variations. Most other sectors are too.

The point is that it is very important to have experienced people in charge of schemes such as the Rural Adjustment Scheme so farmers can get help when they need it. The Rural Adjustment Act 1992 specifies that the NRAC’s main role is to provide advice on rural adjustment and regional issues, including on whether areas should be assessed as being in exceptional circumstances. Four of the eight currently serving NRAC members cease their second terms on 30 June 2009. Without this legislative amendment being passed they will not be eligible to serve for a third term. Passage of this bill will ensure that the current and past members, who have developed considerable expertise in undertaking EC assessments, can continue to make significant contributions to the NRAC. What we are doing here is a very sensible thing—that is, making sure we have the right people in place to make these very important judgements on behalf of the government or for the government. I support the intent of this bill, and I commend it to the House.

Mr BRUCE SCOTT (Maranoa) (1.28 pm)—It is with pleasure that I rise to speak on the Rural Adjustment Amendment Bill 2009. I come to this place and this bill with a background knowledge and a responsibility to represent my constituency. With my background—having been brought up on the land and having run my business on the land—I think I have a fair understanding of life on the land and life in small rural communities. I understand how the exceptional circumstances drought and business support has been essential to the survival of many families and many small businesses during this exceptionally long drought. I know that, when rain comes in an area, it does not fall universally. We have noticed, particularly in Queensland—and it is on the record—that a lot of the rainfall events we have had have been almost tropical downpours but they have fallen in one spot and not always spread to the same intensity across a large area. That has created a lot of difficulties in the assessment of seasonal conditions for the people on the National Rural Advisory Council.

I note that this bill will allow those board members to be reappointed. I want to put on record my personal thanks to those who serve on this board. It is a most difficult job. In fact, I know one member of the board very well because he has lived in my electorate—I think he lives just outside Maranoa
now. They put their heart and soul into the job. Given that it is a difficult job, and sometimes they stand almost as judge and jury, I think people may from time to time be a bit too willing to criticise a decision when these people make those decisions with the best of intentions and the best knowledge that they have in the time that is available.

I acknowledge the Minister for Agriculture, Fisheries and Forestry, who is at the table. I thank him and particularly his advisor Martin Breen, who I have only just learned during this debate will not be remaining in the minister’s office. Martin was able to give me a briefing before the recent announcement to extend or end EC assistance in parts of my electorate of Maranoa and many parts of Queensland, and you might say he sought some guidance from me. Given that Maranoa is an electorate three times the size of the state of Victoria, boundaries can often be difficult. Trying to gain an understanding of where the boundaries fall in and out of EC areas where assistance will be ending creates challenges. I have written to the minister about some of those decisions, particularly in relation to the northern Darling Downs region around Bell, Cooranga north through Jandowae and up through to the south Burnett around Blackbutt and Cooyar—just to name a few—and an area just north of Roma in the Bynum east region. Why did I write to the minister? People from these areas contacted my office when they heard that they were going to be excluded from exceptional circumstances and yet very near to them other people would remain eligible. It indicated to me the difficulty the NRAC committee have had in assessing areas but also the fact that it is impossible for the committee to travel every road and visit every nook and cranny of an area. Sometimes some of the information they have to use relates to rainfall that has occurred in a region when the rainfall recording station may be 40, 50 or 60 kilometres from some of these farms that are going to be excluded—in fact, they were excluded on the 15th of this month.

I have spoken to you, Minister, and Martin Breen in your office. We need the minister in Queensland to request an extension of these areas. I urge you and your office to get onto the minister in Queensland. I know they have had a difficult budget, and I will not bring that into the debate now, but I urge him to request of your office to consider extending these areas that I have described—and I describe them in good faith, not in a political sense but in a genuine attempt to help people because that is what the exceptional circumstances scheme is all about.

I took the time to drive through these areas from where I had received these telephone calls—so I am coming to this issue having driven through the region. It is amazing; you drive through an area and it looks beautifully green and there are some crops, but you go another 20 kilometres along the road and there is drought. I have spoken to a few people. They say, ‘Go up Cooyar Creek a bit further and you will find it is devastated.’ There is no water in the dams—isn’t that an indication that those heavy rainfall events have not occurred? The dams did not capture any water because there was no water. I know it is very patchy and very difficult, but I urge the minister to get on to the minister in Queensland and hurry him up because we are dealing with people—farming families. Having driven the area, I had a few calls from farmers. The men out there are always very stoic. They just appreciate a call back from me after having spoken to my office. They say, ‘I think I’ll be all right, but I’m worried about the women.’ It is not that they are worried about the women; it is the women who are worried about the men.
In my electorate is Aussie Helpers, a voluntary organisation which has been working tirelessly for the last six or seven years and maybe even longer. It is based in Dalby and Charleville and does a magnificent job. I want to acknowledge the work of communities as well, right across Australia. They distribute not only goods from the local community but also hay and other support that has come from other parts of Australia. I acknowledge the great work of the Country Women’s Association. The emergency relief money to be distributed to areas that has been provided by our government—I am sure it will continue; I hope it does, Minister—to the Country Women’s Association is important. The Country Women’s Association is one of the great organisations in this country. Its people do their work quietly, without fanfare. They do not seek recognition. The association is based in nearly all rural communities. The women in this organisation have been able to distribute some additional support. The member for Hume spoke of the additional goods, clothing and personal effects that might help to make a difference to a family. I just want to acknowledge the great work of the Country Women’s Association. It is a great organisation and I commend each and every person in it. Minister, we must make sure that the parliament appropriates money to keep them doing the job that they do across Australia. Sometimes it means that a power bill is paid or a telephone account is paid so that a family remain connected through the telephone.

I also want to acknowledge the work that Woolworths have done in supporting our farmers. In fact, I went into our local supermarket on the day when, across Australia, they raised something like $7 million which was then distributed through the Country Women’s Association to the needy families out there. It was a great initiative. It came from the profits of the trade of that day. Thank you, Woolworths. It was great to be there. From my point of view, to be at the checkout and see the skills of those who check out the grocery lines is just amazing. I was there fiddling and trying to press the buttons. ‘Yes, that looks like an apple’—we would weigh them, put them in the bag and make sure that we did not put the ice-cream on top of the hot chook, and things like that. They are very skilled people. They whisk it through and I fiddle with the first two or three items. I saw it on the day when Woolworths were conducting a campaign across Australia, with the profits of that day from each state helping farmers in drought relief.

I make no apology for the support that we appropriate for our farming communities in exceptional drought. They are the people who feed our nation. Minister Burke, from time to time we have been on the same podium. I remember last year at Millmerran when you spoke very kindly and generously about the very special place that farmers have in our lives and in this nation. I and many people were pleased to hear you say that and to see the approach that you are taking with this portfolio. Farmers are a very special breed. I think they do it out of love and, of course, to make money, which is more challenging every year. They do not play on a level playing field when it comes to the international stage, as you would be aware. So I make no apology for the support that we must continue to put behind our farmers. For instance, look at what we give the motor vehicle industry in Australia. It is important that we have a motor vehicle industry in Australia. When Australia had its own car, the Holden, we all rejoiced in that. We put something like $6 billion into the manufacture of Australian-made vehicles every year. I do not think it is too much to ask that we continue to support those farmers in need. I would hope that the parliament would always see that there is a need to sup-
port those who, through no fault of their own, have to deal with seasonal vagaries from day to day.

The other things about not extending the exceptional circumstances support are that farmers would lose not only the health card and some income support but also the additional support that can flow through youth allowance. There would not be an income or asset test applied. They are always worried about how their children will gain access to further education, because they want to make sure that they are not lost in this exceptional drought as the generation of young people who lost the opportunity for further education because their parents were not able to afford to send them away. Youth allowance is available without an income or assets test. There is also the assistance for isolated children to gain access to education. There is a basic allowance for assistance for geographically isolated children to gain access to primary and secondary education, and there is additional support available from the federal government—I think I am right here—for families, without an income or assets test, because they are in receipt of exceptional circumstances support. So, when they lose exceptional circumstances status, it is not just the income support or business support; there are other elements of support for families that are absolutely essential.

Minister Burke, I would ask you to get on to the minister in Queensland. I had my state colleagues make sure that they contacted the minister. This is not a political issue; this is about families out there, whom I feel very strongly about. And as for those small and maybe very patchy areas, it would have been very difficult for the NRAC committee to have identified them without perhaps walking the entire length and breadth of my electorate, which they are not able to do. But, based on calls to my office, there are people out there who are extremely worried as we go into winter. They have done all that they can to keep their enterprises going. The season is not with them. They have appreciated all the support they have received, including business support, the health card, assistance for their children and income support. In the overall scheme of the federal budget, it is a very small amount of money.

As I said earlier, I make no apologies for supporting the need for this parliament to support the people who feed our nation and provide a valuable underpinning of the economies of many regional communities and enormous overseas export wealth. Minister, I leave it with you. Once again, I thank Martin Breen for the way we have been able to work together. The areas that I have written to you about really need that extension, in some form or another, to receive that additional support, even for six months until the end of the year to see whether they need a continuation of that support. The calls we get, even from Centrelink, sometimes worry me. Centrelink is probably, on a day-to-day basis, closer to this than you, Minister, your office or me. The alerts that they give me from time to time worry me. It is about continuing to support families in particular areas. There may be only 40 to 50 families but they are 40 to 50 families that deserve our support.

Mr NEUMANN (Blair) (1.43 pm)—I rise to speak in support of the Rural Adjustment Amendment Bill 2009. I commend and congratulate the member for Maranoa, who is my neighbour in terms of our electorates. His electorate is to the west of mine and the farmers in his electorate feel the same as the farmers in my electorate. My electorate is classified by the Australian Electoral Commission as rural, and so it is. Sixty per cent of the city of Ipswich is rural and I have 70 per cent of the city of Ipswich in my electorate, including all the rural parts. In my electorate I also have the Fassifern Valley, the
old Boonah Shire, as well as all the Lockyer Valley. So, geographically, 95 per cent of my electorate in south-east Queensland is rural. I know that the farmers in my electorate feel exactly the same way as the farmers in Maranoa. They do it tough. It is tough for them to make a living. They find tremendous challenges in terms of the provision of health care, giving their kids a good education, getting income support and getting access to markets. The Lockyer Valley alone contributes hundreds of millions of dollars to the Queensland economy. It has been of tremendous benefit to Queensland’s past, present and future.

The reality is that the farmers have had the benefit of exceptional circumstances assistance in the Lockyer Valley—which, of course, has been classified as ‘Southern South-East Revised (Lockyer Valley)’. They received assistance from 15 June 2008 to 15 June 2009.

Minister, I have always found this classification by NRAC puzzling. It really puzzles me, and I have raised this with your office before. The whole of Ipswich and all of the Lockyer Valley were covered by the exceptional circumstances declaration but, for some inexplicable reason, the moment you hit Harrisville, it stopped. South of Harrisville there was no exceptional circumstances assistance.

I spoke to John Brent, who is the Mayor of the Scenic Rim Regional Council. I think the member for Maranoa would have met John Brent on many occasions. He is a well-known LNP figure in Queensland. I get on very well with John, and so does the member for Forde. John and I have both puzzled on numerous occasions why areas like Kalbar, Boonah, Aratula and other areas were not part of the classification.

This weekend I will be opening the Kalbar Show. I will do the Ipswich Home Show as well for three days, but I will be there at the Kalbar Show. I guarantee you that, at the mobile office I run on Saturday at the Kalbar Show, farmers and their families will come up to me and talk to me about the challenges they face in relation to drought, health, education and income and interest assistance. They do it hard. It is a tough life, working seven days a week with their hands.

Concerning my electorate, my family on my father’s side were German farmers from the Lockyer Valley. On my mother’s side, they were railway workers from Ipswich. So I am as local as you are going to get in my electorate. But the farmers in the Lockyer Valley have been of tremendous help to South-East Queensland. Beetroot, lettuce, cabbage—you name it, they grow it. With the climate change challenges, wheat has increasingly become a crop grown in that area.

Recently, I launched the Queensland Farmers Federation report on the climate change challenges that Queensland will face. I launched it in Forest Hill, the home of Linton Brimblecombe, who is a well-known—and I will get this straight for the member for Maranoa—LNP personality in the Lockyer Valley. He and Mel and Linton’s family have been farming for generations in that valley. His father, Alan, has been a pillar of the Uniting Church in Laidley and so have Linton and the whole family. I have talked to Linton and other farmers in that area. They appreciate the exceptional circumstances funding they get and have received over the years, but farmers in the Fassifern area are really mystified about why they did not receive that kind of assistance in the last few years.

We have recently been blessed with a lot of rain in South-East Queensland. It has created some challenges for us. It has caused us some issues. There have been people injured.
There has been loss of property, damage done to businesses and, sadly, at the end of last year the loss of the life of a woman in the Lockyer Valley. But the blessing that we received is that the dam levels, which were hovering between 15 to 18 per cent in South-East Queensland, have gone up to about 70 per cent.

That does not mean that the each and every day challenge for farmers to earn an income has gone away. A lot of people running businesses still have prohibitive debt levels. They still often have their partner or spouse working in towns like Gatton, Laidley, Ipswich or Toowoomba just to be able to afford to meet what are often called ‘basic living expenses’. To give their children the kind of life that they expect and they deserve, they need assistance.

Those children receive good assistance through their schools, great schools like Lockyer District High, Laidley State High and the many other schools in the Lockyer Valley. We are providing a lot of assistance through Building the Education Revolution. In fact, in excess of $90 million has been allocated to the schools in Ipswich, the Lockyer Valley and the Fassifern Valley in my electorate. The farmers welcome this.

They also received the one-off payments. There were 119 farming families who received those one-off payments in the last few months. They also received benefits in the Nation Building and Jobs Plan—the nation building for recovery activities that this government is committed to. But they have also suffered and struggled, and NRAC has not always been as kind as they ought to have been to the farmers in my electorate. Those farmers really think at times, ‘What is this all about?’ because, for them, drought and difficulty are not rare and severe events outside of what a farmer could expect to manage.

For them, it is a fact of life. It is what they have put up with for year after year.

I know what an EC declaration is. I know that these impacts are supposed to have been so severe and prolonged that they are likely to occur only once every 20 or 25 years. But let me tell you: for these farmers, that is not their experience. I know that the state government of Queensland has worked with the federal government and, before making an application for EC, they worked to provide substantial new assistance. I know that the state government has declared drought in EC application areas. I know that is what needs to be done.

But I really wonder whether NRAC always gives the kind of skills based advice that the minister needs to get. I know there are some experts on the panel; there is a person from the National Farmers Federation. I know people are appointed because of their expertise in economics, financial administration, banking, sustainable agriculture, regional adjustment, regional development, farm management or training. But if you go and talk to the farmers in my area they often wonder about that as well. I know that in this legislation we are allowing for the reappointment of people for an additional term or terms. Four of the eight current serving NRAC members cease their second term as of 30 June 2009 and, without this legislation, their terms would expire and they would not be eligible for another term. But, fair dinkum, Minister, we need to have people on that NRAC board who are more sympathetic to farming communities in South-East Queensland as well as elsewhere, because drought is not something that happens occasionally; it happens almost every year for these farmers. I know we have to have this amending legislation we are debating today because otherwise members could not be reappointed and we would have a disaster in terms of the advice that the minister gets. But
we need to have a look at the personnel we have put on NRAC because farmers need to have confidence that the people on NRAC are sympathetic not just to their lives but to their lifestyles and their needs.

I know the federal government are doing a lot to help the farmers in my electorate. We have invested a record $24 billion in rural and regional Australia and we are thereby building stronger communities and helping them adjust to the worst global recession we have seen since the Great Depression. I welcome, Minister, the fact that we have provided such support to primary producers. There is the $715 million for ongoing drought support and the $1.7 billion to support local communities. Farmers in my electorate also very much appreciate the fact that we have put $8 million into the Warrego Highway upgrade, and they can see that being done just west of Ipswich and across Ipswich. They appreciate the fact that we have put about $800,000 into the Minden Crossing, a terrible crossing that is actually just past my electorate, in the electorate of Dickson. They also appreciate the fact that we are spending $884 million on the Ipswich Motorway upgrade, which is supporting up to 4,000 jobs locally in South-East Queensland.

How do they get their produce from the Lockyer Valley, from west of Ipswich and often from the electorate of the member for Maranoa? The Warrego Highway and the Cunningham Highway connect to the Ipswich Motorway, and that is how the farmers get their produce to the markets in Rocklea and elsewhere, so fixing up the Ipswich Motorway is crucial.

Recently I had a meeting with the Mayor of the Lockyer Valley Regional Council, Steve Jones, another prominent conservative politician in South-East Queensland. The Lockyer Valley, as I said, is not entirely in my electorate, but he was commending us for the fact that we are doing work on the Warrego Highway, after many years of neglect, and fixing up the Ipswich Motorway. I just cannot understand why those opposite voted repeatedly against doing up the Ipswich Motorway. They did not fix it in the 11½ years they were in office and they have again voted against it in this place. So I want to let the farmers in the Lockyer Valley and the Fassifern Valley, not just the urban dwellers in Ipswich, know that when it comes to regional infrastructure and road funding and the kind of assistance they need to get their produce to the markets it is the Rudd Labor government that is helping them. It is not just supporting jobs in Ipswich but supporting farmers to get their produce through to Ipswich; and not just the farmers in horticulture but also the beef farmers. I have a number of beef farmers in my electorate. How do they get their beef to the abattoir? I have the biggest meatworks in the country in my electorate, at Dinmore. They kill 18½ thousand beasts every week. I started my working life as a cleaner in the meatworks there. My father worked there, my uncle worked there and my three cousins worked there. Making sure that regional roads are efficient, effective and not subject to obstacles is crucial.

I am pleased, Minister, that we have provided that funding for road infrastructure in my electorate. North of Aratula, the Cunningham Highway goes into the electorate of the member for Maranoa. The farmers in the Fassifern Valley have been arguing and advocating for years that the Cunningham Highway north of Aratula should be fixed, and the Rudd Labor government actually provided millions of dollars recently to ensure that Main Roads Queensland can get that fixed. So 22 kilometres of road north of Aratula will be fixed. It has been a national disgrace under the coalition government for years. I have doorknocked that whole area and spoken to businesses there and they
know how important this road funding is. It is important, Minister, that you know how important road funding is for the farmers in my electorate as well as across the country.

But when it comes to the challenge of climate change and those issues, it is very important for the minister to know that there needs to be more sympathy shown to farming communities. There has simply not been enough when it comes to exceptional circumstances funding. It is important for the minister to know that there are many people on this side of the House, like me and the member for Leichhardt and the member for Dawson and the member for Flynn, who represent farming communities. They speak to us at our mobile offices, at our country shows, in our constituencies and electorate officers about the challenges of exceptional circumstances funding. So I would urge you to have a good look at this, Minister, and at the composition of NRAC in the future. We think it is important that when you are making changes in your current portfolio and looking at reappointing people, you should be looking at personnel on that panel who have the necessary kind of expertise to advise on the needs of farming communities. They need to listen to what farming communities have to say and it is important that those communities are not forgotten, not just on roads, health or education but on the challenges of drought and the problems of financial impoverishment that drought causes to those communities. In the circumstances, it is extremely important that this legislation goes through but also that you listen to those farming communities because they need to be represented, they need a stake at the table in NRAC in the future, and I commend you, Minister, for doing that. This bill needs to be passed, but there need to be changes on the board. Only when we get some changes on the board will the farming communities across South-East Queensland get the kind of sympathy that they deserve. I commend this bill to the House and suggest that in future, Minister, changes be made to the composition and personnel you put on the board.

The SPEAKER—Order! It being 2 pm, the debate is interrupted in accordance with standing order 97. The debate may be resumed at a later hour and the member will have leave to continue speaking when the debate is resumed.

MINISTERIAL ARRANGEMENTS

Mr RUDD (Griffith—Prime Minister) (2.00 pm)—I inform the House that the Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion will be absent from question time today as she is leading a parliamentary delegation to the United States of America and Israel. In the United States, I understand, she will be meeting with the vice-president and in Israel will be meeting with the President and the Prime Minister of Israel. We wish her well on that visit. The Minister for Infrastructure, Transport, Regional Development and Local Government will answer questions in relation to education and social inclusion.

Honourable members interjecting—

Mr Pyne interjecting—

Mr RUDD—Settle down, Christopher. The Attorney-General will answer questions in relation to employment and workplace relations on her behalf. I inform the House that the Minister for Trade will also be absent today as he is attending the Pacific Islands Forum of Trade Ministers meeting in Samoa. The Minister for Resources, Energy and Tourism will answer questions on his behalf. The Minister for Foreign Affairs will be absent from question time today as he is in New Zealand holding bilateral discussions with the government in Wellington. The Minister for Resources, Energy and Tourism will answer questions on his behalf. The
Minister for Home Affairs will be absent from question time today as he is attending the Ministerial Council for Police and Emergency Management in Perth. The Attorney-General will be answering questions on his behalf.

QUESTIONS WITHOUT NOTICE

Economy

Mr Turnbull (2.01 pm)—My question is addressed to the Prime Minister. I refer the Prime Minister to the Obama administration’s overnight announcement of sweeping changes to the regulation of the United States financial markets. I also refer him to the fact that his own government has seen no need to make similar changes in Australia. Prime Minister, isn’t it the case that your government inherited the best regulated and most robust financial system in the world?

Mr Rudd—I thank the honourable member for his question. I have not seen the detail of President Obama’s statement overnight and will be studying that in the period ahead. Can I say to the honourable member, however, that the President of the United States and I, in Washington and subsequently at the G20 summit in London, discussed on many occasions how we, as a G20, reform global financial markets and global financial systems and the regulatory environment which underpins them because, as the honourable member would know, in particular, given his professional background, global capital is globally mobile and therefore the regulations that we need for the future need to be consistent across multiple nations, across multiple jurisdictions. Therefore that is why an extensive raft of reform proposals have been put to the Financial Stability Forum, as it was before—now the Financial Stability Board—that is headed by the Governor of the Central Bank of Italy, Governor Draghi.

Australia is represented on the Financial Stability Board and has recently had its representation enhanced from one position to two positions. As a consequence, through our representation on the Financial Stability Board, we will be working through with our colleagues from the G20, which now has a membership which parallels that of the Financial Stability Board, a raft of reform proposals which go to the questions of executive remuneration and financial markets as well as the proper provisioning for risk, the proper provisioning for capital adequacy and the proper provisioning for a whole range of other protections in financial markets. I would also draw the honourable member’s attention to the fact that the reason that we found ourselves in this extraordinary crisis—starting with the events of late last year and commencing in the United States much earlier than that—was that we had an outbreak of free-market fundamentalism in the United States with grossly unregulated markets and as a consequence of that we had the spread of this contagion across the world.

Mr Turnbull—Mr Speaker—

Mr Rudd—I would have thought this answer is quite relevant to the question I have been asked.

The Speaker—The Prime Minister will resume his seat. The Leader of the Opposition on a point of order?

Mr Turnbull—Yes, Mr Speaker; it is a matter of relevance. The Prime Minister should answer the question and take the opportunity to say something positive about the Australian economy.

The Speaker—Order! The Leader of the Opposition will resume his seat. The Prime Minister is responding to the question.

Mr Rudd—Mr Speaker, as I said yesterday, me thinks he doth protest too much. The fountain of negativity on the Australian economy, the Leader of the Opposition, will
not pass an hour or a day, in this place or beyond, without taking the opportunity to talk down the Australian economy, to talk negatively about what is going on, to seize any piece of data and to twist it in order to convey a negative narrative against the Australian economy. I say to the honourable member: why doesn’t he stand with the parliament and with the nation at large and celebrate the fact that Australia is now the fastest-growing economy of all the major advanced economies? Why does he not stand at the dispatch box and celebrate the fact that we have the second lowest unemployment rate among the major advanced economies? Why does he not stand at the dispatch box and celebrate the fact that we have the lowest net debt of the major advanced economies?

Mr Turnbull—Mr Speaker, I rise on a point of order. It goes to relevance. Why doesn’t he stand at the dispatch box and answer the question?

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

Mr Rudd—Mr Speaker, the point of order from the Leader of the Opposition was about speaking positively about the Australian economy. Therefore, it is a question of growth, it is a question about unemployment and it is a question about net debt relative to the rest of the other economies around the world. It is also a question in terms of government deficit relative to the other major advanced economies and to the fact that this economy, virtually uniquely across the OECD, has managed thus far to avoid a recession. I would have thought that, in terms of speaking positively about the Australian economy, this is where the nation—consumers across the nation, businesses across the nation—want us to be, reflected by the two confidence indicators recently indicating that Australians want us as a government, as a nation and as a parliament to be as one, pull together and push the Australian economy up, lifting it up out of global recession.

Mr Turnbull—Mr Speaker, it goes to relevance. He cannot—

The SPEAKER—Order! The Leader of the Opposition does not have the call yet. The Leader of the Opposition.

Mr Turnbull—Mr Speaker, it is a matter of relevance.

The SPEAKER—The Leader of the Opposition will resume his seat!

Mr Turnbull—The Prime Minister cannot—

The SPEAKER—The Leader of the Opposition will resume his seat. The Leader of the Opposition has raised a question of relevance.

Mr Randall interjecting—

The SPEAKER—We can always assist the member for Canning by putting him on the Speakers panel so that he can learn something about chairing, but otherwise he should sit there quietly. First of all, I indicate that anything that was said during an earlier point of order was not a supplementary question and should be ignored. The original question dealt with the financial sector and the global crisis. The Prime Minister will respond to the question.

Mr Rudd—In terms of the question about financial markets, as the honourable member was asking before: that is why the government, given the dramatic circumstances of last October—

Opposition member interjecting—

Mr Rudd—I would have thought the honourable member might be interested in this response. The government response to the events of last October, following the implosion of Lehman, ‘Black Friday’ on stock
markets and the grave crisis we faced in this country as a consequence of that, included actions to provide guarantees for depositors right across the country for the first time in the history of the Commonwealth. He asks a question as to what was missing in terms of the regulatory environment when this government was elected to office. Where was a deposit insurance scheme on the part of those opposite? When the Liberal Party occupied the treasury bench, how many times was a deposit insurance scheme recommended—one, two, three, four, five times? The reason they did not is that the banking industry got into their ear and said it was too expensive; they did not want to do it. As a consequence, we actually found ourselves on the cusp of this crisis in September and October last year without adequate consumer protection for depositors across the country. That is why the government had to act.

The honourable member asked what actions we have taken to improve financial regulation in this country. I would think that the 13 million or so deposit holders across the country, all the men and women in the gallery here today and those listening to the broadcast who have deposits in banks, building societies and credit unions will be pleased by the fact that a government at last acted to provide that level of security to the Australian financial system. That is one element of our actions.

We have also sought to undertake other actions, which have been frustrated by the member opposite, including the proper provision of financial support for the commercial property sector in Australia. I say to the Leader of the Opposition: as he looks at the number of firms out there in the construction industry with jobs at risk of being lost through the nonsupply of capital, he should ask himself the question of why he has acted so negatively and destructively to undermine the Australian Business Investment Partnership. It was supported by the Property Council and supported by business groups across the country. At this time of crisis in financial markets, we needed a special form of market intervention of the type which is put together with the private sector. Of course, this was blocked and voted down by those in the Senate.

Mr Pyne—Mr Speaker, this question did not invite a 50-minute tutorial from Professor Rudd.

The SPEAKER—The point of order is?

Mr Pyne—Mr Speaker, the point of order relates to relevance. The Prime Minister was asked a specific question.

The SPEAKER—Order! The member for Sturt will resume his seat. The Prime Minister will respond to the question.

Mr Rudd—Firstly, the government acted nationally through the measures I have just referred to—providing guarantees for deposit holders, providing guarantees for interbank lending and proposed interventions of the type described in the Australian Business Investment Partnership. Secondly, and critically, the government acted multilaterally through the G20 and through the raft of reforms to financial markets which are currently being considered by the Financial Stability Board. Australia is actively engaged in all of this. I would have thought the honourable member would understand that capital is globally mobile, and for there to be an effective regulatory environment you need a global set of regulations to underpin it. The member asked what actions we are taking—we are active on this range of fronts and we will continue to be active on them into the future.

Renewable Energy

Ms VAMVAKINOU (2.11 pm)—My question is to the Prime Minister. Will the Prime Minister explain how the govern-
ment’s renewable energy target will assist Australian households to install solar panels and drive the low-pollution jobs of the future?

Mr RUDD—I thank the honourable member for Calwell for her question. The government is committed to ensuring 20 per cent of Australia’s electricity supply is generated from renewable energy by 2020. That is why we have established a renewable energy target and introduced legislation in this parliament to that effect. The House of Representatives has passed that legislation and it is now in the Senate—but I will come back to that in a moment. The reason we have done so is not just to make our contribution to bring down global greenhouse gas emissions but, on top of that, to ensure that there are new jobs generated in the renewable energy sector in Australia.

If we raised to 20 per cent the proportion of Australia’s electricity supply coming from the renewable energy sector by 2020, I am advised that would be equivalent to the electricity used in Australia’s 7½ million households. The equivalent of the electricity used in 7½ million households would be supplied by renewable energy. This is important for the environment but it is equally important for Australian jobs. Treasury modelling projects that by 2050 the renewable energy sector will be 30 times larger than it is today. Solar, wind and geothermal technologies all represent further opportunities for jobs for Australia—good for jobs and good for the environment.

This comes to the whole question of why we are acting on climate change through the Carbon Pollution Reduction Scheme and the renewable energy target legislation, in addition to a range of other measures to support investment in this critical sector in renewable energy. The reason is that the economic cost of inaction is far greater than the economic cost of action. The Garnaut review projected declines in the value of agricultural production of up to 97 per cent in the Murray-Darling by the end of the century if emissions are not reduced, as well as projecting the catastrophic destruction of the Great Barrier Reef.

At present the Great Barrier Reef generates some $4.9 billion in revenue, as the member for Leichhardt well knows, and it generates employment for about 60,000 people across Australia. The agricultural sector in the Murray-Darling Basin, as members opposite whose seats are adjacent to that region would know, employs some 90,000 people. On these two questions—that is, the impact on the Great Barrier Reef alone and the impact on the Murray-Darling—you are looking at an aggregate employment impact or effect on those 150,000 Australians employed through tourism on the Great Barrier Reef and agriculture in the Murray-Darling. That is why Australia must act.

That is also why the Australian business community wants certainty for its regulations for the future. If you are a business out there in the renewable energy sector or in the traditional energy sector, you want certainty in the regulatory environment. That is what we are on about. Pacific Hydro, for example, have some 600 megawatts of clean energy projects in the pipeline in Australia worth $2 billion. Let me quote from Mr Rob Grant, CEO of Pacific Hydro, who said in March this year—

Mr Hunt—You have delayed your own legislation for a whole year!

Mr RUDD—The member for Flinders speaks about delays in legislation, delays in climate change legislation.

Mr Hunt interjecting—

The SPEAKER—Order, the member for Flinders!
Mr RUDD—How many reports did the previous government receive on the need for (a) an emissions trading scheme and (b) halving the renewable energy target? I have lost count. Year in year out the reports came in over the 12 years that they were in office, but our hyperactive member for Flinders obviously prevailed so decisively in the internal deliberations of the Howard government that what was produced by legislative outcome was one big fat zero. In 18 months this government has framed Carbon Pollution Reduction Scheme legislation, which is now in the Senate, and renewable energy target legislation, which is now in the Senate as well.

Opposition members interjecting—

Mr RUDD—I begin to hear interjections on climate change.

Mr Hale interjecting—

The SPEAKER—Order! I remind the member for Solomon that he is now skating on thin ice.

Mr Hockey—He’s a big fellow!

Honourable members interjecting—

The SPEAKER—Order! I remind the member for North Sydney’s advice, which is based on a shared knowledge of how thick the ice has to be.

Mr Hunt—I rise on a point of order, Mr Speaker, on relevance. The Prime Minister has now twice stated that this legislation is in the Senate—

The SPEAKER—Order! That is not a point of order.

Mr Hunt interjecting—

The SPEAKER—Order, the member for Flinders! The question was in order and the Prime Minister is responding to the question.

Mr RUDD—I will come to the question of Senate filibusters in a minute, Mr Speaker, but to quote further from Pacific Hydro—and I note the opposition’s continued sensitivity on the whole raft of climate change matters which are before the parliament at the moment—Mr Rob Grant said:

Pacific Hydro’s investment alone will create thousands of jobs mainly in regional areas in areas such as road building, concreting, steel fixing and steel fabrication.

And he went on to say:

… we must legislate the RET—the renewable energy target—as quickly as possible to create new jobs and limit the impact of the global economic crisis.

That is what Pacific Hydro had to say.

But that is where we get to the position of obstruction on the part of the opposition. What we see from those opposite at present is a decision today by the opposition to delay the passage of the renewable energy target legislation. I refer to the Sydney Morning Herald and an article there which brings to our attention the intention of Mr Turnbull, the Leader of the Opposition, to direct his Senate colleagues to filibuster next week to prevent a vote on the Carbon Pollution Reduction Scheme. Not having the courage to vote for climate change is one thing, but not having the courage to allow any vote on climate change is something else. In fact, on this critical challenge of climate change for Australia, I would say that filibustering is not leadership, it is just absolute opportunism, and that is what we have on the part of those opposite.

Remember that great senator from South Carolina, Strom Thurmond, an anti-integration senator from the south? I think he has the world record—24 hours, I think—for filibustering. I say to those opposite: can you get on with the business of passing this legislation. The nation needs it.
Australia’s sovereign debt will be around $475 billion or over $21,000 of government debt for every man, every woman and every child in Australia. I also refer the Treasurer to the fact that the Senate, against government wishes, has agreed to coalition amendments to set up a public register of government borrowings that delivers transparency and accountability on Labor’s record debt. Treasurer, when will the register be operating so that every Australian will know exactly who owns our future?

Mr SWAN—I thank the shadow Treasurer for his question. This is part of his debt scare campaign that he has been attempting to mount in this House day in day out. Of course he cannot ever quite get all his figures right or facts right. That does not seem to matter at all, because the opposition are not interested in an alternative economic policy; they are just interested in a scare campaign. They are not interested in supporting jobs; they are just interested in another scare campaign, which is where the question comes from today.

I have had several questions about this from the shadow Treasurer over recent weeks. Basically, he has asked me what percentage of our bonds on issue is owned by people overseas. And the answer is: roughly two-thirds. That has not changed from the time of the former government. It was roughly two-thirds then and it is roughly two-thirds now.

There were amendments attempted to be moved in this House last night. The opposition could not get them right—they stuffed that up—and they had to go up and move them in the Senate today. And of course those amendments did go through the Senate today. They are amendments seeking greater detail as to what or who may be the individual investors. At the moment the data that is provided by the Bureau of Statistics. It does not give the sort of detail that the member opposite is seeking so what we have said we will do reasonably is look at whether we can get, in an accurate fashion, more data. I made the offer to him in the House last night that we would sit down with our advisers, with the Treasury, and through the ABS, and attempt to do that. I made that clear, Mr Speaker.

But, of course, it is not about that. What it is really about is this debt scare campaign. Australia has low levels of net debt compared to every other economy in the world—very low compared to every other major advanced economy. I think it pays to go through them. If we take the period to 2014 and go through levels of net debt around the world, they are: United Kingdom, 83 per cent; United States, 83 per cent. Major advanced—

Mr Hockey—Mr Speaker, I rise on a point of order that goes to relevance. I asked the Treasurer: when is he setting up the register that discloses who owns our debt?

The SPEAKER—The Treasurer is responding to the question.

Mr SWAN—I will comply with the law of the land to the maximum extent that I possibly can. That is what I have said to—

Opposition members interjecting—

Mr SWAN—Mr Speaker, we really should have a look at how serious or childish those opposite are. Last night, with no warning, they turned up in the House with a couple of amendments that were inaccurate and had to be redrafted. They did not proceed with the amendments last night. They took them up into the Senate and they passed them, with the help of the minor parties, in the Senate today.
Of course, we will comply to the maximum extent that we possibly can. But it is not about compliance. What it is about here is a debt scare campaign to try to get them off the hook for their failure to support economic stimulus, which is supporting jobs in this economy, and their embarrassment at the national account result two weeks ago. They have opposed vital economic stimulus which is supporting jobs in our economy, and all through this there is no alternative economic policy.

The shadow Treasurer was on Sky News the other day. He was asked on Sky News how the coalition would get a lower deficit. This is the answer—

Mr Pyne—Mr Speaker, I rise on a point of order on relevance. The Treasurer was asked a specific question. He has answered it as best he can. We are now going around the world in 80 days—

The SPEAKER—The member for Sturt will resume his seat. The Manager of Opposition Business might like to review the question, which had a preamble that made references to a number of things. It has been the practice and precedent of this place that they can also be responded to in making the answer relevant.

Mr SWAN—Certainly, Mr Speaker, because I was asked a question about debt. The shadow Treasurer on Sky News was asked about how he would go about achieving a lower deficit which contributes to debt. So I do believe that my answer is directly relevant to the question that I have received from the shadow Treasurer. This is what he said on Sky News when he was asked by David Speers about how the coalition would have a lower deficit. He said this:

There are always going to be other decisions, David, that we would have taken that would have not delivered the same budget deficit. He then goes on to say this:

We said it was vitally important that you stimulate small business, and the way to do that, we said, was to change the superannuation guarantee arrangements.

Those changes to the superannuation guarantee arrangements that they had mentioned some time ago come at a cost of $5 billion. So his answer on Sky News as to how he would go about getting a lower deficit was to add to the deficit. That is just more ‘slop-pynomics’ from Sloppy Joe to camouflage the fact that they need to have a deficit and debt scare campaign because they have no positive alternative policy for Australia.

Climate Change

Mr BEVIS (2.26 pm)—My question is to the Minister for the Environment, Heritage and the Arts. Will the minister outline the importance of supporting renewable energy as part of a comprehensive approach to tackling dangerous climate change?

Mr GARRETT—I thank the member for Brisbane for his question. Can I point out again to the House that the Rudd government is strongly committed to supporting renewable energy technologies, knowing that they will deliver clean energy jobs in the regions of Australia from now and into the future. This week we saw more evidence of the urgent need to address dangerous climate change and encourage investment in renewable energy and energy efficiency with the release of a very important report. This report, *Global climate change impacts in the United States*, was released by the White House and it represents a consensus of some 13 agencies on the potential impacts of climate change in the US. I saw Dr John Holdren, who is the Director of the Office of Science and Technology Policy and the Assistant to the President for Science and Technology, speaking to this report on television recently. It makes compelling reading and listening. It observes that climate changes are
already underway in the US and that thresholds for our climate and our ecosystems will be crossed. On the United States marine environment the report says:

Coral reefs sustain fisheries and tourism, have biodiversity value, scientific and educational value, and form natural protection against wave erosion.

The report goes on to say:

The loss of income by 2015 from degraded reefs is conservatively estimated at several hundred million dollars annually.

As the Prime Minister has just pointed out to the House, this is a risk the Australian government understands very well, with the Great Barrier Reef, our own coral reef system, providing over $4.9 billion in tourism revenues and employment for around 60,000 people. The US report says:

... choices made about emissions in the next few decades will have far-reaching consequences for climate change impacts.

That is something that the Rudd government take very seriously, and so we are making positive choices: a commitment to a Carbon Pollution Reduction Scheme, a commitment to an expanded renewable energy target and solar credits which will provide up to $7,750 for a 1.5 kilowatt system for solar panels in some sections of Australia—in others not quite so much.

We have chosen the policy position which will grow clean energy jobs—some 26,000 jobs recently identified by the Climate Institute, based on projects that are planned and committed. That is 26,000 clean energy jobs. But what do we see from the opposition today? We see the serial behaviour of delay—a decision to delay the passage of the renewable energy target, no commitment to renewable energy or to Australia’s solar industry. I think it is extraordinary that the coalition cannot understand how important this is for Australian industry and for Australians. We have the potential to increase our renewable energy target some four times—solar energy, wind energy, wave energy—renewable energy of the future—and the coalition just simply will not go anywhere near supporting it.

Perhaps we should not be so surprised about this, because they refused to increase the renewable energy target when they were in government and they refused to take up the recommendations of their own review. I was wondering why this was the case and, of course, I came to the member for Flinders. The member for Flinders said in parliament in November 2005 that the renewable energy target:

...was always intended as a start-up scheme to get renewable energy underway in Australia.

We set a target, we achieved it and now it is time for that industry to be able to produce and proceed on its own merits.

So four years ago the coalition rolled out the ‘mission accomplished banner’ on renewable energy. They said it was all over. They said they did not want to increase the renewable energy target and they were prepared to leave Australia’s fledging renewable energy industry on its own. Today, they have dusted the ‘mission accomplished’ banner. They have taken it out of the attic. They have pushed past the pink batts that the government is putting in the roofs of Australian homes to help them reduce their energy costs and their greenhouse gas emissions. The coalition have just confirmed again, with this serial behaviour, that they are not serious about climate change. It is all about delay. It is all about confusion. It is the same old coalition—walking away from renewable energy, walking away from clean energy jobs that thousands of Australians are ready to embrace and walking away from the investment possibilities that this industry can bring for-
ward to give some economic sustainability to
our economy. It is time the Leader of the
Opposition showed some leadership on this
issue.

Education

Mr TURNBULL (2.32 pm)—My ques-
tion is to the Prime Minister. I refer the
Prime Minister to the call today from the
Australian Education Union for the school
stimulus debacle to be reviewed to deter-
mine, amongst other things, if costs are being
inflated. Now that the union movement, the
opposition, school principals, governing
council chairs, education and building ex-
perts and parents across Australia are high-
lighting waste and mismanagement in this
program, will he go over the top of the Min-
ister for Education and refer the school
stimulus debacle to the Auditor-General?

Mr RUDD—The government, since its
election, has been committed to the educa-
tion revolution. The government, since the
stimulus strategy of February this year, is
committed to building the education revolu-
tion through the single largest school mod-
ernisation program that this country has ever
seen. As a consequence of that, we are out
there working with state and territory gov-
ernments rolling out projects in 7,500 pri-
mary schools across the nation. We are roll-
ing out refurbishment programs for class-
rooms and other facilities within schools
across all of Australia’s 10,000 primary and
secondary schools, government and non-
government. On top of that, we have pro-
vided investment for new language centres
and new science centres for at least 500 or so
of Australia’s 2,500 secondary schools. This
is because we believe that the kids of today,
who will become the leaders of tomorrow,
deserve first-class facilities in which to
learn—state-of-the-art libraries, state-of-the-
art science centres and state-of-the-art lan-
guage centres—and because we are inter-
ested in preparing our kids for the future.

I notice that those opposite have a variable
record on their degree of support for this
program. I note in particular the levels of
enthusiasm of various members representing
the interests of their constituencies. I refer in
particular to a recent communication by our
good old friend the member for Macarthur
to his constituents. I have here a little commu-
nunication between—

Mr Pyne—On relevance, Mr Speaker.
Perhaps the Prime Minister did not hear the
question. It was not about the support for
infrastructure; it was about waste and mis-
management in government spending.

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

Mr RUDD—Here we have Pat—good to
see you, mate!—who says in his local com-
munication:

I am working hard to ensure that more gets done
for our community. Record levels of Australian
Government funding are now going to our local
schools, the literacy standards of our children
have increased, as have the number of apprentice-
ships and there is significant Australian Govern-
ment investment in our local hospitals …

One thing about our colleagues opposite is
that they are always on song! The member
for Macarthur is reflecting the fact that all
honourable members opposite—and also the
members of the government—want to see
this program being implemented on the
ground. That is why, from the very begin-
ing, the government issued these Building
the Education Revolution guidelines. We
have said from the beginning, when these
guidelines were issued in February, that we
would have proposals out there for projects
under rounds 1 and 2 of the National School
Pride and rounds 1 and 2 of the Primary
Schools for the 21st Century to provide to
the Commonwealth and to the Department of
Education, Employment and Workplace Relations to assess the eligibility of each proposal against the guidelines. Furthermore, the approval process is that the Commonwealth assesses projects against the guidelines and then recommends funding, which should enable each project to commence. It then goes on to say the guidelines are clear about what projects are not to be funded. The guidelines include new iconic facilities, such as libraries, multipurpose halls, classrooms, upgrading facilities in primary schools, science laboratories and language learning centres. The ever-interjecting member for Sturt seems, on the one hand, to welcome funding for his schools yet, on the other hand, stands at the dispatch box and attacks that funding—not that there is any opportunism in that, but I will just leave his constituents to make that judgment.

We also say—and this is in the guidelines:

If a school considers that a proposed allocation of funding under the BER program is not in accordance with the BER guidelines, the school may put its concerns in writing to the National BER Co-ordinator who may, where appropriate, after considering the objectives of the BER program and the BER guidelines, discuss the school’s concerns with the relevant State/Territory or BGA for the purposes of ensuring that funding is allocated in accordance with the BER guidelines.

The bottom line is this: when you are rolling out constructions at 7½ thousand schools across the country, there are always going to be disagreements on the ground about what should occur. That is natural; that is normal. As I said way back then, there are always going to be bumps in the road. But here we have got a clear statement in the guidelines that, if there are problems experienced by individual P&Cs and P&Fs, there is an appropriate point at which to lodge a concern and to have that concern heard.

The Leader of the Opposition seems to have disappeared since he asked the question. Where is he?

An honourable member—He is behind the Speaker’s chair.

Mr Rudd—If the Leader of the Opposition is paying attention to the question that he just asked, I say to him, as I say to other members: given his statement of principled concern about Building the Education Revolution projects, does he object to the way in which these moneys are being invested in these schools: $3 million in Ascham School at Edgecliff; $2 million in Bondi Beach Public School at Bondi—are there problems there?: $3 million in Cranbrook School; $2½ million in Kambala at Rose Bay; $2 million in Kesser Torah College at Dover Heights; $2½ million in Kincoppal-Rose Bay School of the Sacred Heart; $2½ million in Montessori East at Bondi; and $850,000 in Moriah College at Bondi Junction—do I hear any interjections about that? No. There is also Plunkett Street Public School, with $789,000; Reddam House Woollahra, with $250,000—I am waiting for an objection from the Leader of the Opposition; St Anthony’s Primary School in Clovelly; St Catherine’s School in Waverley; St Charles’ Primary School in Waverley; Sydney Grammar School in Edgecliff; Scots College—

Mr Hockey interjecting—

Mr Rudd—I am going through the list here: Waverley College, Waverley Public School, Yeshiva College, Bondi—

Mr Hockey interjecting—

The Speaker—Member for North Sydney!

Mr Hockey interjecting—

The Speaker—The member for North Sydney is warned!

Mr Rudd—I am waiting to hear for which of those allocations to which of those
schools in the member for Wentworth’s electorate he believes he has a problem with the funding. I have not heard him issue a statement about which of those he has a problem with the funding for. I am sure that the Leader of the Opposition will in the debate on matters of public importance—it being Thursday—stand up and tell us for which of those schools he objects to the funding. What it goes to highlight is the fundamental double standards and opportunism of this entire debate. We have said from the outset that there would be funding for schools—government and non-government, primary and secondary—

Mr Hockey interjecting—

The SPEAKER—The member for North Sydney will leave the chamber for one hour under standing order 94(a).

The member for North Sydney then left the chamber.

Mr Rudd—to provide stimulus to the economy to support jobs, business and apprenticeships today while building the education infrastructure we need for tomorrow. That is the government’s program—it is building the education revolution. When it comes to the individual appeal processes within it, they are amply described in the guidelines, which were put out when the program was first released in February and they should be deployed by any concerned P&Cs and P&Fs.

Mr Turnbull—Mr Speaker, I seek leave to table a press release from the Australian Education Union.

Leave not granted.

Renewable Energy

Ms Jackson (2.41 pm)—My question is to the Treasurer. Will the Treasurer outline to the House how developments in the Senate today on renewable energy legislation will impact on jobs and investment in the Australian economy?

Mr Swan—I thank the member for Hasluck for her question. In the middle of a global recession, one of the most important policy objectives any government can have is to deliver the maximum amount of certainty through clear-cut decisions that support jobs and that support business. That is why the government moved so quickly and decisively last year and again this year to put in place the bank guarantee and to put in place the stimulus—phase 1, phase 2 and phase 3. They have all been put in place to support business and to support employment in the face of this very savage global recession.

We have been opposed in those measures every step of the way by those opposite. They have now taken this negative approach to a new level, with the delay in the legislation for the renewable energy target, which is in the Senate today. Katie Lahey from the Business Council of Australia made a point some time ago which I think goes to the very core of how bloody-minded and how irresponsible the opposition are when it comes to the basic economic facts that we are facing and what must be done to support our people. This is what Katie Lahey had to say:

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, and for some businesses it could be the straw that breaks the camel’s back.

The point here is that this is very damaging for confidence in a very important sector—the renewable energy sector. We do know, for example, that the Climate Institute has projected that there are $31 billion worth of clean energy projects underway or planned in response to the government’s legislation. These projects do represent jobs, and you would have thought that those opposite could have supported such a positive measure. But
yet again they have voted against assistance to households, to businesses and to community groups. They do not care about the flow-on impact, for example, in terms of solar credit. Why have they got to this completely irresponsible position? Because they are so divided—so divided between the sceptics and the others who may be able to recognise the importance of climate change—that they cannot take a decision. So it is the disunity of the coalition that is producing the delay and impacting on confidence. They cannot unify when the national interest demands it.

It is a shame, because we have seen some more employment data today which indicates that stimulus is having a substantial impact on our economy. The retail employment figures, out today, are holding up much better than they are anywhere else in the world. Despite a very small decline in retail employment in recent months, today’s figures show that there are 15,250 more Australians employed in the retail sector now than in November last year—a very, very good result in the circumstances.

Let’s just compare that to what is happening elsewhere in the world. In the US there are 308,000 fewer retail jobs than there were last November.

Mr Tuckey—Mr Speaker, I rise on a point of order. In light of the fact that in 45 minutes there have been three opposition questions, I want to refer you to House of Representatives Practice, the fourth edition, page 540, as it deals more comprehensively with tedious repetition.

The SPEAKER—The member for O’Connor will—

Mr Tuckey—I think I have a right to read this to you, Sir.

The SPEAKER—No. The member for O’Connor, now having stated his point of order, will resume his seat. As I have indicated to him before, those standing orders do not relate to questions and answers.

Honourable members interjecting—

The SPEAKER—Order! Well, it might save time if I listen.

Mr Tuckey—in discussing the very point you have made, Sir, the final sentence says:

It is considered nevertheless that the Chair has sufficient authority to deal with irrelevance or tedious repetition in answers.

In other words, ‘sit them down’ has been the practice of the past.

The SPEAKER—to assist the member for O’Connor by treating it as a point of order, I can indicate to him that there was no point of order. I can say to him, in the general sense, that, if he has concerns about the conduct of question time, I invite him to take that up with the Procedure Committee. But I indicate to him that, if matters about question time that are of concern are only to be dealt with by precedent and practice, I think we really have a problem about getting change in question time, because that would only be sustained by the person in the chair on the basis of the practice that they would like to put in place. As he is aware, early on in this parliament I sought the cooperation of the Procedure Committee in taking the inquiry about question time from the last parliament and moving it to a conclusion. They, as is their right, decided that they had other priorities. I simply say on the issues that he has raised that, whilst of course an individual occupant of the chair could make rulings and deal with these things, if they are to be done in a sustainable way for the future operation of this chamber, those issues are best addressed by changes to the standing orders.

Mr SWAN—I was making the point that there are 15,250 more Australians employed in the retail sector now than in November last year. Everyone on this side of the House thinks that is a pretty good outcome and that
it is worth talking about—unlike those opposite, who do not have any real concern about the need to support employment in the Australian economy. I was comparing that outcome to the outcome in other advanced economies. In the US there are 308,000 fewer retail jobs than there were last November; in Canada, 37,000 fewer; in the UK, 32,000 fewer; and in New Zealand, 31,000 fewer. What that tells us is that we are doing very well compared to the rest of the world.

When we look at the construction sector, we see that an additional 10,000 construction jobs have been added in the three months from February this year. Look at the comparable figures in terms of other countries. The US construction sector has shed 290,000 jobs during that period. Canada has shed 30,000 construction jobs during that period.

What these figures give us is further evidence that our stimulus efforts are helping to support employment, and that is why the behaviour of the coalition in this House and the behaviour of the coalition in the upper house is so reprehensible and irresponsible—because there has been an impact on confidence and there has been an impact on demand. It is supporting employment, and those outcomes are opposed every step of the way by those opposite.

**Building the Education Revolution Program**

**Mr Turnbull** (2.50 pm) — My question is to the Prime Minister. I refer the Prime Minister to his recent apparent interest in infrastructure in Sydney eastern suburbs schools. I also refer him to the Randwick primary school, which has had imposed on it a school hall built to the Rudd-Gillard template which is not suitable for the school’s requirements. I further refer the Prime Minister to the motion passed by the P&C at Randwick primary school on 15 June expressing its concern that the government is:

… proceeding with the planning and construction of a building at the school without adequate consultation with the school community on the purpose, design and location of the building.

Why won’t the Prime Minister refer this bungled school stimulus debacle to the Auditor-General for an independent review?

**Mr Rudd** — What stuns me about this entire line of argument from the opposition is where they stood on education performance in their 12 years in office, when one piece of data after the other demonstrated us falling down the OECD table of education performance. Early childhood education, for example, had the lowest—the wooden spoon—performance across the OECD. Then there was the investment in government schools by those opposite: they had an appalling record over the 12 years in which they were in office. Then there was the stripping out of funds from our universities.

What we have done in the period that we have been in office, led by the Deputy Prime Minister, the Minister for Education, is give effect to an education revolution by an investment in the quality of our schools and in the infrastructure that is available to them. I say to the honourable member as he cries crocodile tears about the investment of funds into schools in Sydney and elsewhere that he should refer to the guidelines and the provisions for handling things like this.

**Road Infrastructure**

**Mr Raguse** (2.52 pm) — My question is to the Minister for Infrastructure, Transport, Regional Development and Local Government. Would the minister outline for the House the government’s road investment program and how it compares to previous spending on roads by the Commonwealth? What support is Infrastructure Australia receiving?

**Mr Albanese** — I thank the member for Forde for his question. I look forward to
being in his electorate once again in a couple of weeks time. The member for Forde has a great interest in infrastructure in his growing part of South-East Queensland. I am asked about road funding. The government is spending some $36 billion over six years on nation-building transport infrastructure, including $8.5 billion in new funding. This includes funding for long overdue road projects like the duplication of the Cooroy to Curra section of the Bruce Highway, the widening of the Ipswich Motorway, the Kempsey bypass and the construction of the Hunter Expressway. Indeed, we will spend $28 billion on roads over six years. This will deliver over 120 major projects, additional assistance for local roads, upgrades to thousands of dangerous black spots, safety measures at high-risk level crossings and additional rest stops for truckies.

I was asked about how this compares to previous Commonwealth spending on roads. The Bureau of Infrastructure, Transport and Regional Economics Transport Statistics Year Book 2009, which was released today, collates historic data on a range of transport infrastructure. It reveals that the average annual road spend during the Howard government’s last six years was just $2.7 billion. In contrast, our road spend over our first six years in office will be $4.7 billion a year. This equates to some $12.7 million every day for the next six years—and under economic circumstances that are far more challenging than the circumstances the mining boom created, with record revenues flowing into government coffers.

They get a bit excited over there when we talk about infrastructure and our agenda. I was also asked by the member for Forde about the response to the Infrastructure Australia process that we have established. We know that those opposite did not support the IA process. We know that they have been critical the whole way through; we know that they opposed and voted against the Nation Building and Jobs Plan; we know that they voted against the nation-building legislation; we know that they voted against the $42 billion economic stimulus plan in February; and we know that they have been critical of the $4.7 billion plan of last December.

But when I looked at what they were doing around the country, I was staggered, frankly. They say that imitation is the highest form of flattery. There was a press release by the New South Wales opposition leader Barry O’Farrell. He has announced that the Liberals and Nationals in New South Wales: … will create Infrastructure NSW to improve the identification, prioritisation and delivery of critical public infrastructure …

That is pretty interesting. The press release says:

Infrastructure NSW will:
- Identify public infrastructure needs;
- Establish priorities and recommend timelines for delivery;

Sound familiar? It goes on:

- Advise on project procurement, contractual arrangements, best practice, delivery and funding modes; …

They advise that it will support private funding for infrastructure. Later on in the press release—and wait for this—they advise:

Infrastructure NSW is built on the successful Infrastructure Australia, Partnerships UK and Partnerships Victoria models.

That is what they are saying in New South Wales, the home state of the member for Wentworth.

People who look at what Infrastructure Australia has done with any objectivity whatsoever have to support the process that this government has established. Their opportunism in opposing all of these measures is highlighted by Barry O’Farrell and the New South Wales Liberal-National an-
nouncement today. We know that the coalition party room is a mess here. I wonder whether there was any consultation whatsoever before this announcement was made. But I guess we will not find out, because I am still waiting to receive a question from the shadow minister for infrastructure about any of the measures that we have undertaken.

**Building the Education Revolution Program**

Mr PYNE (2.58 pm)—I refer the Prime Minister to the comments of the principal of the Berwick Lodge Primary School in the *Australian* today, which said that schools ‘are being harassed into signing off on templates they didn’t want’. It also said the guidelines for the school stimulus debacle ‘explicitly state that the Commonwealth reserves the right to refuse funding to a participant who releases information publicly’, accuses ‘state bureaucrats in being complicit in the siphoning off of vast sums from government schools’ and says that state bureaucrats have ‘accepted templates with only the flimsiest of building details and a total absence of costing valuations’. Why won’t the Prime Minister step in and refer the school stimulus debacle to the Auditor-General?

Mr Randall interjecting—

Mr RUDD—I always enjoy the interjections by the member for Canning, who made a personal explanation recently and said he supported government borrowing in order to provide investment in schools in his electorate. Today he has a different tune, but, then again, opportunism is writ large on the faces of those opposite.

As I said in response to the first question from the Leader of the Opposition, the Building the Education Revolution guidelines contain a specific provision that P&Cs or parent bodies who consider that a proposed allocation of funding under the BER program is not in accordance with the guidelines should write to the national BER coordinator, who may, where appropriate, after considering the objectives of the BER program and guidelines, discuss the school’s concerns with the relevant state and territory or block grant authority. That was outlined in the guidelines to begin with, and I would say to any P&C and any P&F out there across the country: in the implementation of a program which goes to 7½ thousand primary schools across the nation, as we said from the beginning, inevitably you are going to have discussions and disagreements at the local level about what is wanted. That is normal; that is natural; that is why we have had so many representations, I think, from members on that side of the House and members here about finessing details on the ground. That is normal and natural. That is why the guidelines contain an explicit provision, which they do, about an opportunity for P&Cs and P&Fs to reflect those views to the national BER coordinator—and I invite them all to do so.

I am very pleased that the member for Sturt has asked this question as well, because I would like him to also begin to reflect on which of these allocations he would find unacceptable in the electorate of Sturt. Burnside Primary School, which I understand he attended, was $2½ million. Campbelltown Primary School at Paradise—

Mr Pyne—Mr Speaker, I rise on a point of order. The Prime Minister has invited me to answer his question; I am happy to do so. Is he suggesting that every dollar be spent only in Labor electorates?

The SPEAKER—The member for Sturt will resume his seat! I warn the member for Sturt!

Mr RUDD—In this debate about the allocation of funding, I would draw your atten-
tion to the stark contrast with the Auditor-General’s report in relation to the regional program—

Mr Albanese—Regional rorts.

Mr Rudd—the regional rorts program under the previous government, which indicated an excessive concentration of resources in particular seats held by a particular party, namely the National Party. Ten seats represented what proportion of the overall allocation?

Mr Albanese—Half.

Mr Rudd—Half of the overall allocation. What we have said from the outset is that we are out there to support the economy as a whole and the education system as a whole, government electorates and non-government electorates, government schools and non-government schools. The objective of the exercise is to provide employment opportunities for tradies, for sparkies, for local people and small business, and for others who are contributing to the construction industry in the country, as opposed to sitting on our hands and doing nothing.

Again I go back to the member for Sturt, who is obviously very sensitive about the investments which are being made in his electorate. I look forward to his subsequent statement about which of these—I presume he can speak in the MPI debate—he objects to: Burnside Primary School classroom redevelopment, half a million dollars; Campbeltown Primary School classroom refurbishment, $600,000; Campbeltown Primary School library new construction, $1.4 million; East Marden Primary School new construction, $2 1/2 million; East Torrens Primary School library new construction, $1.7 million; East Torrens Primary School classroom refurbishment, $300,000; Gilles Plains Primary School hall new construction, $2 million; Heritage College—

The Speaker—Order! The Prime Minister will resume his seat.

Mr Hale interjecting—

The Speaker—The member for Solomon is warned! The Deputy Leader of the Opposition on a point of order?

Ms Julie Bishop—The Prime Minister was asked why he will not refer this debacle to the Auditor-General. He has still not answered why he will not refer it. That is the question he has been asked time and time again.

The Speaker—The Deputy Leader of the Opposition will resume her seat. The Prime Minister is responding to the question.

Mr Rudd—Plainly those opposite are embarrassed at the recitation of the funding allocations to the individual schools within their electorates. That is why every parliamentary device will be used by those opposite. They stand up and try to interrupt a clear description of what investments are proposed for individual schools within their area.

To go back to the member for Sturt’s electorate: Heritage College at Oakden, $2 million for the construction of a multipurpose hall with student amenities; Highbury Primary School library new construction, $1.6 million; Highbury Primary School hall refurbishment, $1.4 million; Hillcrest Primary School, $850,000; Klemzig Primary School, $2 million. I have only just got up to K; it goes all the way to Z.

I say to the honourable member for Sturt, therefore, that, when he is seeking at the dispatch box to launch a negative attack on this overall program, he has simultaneously a moral responsibility in this place to make it clear to each of those school communities which of the allocations to them he objects to. I would invite each member who would rise in this place to do the same because at
the end of the day you cannot walk two sides of the street here.

I also say to the honourable member who has asked the question that the other rationale for what we have done through the school modernisation program is this: how do you boost also small business and jobs? I draw the honourable member’s attention to today’s Sensis survey that shows that confidence among small and medium sized businesses recorded the biggest increase on record in the three months to May. I was challenged earlier on about whether the government would be saying something positive about the economy. I note there is conspicuous silence on the part of those opposite. This, of course, comes on the back of the biggest increase in consumer confidence in 22 years. The survey states:

Again this quarter the Federal Government’s economic stimulus packages provided the main reason that SMEs —

The SPEAKER—The Deputy Leader of the Opposition can resume her seat. I suggest to the Prime Minister that he relate his material to the question and ignore invitations made by way of argument in a point of order.

Mr RUDD—The Building the Education Revolution program, which I have been asked a question about, goes to the implementation on the ground of this project to boost education performance in Australia and the underlying rationale, which is to provide also stimulus to the economy in the midst of the worst global recession in 75 years. Sensis says:

The main reason that SMEs gave for supporting the Federal Government was the economic stimulus plan.

That includes, of course, infrastructure development.

Whether it is on the infrastructure side, the employment side, the job side or the Building the Education Revolution side, the government is proud of this program. Of course, as I said before in answer to earlier questions, there will always be discussions and disagreements on the ground about what priorities should be attached. That is normal. That is why the guidelines made explicit a provision for local P&Cs to register their concerns. I urge each and every one of them to do that so that any individual matters which need to be attended to can be attended to through the processes we outlined from the outset.

Mr Pyne—Mr Speaker, I seek leave to table the letter from Henry Grossek, the Principal of Berwick Lodge Primary School: ‘Schools’ pride felled by bullying bureaucrats’.

Government members interjecting—

Mr Pyne—What are you frightened of?

Leave not granted.

Mr DANBY (3.07 pm)—My question is to the Minister for Finance and Deregulation. What is the government’s strategy for lifting Australia’s long-term productivity performance? Why is it vital that the government’s initiatives are supported?

Mr TANNER—I thank the member for Melbourne Ports for his question. It is understandable that contemporary economic debate is very heavily focused on the global recession and the various initiatives the government has taken to deal with the consequences flowing from that—in particular the stimulus packages, the guarantees of bank activity, and things of that nature. I want to emphasise today that the government is resolutely and relentlessly focused on the longer term horizons for the future prosperity of the Australian economy. In this context there is one paramount objective, a single word that underlines everything that the government is seeking to do: productivity. Productivity is at
the heart of the Rudd government’s agenda for the long-term future of the Australian economy.

Australia did pretty well on productivity throughout the 1990s as a result of many reforms that were put in place, mostly during the 1980s and in some cases early 1990s. Deregulation of the financial system, major reform of tariff protection, investment in education and research and development, export diversification, enterprise bargaining—a whole range of reforms were put in place and the Australian economy reaped the benefits. Over the five years to 1998-99, productivity grew on average by 3.3 per cent; in the subsequent five years to 2003-04 that average dropped to 2.2 per cent; and in the four years beyond that to 2007-08 that productivity growth average dropped to 1.1 per cent.

While the government are focused on sustaining jobs in the short term, all of our critical economic initiatives have been focused also on developing productivity growth into the medium and longer term. I refer to the broadband network proposal; greater investment in universities; reform of research and development allowances; investment in road, rail and port infrastructure—things such as the Hunter Expressway, the Oakajee Port project and regional rail in Victoria. All of these things will have a huge positive impact on productivity into the future for the Australian economy. We march towards a seamless national economy through regulatory reform, harmonisation of state based regulation and, of course, greater efficiency in government spending and government programs—these are all part of the total picture.

Yesterday I raised a leaflet that the Liberal Party put out about their economic position. I have to confess that I had cause to return to that leaflet this morning.

The leaflet is a statement of the Liberal Party economic position, and after having a look at it again today I discovered that there is also not a single reference to productivity, no reference whatsoever to the long-term holy grail of economic reform in the Australian economy and not a single reference to what is the greatest challenge for the Australian economy: improving productivity. The pattern is the same: born-to-rule complacency that characterised their nearly 12 years in office that is now manifested by endless point scoring, opportunistic sniping and talking down the Australian economy as a substitute for genuine economic policy. In particular it is manifested by relentless attacks and opposition to the key reforms and key investments the government is putting in place to boost productivity in the Australian economy in the long term. Attacking the broadband network proposal, opposing investment in infrastructure, sniping at the school investments—all of these things are characteristic of the opportunism of the Liberal Party.

I note this morning that, in addition to not putting up any savings measures themselves, as well as opposing the government’s savings measures, the opposition regard past inefficiencies in government as totally trivial matters. There was the Sea Sprite fiasco that occurred on their watch, where $1.4 billion of federal government money went west. I note that the Leader of the Opposition, in an interview on AM this morning—and I have the transcript with me—said that this fiasco, this $1.4 billion, was ‘a distraction’ and ‘a complete diversion’. That was his summary of one of the most embarrassing cases of government waste in the history of the
Commonwealth that occurred while he and his government were in office.

Even in areas where the opposition claim to support the government, they do not know what is going on. Two initiatives in the opposition leader’s budget reply speech were that he would have a one-stop portal for filings by business and that he would have a standardised procurement contract for people purchasing from the government. There is one slight problem with these two initiatives: both of them are already occurring. They were so slipshod and complacent that they did not even know that these initiatives are already underway under the Rudd government’s reform agenda.

It is understandable that everybody in economic debate is focused on the global financial crisis and the short-term threat that is posed to the Australian economy by the global recession. We have a big challenge facing us in this country, because once we get through that short-term challenge there is the longer term challenge of productivity. The world will be more competitive, it will be more challenging for Australia, and we have had a lost decade—

Mr Abbott—What’s going on?

Mr TANNER—I am very distressed, Tony, that you see the—

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

Mr TANNER—We have had a lost decade in Australia—

Mr Abbott interjecting—

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

Mr Abbott—Give me an hour. I want an hour. He will still be going when I get back.

Mr TANNER—I thought I told you to stay in the car and bark at strangers!

The SPEAKER—The member for Warringah will resume his seat and the Minister for Finance and Deregulation will conclude his answer.

Mr TANNER—Australia faces a great challenge on productivity into the medium-term future, and the opposition has had the luxury for the last 18 months of nobody treating them seriously. But times are changing. The member for Higgins is departing, an election is coming over the horizon within 18 months and it is long overdue—

Opposition members interjecting—

The SPEAKER—Order! The member for Sturt will resume his seat. The minister for finance will conclude his answer. Has the minister concluded?

Mr TANNER—No, I have not.

The SPEAKER—The minister will conclude now.

Mr TANNER—I will conclude.

The SPEAKER—The member for Sturt will resume his seat. The minister will conclude.

Mr TANNER—The government is focused on pursuing the productivity growth that this country needs to re-establish. It is long overdue that the opposition join mainstream debate in this country instead of sniping, instead of opportunism—

The SPEAKER—Order! The minister will resume his seat.

Building the Education Revolution Program

Mr SECKER (3.15 pm)—My question is to the Minister representing the Minister for Education. I refer the minister to comments made yesterday by Sam Williams, Chairman of the Naracoorte Primary School Council in my electorate, in which Mr Williams described how that school had been forced to use non-local contractors, at a cost of ‘about
2½ times dearer per square metre to have our buildings built’ than the non-government school in town. Can the minister explain how this represents value for money?

Mr ALBANESE—I am very pleased to get a question, while representing the Deputy Prime Minister, about education and infrastructure. An important part of the government’s commitment to infrastructure is indeed the $14.7 billion Building the Education Revolution fund. That is delivering infrastructure to every primary school in the country, including to the electorate of the member for Barker: Angaston Primary School, $950,000; Berri Primary School, $2 million; Bordertown, $2.5 million; Morgan, $2.5 million. All of these schools will benefit, including Naracoorte Primary School—and not just Naracoorte Primary School but Naracoorte South Primary School as well—because we on this side of the House are determined to deliver for every school in the country, no matter how unfortunate they might be in being represented by the member for Barker, who, of course, voted against this very project.

Ms Julie Bishop—Mr Speaker, on a point of order, the question was specifically about comments from Sam Williams of Naracoorte Primary School Council in relation to the fact that they were paying 2½ times per square metre more—

The SPEAKER—Order! The member will resume her seat. The member will resume her seat!

Opposition members interjecting—

The SPEAKER—There would be no need to shout if people listened first time up. The point of order is simply relevance. The minister is responding to the question. I would have thought that, if people were asking about value for money, the context of the program under which this was being funded and matters relating to that were of relevance.

Mr ALBANESE—I am asked about—

Dr Jensen interjecting—

The SPEAKER—The minister will resume his seat. The member for Tangney will withdraw.

Dr Jensen—I withdraw, Mr Speaker.

Mr ALBANESE—We have made it very clear and the Minister for Education has indeed made it very clear in this House that, where issues are raised, they will be dealt with. Indeed, I refer to the Australian article today which had an edited letter from the principal of the Berwick Lodge Primary School and—

Opposition members interjecting—

Mr Albanese—Oh, come on!

Mr Pyne—Mr Speaker, I raise a point of order under standing order 104. The question about Berwick Lodge Primary School was specifically about value for money at Naracoorte Primary School.

Mr ALBANESE—I have here a letter. This goes to the question of when issues are raised about the rollout of the Building the Education Revolution program—precisely the question that was asked by the honourable member opposite. A letter from the federal member for La Trobe—

Opposition members interjecting—

Mr ALBANESE—What, you do not want to hear what he had to say?

The SPEAKER—The minister will resume his seat. The Deputy Leader of the Opposition will resume her seat. The minister will respond to the question.

Mr ALBANESE—When issues are raised, the education minister has made it clear they will be dealt with. Indeed, the fed-
eral member for La Trobe has written to the Minister for Education—

Ms Julie Bishop—Mr Speaker, I raise a point of order. The question was about Naracoorte Primary School, a specific quote from—

The SPEAKER—The Deputy Leader of the Opposition will resume her seat. It is not the role of the Speaker to have critiques on questions, but if you want me to I will. In this case the member for Barker asked a question about a specific primary school. A course of action has been suggested by the minister. The minister is now, I assume, going to explain how that course of action, by giving examples of other schools, can be put in place. I think if the behaviour of the chamber were to improve we might get through question time, after an hour and 20 minutes, and the behaviour has added to the length of time that we are here.

Opposition members interjecting—

The SPEAKER—Provoked, I have protected the opportunity of members to raise points of order which then get to the stage of being disruptive. The minister has the call.

Mr ALBANESE—The federal member for La Trobe has written to the Minister for Education, in a letter received in the office of the Deputy Prime Minister just this week, about Berwick Lodge Primary School, a school that is mentioned on the front page of the newspaper today. The opposition attempted to table the newspaper article, but because we subscribe to the Australian we actually had it and did not need that. He said this to Julia Gillard: ‘Minister, you resolved this matter for Berwick Lodge Primary recently, which I was very pleased about.’ That is what they actually say, those opposite, when it comes to the specifics.

Mr Wood—Mr Speaker, just to assist the minister, I spoke to the school this morning. It is still not resolved. We thought it was resolved.

The SPEAKER—The member will resume his seat. There is no point of order. In fact, that was not a point of order.

Mr Pyne—Mr Speaker, I raise a point of order. I hate to test your patience, Mr Speaker—and I do—but, under standing order 104, the reason this side of the House is unruly is that this minister is answering a question from four questions ago about Berwick Lodge Primary School, not about the Naracoorte Primary School. That is the reason the House is unruly. He should be brought to order and sat down.

The SPEAKER—First of all, that was not the manner in which to put a point of order. The question is relating to a program. There was a primary school mentioned.

Mr Abbott—In Naracoorte!

The SPEAKER—The member for Warringah will not be rewarded in any way by being tossed out for an hour; in fact, I can now warn him, to be a trigger for a longer period. If we just get back to basics, it strikes me as ironic that having asked a question earlier on there is an objection based on the fact that it was an earlier question. But that is not why I am ruling that this is relevant. It is relating to the program under which the school that was mentioned by the member for Barker is being funded. There is nothing in precedent, and House of Representatives Practice, in the 5th edition on page 553, indicates that, whilst members might believe that a question should be answered in a particular way, it is answered in that way. The minister has the call.

Mr ALBANESE—I am talking about Building the Education Revolution, a program which they know when they are in their electorates is supported by the community in their electorates, but they come here to Canberra and have a different message. There is
one message in Canberra and another in their electorates when it comes to all of this government’s nation-building infrastructure programs, including the Building the Education Revolution program. The fact is that the member for La Trobe has written to the Minister for Education. I am sorry if I take the member for La Trobe at his word and quote him from the letter that he wrote to the Minister for Education.

Housing

Mr CHAMPION (3.28 pm)—My question is to the Minister for Housing and Minister for the Status of Women. How is the government’s stimulus to the housing sector supporting jobs in our economy?

Ms PLIBERSEK—I thank the member for Wakefield for his question. Despite the worst global recession in 75 years, we are weathering the storm here in Australia better than most other countries, and that is because of the action the government have taken through our Nation Building Economic Stimulus Plan. Last week I visited the northern suburbs of Adelaide with the member for Wakefield to see firsthand some work in Elizabeth Grove. We met with Don Belperio, the owner of Lodge Construction, who has won a contract for nine major renovations. Work will start soon in the same area on building 30 new houses in the first stage of constructing new public housing. Mr Belperio told me:

Building work has picked up since the stimulus money. It was slacking off earlier in the year. I have had to put on more subcontractors—electricians, plasterers, concreters, ironworkers, floor covering specialists, gyprockers and labourers.

He told me that many of those jobs were for people who come from the local Elizabeth area, very important in generating local employment.

That is not just happening in Elizabeth. It is not just happening in Adelaide. It is happening right across the country. In Bega last week, with the member for Eden-Monaro, I met a local builder who was putting on extra contractors to put new kitchens into old public housing dwellings. Those new kitchens had been made by another small business just down the road in Eden.

In south-east Melbourne, with the member for Isaacs, I met a local builder who said, ‘The government initiatives are really keeping my industry buoyant.’ In Sydney’s inner west, with the member for Lowe, I met trades who said that they were busier than ever repairing a house that will be retained as public housing for the long term, a beautiful older house in an older neighbourhood—a perfect home for a needy family. The government’s stimulus package is having an impact beyond these direct jobs: the repairs, maintenance and the new building. When I was visiting the member for Port Adelaide’s electorate, I visited Mawson Lakes, which is a very nice development. It is a well-planned community with a very good range of properties, including properties at the modest end suitable for first-home buyers. It is close to public transport. It is well planned. I met there one of the developers who is working in that area, a woman called Fairlie Delbridge, who is the managing director of her own company, Delcooke Property Group, which is building 20 units in that Mawson Lakes development. She said to me:

I had made a large investment in getting this development going. At the preliminary stage of the development I had only nine presales. Then the global financial crisis hit and I couldn’t get funding. Banks stopped lending. By the time the stimulus package was announced, I had 12 presales but the project still wasn’t bankable. When Housing South Australia purchased five units, it absolutely got my development over the line. With 17 presales it made the project eminently bankable. It green-lighted my whole project.
Ms Delbridge credits the nation-building economic stimulus package with making her project feasible and she told me she expects to have about 50 tradies on site for between eight and 12 months. Those jobs happened because of our investment and our cooperation with the South Australian government—the whole project green-lighted, with 50 jobs for between eight and 12 months. Those 50 jobs would not have happened without this investment.

Mawson Lakes shows that our investment in the stimulus package has kept this sector ticking over at a time when otherwise we would have seen a crash in this area. We have got plans for nation building for recovery. We have got plans for returning the budget to surplus. We now have the fastest economic growth in the world, the lowest deficit and the lowest debt of major advanced economies in the world. It would be absolutely terrific if the opposition acknowledged the strengths of the Australian economy at this difficult time instead of trashing our reputation and trashing confidence with their relentless negativity.

Building the Education Revolution

Mr RAMSEY (3.32 pm)—My question is to the Minister representing the Minister for Education. Can the minister confirm that the Lake Wangary Primary School on the Eyre Peninsula in South Australia has received a second-round school stimulus grant for $850,000 to construct a new multipurpose hall when the school council chairman has obtained a quote showing the same building could be constructed for just $250,000? Will the minister explain how this represents value for money?

Mr ALBANESE—I can certainly confirm two things. I can confirm that this school will be getting funding, because every school will be getting funding, including every school in Grey. And the second thing I can confirm is that the member for Grey voted against it. They are the two things that I can confirm for sure.

Mr Hartsuyker—Mr Speaker, I rise on a point of order. It is on relevance. Mr Speaker, we can confirm $600,000 is wasted.

The SPEAKER—The member for Cowper will resume his seat. The minister is responding to the question.

Mr ALBANESE—Mr Speaker, they come in here and they say that they are opposed to spending on these schools, they say that there is waste in these schools, and yet back in their electorates they are out supporting it. I can confirm that people in the southern part of Australia have said this:

The electorate has also been in the fortunate position to have received a number of federal funding grants to improve and support the local community. Along with funding towards the Wantirna South Sports Complex, over 40 primary and secondary schools as well as special needs educational—

Mr Turnbull—Mr Speaker—

The SPEAKER—The minister will resume his seat.

Honourable members interjecting—

Mr Pyne interjecting—

The SPEAKER—First of all, the minister will resume his seat, the Leader of the Opposition will resume his seat, just for the moment, and the member for Sturt will leave the
chamber for one hour under standing order 94(a).

The member for Sturt then left the chamber.

Mr Turnbull—Mr Speaker, I rise on a point of order. This circumnavigation of the globe of irrelevance has to stop.

The SPEAKER—The Leader of the Opposition will resume his seat.

Mr Turnbull—He is travelling—

The SPEAKER—The Leader of the Opposition will resume his seat.

Mr Turnbull—all over Australia—

The SPEAKER—The Leader of the Opposition will resume his seat!

Mr ALBANESE—I was asked a question about Building the Education Revolution; I am giving an answer about Building the Education Revolution and they do not like it. Well, they say they do not like it, but this is what they say in their newsletters. This is what the member for Aston said in his newsletter: that schools in Aston are beneficiaries of successful applications for federal funding.

Ms Julie Bishop—Mr Speaker—

The SPEAKER—The Deputy Leader of the Opposition can only be raising relevance. The minister is responding to the question.

Ms Julie Bishop—Mr Speaker, I would like to make my point of order.

The SPEAKER—No, I am in a position to make a ruling. No, the Deputy Leader of the Opposition will resume her seat.

Ms Julie Bishop—I would like to make my point of order.

The SPEAKER—The Deputy Leader of the Opposition will resume her seat.

Ms Julie Bishop—Mr Speaker, I would like the opportunity—

The SPEAKER—The Deputy Leader of the Opposition will resume her seat.

Fran Bailey interjecting—

The SPEAKER—She has the opportunity to make the point of order, Member for McEwen. If you have a point of order, you would have an opportunity, too, but you do not have an opportunity to interject, because that is actually against the standing orders. The only point of order that you could be raising is relevance, and I have ruled that the minister is responding to the question.

Mr ALBANESE—In their newsletters they are actually outlining every school that is getting funding in their electorates and claiming credit for it. That is what they are doing back in their electorates.

Opposition members interjecting—

The SPEAKER—The minister will resume his seat. The Deputy Leader of the Opposition will resume her seat and the member for Mackellar will resume her seat.

Mrs Bronwyn Bishop interjecting—

The SPEAKER—Excuse me, Member for Mackellar, sometimes I am doing things for absolutely appropriate reasons and they will be revealed, if the member for Mackellar would please resume her seat. Having checked that I had not warned the member for Tangney, the member for Tangney will leave the chamber for one hour under standing order 94(a). He has now allowed me to illustrate that I am putting into practice a precedent set by Speaker Jenkins Sr by his actually displaying a sign with an unparliamentary word.

Dr Jensen interjecting—

The SPEAKER—The member for Tangney is named.

Mr ALBANESE (Grayndler—Leader of the House) (3.39 pm)—I move:

That the member for Tangney be suspended from the service of the House.
Question put.

The House divided.  [3.44 pm]
(The Speaker—Mr Harry Jenkins)

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**AYES**

Adams, D.G.H.
Bevis, A.R.
Bird, S.
Bradbury, D.J.
Byrne, A.M.
Cheeseman, D.L.
Collins, J.M.
D’Ath, Y.M.
Debus, B.
Elliot, J.
Ellis, K.
Ferguson, L.D.T.
Fitzgibbon, J.A.
Georganas, S.
Gibbons, S.W.
Grierson, S.J.
Hale, D.F.
Hayes, C.P. *
Jackson, S.M.
Kerr, D.J.C.
Macklin, J.L.
McClelland, R.B.
Melham, D.
Neal, B.J.
Owens, J.
Perrett, G.D.
Price, L.R.S.
Rea, K.M.
Rishworth, A.L.
Rudd, K.M.
Shorten, W.R.
Snowdon, W.E.
Swan, W.M.
Tanner, L.
Thomson, K.J.
Turnour, J.P.
Windsor, A.H.C.

**NOES**

Abbott, A.J.
Bailey, F.E.

**AYES**

Albanese, A.N.
Bidgood, J.
Bowen, C.
Burke, A.E.
Butler, M.C.
Champion, N.
Clare, J.D.
Combet, G.
Danby, M.
Dreyfus, M.A.
Ellis, A.L.
Emerson, C.A.
Ferguson, M.J.
Garrett, P.
George, J.
Gray, G.
Griffin, A.P.
Hall, J.G. *
Irwin, J.
Kelly, M.J.
Livermore, K.F.
Marles, R.D.
McKew, M.
Murphy, J.
Neumann, S.K.
Parke, M.
Plicher, T.
Raguse, B.B.
Ripoll, B.F.
Roxon, N.L.
Saffin, J.A.
Sidebottom, S.
Sullivan, J.
Symon, M.
Thomson, C.
Trevor, C.
Vamvakianou, M.
Zappia, A.

**NOES**

Andrews, K.J.
Baldwin, R.C.

Bishop, B.K.
Briggs, J.E.
Chester, D.
Cobb, J.K.
Coulton, M.
Forrest, J.A.
Georgiou, P.
Hartsuyker, L.
Hawker, D.P.M.
Hunt, G.A.
Johnson, M.A. *
Laming, A.
Lindsay, P.J.
Marino, N.B.
May, M.A.
Moylan, J.E.
Neville, P.C.
Pearce, C.J.
Randall, D.J.
Robert, S.R.
Schultz, A.
Secker, P.D.
Slipper, P.N.
Somlyay, A.M.
Stone, S.N.
Tuckey, C.W.
Vale, D.S.
Wood, J.

Bishop, J.J.
Broadbent, R.
Ciobo, S.M.
Costello, P.H.
Farmer, P.F.
Gash, J.
Haase, B.W.
Hawke, A.
Hull, K.E. *
Jensen, D.
Keenan, M.
Ley, S.P.
Macfarlane, I.E.
Markus, L.E.
Mirabella, S.
Nelson, B.J.
Oakeshott, R.J.M.
Ramsey, R.
Robb, A.
Ruddock, P.M.
Scott, B.C.
Simpkins, L.
Smith, A.D.H.
Southcott, A.J.
Truss, W.E.
Turnbull, M.
Washer, M.J.

* denotes teller

Question agreed to.

The SPEAKER—The member for Tangney is suspended from the service of the House under standing order 94(b) for 24 hours.

The member for Tangney then left the chamber.

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

**QUESTIONS WITHOUT NOTICE:**

**ADDITIONAL ANSWERS**

**Renewable Energy**

Mr RUDD (Griffith—Prime Minister) (3.47 pm)—Mr Speaker, I wish to add to an earlier answer on the RET legislation. I am advised that it was introduced to the House yesterday. The second reading speech has been delivered and the Senate simultane-
ously today indicated that they were referring to a committee not to report until the 8 August. It seems that decisions are being permanently postponed by those opposite on climate change.

Building the Education Revolution Program

Mr ALBANESE (3.47 pm)—by leave—I wish to add to an answer. I table the newsletter from the member for Aston, June 2009, which has no Liberal Party logo and purports to support the government’s Building the Education Revolution program.

QUESTIONS TO THE SPEAKER

Question Time

Mr BALDWIN (3.48 pm)—Thank you, Mr Speaker. Could you please explain to the House whether you found the word ‘arrogant’ on the sign held up by the member for Tangleay—

The SPEAKER—that has already been raised as a point of order.

PERSONAL EXPLANATIONS

Mr FARMER (Macarthur) (3.48 pm)—Mr Speaker, I wish to make a personal explanation.

The SPEAKER—that the honourable member claim to have been misrepresented?

Mr FARMER—Yes.

The SPEAKER—Please proceed.

Mr FARMER—During question time the Prime Minister mentioned that I had on my website that the Australian public had received more funding for schools and universities from the government than ever before. That was during the course of the Howard government’s years. I was referring to when I was the Parliamentary Secretary for Education, Science and Training, and the funding referred to explicit funding through the Investing in Our Schools program where the general public got $1.2 billion funding from the Howard government.

Mr WOOD (La Trobe) (3.49 pm)—Mr Speaker, I wish to make a personal explanation.

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

Mr FARMER—Yes.

The SPEAKER—Please proceed.

Mr WOOD—The minister actually raised my letter with the Deputy Prime Minister regarding the Berwick Lodge Primary School, referring to the matter having been resolved. The Principal, Henry Grossek, did actually meet with the Deputy Prime Minister—

The SPEAKER—that the honourable member claim to have been misrepresented?

Mr WOOD—The minister referred to my letter with the Deputy Prime Minister promising a buddy project to that school. You have failed—

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

DOCUMENTS

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

Mr Albanese interjecting—

Mr Randall interjecting—

The SPEAKER—The Leader of the House will withdraw his remark.

Mr Albanese—I withdraw.

The SPEAKER—The member for Canning will withdraw his remark.

Mr Randall—I withdraw.
GUARANTEE OF STATE AND TERRITORY BORROWING APPROPRIATION BILL 2009

Consideration of Senate Message

Bill returned from the Senate with an amendment.
Ordered that the requested amendment be considered immediately.

Senate’s requested amendment—
(1) Page 3 (after line 2), at the end of the bill, add:

7 Public Register of Government Borrowings
(1) The Australian Office of Financial Management must establish and update each month a register to be known as the Public Register of Government Borrowings.
(2) The register is to be maintained by electronic means.
(3) The register is to be made available for inspection on the Australian Office of Financial Management’s website.
(4) The register must be in a form prescribed by the regulations and must record the beneficial ownership, by country, of:
(a) all securities on issue by the Commonwealth of Australia; and
(b) any Commonwealth of Australia guaranteed issuance by any Australian State or Territory.
(5) As soon as practicable after the end of each quarter the Australian Office of Financial Management must publish on its website the register containing the details that were current as at the end of the quarter.
(6) The Australian Office of Financial Management must include in the register each quarter a statement of the Office’s opinion as to the domicile of the beneficial owner of securities if nominal ownership is registered in a country other than the actual domicile of the beneficial owner.

8 Regulations
The Governor-General may make regulations prescribing matters:
(a) required or permitted by this Act to be prescribed; or
(b) necessary or convenient to be prescribed for carrying out or giving effect to this Act.

Mr SWAN (Lilley—Treasurer) (3.52 pm)—I move:
That the amendment be agreed to.

As members are aware, the Senate earlier today passed the Guarantee of State and Territory Borrowing Appropriation Bill 2009. This is an important bill to support critical infrastructure investment by state and territory governments and to support Australian jobs. The market for state and territory bonds has been affected by the turmoil in global markets, and liquidity in semigovernment bond markets has been severely constricted. This has threatened the capacity of state and territory governments to deliver critical infrastructure projects that will support jobs in the face of a global recession. This bill will ensure that states and territories can continue to access financial markets so as to undertake this critical investment.

It is disappointing the shadow Treasurer has preferred to pursue his own base political interests on such a critical piece of legislation. He well knows that the government currently maintains a register of all bondholders. These are the same arrangements that have been in place under previous governments. Further, the Australian Bureau of Statistics currently publishes information on the proportion of government securities held by overseas investors, and this proportion of bonds remains roughly the same from when
those opposite were last in office. Bond purchases are made through market intermediaries, so it is not possible to identify final investors directly. There is also an active secondary market for bonds, which means that the holders of those bonds can change at any given time. As a result, the Treasury has advised that it will not be possible to publish the additional information and have any confidence it would provide an accurate reflection on the beneficial owners of Australian securities. Treasury also advises that the creation of an additional registry could result in reduced demand for government securities, so the opposition’s amendment will also impose additional costs on the taxpayer for information that would distort rather than provide additional clarity. This legislation and the infrastructure it will support are too important to be playing politics with, so we are supporting the bill as amended by the Senate. As I indicated during question time, we will explore what can be done to provide the information in an accountable way. I do believe those opposite should stop playing politics with Australian jobs and get behind the government’s efforts to support critical infrastructure investment.

Question agreed to.

MATTERS OF PUBLIC IMPORTANCE

Small Business

The DEPUTY SPEAKER (Hon. BC Scott)—The Speaker has received a letter from the honourable member for Moncrieff proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The failure of the Government to support Australian small business.

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

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

Mr CIOBO (Moncrieff) (3.55 pm)—Mr Deputy Speaker, it is great to have the opportunity to raise the plight of Australia’s 2.4 million small businesses that employ around 3.8 million Australians, because if there is a group of Australians who are doing it particularly tough in these economic times it is the small business sector. We know that the small business sector is, as many people have stated, the engine room of the Australian economy. These things become often quoted because they are so profoundly true. As I have been moving around Australia, working with so many members on the coalition side, talking with local small businesses, participating in the Jobs for Australia forum, I have been hearing a number of messages very loud and clear from those people who put their houses on the line, who take a risk in respect of their income and who take the chance to succeed in small business and also to risk the failure of small business. The message I have received, and I know other people on this side of the chamber have received it too, is that this Labor government does not understand small business; it does not understand what motivates small business. And most importantly, and most distressingly, the Australian Labor Party is a party that questions the motives of small business. That is what concerns us so fundamentally.

I just noticed then that the minister who is charged with the responsibility of looking after small business, the member for Rankin, was looking puzzled and curious when I said that the Labor Party questions the motives of small business owners. This is the minister who on radio said that the reason that small businesses should have to comply with unfair dismissal is because the owner might come in one day in a bad mood and fire a
good staff member. That is what the minister said; that is the reason why the Australian Labor Party is lumbering the small business sector with compliance through the fair dismissal code.

But it is not only in this area that the Australian Labor Party has such poor form. It has been a longstanding principle that the Australian Labor Party has not pretended to be a party of small business. In fact, those words were said by a former leader of the Australian Labor Party, the former member for Brand, Kim Beazley. He said that the Australian Labor Party is not a party for small business and has never pretended to be. Not a lot has changed, except that these days those opposite run around trying to pretend to be a party of small business. That is about all that has changed when it comes to small business policy by the Australian Labor Party. But when we look at what the Australian Labor Party has actually done for small business, when we look at what the minister at the table and the Prime Minister have actually done for small business, I can say that the answer is not very much at all. And that is the reason why the MPI is up for debate today. There are a number of issues that have been on the policy radar for some time, a number of issues that I and members of the coalition have been agitating for and pleading with the Labor Party to take advice on, to listen to small business and to act in accordance with what small business needs to promote their interests.

There are two very important issues. The first of these is the modern awards process. Under the modern awards process the Australian Labor Party is putting at direct risk thousands of small businesses, their viability and their profits. Most concerning of all, by putting the viability of these small businesses at risk, they are threatening tens of thousands of jobs. The Australian Labor Party likes to make out that it is the friend of the workers.

How many times have we seen the Prime Minister and others say, ‘We’re about working people’? Well there are a lot fewer of them these days, that’s for sure! And the Australian Labor Party’s policy with respect to modern awards is only going to make the problem so much worse.

I have made it part of my focus and part of the coalition’s policy commitment to make sure that small business has a voice in this parliament, to make sure that the coalition stands up for the rights of small business owners and for the fact that they are willing to employ around 3.8 million Australians. When I talk to small business owners about the modern awards process that the Australian Labor Party is ramming down the throats of small business owners, they make it very clear what the actual impact will be on their businesses. Take, for example, the owner of South Bank Beach News and Souvenirs, Tony Philbrick. He wrote some time ago to the Prime Minister. He outlined to the Prime Minister the impact of Labor’s proposed modern awards on his business. He said:

Based on information we have received, we calculate that the Modern Award (to come into effect 1st January, 2010) will force a 14% increase to our weekly wage bill. To protect our family business we will have to reduce expenses to continue to remain cash flow positive.

Do you know how they intend to reduce expenses? Like so many newsagents in this country, they will reduce expenses by cutting staff. He said:

Due to the specific treatment the proposed Modern Award applies to dramatically increasing weekend penalty rates, the first expense—and the minister should listen closely—we will have to consider is reducing the wages of our weekend staff.

There is the concrete evidence from someone in the Prime Minister’s electorate about the impact. Lance Barrett, from the Coolum Vil-
lage News and Casket Agency, also wrote to the Prime Minister, and he said:

Dear Prime Minister,

You might recall late last year whilst attending a function at the Hyatt Regency Coolum, that you came into my beachside shop one Sunday afternoon and chatted with my staff, a delightful 17 year old girl named Emma. Emma, this year her School Captain, is working weekends in order to fund a future university education.

I have to say, Mr Deputy Speaker, she is the kind of girl who is willing to roll her sleeves up and work for her future. What does Lance Barrett say about Labor’s modern award process and the impact on his small business? In his letter, he said:

However, with the prospect of wage increases and penalty rate hikes amounting to around 30% of my gross wages, I have no alternative other than to drastically cut back on casual staff hours. This week I have had to tell Emma, and also Melissa, Michelle, Shannen, Georgia and Jess that unless the government of the country sees common sense, their casual hours with us will cease to exist, my shops will be closed every Sunday, and their chance of a good financial footing when they leave school or university will have evaporated.

That is another example of the feedback that this side of the House not only receives but, in contrast to the government, listens to with respect to the modern awards process. There are so many letters. The member for Canning, Don Randall, who I know stands up for those members in his electorate, received a letter from Lynda Jacobs from the Kelmscott IGA. She said:

The Federal Government has spent the last eighteen months working towards reforming Workplace Relation laws, which include the introduction of a new General Retail Industry Award. If this Award becomes operative it will have a serious damaging effect on our business. We provide an important service to our local community but we may be unable to do that in the future if we are required to pay these large increases.

As concerned employers, we do not want to reduce staff, but we fear that this may be one of the inevitable consequences of the introduction of this new Award.

Andrew Laming, the member for Bowman, received a letter from Toscani’s talking about the impact that would see his labour costs increase by some 20 per cent. The owner said:

This additional cost will make my business marginal. In particular Sunday trading (which will incur in the new arrangements a 175% penalty) will not be viable and I will have to look at applying a penalty or closing in Sunday.

The member for McEwen received a letter from KoalaCountry telling the same story—increased costs, reduced employment. The member for Macarthur received a letter from the Outback Steakhouse again stating that there will be increased costs and reduced employment. The member for Forrest, Nola Marino, received a letter from Bussetlon Fresh IGA stating that there will be increased costs and reduced employment. River Fresh IGA stated the same story. The member for Dickson received the same story from a small business owner of seven years.

In every single example, we see a message that Labor just does not get. Labor just does not understand small business. It does not understand that there is a link between the costs of operating a business and the employment opportunities that they provide to their staff and to the profitability of that business. I have news for the Australian Labor Party: not every small business owner is rolling in cash; the vast bulk of them basically live from week to week earning a meagre salary. I tell the members of the Labor Party that they do it by putting their family’s future on the line and by putting their homes on the line, and they deserve the support of a government that is willing to stand up for small business—not to increase their costs,
not to reduce employment opportunities for young Australians but a serious ‘ridgy-didge’ government, to use the Prime Minister’s language. They deserve a government that is willing to actually do something to help small business. That is what we need and that is part of the reason this side of politics condemns the Australian Labor Party for its exceptionally lacklustre performance in supporting Australia’s small businesses.

In addition, we have another example of where the Australian Labor Party has been particularly impotent in helping small business. When you look at the franchising sector, you have to wonder what the Minister for Small Business, Independent Contractors and the Service Economy, who is at the table, has been doing. There are about 1,100 business format franchise systems that operate in Australia. The total sales turnover of this sector of the economy is about $61 billion as at 2007. There are around 413,500 people who are employed in franchises through Australia.

I know, through working closely with people like the member for Gilmore, the member for Canning, the member for Swan and the member for Hinkler—they are just a few people on this side of the House who are committed to franchisees—that they have been concerned about a couple of aspects that are causing great distress to a number of franchisees. On 24 October 2007, the minister at the table said:

Good faith bargaining was rejected by the Coalition but we are embracing it.

He highlighted it as part of his comments then that the Labor Party policy would be to enact a good faith bargaining principle in the franchise code. On the 23 May 2008, the Small Business Ministerial Council communiqué highlighted that the Australian government will:

… consistent with its pre-election commitment, consider the introduction of a well defined obligation for parties to bargain and negotiate in “good faith” as part of the franchising code of conduct. So there are hundreds of thousands of people out there who have spoken with me and other members on this side of the chamber and who were waiting for the Australian Labor Party to introduce its good faith bargaining proposition. This is a principle that those on this side of the House support as well, contrary to the assertions by the Minister for Small Business, Independent Contractors and the Service Economy.

We waited for the Australian Labor Party to carry through with its pre-election promise, and nothing happened. Nothing occurred and we were left waiting. So when I saw the Joint Standing Committee on Corporations and Financial Services move to have an inquiry into the Franchising Code of Conduct and related matters on 25 June last year, I thought, ‘This will be the opportunity—this will be the excuse the minister will be using as to why he has not acted for so long, and maybe this will be the reason that something will happen.’

The committee provided its report on 1 December last year. On 26 February, some three months later, we still had not heard anything. I was still waiting. People were calling me and saying: ‘What’s going on? You’re the shadow minister. You must know what the minister for small business is up to. Give us some direction.’ I kept saying, ‘It has been three months. I am sure that at some stage the government will respond.’ After all, by this stage it had been 18 months since the Australian Labor Party was elected and you would have thought that they would have had the opportunity to implement the policy by then, but no—there was still nothing.

So I put a question in writing to the minister. The minister said in his response to me
that the government was ‘considering the report’ and would ‘respond in due course’. I put the question in on 26 February and received a response on 4 June, and, interestingly, on 31 May—just four days before—the minister, out of nowhere, issued a press release where he said, ‘We will consult on franchise reforms.’ So that was the big announcement! That was the only big announcement that we have had about franchising after 20 months of the Australian Labor Party. That is the full extent of this minister’s response to franchising—to put out one lousy press release.

I plead on behalf of all of those people in the franchising sector for this minister and this government to start doing something. Eleven recommendations came from the committee, and I put it to the minister that, in the main, all 11 recommendations are relatively non-controversial. This minister and this government need to act. Stop stalling—people’s lives are potentially being destroyed as a result of this government’s inaction, and it is time that they did something.

Small business in this country will lead us out of this recession. It will lead Australia’s economic revival. But it needs a government that is focused on making it easier for it to do that. The worst thing that this government can do is to continue putting up the costs of small business, thereby driving up unemployment as small businesses are forced to pay higher costs and reduce their employment. It is time that the minister and this government stopped sitting on their hands and actually did something to help small business. (Time expired)

Dr Emerson (Rankin—Minister for Small Business, Independent Contractors and the Service Economy, Minister Assisting the Finance Minister on Deregulation and Minister for Competition Policy and Consumer Affairs) (4.10 pm)—On occasion, the member for Moncrieff, the shadow minister for small business, has delivered a passable speech in this parliament, but I thought that was a particularly dusty effort. He obviously had a good time at the midwinter ball last night and is just not firing today. But he made a number of points on an MPI which is about the government’s support for small business, and I would just like to take members in the chamber through a couple of statements that he made in his contribution.

The member for Moncrieff said that there are far fewer working people these days. Let us understand what is going on here: this is part of a coordinated effort by coalition members to talk the economy down—to pretend to present to the Australian people that the total number of employed people in this country has fallen in the last few months. These are the sorts of claims that have been made by the shadow Treasurer, who at one point claimed that employment had fallen by 80,000 people. Indeed, it was one of these auctions where the shadow finance minister, Senator Coonan, on Sky News Sunday Agenda on 3 May said:

What have we seen, in fact 154,000 jobs lost just since October.

Yet again we have got the shadow Treasurer, the shadow finance minister and now the shadow small business minister all asserting that jobs have been lost since last year. Let us have a look at some of the facts. Between October last year and May this year, the total number of people employed has fallen by 24,000, not by 80,000 as claimed by the shadow Treasurer and not by 154,000 as claimed by the shadow finance minister.

I ask members in the parliament to imagine what the total number of jobs lost—the reduction in employment—is in the 12 months to May of this year. I suppose that people, if they were listening to the coalition, would say, ‘Well, it might be 20,000 less or...
30,000 less or 40,000 less.’ In truth, in that period—in the last year—total employment has grown by 35,000. There is employment growth in this country.

From the change of government in November 2007 until the latest figures, which became available in May, the total number of employed people has risen by 145,000. If you were listening to the coalition, you would never pick that, would you? They are always talking the economy down. I have been asked for evidence of the coalition talking the economy down. There is no clearer evidence of the coalition knowing the truth—the figures are produced by the Australian Bureau of Statistics—than the shadow finance minister, the shadow Treasurer and now the shadow small business minister all asserting that there has been a big reduction in employment in this country. There is no more irresponsible way of talking the economy down than coalition MPs coming to this place and trying to tell people that they are going to lose their jobs because there has been a big reduction in employment in this country.

The coalition would rather see the people of Australia fail than see the government succeed—that is the problem. The only jobs that they are concerned about are the jobs of 30 coalition frontbenchers. I understand that the composition of the front bench is going to change fairly soon, because I remember the deputy leader of the Liberal Party saying, only a few days ago, that the problem with the Labor Party—

Mr Laming—Mr Deputy Speaker, I rise on a point of order. The minister has circumnavigated the globe of relevance. Can I ask the minister to come back to the MPI.

The DEPUTY SPEAKER (Hon. BC Scott)—There is no point of order.

Dr Emerson—I remember the deputy leader of the Liberal Party saying: ‘There’s not enough women on the front bench.’

Mr Laming—Mr Deputy Speaker, I rise on the same point of order: relevance.

The DEPUTY SPEAKER—There is no point of order.

Dr Emerson—Mr Deputy Speaker, can I put it to you that, if he gets up again with that same point of order, you deal with him.

The DEPUTY SPEAKER—No, you cannot put it to me.

Dr Emerson—The fact is the deputy leader of the Liberal Party was saying: ‘There’s not enough women in the Labor frontbench, not enough women in the Labor cabinet.’ There are more women in the Labor cabinet than there are in the shadow cabinet. I can see the member for Moncrieff is sweating already because the deputy leader of the Liberal Party is saying: ‘In the reshuffle, a couple of the blokes have got to go.’ Member for Moncrieff, if you keep misrepresenting the situation about employment in this country, you ought to be the first to go.

Here are some of the real facts about employment in this country. This is a great day on which to be debating this issue of small businesses because there are now 15,250 more Australians employed in the retail sector than there were in November of last year. Why would that be? Could that be related to the stimulus package—the stimulus package that they regard as a low-quality spend, a waste of money? I do not think it is a waste of money to have 15,250 more people employed in the retail sector than there were in November last year when there are 308,000 fewer people employed in retail in the United States, 37,000 fewer in Canada, 32,000 fewer in the UK and 31,000 fewer in New Zealand. It is the direct result of the stimulus package.
I will just show my colleagues—because I know the member opposite will not be interested in this—the economic growth in our country in the March quarter. Here is the chart showing economic growth in this country in the March quarter—it is positive. We are right up there in the right-hand corner. Good on Poland and good on Australia—we are the only two countries in the OECD that have positive economic growth.

If we go to chart 8, we see the same thing on retail sales, the very point I was making. Look at the retail sales figures there, I say to the shadow minister. Australia, in the orange box, is up there, growing, growing and growing—and in the United States, negative; Canada, negative; Japan, negative; New Zealand, negative; and, the euro area, negative. So we have growing retail sales in this country. You know what has been going on despite the dishonest scare campaign of the coalition? What has been going on in the last couple of weeks is a lift in consumer confidence and a lift in business confidence, including a lift in small business confidence.

I reckon that the reason for that lift in small business confidence is that small business know that on our side we are sticking up for them, on our side we are supporting small business with our small business tax break, with the investment allowance—70 per cent of which is investment in nation-building infrastructure—and with the biggest school modernisation program in Australia’s history. Less than a year from now there will be 35,000 construction sites.

Who is going to be working on the construction sites? The tradies, the carpenters, the plumbers and the electricians. They are supposed to be, as far as members opposite are concerned, the core constituency of the coalition. We are supporting them and the coalition is doing nothing to support them—worse than that, they are talking the economy down, trying to smash consumer confidence and small business confidence. Why? For their own miserable gain. They only want gain for themselves, for those 30 jobs on the front bench—not the hundreds of thousands of jobs that are being preserved and protected by this government.

Treasury estimates show that 210,000 Australians are in jobs now because of the stimulus package, because of the investment allowance and because of the nation-building infrastructure. I think that is great news, and do you know what? So do small business. Surveys have been released just today, such as the *ACCI-Westpac survey of industrial trends*, which says that general business confidence has seen its largest improvement since 1975. Could that be right? I know that the coalition gets that survey—why didn’t the member for Moncrieff mention it? Why aren’t you there talking the economy up instead of talking the economy down? The answer is: it does not suit you to talk the economy up. It does not suit you to join this government in supporting small business and small business confidence.

Another major survey was released today specifically related to small and medium enterprises, and do you know what it shows? The strongest quarterly increase in the survey’s 16-year history. They are good results. They are great results. Go the small business community of Australia! We are sticking up for the small business community of Australia! This Sensis survey is interesting because it is about small- and medium-sized businesses. Small businesses were also reported as being more confident than medium businesses for the first time since November 2000. So the small and medium businesses are especially confident.

*Opposition members interjecting—*

Dr Emerson—The small ones. Why do you reckon they are so confident? Be-
cause of the support. It is the support of this government that is engendering confidence in that very important part of the community—the 1.9 million small businesses employing almost four million working Australians. Ms Christina Singh, who is responsible for the Sensis survey, said:

The latest data suggests Australia’s economic environment is starting to rebound, with businesses expecting their operations to perform significantly better in the next 12 months. So there you go—confidence on the rise.

Consumer sentiment figures were released just a few days ago. What do they show about consumer sentiment? The second largest recorded increase in the last 22 years. So things are on the up. We do have a long way to go. We do need to work in partnership with the small business community, and we will continue to work in partnership with the small business community.

The member for Moncrieff raised in his contribution the issue of modern awards, as if to suggest that all these cost increases that are being claimed have already occurred or that they are inevitably going to occur. He knows and the shadow minister for industrial relations knows that the award modernisation process is a very necessary reform in this country that has been called for for decades by employer groups, large and small. They want to reduce the compliance costs of around 1,600 individual state based, industry based and even business based awards and have only 18 modern awards. He has raised issues about two or three of them. You heard the Deputy Prime Minister talk about what we have done in relation to the restaurant and catering industry, where we have in fact asked the Industrial Relations Commission to have a further look at that. We are in dialogue with others who are affected by the modern awards system. It is a reform to reduce compliance costs, and what do we get? Opposition from the coalition to the award modernisation process.

I remember the then Minister for Industrial Relations coming into this place and saying, ‘Shearers under this award have to be provided with tapioca pudding’—criticising but never doing anything. That is the problem. The shadow minister for small business for one year and one month has not been able to get a question up through the tactics committee, which is chaired by the member for O’Connor. I saw the member for O’Connor walking around today with a document, which was obviously tactics—

Mr Ciobo—Mr Deputy Speaker Scott, I rise on a point of order. I am loath to stand up, but the minister knows that that is completely untrue. He means ‘a question to him’, and I am not interested in asking him a question.

The DEPUTY SPEAKER (Hon. BC Scott)—The member for Moncrieff will resume his seat. The minister has the call.

Dr Emerson—The tactics will not allow you to ask a question of me, because you are afraid of the answer and afraid of the truth, which is what I would give to you: the truth, so that we cut through this rubbish, this recklessness and this opportunism of the coalition, which is seeking to talk the economy down at every opportunity and seeking to misrepresent the employment figures for this country. They entered into this debate on a day in which business surveys are revealing good and encouraging news. What did they do? They came in here and complained, saying, ‘It’s really bad; you’re not doing enough for small business.’ If you had supported the stimulus package, you might have at least a little bit of an argument. You could say, ‘We could do a bit more.’ But no, you opposed the stimulus package and you opposed the investment in nation-building infrastructure.
There is a member on the back bench nodding proudly: the member for Bowman. ‘Yeah, we opposed it; look at us; we’re the heroes of small business.’ What are you doing for our tradies? Just yesterday, the Australian Business Investment Partnership hit the fence. Why? Now the jobs of 50,000 tradies are at risk. You should be ashamed of yourselves. And you come into this parliament asking, ‘What are you doing for small business?’ I say: what are you doing for small business? Why are you talking the economy down? Why are you betraying our tradies? It is because of base political instincts to do with your self-preservation and your desire to remain on the front bench in the reshuffle. It has been a poor performance by you: dusty at the midwinter ball; dusty next week. You should give it away and get someone who can come in here and engage in a proper and constructive debate and talk the economy up instead of talking the economy down.

Mr LAMING (Bowman) (4.25 pm)—We meet here this afternoon because in this global shock we have mounting unemployment in this country and stresses that small business have not seen for a decade. I see members from the other side exiting this chamber. They could stay around for a little while and learn a little bit more about the plight of small business people, who they do not meet in their own electorates. Members for Eden-Monaro, Dobell, Isaacs, Makin, Fremantle, Parramatta, Forde, Longman, Leichhardt, Bonner, Solomon, Page and Brand, I implore you to stick around. I do not like seeing the backs of you because this government has abandoned them.

The stimulus package by this government, if you compare it to all stimulus packages around the world, has the least in it for small business. You only need to look at what the US has done and what OECD economies have done in Europe. When you look at Australia, it was basically cash payments that were very poorly directed and construction stimulus that went straight to the commercial building of multipurpose halls in schools. I am not about to criticise the importance of funding to schools, but there was never a better time than this year to protect our small businesses. They are, as the member for Moncrieff has said, the backbone of this economy. For those nearly four million Australians who work in small business, I rise today to speak. We in fact proposed this MPI for that very reason.

What we have here effectively is a government that has abrogated its responsibility. The minister is full of bluff and bluster in a souffle-like attempt to defend the record of this government, which is appalling, on the back of one survey result that came out this week. I am not any kind of analyst, but what creates the greatest likelihood of a good survey result in a poll is an atrocious one the poll before. When it collapses in May, of course there will be some sort of bounce back in June, which can be of a record quantity purely because of the collapse the month before. That explains why we have a small bit of good news—which of course is always welcomed on this side of the chamber.

What we on this side have is a coherent approach to protecting small business. The government virtually turned a blind eye. I will give a little bit of history. Remember 2008? When they should have been preparing for the economic crisis and the threats that this economy faced, they were holding 2020 forums and bringing in actors like Cate Blanchett and shamelessly politicising her. In 2009, they egged on the Reserve Bank to four interest rate increases over seven months when not another developed economy was doing that. While other economies stared down small levels of inflation that
were mostly due to drought induced commodity price increases and to increases in petroleum prices, it was Australia which blinked and put enormous pressures on small business. That will not be forgotten in wider Australia.

What we on this side have done is come up with meaningful alternatives, such as net operating loss carry back provisions, which are welcome for strongly performing small businesses that hit a wall in this economy. On the other side, we have seen virtually nothing except depreciation arrangements that help only the smallest proportion of small business. We needed so much more from this government; we did not see it.

It is worth making an international comparison; economies in banking crises are suffering extraordinary economic pain, but this country had strong banks, a very small manufacturing sector compared to resources and most importantly of all no net debt—thanks to the Howard government, which put us in an ideal place to be able to stimulate the economy. What we saw was a Prime Minister who panicked. He went across to the G20, listened to all of the foreboding predictions for economies that had banking crises, problems with return on investments, problems with return on equity, net interest margins that were very small, massive exposure to derivatives and liquidity and cash to total asset ratios that were very small. All of those reasons meant that these countries were in enormous peril. But it was this country that forgot small business in its stimulus package. This government stimulated inefficiently and wastefully. Australia will now see the results; significant increases in unemployment. This government has been able to focus on nothing more than one retail sector survey and the very small proportion of this economy’s performance that it represents.

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ADJOURNMENT

The SPEAKER—Order! It being 4.30 pm, I propose the question:

That the House do now adjourn.

McMillan Electorate: Landcare

Mr BROADBENT (McMillan) (4.30 pm)—Thank you for the call, Mr Speaker. I appreciate it. I rise to raise an issue that is important in my electorate, from Hill End to Hedley and Yarragon, Trafalgar, Thorpdale, Korumburra, Leongatha and Meeniyan and across the whole of South Gippsland. That is the issue of Landcare and the way the government has changed the rules for Landcare, affecting people such as in the photograph I am holding: Phil Piper, Graeme and Rosemary Trease, Susanne Whiteman, Alex Campbell and Mark Uren. They were meeting to consider what has happened with the whole Landcare program since the change of government. I asked Phil Piper to put it in writing so I could send it to the Minister for Agriculture, Fisheries and Forestry. He wrote:

Dear Russell

Our Landcare group is very concerned with the way Landcare is progressing.

Remember that these people are absolutely passionate about what they have done and what they intend to do in the future. The letter continues:

We are a small but effective group with about 34 people and since our conception in 2002 have planted approximately 50,000 trees. In the 2007 Landcare Awards members of our group won the Primary Producers Award, the Rivercare Award and the Dick Howarth Memorial Award. This year our group won the Group Award. Pretty impressive!

But what is pretty unimpressive is that for 2009/10 there is no funding available for our members to continue our good work. In fact in 2008/9 only 1 of our members received funding and our support people at the local network office are fighting for funding just to keep their jobs.
What has happened to Landcare? It is no longer a grassroots organization, as it was originally set up. It has become a from the top down organization, because to receive funding you have to have a large $20,000 - $50,000 single project, instead of the small projects of the past.

What is the point of small groups like ours (and many, many others) being part of Landcare?

Do you realize that the funding only covers the cost of the trees, shrubs, grasses etc and a percentage of our fencing costs. We provide the balance of the fencing costs, plus all the labour for planting out, weed control, upkeep on fencing, general maintenance for the years that follow for NOTHING.

We have regular meetings and discuss these issues, encourage new members, involve the next generation (School children—Landcare cadets from our local school), try to influence and encourage our neighbours and local farmers again for NOTHING.

Do you realize what a valuable asset these small groups are?

Why is the Federal Government trying to shut us down by starving us of funding?

If the government is serious about addressing climate change, surely they must fund and encourage Landcare groups like ours, to continue to planting trees.

Why don’t they give the $20,000 or $50,000 to the networks so as they can survive and fund the 100s of small groups, like ourselves, so we can continue doing our work?

Please Russell can you help us as our situation is desperate. We all love Landcare and we don’t want to leave it.

Yours in Landcare
Phil Piper
(President)

The work of people like those in this photograph—and they are only a few—resonates throughout my electorate. They are in every area. I have met with them in Inverloch and I have gone from farm to farm and project to project. I have seen the pride in their eyes as they grab their local member and say: ‘Come and see what we’ve done with this creek. See what we’ve done in this valley. See what we’ve done in this area of landslide.’ They are so proud that they will even stop what they are doing for the day just to take their local member out and show him what they have done.

I am therefore quite humbled by the work that is being done right across Gippsland. I know every member of this House can go to areas of their electorates where people are very proud of the work that they are doing on a voluntary basis. But this work in Landcare seems to have been taken off them, not through an intentional change by the government but by another approach where a bigger project—a $20,000 or $50,000 exercise—can be awarded with a plaque. These people are not interested in plaques; they are interested in plants. They are interested in ecology; they are interested in salination of the soil. They are interested in the future of their children and they are interested in the future of the nation. I call on the minister, Tony Burke, to reconsider how that money is being doled out to people, and he might consider for the first time the little people—the little people of Landcare.
former Minister for Employment Participation were somehow involved in a breach of the probity guidelines of the employment services tender.

This was a cheap, below-the-belt political swipe. The member for Boothby impugned the reputation of Mission Australia and he impugned the reputation of its chief executive, Toby Hall. He accused Mission Australia of having inappropriate discussions with the then minister's office immediately following the announcement of the successful tenders for the new Job Services Australia in April this year. The member for Boothby's line of questioning was made all the more contemptible because, until yesterday, in the 18 months he has been in the shadow portfolio he has not asked one question of the minister. In fact so brave is the shadow minister that he had to wait until the employment participation portfolio moved to a minister in the Senate before he could pluck up the courage to step up to the dispatch box.

At a time when the focus of the Rudd government and the nation is very much on supporting Australian jobs, the member for Boothby is only interested in casting unfounded aspersions on an organisation that has come to the aid of thousands of Australian families in need. For a shadow minister for employment participation, the member for Boothby just does not seem to want to participate in one of the most important discussions we are having in this country—the one about jobs. In the last 18 months, not only has the member for Boothby shown that he has no interest in employment; he has also shown a distinct lack of interest in participation when it comes to making a contribution in this place.

I was shocked by these allegations and made inquiries of the Minister for Employment Participation. I have been advised by the minister that the employment services tender was overseen by an external probity auditor, the legal firm Clayton Utz, who indeed signed off on the process at every relevant juncture and found no impropriety on the part of Mission Australia, the government or, indeed, any party involved. We can excuse the coalition for not understanding probity. We saw the way they administered what has become infamously referred to as the 'regional rorts program', where the most important criteria for project approval was being located in a National Party held seat. We know that the Leader of the Opposition, as the then minister for the environment, only days out from the 2007 election approved a $10 million grant for an untested cloud-seeding program in his own electorate. That project did not even have the approval of his own department.

Mission Australia does not deserve to be the target of the member for Boothby's malicious smear campaign. In my electorate of Lindsay I have a very constructive relationship with Mission Australia, as I am sure many members from both the sides of this House do. Mission Australia, through a multitude of services, provide assistance to the most disadvantaged people in our community: the homeless, the long-term unemployed, the elderly, Indigenous communities, young people and people with substance abuse issues. I am pleased to say that Mission Australia are delivering employment services in my local area under Job Services Australia and they have also been successful in obtaining funding under the National Rental Affordability Scheme to construct affordable housing in Oxley Park.

As the Prime Minister himself noted in his answer to the member for Boothby's grubby line of attack, it is entirely reasonable for MPs, including ministers, to have contact with individuals from Mission Australia. In the case of the Labor Party, that is even more relevant because we have common aims: to
assist the disadvantaged and to deal with issues such as poverty, homelessness and unemployment. It is rumoured that the Leader of the Opposition is looking to reshuffle his frontbench. I for one would be absolutely gobsmacked if the member for Boothby survived that reshuffle.

Royal Volunteer Coastal Patrol

Mr BALDWIN (Paterson) (4.39 pm)—The ongoing contributions made by volunteers in the Paterson electorate are extraordinary to say the least. I would like to acknowledge and dedicate this speech to all the special individuals who take time out of their own busy schedules to assist others. These volunteers often leave behind their loved ones and jobs to assist those most in need. Often they put their lives on the line to help others in distress and they do it for no recognition and usually at high personal cost—financially, mentally and physically. They deserve our utmost support, gratitude and respect.

Last week I had the pleasure of meeting with a group of volunteers in the Paterson electorate, in the form of the Royal Volunteer Coastal Patrol, Port Stephens, to present them with an Australian flag. These men and women are an extraordinary group of people and I thank them for their kindness and generosity towards both me and their community over the years. We should never underestimate the emotional as well as physical toll that these 136-strong members endure to serve their Port Stephens community.

The coastal patrol has a role at all levels in assisting members of the boating community in order to educate and protect themselves, their passengers and their vessels. In Port Stephens the extraordinary group of men and women who make up the volunteer brigade carry out marine search and rescue work, other waterborne services and services of a public or community nature. They also provide theoretical and practical instruction on seamanship subjects and boat handling and assist public authorities. The members who volunteer as part of the coastal patrol must endure some trying experiences and yet they still manage to act with such professionalism and decorum, and for that I have deep respect for them. On Friday I had the pleasure of awarding Port Stephens Royal Volunteer Coastal Patrol member Lloyd Cropper a national medal for his service in the patrol over the past 18 years. What struck me about Lloyd was how humble he was to receive such a prestigious honour. Lloyd, like many of his colleagues, is a role model not only for the Port Stephens community but also for all. He has repeatedly gone out of his way to assist others without seeking any sort of gratification.

As I stood there with Lloyd, in front of his fellow volunteers and family, I thought to myself, ‘What a great man, what a great inspiration and what a great privilege it is for me to be part of this moment.’ In my role as a federal member of parliament I have had the pleasure of meeting many inspirational individuals such as Lloyd, yet I will never grow tired of such a privilege. It is people such as Lloyd and other members of the division—such as Division Commander Geoff Moore, Operations Officer Peter Bevan, Administration Officer Michael Smith, Education Officer Ilene Kelly, Search Master Rod Reeson and Public Relations Officer Bob Young, to name but a few in the time available for this speech—that reaffirm my faith in mankind if I am struck with disturbing examples of human behaviour in the news. If we each assisted others as Lloyd and his fellow members continue to do then I would hold great hope for our combined future.

It is with great pride that I reflect on Australia’s proud history of volunteering. Every year, millions of Australians offer their time...
and talents in order to help build a better community. It is a characteristic which has helped define our young nation and made it one of the greatest places on earth to live. It is mateship in its truest form. All contributions made, whether they are grand or small, are appreciated and are what keep the true spirit of Australia alive. I am proud to give 100 per cent of my support to members of the Royal Volunteer Coastal Patrol, Port Stephens, and thank them for their tireless dedication to assist their local community and for their professionalism in carrying out duties under what are often difficult circumstances. It is my hope that, as Australia comes of age, we as a nation continue the legacy of great volunteer organisations such as the Royal Volunteer Coastal Patrol.

I welcome the news that a merger may take place between Royal Volunteer Coastal Patrol and Volunteer Coast Guard to become one unit. This will no doubt build an even stronger, more harmonious maritime rescue unit that will better attract both corporate and government funding. It should be better funded by all levels of government. It goes without saying, no matter whether it stands as a combined or stand-alone division, I wish the Royal Volunteer Coastal Patrol, Port Stephens, and every one of its members every success in their future. I look forward to continuing to work with them closely to ensure that the Paterson region remains one of prosperity.

Budget

Mr MURPHY (Lowe) (4.44 pm)—Having listened to the MPI debate here a few moments ago and to the opposition’s dishonest attack on the Rudd government, I want to defend the government and restate what we are doing for small business. In this year’s budget alone, we committed more than half a billion dollars in incentives for small business. Measures delivered by the government include the increase in the rate of the small business and general business tax break, the new research and development tax credit, the Small Business Support Line, Small Business Online, the new Commonwealth Commercialisation Institute, a $50 million boost to the Export Market Development Grants Scheme, a 12-month extension of exceptional circumstances assistance under the rural small business program, and the PAYG cash flow relief initiative.

These measures are in addition to the two stimulus packages delivered by the Rudd government. Contrary to the motion that came before the House this afternoon, the Rudd government is supporting small businesses and jobs through its budget initiatives and stimulus packages. It is beyond belief that the opposition can stand here today and claim that the Australian government has failed to support Australian small businesses. Today I spoke with the Chairman of the Burwood Chamber of Commerce in my electorate of Lowe, who reported that his overall assessment, in the Burwood local government area, is that the Rudd government is maintaining confidence and optimism in the business community.

I take this opportunity to walk the opposition through some of the measures that the government has introduced for the direct benefit of small businesses. The government has increased its small business and general business tax break from 30 per cent to 50 per cent at a cost of $141 million. Small businesses with a turnover of less than $2 million a year can claim a 50 per cent deduction for eligible assets that cost more than $1,000. This measure has been warmly welcomed by many small businesses in my electorate of Lowe. The small businesses in my electorate will greatly benefit from the increase in the small business and general business tax break to 50 per cent.
The government, as you know, Mr Speaker, has already doubled the incentive for eligible small businesses to undertake research and development under the new research and development tax credit. The benefit to small and medium sized enterprises is the provision of a 45 per cent refundable credit for firms with an annual turnover of less than $20 million.

These are indeed difficult economic times. The government recognises this and is delivering for small business. In response to what the opposition are saying, I note that the government has also provided the Small Business Support Line, which will offer specialist advice on business matters as well as personal stress advice and support. The support line will be part of the nationwide network of business enterprise centres and other advisory services.

The National Broadband Network will also provide further opportunities for small businesses that operate online. These benefits include reduced costs, marketing opportunities and broad market scope—all appreciated by small business. Further, the Rudd government is introducing a revolutionary Commonwealth Commercialisation Institute. The role of the institute is to assist firms in their quest to grow and remain in Australia—supporting Australian jobs and supporting small business.

For our rural small businesses, the Rudd government is extending the exceptional circumstances assistance for farm-dependent small businesses, which includes relief payments and interest rate subsidies. The government appreciates the difficulties all small businesses face during an economic downturn, hence the Rudd government is making every effort to ensure we support the engine room of our economy.

Again, in response to the difficulties experienced in the global economy, I am pleased to report that the government has delivered that extra $50 million for export market development grants. This funding will assist our country’s more than 1800 small and medium sized exporters.

Many of the small businesses in my electorate also warmly welcome the budget measures providing PAYG cash flow relief. This measure will benefit more than one million small businesses which pay quarterly PAYG instalments based on their previous year’s tax, adjusted by GDP growth. The government has reduced the GDP adjustment factor from around nine per cent to two per cent in light of the expected increase in the CPI for 2009-10.

Measures such as these are extremely important to small businesses in my electorate, from the cafes on Majors Bay Road in Concord to the busy shopping centres on Burwood Road, Burwood, to the restaurants of Great North Road, Five Dock. I applaud the Rudd government for the extensive initiatives it has taken to support Australian small businesses. The government is indeed delivering for small business.

Iran

Mr SIMPKINS (Cowan) (4.49 pm)—Last Friday, the Islamic Republic of Iran held its presidential election. The incumbent, Mahmoud Ahmadinejad, was re-elected. The result, of course, is questionable in the extreme. As commentators have stated, the result makes no sense at all. The two salient points I have heard from some commentators are these. For the first time, Tehran voted for the President. Never before, but suddenly the hardline president has the support of the better-educated Iranians. Yet the oddity does not stop there. For the first time, there was a high voter turnout. Instead of favouring the reformist candidate, as it had since 1997, that higher turnout actually favoured the hardline Ahmadinejad and he was victorious. I would
say that the voter turnout may have been high, but I suspect that many of the voters did not even know that they had turned out and voted.

I have commented before on the state of democracy in the Islamic Republic of Iran. Certainly the veneer of true democracy is very thin, given the existing structure that has to approve all candidates. No credible commentators would suggest that the election was fair or the result legitimate. The result is, however, a tragedy for the two per cent of the population from those religious minority groups, such as the Baha’is, who are not protected under the Constitution and have been consistently persecuted over the last 150 years.

I would like to diverge to the method used by the regime to maintain control of the population in Iran. I recently heard reliable commentators suggest that the control of power in Iran has fully shifted to the Army of the Guardians of the Islamic Republic or, as they are commonly known, the Revolutionary Guards. This is a very important point and it is useful to take some time to consider what part the guards play in Iran.

As most commentators are aware, President Ahmadinejad was a member of the guards, albeit in the Basij militia. We know that the guards were established in 1979 as part of the Islamic revolution. Their role includes the term ‘national security’, which particularly includes that aspect which is referred to as ‘internal security’. There is no doubt that the establishment of the Army of the Guardians of the Islamic Republic by the Ayatollah Khomeini was for the defence of his position as supreme leader and of the regime.

Since 1979, the guards have certainly become a military force, yet they are also strongly involved in the economy and the politics of Iran. It has been estimated that the guards control about a third of the economy. There is therefore a strong reason to maintain their position and avoid reform.

Their percentage of control of the economy is also consistent with the number of former guards in the Majlis, the parliament. As I previously stated, the President was a member of the Basij element of the guards. The Basij are known as the mobilisation militia or officially as the Basij Resistance Force. They are a subordinate organisation of the guards. They are volunteers and currently undertake not only law enforcement tasks but, amongst other tasks, enforce moral standards and carry out the harassment of any form of gathering that the regime does not endorse. We must understand that Basij recruits can start from as young as 12 years old. They are in schools, in universities and in villages throughout the country. They are literally ingrained into every institution within the nation. These are the people from the organisation that we often see named as plain-clothes police or religious police. Even the real police fear them.

There is no doubt that the Basij have suppressed and continue to suppress individual freedom and that they are in fact operating to put down the demonstrations currently taking place in Tehran. While some may say they hide behind the authority they believe they have under Islam, I believe that they believe in their faith, revelling in a sense of righteousness—a righteousness that asserts that anyone who opposes their view and seeks democracy must be dealt with. It is a rare religion that in this modern era asserts its control so clearly and violently, yet it seems that Islam remains no further advanced than when it began. These sorts of regimes—regimes of extremism, regimes of violence and repression of the individual as well as of any form of dissent—are not regimes that can be negotiated with. Reason via constructive argument is only met with brutal reac-
I believe that the complete integration of the Basij and the guards into every element of Iranian society leaves little option for freedom and the democratic spirit.

I commend the brave people of Iran who risk their lives in questioning the sham that was the election. It is my view that political control is now entirely in the hands of the Army of the Guards of the Islamic Republic, as represented by its current and former members. I see no other option for the people of Iran than to continue to protest. The reign of the guards must come to an end and the repression must end. I cannot see that happening without a lot of people being hurt. I would go so far as to say that freedom is a cause that is worth fighting for.

Petition: Trail and Monkey Bikes

Mr CHAMPION (Wakefield) (4.54 pm)—I rise to table a petition from 486 of my constituents regarding the importation and sale of trail bikes and monkey bikes. This petition was generated by a problem that exists in my electorate from individuals and groups of individuals riding trail bikes and very small bikes which are referred to as monkey bikes. These are miniature bikes that look a bit like a miniature road bike or a miniature Harley-Davidson and are powered by 50cc motors. There is a plague of them in the northern suburbs of my electorate, in the township of Gawler and in particular along the coastal beaches such as Middle Beach.

These bikes seem quite comical and I think people ride them in the belief that it is an innocent recreational activity. In fact, it is an incredibly dangerous activity both for the rider and for pedestrians and others who use these places. The riding of these bikes has been linked to antisocial behaviour such as drinking and assaults in public parks and it has greatly affected the amenity of many areas in my electorate. One of these places I have been out to is the Gawler River Junction, where the North Para and South Para rivers meet. I was out there the other day with the Minister for Infrastructure, Transport, Regional Development and Local Government announcing $3 million to build a number of bridges and walkways in this area. While waiting for the minister with the mayor and other local residents a couple of these very small motorbikes howled through the existing walkways. They can be particularly dangerous for residents who are walking their dogs or playing with their children or walking on the beach.

Already we have had two residents killed while riding these bikes. One was in Salisbury North. The individual was, sadly, intoxicated and rode one of these small motorbikes up the train line, fell off and died of head injuries. Another fellow died in Munno Para car park from injuries sustained while riding one of these bikes. This has happened because these bikes do not meet Australian design standards. They are imported from China, and there is no design standard that they have to meet, and they are not road registrable. People can buy them from anybody who wishes to import them. They are quite dangerous because they do not meet design standards and even at very low speeds cannot turn properly. Problems arise when people are belting along at up to 50 kilometres an hour and have to dodge some person or inanimate object and then find themselves going over the handlebars. One young man I know through a friend is 21 and doing his teaching degree. He is a fine and upstanding citizen in nearly every way, but one night he made the mistake of getting on one of these bikes and ended up in Flinders Hospital emergency ward. He had to wait for eight hours to see a doctor. Unfortunately, he is now going to carry an injury for life because he shattered his ankle to such an extent they expect to have to fuse it.
We can ban these bikes. I think the state government has to crack down on the illegal use of these bikes. Frankston City Council has resolved the problem through strong fines and enforcement of their strong laws. I think state, federal and local governments can act to prevent this problem. One tends to think it is an innocent problem but in fact it is very serious and has been reported as such in the Adelaide Advertiser by Kim Wheatley, a very good journalist. I am hoping that the federal parliament, the state parliament and the local council will all pay some regard to the wishes of my petitioners and my electors.

The petition read as follows—
To the Honourable the Speaker and Members of the House of Representatives
This petition of concerned citizens of South Australia draws the attention of the Federal Parliament to the increasing problem of the use of monkey bikes in parks and public places.
This illegal activity is a danger to the riders of such vehicles and to the public. It causes environmental degradation and damage to parks and property, and infringes on local amenity.
This activity has resulted in the deaths of two riders in the northern suburbs of Adelaide.
We therefore ask that the Federal Parliament consider laws to ban the sale and import of monkey bikes.

from 486 citizens

Petition received.

Question agreed to.

House adjourned at 4.59 pm
Thursday, 18 June 2009

The DEPUTY SPEAKER (Ms AE Burke) took the chair at 9.30 am.

CONSTITUENCY STATEMENTS

Melbourne Ports Electorate

Mr DANBY (Melbourne Ports) (9.30 am)—I recently had the pleasure of representing the Hon. Julia Gillard MP, Minister for Education, at the opening of a capital grants project at Adass Israel School on 28 April in my electorate of Melbourne Ports. The school plans to use this grant and other grants that it has received for a number of projects, including classrooms, a staffroom, an arts room, administration areas and associated areas. Three Australian government grants totalling $650,000 have been received under the capital grants program.

While I was visiting the opening of this project, the teachers, students and parents shared their delight at the news that the school will be receiving $2 million in funding as part of the Primary Schools for the 21st Century component of the program of education spending that the government has announced. This money will go towards two projects at that school: a new multipurpose hall worth $1½ million; and half a million dollars for much-needed classrooms on the campus. The number of students at that school is rapidly expanding because of their demographic.

When they were in office those opposite, in my view, lacked a sense of national direction in relation to education. For years Australia was left with an infrastructure deficit so big and wide reaching that many schools right around this country had to cope with temporary classrooms and rundown facilities. Something else those opposite are saying, which I disagree with, is that the future for the next generation, for our children, will not be as good as it has been for us. This is defeatist talk. If that is the coalition’s starting point for the recovery of their political fortunes, then they are already beaten.

This government believes that the future can and will be better for our children, not just measured by material things but by the quality of their lives and the reach of their aspirations. That is why the $14.7 million set aside in the program of education spending is of fundamental importance for Labor’s nation-building plan and jobs plan. The education funding is divided, as we all know, into a number of subprograms which have been rolled out. Programs are still in their early stages but every school in my electorate has got something out of this extensive program, including from the National School Pride Program, under which all 43 schools in the electorate have shared in $6 million, with the exact size of the allocation depending on the size of the school. The funding will be spent on smaller school improvement projects. For instance, St Columba’s Catholic Primary School is laying down a new synthetic surface for its grounds and playing courts, while at Port Melbourne Primary School they are constructing a new hard-court teaching space.

Additionally, most primary schools in my electorate have been provided funds under the much larger Primary Schools for the 21st Century program. So far, 18 local schools have benefited from nearly $36 million of funding. Over the coming weeks and months, these schools will begin constructing new major infrastructure such as libraries and multipurpose and outdoor learning centres. (Time expired)
Hinkler Electorate: Fruit Industry

Mr NEVILLE (Hinkler) (9.34 am)—One thing Australians enjoy, perhaps more than any other nation on earth, is affordable, high-quality fresh produce. But that might be at risk, subjecting Australians to higher food prices and imports. Queensland’s $1.2 billion fruit industry is at risk. Last September, the Queensland Labor government scrapped damage mitigation permits which allowed orchardists to protect crops by shooting raiding flying foxes. Now farmers must use non-lethal methods to keep flying foxes off their crops, using scaring devices such as bird fright and spotlights. Another method is netting, which is prohibitively expensive and can cost up to $40,000 per hectare. The Stanthorpe fruit-growing district reported losses of up to 25 per cent in the last stone fruit season.

Conservation groups say that shooting flying foxes is inhumane, while farmers quite rightly say they have the right to make a living. Farmers do not want to indiscriminately kill hundreds of animals. Rather they have found that shooting the scouts, which source food supplies and lead the colony back to the orchard, is more effective. A flying fox colony can number in the thousands and can block out the sky—a very scary sight for orchardists. One of my local farmers, Allan Badrick, recently lost half of his lychee crop because he could not shoot the scout flying foxes. Another, John Kajewski, lost 35 per cent of his crop. The Badrick orchard of 1,600 lychee trees is partly covered by permanent gantry netting, and this mitigation control was such that he lost only five to 15 per cent of his crop. But this year, being unable to shoot scouts, he lost the entire unprotected lychee crops, with between 10 and 15 tonnes of fruit being unusable. In his own words, he said:

Because I could not disturb them, their numbers increased nightly to the point that there were literally thousands of them when the fruit was fully ripe—it took less than a week to destroy my year’s of hard work and costs.

This farmer is trying to do the right thing. He has tried Bird Frite shells, high wattage lighting, netting, sound guns, but none of them is as effective as culling the scouts. Let me be perfectly clear: as a general rule I dislike culling, but common sense must prevail where sensible preventative measures can be used. Farmers are common sense people; they are innovative and proactive, and those who can afford to net do so. It is time the Queensland government balanced farmers’ rights, community interests, the environment and, above all, common sense.

Solomon Electorate: Kormilda College and Glenti Festival

Mr HALE (Solomon) (9.37 am)—I rise today to mention two events that have happened in my electorate of Solomon in the last couple of weeks. The first was the opening of new facilities at Kormilda College. They were opened on 10 June by me. The capital works that were opened involved the construction of the vocational education training centre and independent living units. They are outstanding facilities that will help ensure all students at Kormilda College are encouraged to realise their full potential and attain their goals.

Kormilda College is a fantastic college in the Northern Territory and it will hold its own around Australia. The project totalled nearly $13 million, of which the federal government put in $9 million of funding. The school community also raised $2.5 million. This demonstrates the Australian government’s commitment to providing every student with the best possible learning environment through the provisions of these new and updated facilities. The school is going from strength to strength; it is one of the best schools in the Northern Territory.
The second event I had the pleasure of going to was the Glenti, the Greek festival. The Glenti has been going for 21 years. The president of the Greek community, John Nikolakis, does a lot of hard work. A lot of the stuff that the Greek community does is raising funds for charities. The Glenti co-founder, Lillian Gomatos, and her committee have been working very hard on this annual event since 1988. There are also many other people who work very hard to deliver this event to Darwin: the Olympic soccer club, the Hellenic soccer club, the Kalymnian Brotherhood, the panhellenic Macedonian association, the Kalymnian sister cities, the Greek morning school and the Greek Orthodox community of Northern Australia. They all contribute to what is a fantastic weekend.

This year they raised $13,000 in two hours on Friday night towards the Greek aged care facility. The Glenti also raised $44,000 for the Starlight Children’s Foundation in a day and a half. They also raised $180,000—this is all on the one weekend—for the Greek associations around Darwin, and they estimate that they will probably end up raising approximately half a million dollars. The Greek community is a fantastic community in my electorate and I commend them on another fantastic Glenti.

Mitchell Electorate: Queen’s Birthday Honours List

Mr HAWKE (Mitchell) (9.40 am)—I rise this morning to record my congratulations to and appreciation of the recipients of honours in this year’s Queen’s Birthday Honours List in the electorate of Mitchell and surrounding districts.

Dr Joseph Pereira, who is a resident of Castle Hill and received an AM in the General Division, is an extraordinary person, and, along with his wife, Shirley, became an advocate for Burmese migrants and the Karen people, who are an ethnic minority discriminated against by the Burmese military dictatorship. Dr Pereira and his wife have helped to build a sewing factory in which 33 people help to provide food for 150 displaced children along the Thai-Burmese border. They both travel to Thailand each year to check up on the projects and see how they are progressing.

Alan Zammit of Bella Vista was awarded an AM in the General Division. There is no doubt that Alan Zammit has a long-term commitment to urban, regional and community development for which he was made a member of the Order of Australia. For six years he was chairman of the board of St Gabriel’s School for Hearing Impaired Children at Castle Hill and for 10 years he was on the board of the University of Western Sydney Foundation. He also served two terms as chair of the Hill Shire Orange Blossom Festival, perhaps the pre-eminent local festival in my community. Mr Zammit is involved in many community organisations in Sydney’s west. He is chairman of the Salvation Army Greater Western Sydney Advisory Board and director of the Millennium Foundation, which raises funds for medical research at Westmead Hospital. Mr Zammit, of course, capped his 40-year career as the developer of the award-winning $2 billion Norwest Business Park and Bella Vista Waters, which my community is obviously eternally grateful for.

Janis Duffy, a resident of Cigolini Place, Kellyville received an OAM in the General Division for services to aged care and baseball. She has been involved in volunteer work as a charter member of the Glenhaven Rotary Club and a volunteer at the Children’s Medical Research Institute. Her service and commitment to Kellyville Baseball Club is something that has to be seen to be believed.
Don Tait, who is a good friend of mine, received an OAM in the General Division. He is a director of the Castle Hill RSL. Mr Tait was cited for his work in service to veterans and preservation of artillery heritage. He served, of course, extensively in the Royal Australian Artillery and was colonel commandant between 2000 and 2006, and, indeed, he was one of the people responsible for bringing the unknown soldier back to his final resting place at the War Memorial in Canberra.

I also want to record my congratulations to Pat Nati of Dural. Pat has been raising money for charity for 30 years, which is well known, and he is an expert at it, and there have been many, excellent fundraisers organised by him. He is chairman of the fundraising committee of Special Olympics Australia, and the list of groups and individuals he helps is mind-boggling and include: the Millennium Institute, AIDS Orphans, pancreatic cancer research, the Make-a-Wish Foundation, the Salvation Army and St Vincent’s Hospital.

I also want to record my congratulations to James Smith of Dural. All these recipients from my constituency are very worthy recipients.

Parramatta Electorate: Hills Sports High School

Ms OWENS (Parramatta) (9.43 am)—Last month I was delighted to officially open the new state-of-the-art fitness centre and refurbished library at the Hills Sports High School at Seven Hills on behalf of the Minister for Education, the Hon. Julia Gillard. The newly refurbished library is the heart of the school and students will be able to study in the ultramodern premises using the latest technology and resources. The new fitness centre is a state-of-the-art facility with a large weight-training and cross-training area, a large well-equipped aerobics room and provision for the establishment of a sports doctor and physiotherapist. For a sports specialist high school, like Seven Hills, it is essential equipment and gives the students the opportunity to engage in sporting activity at the highest level while undertaking their senior years of high school.

In addition to opening these new facilities, I had the opportunity to turn the first sod on what will become a one-of-a-kind aquatic training centre also on the school grounds. The Rudd government has contributed $3 million to this $6.5 million project, with the other $3.5 million coming from the Royal Life Saving Society in New South Wales. The academy will be the first of its kind not only in New South Wales but in Australia. The aquatic safety-training academy will be a benchmark facility for the delivery of the highest quality vocational education and training in Australia. The Royal Life Saving Society will be providing both recreational and vocational education and training programs to all members of the community, including students, teachers, parents, emergency service workers and the aquatic and recreational industries. The academy will also provide the society’s mobile Indigenous training unit with a central base to carry out Indigenous-specific initiatives adapted to meet the various needs of Indigenous and culturally and linguistically diverse communities in Western Sydney.

The training academy will comprise one training pool of 25 metres with eight lanes for all training programs by the Royal Life Saving Society as well as by groups such as swim-training squads, water polo teams and synchronised swimming teams. That pool will be used by the Hills Sports High School during school hours. One program pool of 20 metres by eight metres will also be built for use for spinal injury management, rehabilitation, disabled courses...
and swim and survive initiatives. There will also be an administration block and seminar and training rooms.

These outstanding facilities will help ensure that every one of the 920 students at the Hills Sports High School and in the community at large is encouraged to realise their full potential and obtain their goals. Over the next year and a half or so we will see much more building in our schools around Parramatta. Just last week Parramatta achieved an outstanding result under round 2 of the Primary Schools for the 21st Century, in which 25 Parramatta schools shared in close to $52 million of infrastructure investment. That takes our total now to more than $80 million for 152 projects in 72 schools as a result of the $14.7 billion education revolution program. We promised an education revolution and that is what we are delivering.

**Bond University**

_Mrs MAY (McPherson) (9.46 am)—_On Saturday, 6 June 2009 Bond University celebrated 20 years of educating local, national and international students at the Robina campus in my electorate of McPherson. This is truly a milestone anniversary. In 1986 a small group of political and industry leaders decided to build Australia’s first private university—truly a bold vision. The risky decision, which would in time be considered really a historic decision, and their survival-against-all-odds attitude have helped forge Bond University’s international reputation. When one of the key founders, Alan Bond, was interviewed about why he wanted to build a private university he said:

> What I really think we need in this country is a university that could take a person such as myself, with some obvious flair and entrepreneurial capabilities, and provide a framework that would teach them not to make the mistakes I made … without destroying the flair.

That framework has certainly been put in place with a unique learning experience that is unparalleled anywhere else in Australia. In 1989 Bond University welcomed its first 322 students at its brand-new state-of-the-art campus. Those students had an education experience of the highest international standards under the tutelage of Australia’s leading academics.

In 2007, I was joined by Peter Costello at Bond University to announce a $2.5 million contribution to establish the Bond University Clinical Education and Research Centre at Robina Hospital. This grant from the Commonwealth government’s capital development pool provided a clinical teaching and research facility for Bond’s medical, physiotherapy and other health students. This contribution was in addition to the $4.5 million support previously provided by the coalition in government and announced by then Prime Minister John Howard for Bond’s $20 million health sciences and medicine building in 2006. The medical program is providing a first-class environment for the training of tomorrow’s medical professionals. In the 2008 _Good Universities Guide_ Bond earned the most five-star ratings of any university in Australia.

I also would like to take this opportunity today to put on record my thanks to retiring Bond University Chancellor, Trevor Rowe. He is a great friend. Trevor really has made a significant contribution to the success of Bond University during his six-year tenure. I have enjoyed a close working relationship with him and all the staff at Bond University. Trevor has certainly led Bond through a period of incredible growth. He is to be congratulated for his vision and commitment to the success of Bond University. I also look forward to working very closely now with the incoming chancellor, Dr Helen Nugent. I offer my congratulations to all at Bond University.
Bond—the teachers, the professors and the students—involves in the 20-year anniversary celebrations.

**Corangamite Electorate: Visy Pulp and Paper**

**Mr CHEESEMAN** (Corangamite) (9.49 am)—I would like to make a short statement in support of the workforce at the Visy Pulp and Paper factory in Tarneit. I believe the efforts of these workers should be brought to the attention of our national parliament. These workers have shown great guts and heart. They have shown great support for each other. For years Visy have tried to force them into signing individual contracts. Visy have been totally unschupulous. They have used the ugliest tactics available to them under the totally un-Australian previous Work Choices regime.

The company has denied these workers representation, breaking internationally recognised ILO conventions. They have threatened to terminate workers—the ultimate blackmail. They have threatened to deport sponsored workers. How unschupulous can you get—to threaten a person’s job, then put their lives at risk by deporting them.

There is more. The company management also directly and overtly discriminated against workers who would not sign AWAs. They punished them financially and tried to ostracise them. They tried every disgusting trick in the book to break these people but for more than three years a small number of workers have staunchly held out. Visy are now attempting to force workers to sign a non-union collective agreement, and the fight still goes on.

I do not like to use unparliamentary language but the management in this branch of the company just suck. They are bullies, they are cowards and, of course, they are greedy. Every week the management representatives come out from behind their desks to check their big fat salaries as workers hang by a thread. I believe the members of the CFMEU’s pulp and paper division are some of the many great unsung Australian heroes. They are people who have made our country what it is today. They have fought for and protected the core Australian characteristic of a ‘fair go’. They have stuck by their mates and I say to them: Well done! You have done a great thing. You have stood up for your principles and you have stood up for all Australians. The Australian parliament now recognises you.

**Macarthur Electorate: Immigration**

**Mr FARMER** (Macarthur) (9.51 am)—As all in this House would be aware, I represent the seat of Macarthur out in Western Sydney. We have a population that is quite multicultural out there in Western Sydney, and because of that I am quite often asked by constituents to represent them on their immigration concerns. In the past, during the Howard government years, I have gone to the appropriate minister. I have spoken to the minister about cases which I felt needed intervention. Of course, the minister under the powers that he had was able to do just that.

However, in recent times, since we have had a change of government, those sorts of pleas have fallen on deaf ears when I have taken them to people on both sides of parliament. I am concerned that the minister is not acting in the best interests of the people of Australia. In particular, I would like to raise a case in my electorate concerning a lady by the name of Mrs Heidi Brandt, whom I recently spoke to the minister about. I sent correspondence to the minister in relation to her case. Mrs Heidi Brandt is a great contributor to the area of Macarthur. She has paid taxes for the last 30 years, since she has been in Australia, and was wishing to
bring her mother out to Australia. As she is her mother’s only family left in existence, Heidi is keen to have the two of them united and to have her mother here with her family. But unfortunately this was deemed not to be the case by the immigration department.

I asked the minister to intervene, and I am of the understanding that the minister has on his desk something like 1,000 cases of representations from various members in this House that we would like the minister to look into. Unfortunately, the minister has not got around to any of them. I am of the understanding that he has not made any interventions in the course of a whole year. In fact, there is a year’s backlog of cases on his desk. So I speak in this House today to try and encourage the minister to realise his responsibilities as the minister and as the head of the department.

I call on the Hon. Chris Evans, the Minister for Immigration and Citizenship, to use the ministerial power that he has to intervene when it is necessary, to help various people to migrate to Australia.Obviously, he needs to analyse these cases. The immigration department does a wonderful job but not everybody fits into a box, and for that reason there is ministerial power to intervene. The ability to do this comes under section 417 of the Immigration Act. I am calling on the minister to do that in Heidi Brandt’s case, and to analyse a lot of the cases before him on his desk.

**Shortland Electorate: Budget**

**Ms HALL** (Shortland) (9.54 am)—Today I would like to share with the House what the economic stimulus package has meant to the Shortland electorate. The stimulus program has developed real nation building in the electorate of Shortland. When people think of the stimulus package, they think of the payouts that were paid to people. Yes, 55,000 people in the Shortland electorate did receive stimulus payments. But, in addition to that, $60,344,400 has actually gone into the building of much-needed infrastructure in the Shortland electorate. This is a very big change from what happened under the Howard government. The Howard government constantly ignored the Shortland electorate. They would not even reopen the Belmont Medicare office. But, of course, this government did; it allocated funds for it in the last budget.

Of the $60 million plus that has been allocated to the Shortland electorate, $48,350,000 has gone to the education revolution. There is $7,150,000 for the National School Pride Program, and $41,200,000 for the Primary Schools for the 21st Century—and this is just the beginning.

In relation to social housing in the Shortland electorate, 17 social housing units, to the value of $4.3 million, have been approved. The construction of these dwellings will start in 2009 and will be completed by 2010. Also, 631 social housing units will be upgraded and repaired. The cost of this maintenance will be $3.6 million. This work is vital because there is a lot of public housing in the Shortland electorate and for a very long period of time the previous federal government had been withdrawing funding that it had given to the states for social housing. So this is a real opportunity to upgrade these houses.

There is funding of $1,550,000 for eight black spot projects. There is also $1,676,000 for community infrastructure projects. There have been 89 applications for the home insulation program and 460 applications for the solar rebate program. These projects have been really welcomed in Shortland. On another occasion I will go into detail of all the schools that have
benefited from the package. I would like to place on record my total support for the stimulus package and what it has delivered to the people of Shortland. (Time expired)

Petition: Youth Allowance

Mr Chester (Gippsland) (9.57 am)—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 a gap year and they contradict other efforts to increase university participation by rural and regional students.

The petition contains 4,530 signatures and is in addition to the 206 signatures already collected in Gippsland and presented to the House on the same issue. Indeed, as a member of the petitions committee, I can report that there are several other petitions circulating throughout regional communities on this topic and the total number of signatures which have been formally approved by the standing committee on petitions is now approaching 15,000—that is, 15,000 Australian students, parents and teachers who are angry and frustrated with the proposed changes put forward by the Rudd government. I believe that there will be many more petitions tabled in the weeks ahead, with thousands of additional signatures to come. There have also been several community meetings and rallies throughout the nation where people have expressed their anger with the government’s decision.

In addition, my office has forwarded 50 emails and letters to the Deputy Prime Minister’s office from Gippslanders who are expressing their concerns about these proposals. The minister has actually accused the opposition of scaremongering. She also said it was a very silly question when I asked her to guarantee that students currently on their gap year would not be financially penalised under the government’s changes. There are 15,000 Australians who have already made it clear to me that they do not think we are scaremongering and that the only one who is being silly is the minister, who simply will not listen to these concerns.

The most insidious part of these proposed changes is the way in which they penalise students who are currently on their gap year. I have met with many of these students in Gippsland and they are bitterly disappointed. They are unsure of what their future holds and they do not understand why the Labor Party would act in this manner. Do we really want these students’ first experience of our great democracy to be one of being disenfranchised and having the rug pulled out from under their feet when they did the right thing and followed the rules as they applied at the end of year 12? These proposed changes to the criteria for achieving independent status are a real kick in the guts to country kids who have done the right thing. They followed those rules, they took the advice of their parents, teachers, principals and, in some cases, even Centrelink officers, and now the government is acting without consultation and without warning to compromise their chances of achieving independent status and receiving the full income support that was previously available to them.

That $370 per fortnight for many rural and regional students is the difference between going to university and pursuing their dreams or being locked out of tertiary studies. For these rural and regional students, who face the huge additional costs of relocation and establishing a new home, the independent youth allowance and the criteria that previously existed were a
The petition 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 this 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 4,530 citizens

Petition received.

The DEPUTY SPEAKER (Ms AE Burke)—Member for Gippsland, has the petition been presented to the Standing Committee on Petitions already?

Mr CHESTER—Yes, it has.

APPROPRIATION BILL (No. 1) 2009-2010

Consideration in Detail

Consideration resumed from 17 June.

Finance and Deregulation Portfolio

Mr ANTHONY SMITH (Casey) (10.01 am)—I welcome the opportunity to speak in this consideration in detail debate on the Finance and Deregulation portfolio, and I welcome the Minister for Finance and Deregulation, who has just arrived in the last minute, to this debate. I point out that we have heard a lot in the four weeks or so since the budget about the government’s plans to bring the budget back to balance after what they say will be a temporary period of about six years. We have heard much from the Treasurer and also from the Minister for Finance and Deregulation about the assumptions under which debt will be run up, will peak and then will be run down over time.

What I would like to do in this consideration in detail debate is pose a number of questions to the minister for finance. The first question relates to his statement, a couple of months ago now, after he addressed the National Press Club, when he appeared on The 7.30 Report and stated in that interview:

… 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 and that’s something I’m very conscious of … We’re well aware of that …
I ask the minister, given his statement that there is a limit—which, of course, there is—to nominate what he as finance minister considers that limit to be. I also ask the minister: has he received any alternative, different or supplementary advice about debt projections and future deficits under different budget assumptions in the period prior to the budget or in the period immediately after the budget, over the last four weeks?

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.04 am)—I will take the second part of the question first. I do not speculate on what advice I may have received from my department, but I would point out that the kind of advice the member is referring to would be advice that would actually go to the Treasurer, more so than to me, in any event.

On the first question, the government have not set a specific limit nor indeed sought to calculate a specific limit. The only observation I make is that, given that the projected debt levels will still have Australia at a level of government debt that is way below virtually all comparable countries, it is very clear that the projected level of debt is a very long way below where any ultimate limit might be. The point of the observation I made on that television show was to indicate that the government are very conscious of the fact that we have to have a strategy to minimise the accumulation of debt over a period of time and also a strategy to return the budget to surplus in order that the process of paying down that debt can commence as soon as possible.

Mr ANTHONY SMITH (Casey) (10.05 am)—To follow up I ask the minister this: given that he said there is a limit, what does he believe that limit is for the Australian economy and for the budget?

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.05 am)—I can only repeat the previous answer.

Mr ANTHONY SMITH (Casey) (10.05 am)—I ask the Minister for Finance and Deregulation whether he could detail, given this is the consideration in detail stage, the cumulative interest costs on the government’s total debt over the forward years? What does he think the total of those interest costs will be on the government’s projections?

A division having been called in the House of Representatives—

Sitting suspended from 10.06 am to 10.19 am

Mr ANTHONY SMITH—Before the division in the House I asked the minister in this consideration in detail stage whether he could outline in detail the cumulative interest costs on the government’s debt in all of the forward years until it is finally paid off. Could he outline that year by year, preferably; but, to start with, could he give us a cumulative interest cost?

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.19 am)—The only answer I can give to the member’s question is that there are estimates published in the budget papers, in the forward estimates, on the interest costs. I refer the member to them. Beyond the forward estimates period I cannot provide him with further assistance. I refer him to the details published in the budget papers.

Mr ANTHONY SMITH (Casey) (10.20 am)—Given the Treasurer could not mention the budget deficit figure in his speech and given the Prime Minister could not bring himself for nearly a week to mention the $300 billion of debt, could the Minister for Finance and Deregulation...
Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.20 am)—I am afraid I have not memorised the addition of the sums in the forward estimates. It does peak at approximately $7.5 billion in the final year. All I can do is again refer the member to the budget papers.

Mr ANTHONY SMITH (Casey) (10.21 am)—I thank the minister. In follow-up I ask the minister: given that interest rates around the world are rising and projected to rise, does that alter any of the projections the minister or the Treasury have made with respect to those interest costs over the forward years?

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.21 am)—This is really a question the member would need to direct to the Treasurer. Those estimates are undertaken by Treasury. I am not aware of the detailed methodology that is used by the Treasury to perform those calculations, so I suggest that the member direct that question to the Treasurer.

Mr ANTHONY SMITH (Casey) (10.22 am)—I ask the minister this: when was he informed that Budget Paper No. 1 needed to be pulped on the Monday prior to the budget?

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.22 am)—I was informed at some point during that day; I am afraid I cannot be more specific because, as the member would know, there were a few specific errors in the budget paper, some of which were dealt with by corrigendum because they were relatively inconsequential in the sense that they were easily corrected. At some point during that day I was informed of the need for pulp- ping by my chief of staff. I cannot be any more specific as to the time because, as you can imagine, it was a reasonably frantic day, as a day or two before the budget invariably is. The best I can indicate is probably during the afternoon but possibly lunchtime or early to mid afternoon. That is the best of my recollection.

Mr ANTHONY SMITH (Casey) (10.23 am)—I thank the member for his recollections, as best as they can be.

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.23 am)—Excuse me—I am sorry; let me clarify that. It is probably actually closer to later afternoon, now that I think of it. My memory is very hazy. My best recollection is that it was probably in the latter part of the afternoon.

Mr ANTHONY SMITH (Casey) (10.24 am)—I thank the minister for his recollection. I ask whether he can confirm that the whole thing needed to occur because errors were made due to changed or late decisions with respect to Budget Paper No. 1, specifically decisions within the finance portfolio?

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.24 am)—I can confirm for the member that that is not the case. The pulping was simply due to genuine errors; it certainly was not due to any kind of last-minute decision or changed decision.

Mr ANTHONY SMITH (Casey) (10.25 am)—Given that the minister has now confirmed that there were no last-minute decisions or changes, can the minister confirm that the errors were the result of a failure to pick up these mistakes in the two weeks leading up to the printing of Budget Paper No. 1?
Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.25 am)—I am not in a position to comment on the detail of what occurred, because the process of producing the budget papers is ultimately Treasury’s responsibility. Finance does have very substantial input into that process, but the fine detail of what goes on in that process is a question more for the Treasurer than for the Minister for Finance and Deregulation. As to the specific sequence and timing of errors being picked up, I am not in a position to provide details of that.

I would like to make an important contextual observation. The budget process was under unusual pressure in this instance. That was for a couple of reasons. Firstly, there was the sheer weight of the number of decisions in part as a result of the response to the global financial crisis and global recession. So there was a degree of additional pressure that would not normally be there from that. In particular, that tended to build in an element of delay in the decision-making process that perhaps would not have otherwise been there. So that added some pressure to the process of the production of budget papers. Secondly, there was the implementation of the Operation Sunlight reforms. That meant that, for the first time for some years, departments were asked to provide detailed estimates on a program basis, which is of course a very substantial and messy task. That added to an existing set of systems, which was quite a difficult challenge not just for my department but for individual line departments as well. That added somewhat to the total task. So I think that context is important to bear in mind. One of the reasons why we finished the process with several errors that had to be corrected was that the innate task was of a higher scale and pressure than perhaps it would normally be.

Mr ANTHONY SMITH (Casey) (10.28 am)—I thank the minister for his answer. In the brief time left, I would like the minister to refer to the decision within the budget to reduce the LPG tank installation rebate for existing cars. Can the minister confirm that, last year, he and the expenditure review committee had taken a decision to abolish the rebate but decided against that in the weeks leading up to the budget?

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.29 am)—I am not going to comment on deliberations leading up to either last year’s budget or this year’s budget. The decision that has been taken is a matter of public record and the government stands by that decision. Prior to last year’s budget there was a degree of speculation in the media about this issue, along with a pretty wide variety of other issues. Sometimes the speculation can be less than well informed. The government’s position is of course that we stand by the reforms that have been put in place. I cannot comment further on what goes on within cabinet processes and deliberations other than the public decision.

Mr ANTHONY SMITH (Casey) (10.29 am)—Can the minister confirm that, as a result of the decision, jobs will be lost in the LPG tank installation industry, an industry which has grown substantially in the last few years as a result of the introduction of that rebate?

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.30 am)—No, I cannot confirm that. I would suggest that the Minister for Innovation, Industry, Science and Research would be better positioned to answer that question given that the program referred to is within his portfolio.

Mr ANTHONY SMITH (Casey) (10.30 am)—I ask the minister in his capacity as Minister for Finance and Deregulation whether he would expect a behavioural effect within the industry as a result of an increase in the cost of purchasing the product.
Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.31 am)—Any change in arrangements of this kind may lead to behavioural effects, but it may also lead to, rather than a reduction in take-up or a reduction in employment in the industry that is involved in the process, a moderation of what otherwise would have been a continuing increase in take-up and the involvement of a proportion of resources in the economy in conducting that activity. So I would not speculate on what the impact of the changes to this arrangement may be. I would point out that a very substantial subsidy is still going to be in place for the installation of LPG systems in existing vehicles, and the government believes that that will continue to be a very significant incentive for people to make the changeover. The other factor that makes it very difficult to project into the future on those things is, of course, the relative prices of different fuels, which means that over time there are other factors in play, not just the subsidy, which will influence the pattern of changeover—and, indeed, the wider state of the economy, of course, has an influence that will impact on these things.

Mr ANTHONY SMITH (Casey) (10.32 am)—I thank the minister for his answer and for answering, to the best of his ability within the constraints, the questions I have put. With respect to certain issues I have raised where there has been a crossover between Finance and Treasury, the minister has rightly pointed out that some of those issues are better directed to the Treasury portfolio, and I agree with him on that. Given that our timetable is to be considering that now, on a point of order I ask whether there has been a change to the schedule that is here before us, which calls for Minister Bowen to appear at 10.30.

The DEPUTY SPEAKER (Ms AE Burke)—That is not in the hands of the chair. It is not something that I can advise on. Given that the division happened, I was letting you go for another five minutes to make up for it. If the member for Shortland, as the whip, can advise on where the Treasury spokesperson is, that would be very helpful.

Ms Hall—Yes. To clarify the matter, initially we thought the adjustment was made for this to go 10 minutes longer and to shorten the adjournment debate. When it became apparent that you were going to finish at 10.30, I sent a message to the minister, and the minister will be here very soon. He was going to come 10 minutes later to allow for the 10 minutes that was taken up with the division, and we were going to compensate.

Mr ANTHONY SMITH—Thank you for that clarification, Madam Deputy Speaker, and thank you to the member for Shortland. I am happy to keep asking a number of questions of the minister.

The DEPUTY SPEAKER—I can actually close this off and we can continue with you putting questions on the record without the minister being here. This is not question time. It is not actually within the standing orders that the minister has to answer. So if you have things you want to put on the record, you have that opportunity now—or I can continue with the Minister for Finance and Deregulation for another five minutes.

Mr Tanner—I can hold the fort.

Mr ANTHONY SMITH—Madame Deputy Speaker, I thought we had had a very productive half an hour.

The DEPUTY SPEAKER—We had, and I was trying to be as helpful as possible. But the standing orders actually give us fairly limited scope in this matter.
Mr ANTHONY SMITH—It might come as a shock to learn that the minister and I have policy differences and differences in our choice of football team, but we tend to conduct ourselves appropriately on very detailed policy matters. As Minister Bowen, the Minister for Human Services and Minister for Financial Services, Superannuation and Corporate Law, has appeared, I will just finish with one final question, which is a particularly relevant question given that the minister has appeared. My final question to the Minister for Finance and Deregulation is whether he has altered his view with respect to employee share ownership schemes—a view he expressed on the Sunday following the budget; a view to the effect that all employee share ownership schemes were tax rorts.

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.36 am)—I do not believe that that is an accurate representation of my comments with respect to employee share ownership schemes. I think if the member re-examines the transcript then he will see that my reference does indicate that there has been a significant problem in this area with respect to tax avoidance but I do not think it is fair to say that my comments could be characterised as meaning that all employee share ownership schemes have been the subject of tax avoidance problems.

Proposed expenditure agreed to.

Treasury Portfolio

Mr ANTHONY SMITH (Casey) (10.36 am)—I thank the minister representing the Treasurer for appearing here today. I have some questions that relate to his previous decisions as Assistant Treasurer—decisions for which he is responsible here today representing the Treasurer. I refer to the bungled, chaotic budget decision on employee share ownership schemes. This is something that has received a considerable amount of attention from budget night. The effect of this budget decision has been to snap-freeze employee share ownership schemes right across Australia. At first the government sought to ignore the problem. They then sought to deny the problem. They then sought to deflect the problem. Finally, after more than a week of outcry from the business community, the then Assistant Treasurer, now the minister representing the Treasurer here today, decided to undergo some further consultations.

I would like to ask the minister a number of questions with respect to this. Firstly, I ask whether the minister anticipated that the budget decision would have the effect it had and, secondly, I ask whether the decision was the decision of the minister himself as the then Assistant Treasurer.

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (10.39 am)—Firstly, could I say that I do not accept the premise of the honourable member’s question that the government ignored, deflected and denied—quite the contrary. The government have acted very swiftly to deal with any issues that have arisen as unintended consequences out of this measure and have indicated that we would recalibrate the measure to meet the policy objectives set out on budget night, which are to ensure the integrity of the tax system and also to ensure a positive return to revenue.

I would contrast this today, as I have contrasted this previously, to a similar matter under the previous government, where the previous government and Assistant Treasurer Dutton made a decision to deal with tax evasion in relation to script-for-script takeovers. That meas-
ure had the outcome of completely closing takeovers in this nation. My predecessor absolutely refused to acknowledge that there was an issue. He completely refused to acknowledge that mistakes had been made and left it for the incoming Rudd government to fix, and we fixed it. Full marks to the previous Assistant Treasurer: he was doing the right thing in tackling tax evasion. My criticism of him is that he did not recognise that the issue had unintended consequences.

Coming to the honourable member’s question about whether it was my decision, I would simply say, as I heard the finance minister say just a little while ago, that of course ministers do not comment on internal budgetary processes. This was a decision of the government, which I support.

Mr ANTHONY SMITH (Casey) (10.41 am)—Firstly, with respect to the budget decision which had as revenue implications the government gaining at that point $200 million over four years, can the minister confirm, on the government’s changes to date, the alteration in that revenue? I think his public figure on the change at first was a reduction of $50 million over those forward years; is that still his projection? Secondly, could the minister explain the revenue profile over the forward years and why the profile is as it is? What calculation had the tax office or Treasury or both done in terms of that revenue estimate over the forward years with respect to the number of employees who would not be participating in employee share ownership schemes?

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (10.42 am)—I would refer the honourable member to page 13 of the Reform of the taxation of employee share schemes consultation paper that I released prior to the reshuffle. Page 13 has a table in relation to the revenue estimates. It indicates that the total revenue from the measure over the forward estimates would be $145 million. The honourable member is correct to say the revenue from the original measure was $200 million. This table shows a reduction in revenue in 2009-10 of $10 million, in 2010-11 of $50 million, in 2011-12 of $10 million, and in 2012-13 of $15 million, with a total of $55 million over the forward estimates. Importantly, I would draw the honourable member’s attention to paragraph 44 on the same page, which states:

Whilst the modifications produce a smaller revenue savings over the forward estimates, the Government expects the modifications to result in additional revenue over a longer time horizon.

The situation, as the honourable member would know, is that these estimates are conducted by the Treasury, not by the tax office. However, the tax office provides raw data for the Treasury then to estimate. The revenue estimates are done independently by the Treasury, with no interference by me or my office. In relation to the assumptions, that is a matter for the Treasury. As is the practice under the previous government and this government, we do not release the assumptions underlying modelling which is conducted by the Treasury.

Mr ANTHONY SMITH (Casey) (10.44 am)—I thank the minister for his answer and for referring to the paper which he released I think on his final day as Assistant Treasurer—late on a Friday before his appointment to higher duties.

Mr Bowen—Fortuitously!

Mr ANTHONY SMITH—Fortuitously—he is right. What I would like to do is take him back to the decision on budget night. I accept the minister’s valid point that the costings are
done by Treasury, sometimes with tax office advice. I would like to ask the minister whether the Treasury or the tax office in fact considered in their calculations how many employees would withdraw from employee share ownership plans, whether they gave the minister any of that advice or whether they simply did not consider that there would be any behavioural effect with respect to the budget decision.

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (10.45 am)—I refer my honourable friend to my previous answer, which is that the estimates are conducted by the Treasury. Those Treasury estimates and revenue estimates are on the public record. The basis underpinning them is a matter for the Treasury. Any advice given to the government would of course be cabinet-in-confidence, which I will not publicly comment on. The government stands by the Treasury estimates, both those on budget night and the revised estimates of the revised measure.

Mr ANTHONY SMITH (Casey) (10.46 am)—I thank the minister. I understand he is saying that decisions are taken in confidence. That is not my question. My question is whether the minister, in agreeing to the budget decision, had any advice or had any view about the number of employees that would withdraw from share ownership plans. Madam Deputy Speaker Moylan, having been a member of this House longer than me or the minister, you know that budget decisions, sometimes even budget speeches—although budget speeches these days fail to mention the bottom line—do talk about the behavioural effect. I could take the time of the Main Committee to list a number of budget decisions where the government proudly, from their point of view, says, ‘This is what the impact will be.’ I am asking the minister not to hide behind that shield of confidentiality and to tell the House in this consideration in detail stage what behavioural effect he and the government thought there would be with respect to this measure, with respect to employee share ownership schemes and the number of employees or the proportion of employees. What did he think the behavioural effect would be? Just as in other areas of the budget, where the minister himself and the Treasurer and the Prime Minister talk about what the behavioural effect will be, I am asking him to do the same here now in this consideration in detail stage and not hide behind the veil of confidentiality.

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (10.48 am)—I would again refer the honourable member to my previous answer but say this in addition. I would refer the honourable member to the advice of Treasury officials to Senate estimates. That advice was focused around the issue of tax evasion and the integrity of the tax system. It is fair to say that the driving force behind this budget measure was the concern, brought to the government’s attention by the Treasury and the tax office, of serious tax evasion and that the underlying principle of the costing of the budget measure was that tax evasion would be reduced if not eliminated with the extra integrity provisions put new place.

The honourable member’s colleagues have had the chance at Senate estimates to ask Treasury officials further details about the costings, and whether that was asked or not is a matter for the honourable gentleman opposite. Whatever answers were given by the Treasury are on the public record already.

Mr ANTHONY SMITH (Casey) (10.49 am)—Can I perhaps try and get to the obvious point in a different way. Can the minister confirm that, firstly, with respect to budget decisions, the government talks about what a behavioural effect will be? Can he acknowledge that
that is the case? Secondly, can he tell the House, as the then responsible minister and now as the Minister representing the Treasurer, whether when he agreed to the decision he anticipated any share schemes being suspended on budget night?

**Mr Bowen** (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (10.49 am)—I want to pay due respect to my honourable friend opposite and say that he knows the budget process very well. He has actually been involved in more budgets than I have at a senior level, both as an adviser to government and as a member of parliament. He knows full well the issues that are taken into account by treasurers, assistant treasurers, expenditure review committees and cabinets in relation to budget measures. To pay him his due deference, he is a man of great experience and has been involved in these decisions for longer than I have. He knows full well the matters taken into account by government.

In relation to the honourable member’s question about what was considered by the government in the decision, I refer to my previous answer that the government does not comment on cabinet processes, Expenditure Review Committee processes or the matters that are considered by the Expenditure Review Committee or the cabinet, as they are cabinet-in-confidence.

**Mr Anthony Smith** (Casey) (10.50 am)—My question to the minister was not about cabinet discussions or confidentiality. My question to the minister was about whether he believed any employee share schemes would be suspended. Let me try and put it another way for the minister. I am asking whether, when that decision was taken, he thought employee share schemes would not be suspended as a result of the measure or whether he thought they would.

**Mr Bowen** (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (10.51 am)—I refer the honourable gentleman to my previous answer.

**Mr Anthony Smith** (Casey) (10.51 am)—This is now becoming like a court in the US. Luckily there is no fifth amendment. When the Treasurer said on the AM program the Monday after the budget that mistakes had been made—after six front pages in the Financial Review and after the minister here today had announced the previous day that there would be some new consultations—what mistakes was he referring to? That was on the AM program. The Treasurer openly said it on the airwaves of the ABC. I ask the minister: what mistakes was the Treasurer referring to?

**Mr Bowen** (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (10.52 am)—The honourable gentleman, the shadow Assistant Treasurer, has just highlighted the inconsistency of his own argument. His opening question to me stated that the government had ignored, deflected and denied. That is somewhat contradictory to the member for Casey pointing out that the Treasurer had indicated that mistakes had been made and that I had indicated also that the government was moving to recalibrate the measure to meet the government’s fundamental policy objectives, so as not to involve the unintended consequences, and to address the concerns of industry. That was the sensible, decent and, I would have thought, pretty obvious thing to do. I would have thought so because I am a member of this government. I would not expect the member for Casey to think that, because he was a member of the previous government, which did not have that...
approach and which ignored these problems. The Treasurer was indicating that the measure could have been better calibrated. That was an indication of the government’s position, because we have recalibrated the measure. My successor as Assistant Treasurer is further considering the matters in the discussion paper and taking into account industry feedback, as we should.

I make this point to the shadow Assistant Treasurer: this budget contained 654 separate measures. Budgets that he was involved in would have contained a similar number of measures. It is not unusual, from time to time, for budget measures to be further developed and for finetuning to occur as the legislation is drafted. The budget involves an announcement of a measure which is sometimes three or four lines in the budget papers. Then it is normally the role of the Assistant Treasurer to go away and work those up into much more detailed proposals. Should the honourable gentleman ever have the chance to serve as Assistant Treasurer, he will, I am sure, do the same—that is, work up budget measures into detailed proposals. As those budget measures are worked up, there is consultation and there is sometimes finetuning.

On this measure, because of the concern from the business community about uncertainty, we took the decision to significantly fast-track that process—that is, the discussion paper and the development of the draft legislation. That is not something that we would have done normally, but it supports the comments of the Treasurer that mistakes had perhaps been made, that we could have better calibrated the measure and that if that was to be done it was best done quickly. So we moved very quickly to fast-track the process—that would have occurred in the normal course of events—of drafting legislation and having discussions about impacts and whether any finetuning was necessary.

Mr ANTHONY SMITH (Casey) (10.55 am)—I thank the minister. Does the minister concede, given his last answer, that when the Treasurer said that mistakes had been made they had been made by him as minister?

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (10.55 am)—I support the comments of the Treasurer.

Mr ANTHONY SMITH (Casey) (10.55 am)—I just have a couple more questions on this issue for the minister and then I wish to move onto some other issues with respect to his portfolio responsibilities representing the Treasurer. I would like to ask the minister whether he is aware of any companies, of the many companies who suspended their share ownership plans from budget night, that have unfrozen their schemes as a result of the consultations and as a result of the changes the minister has made to date?

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (10.56 am)—How companies deal with their schemes is a matter for them. The very strong feedback received by me and by the government was that it would be very helpful for companies with their schemes, which often are most active at the end of the financial year, if these changes were delayed until 1 July. We took on board that concern and we delayed these changes until 1 July. So any schemes or any shares that were issued today would apply under the pre-budget measure—with the exception, of course, that the tax office would be seeking greater disclosure, which every firm has indicated they have absolutely no problem with. The situation today is exactly the same as the situation pre-budget in terms of tax treatment of shares issued between now and 1 July. The government has indicated this legislation will be effective from 1 July this year.
Mr ANTHONY SMITH (Casey) (10.57 am)—I thank the minister for his information but I ask him, again, whether he has been advised of a single company in Australia that has reinstated their employee share plan as a result of the changes he so proudly talks about here in the consideration in detail debate.

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (10.57 am)—As I said, how firms respond is a matter for them. Some have indicated that they will not be making the change. What firms are doing is a matter for the public record. It is no longer my portfolio responsibility and I have not been—

Mr Anthony Smith—Madam Deputy Speaker, I rise on a point of order. In deference I will let the minister continue but I was taken by his statement that it is no longer his portfolio responsibility. That is true, and as much as the Assistant Treasurer, I think, was glad to be promoted—and we congratulate him on his promotion—and as much as he was glad to relinquish portfolio responsibility for his—

The DEPUTY SPEAKER (Hon. JE Moylan)—Does the member have a point of order?

Mr Anthony Smith—Madam Deputy Speaker, the point of order is that he is responsible for it until 11.30 because he is representing the Treasurer.

Mr BOWEN—Madam Deputy Speaker, with due deference to my honourable colleague I do not think he could in all seriousness suggest that I have not been willing to deal with this issue for the last half hour by answering his questions. I was simply making the point that, as of last week, it is no longer my portfolio responsibility, and I am unaware of the situation in relation to every single company in Australia as to how they are dealing with this matter. Until the reshuffle, I was in very constant consultation with industry about this matter and a number of companies and peak groups came to see me to talk through those issues. Those consultations are now through the existing Assistant Treasurer, and I am being honest by saying that I am not aware of the details of feedback the government has had in relation to the discussion paper. That is something being handled by the new Assistant Treasurer. How these companies respond is a matter for them. I have been absolutely delighted to take the honourable gentleman’s questions for the last 20 minutes and answer them as fully as I can.

Mr ANTHONY SMITH (Casey) (10.59 am)—I appreciate the minister doing that. As members of this House would have heard, the minister said—and although I have a pretty good memory I am paraphrasing the minister here—that he is not aware of what every single company is doing with respect to employee share ownership plans. Of course he is not; I would not expect him to be aware of what every single company is doing. My question was whether any company had reinstated their share plan. I ask him again, not whether he is aware of the activities of every single company but whether he is aware of a single company in Australia that has reinstated their share plan, even in the period between his first set of changes and his more detailed set of changes on the day prior to him being promoted to his new portfolio.

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (11.00 am)—To reiterate, industry asked for this measure to be delayed until 1 July. I closely considered that and on balance decided that that was appropriate. The discussion paper reflects the fact that the measure does not apply until 1
July. This means that any shares issued between budget night and 1 July will be dealt with 
under the old regime. I have read the feedback of industry, some of which says that these 
measures deal with the vast majority of their concerns. Others say that there is still some way 
to go. They are all on the public record—that great journal of record, the Financial Review, 
primarily. I know that the shadow Assistant Treasurer and I read it probably at the same early 
time every morning. We go through what is in there, and it is all a matter for the public record.

In regard to detailed feedback from industry as to whether they would be lifting their mora-
torium on share issues, I am unaware. That information may be available to the current Assis-
tant Treasurer but I am saying as honestly and frankly as I can to the House that I am unaware 
of that detail.

Mr ANTHONY SMITH (Casey) (11.02 am)—I appreciate that answer, but I must persist 
and ask the minister whether he—during the period when he was, in his words, ‘the minister 
responsible’—was advised by a single company that they would reinstate their share plan or 
had reinstated their share plan as a result of the consultations he entered into following the 
Treasurer admitting there were mistakes. I am asking whether he was advised of just one 
company. I think I am getting very close to the answer, because if there were just one he 
would remember it. Although I say many things of the minister, I think he has a good mem-
ory. I state again that I am asking whether he has been advised of just one—is it one, or two or 
three or is it, in the Prime Minister’s language, zip or zero?

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate 
Law and Minister for Human Services) (11.03 am)—Fair shake of the sauce bottle! The 
shadow Assistant Treasurer has now asked this question four times and I am going to answer 
it the same way. Can I say to the shadow Assistant Treasurer that while I am loath to point out 
the internal inconsistencies in his argument he leaves me with no choice. He pointed out five 
or six minutes ago that this discussion paper was issued on the last working day that I was the 
Assistant Treasurer. That is what he said, and I think he is probably right in saying that it was the 
Friday; a lot was happening on that Friday. So he pointed out that this discussion paper was 
released on the last working day on which I was Assistant Treasurer. And now he asks 
whether there was any feedback to me in the time that I was the Assistant Treasurer. That is what he said, and I think he may be right but I am not 100 per cent 
sure—

Mr Anthony Smith—You remember that!

Mr BOWEN—It was either the last working day or the second last working day, but his 
point is correct. I think he is probably right in saying that it was the last working day—the 
Friday; a lot was happening on that Friday. So he pointed out that this discussion paper was 
released on the last working day on which I was the Assistant Treasurer. And now he asks 
whether there was any feedback to me in the time that I was Assistant Treasurer on the impact 
that this discussion paper—

Mr Anthony Smith interjecting—

Mr BOWEN—No, that was exactly the question the honourable member asked: was there 
any feedback to me, in the time that I was the Assistant Treasurer, that this discussion paper 
had resulted in firms lifting their moratorium. The problem with the honourable member’s 
equation is that, as he has pointed out, this discussion paper was issued on the last day that I 
was Assistant Treasurer. So, therefore, no, no feedback was received by me in the time that I 
was Assistant Treasurer, because the discussion paper was issued on a working day about 
three or four hours before I ceased to be the Assistant Treasurer of Australia.
Mr ANTHONY SMITH (Casey) (11.04 am)—A nice flourish, but I think the Hansard record will show that I referred to the period from—let me put it another way—the commencement of his first U-turn after the Treasurer said on the AM program that mistakes had been made, presumably referring to either himself or the minister. In that period had he been advised by any company whether they planned to reinstate their share scheme or whether they had in fact decided to reinstate their share scheme?

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (11.05 am)—The honourable member is being quite disingenuous, because he is asking whether, on the basis of a policy announcement by the government that we would consult, that announcement had led to any firms changing their decision. The obvious answer to that is no, because there was nothing on the public record. We had simply announced that we would consult with industry, take on board their concerns and then announce, as quickly as was humanly possible, our policy response, which is exactly what we did. That policy response is encapsulated in this discussion paper, which was issued on the date the honourable member has referred to—on the Friday.

Mr Anthony Smith—Issued and handballed.

Mr BOWEN—No, issued to the public for comment. That comment has taken place and the government is considering that comment. The shadow Assistant Treasurer is asking me: ‘On the basis of the government’s announcement that you would sit down with industry and work through the issues, was that enough for companies to lift their moratorium?’ Of course it wasn’t. Nobody could suggest that it would be. They wanted to see where the government would end up, and I imagine a number of them are still waiting to see where the government ends up and where the government finally lands on the detail encapsulated in the paper. That is singularly unsurprising. So my friend the shadow Assistant Treasurer is being quite disingenuous. Good luck to him; that is his job, but I am not going to engage in his efforts to try and get me to say that business responded to the government’s announcements that we would consult further as being enough to change their view on the efficacy of their employee share schemes under the new arrangements. Of course it would not be, because not until this was issued was it clear to industry that the measures would not apply till 1 July. That was when the government made that announcement.

Mr ANTHONY SMITH (Casey) (11.07 am)—I thank the minister for his answers. I appreciate, without wishing to verbal the minister, that he does not want to simply say that every employee share scheme that has been frozen is still frozen. I appreciate he does not want those words to leave his lips. I have asked the question a number of times and I think the issue speaks for itself.

I would like to ask the minister about another decision in the budget, and that is the taxation of foreign employment income. I ask the minister why the government did not implement in that decision any sort of grandfathering or transitional measures for people already on work contracts working overseas?

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (11.08 am)—Seriously, is that all you have on employee share schemes? I thought you would go a bit longer.
Mr Anthony Smith—There is only an hour left. If you’re happy to stay until question time—

The DEPUTY SPEAKER (Hon. JE Moylan)—Order! The minister has the call.

Mr BOWEN—No, I will stay for as long as the standing orders provide.

Mr Anthony Smith—On a point of order, that is a kind offer, and I wonder whether—

The DEPUTY SPEAKER—The member for Casey has not yet got the call. Does the member for Casey have another question?

Mr Anthony Smith—I have a point of order. Sorry, it was my eagerness and surprise at the minister’s offer to stay here longer. I am just wondering whether it is within the standing orders for him to stay beyond 11.30.

Mr BOWEN—I will be here for as long as has been agreed between the whips and as the standing orders provide for this session. I am more than happy and I have been more than willing, as the honourable member will know, to take all his questions. I have not arranged for government questions, because I believe in open, accountable and transparent government.

In relation to the honourable member’s question on foreign workers, this is clearly a vexed issue in that the government did consider closely the impact of this measure, particularly on workers involved in aid projects and projects related to defence, policing and national security. Accordingly, those workers were excised from the government’s measure. By way of background, the exemption is one that has been in place for some time and largely predates tax agreements and the abolition of double taxation through tax agreements et cetera. The government took the view that this was an appropriate decision, given those developments in the tax law.

In relation to the honourable member’s question—and I do not wish to misrepresent him; if I have, it is inadvertent and he will correct the record—I think his question was going to what the government considered in terms of cabinet considerations, the Expenditure Review Committee and Strategic Policy and Budget Committee considerations, and that we considered various alternatives. I would refer the honourable member to my previous answer that I do not—and no government minister will—discuss what options were considered by the cabinet and various subcommittees of the cabinet.

Mr ANTHONY SMITH (Casey) (11.11 am)—In response to the minister, I ask another question. With respect—and I do not criticise him for this, because he must have misheard or misinterpreted my question—I was not asking what was considered; I was asking why the decision does not include any transitional arrangements or grandfathering. What was the government’s justification for not having any transitional arrangements or grandfathering for those currently in a work situation where they have signed contracts and made decisions based on what the law was?

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (11.11 am)—I accept the honourable member’s characterisation of what he is trying to find out. I would say this: the measure applies prospectively, not retrospectively. There is no grandfathering rule to preclude application to employment contracts concluded before budget night. The advice to government is that grandfathering could create avoidance opportunities and potential for further inequity, and parties to long-term employment contracts could benefit significantly as opposed to those in short-term em-
ployment contracts. That is something perhaps fairly obvious to the House—that employment contracts can go over a very long period of time and a short period of time. Somebody who had, say, a very long period of contract would then have a substantial advantage over somebody who may have been on a short-term contract but with the option to roll over or the potential that the work continue. Therefore, as a matter of equity, the measure was designed as it has been designed. The honourable member will be perfectly entitled, through the procedures of the House, to make whatever suggestions or amendments that he sees fit, but that is the government’s position.

Mr ANTHONY SMITH (Casey) (11.13 am)—I thank the minister for his confirmation in that regard. What I would like to ask him is: how many people he thinks will be affected by the changes.

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (11.13 am)—I am advised that the estimate is 15,000 to 20,000 individuals.

Mr ANTHONY SMITH (Casey) (11.13 am)—I thank the minister. Does the minister have a breakdown by industry or sector on where he thinks those workers will be affected and, if possible, by state? I would happily take that on notice—I would not expect the minister to have that with him.

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (11.14 am)—The honourable member is a clairvoyant! I will take that on notice.

Mr ANTHONY SMITH (Casey) (11.14 am)—Does the minister concede that, for someone on a work contract now who will be affected by the changes, this will mean that either the firm will have a significant cost or the workers will have a significant cost that was unforeseen?

In asking that question I go to the minister’s earlier answer from his perspective about the difficulties of grandfathering, because work contracts may last a very long period of time. To take one example from the mining industry in Western Australia, I ask whether he acknowledges that that worker is going to be disadvantaged unless the company picks up this significant cost.

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (11.15 am)—It is important to note that there will be no double taxation as a result of this measure, and in fairness I do not think the honourable member is intending to imply that, but people listening to this or reading this may take the implication that somebody may be paying tax in another jurisdiction and tax in Australia and therefore be disadvantaged by the lack of grandfathering in this measure. I need to be crystal clear that that is not the case. This measure is very clear that there will be credit in the Australian taxation system for any tax paid in a foreign jurisdiction.

The situation until this measure has been that these affected workers do not pay tax in Australia and therefore they would pay only the applicable marginal tax rate in the country in which they were working. In some cases that would be a tax rate broadly in line with the tax they would have paid in Australia. In other cases, in very low-tax jurisdictions—some jurisdictions in the Middle East spring to mind—they pay very little, if any, tax and therefore, if
they now pay tax in Australia, of course they are going to be paying more tax in total as opposed to what they would have paid in the past. But, as for disadvantage, they will not be paying any more tax than they would have been paying under the Australian tax system. It is very clear in the measure that double taxation will be taken into account and there will be a credit for tax paid overseas, so in that respect the disadvantage that the honourable member mentioned refers to people paying the marginal rate of tax that they would be paying in the Australian system.

Mr ANTHONY SMITH (Casey) (11.17 am)—I thank the minister. In the final minutes we have left I would like to move to another couple of areas with the minister. He referred a bit earlier to a busy time in his portfolio on the final day when he was Assistant Treasurer. I know he has many busy days, but I would like to take him back to another very busy day and that was the day prior to the handing down of the budget—Monday, 11 May. I ask the minister the same question I asked the Minister for Finance and Deregulation: what time of the day did he discover that Budget Paper No. 1 had to be pulped?

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (11.18 am)—If the honourable member is asking about the pulping of the budget papers, that is an issue I would take on notice. If he is asking about my personal knowledge, I was not aware of that issue on that day.

Mr ANTHONY SMITH (Casey) (11.18 am)—I do not expect the minister to have been watching the half-hour of proceedings prior to his appearance here today, but the Minister for Finance and Deregulation, as the Hansard record will show, gave his best recollection, which was that he found out on the Monday afternoon. The minister has now said he did not find out on that day. In follow-up I asked him when he did discover Budget Paper No. 1 had been pulped.

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (11.19 am)—As best as I can recall, it was after the budget was delivered.

Mr ANTHONY SMITH (Casey) (11.19 am)—I thank the minister. I would now like to move to a broader issue of tax reform. The minister, in his time as Assistant Treasurer, in introducing tax law amendment bills often talked about the integrity of the tax system and he had the support of the opposition on the vast majority of the measures within those bills.

I would like to take the minister to an important anniversary some 12 days from now—that is, 30 June—which is the 10th anniversary of the GST legislation. I ask the minister to reflect on that, given that he has been an Assistant Treasurer responsible for GST administration. I ask him whether he has any plans at all with respect to that 10th anniversary. It is not only the 10th anniversary of the GST going through the parliament but also the 10th anniversary of ‘fundamental injustice day’—that is, the day the now Prime Minister declared the passing of the GST to be ‘fundamental injustice day’ in Australia, a day that generations would look back on. I ask the minister whether he still regards the passing of the GST to be a fundamental injustice and whether there is anything planned for that anniversary.

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (11.21 am)—Without referring to my diary I think I
am right in saying that I do have plans for 1 July. That is a day I am greatly looking forward to. It will be my first community cabinet meeting in Beenleigh.

Mr ANTHONY SMITH (Casey) (11.21 am)—I am glad that the minister knows where his community cabinet meetings are. Does the minister agree that the introduction of the goods and services tax in 1999, and the beginning of its operation in 2000, was a very good reform for Australia? If he does not think so, why has the government no plans for ‘fundamental injustice day’?

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (11.22 am)—We have five minutes to go, and the honourable member is getting cheeky—but good luck to him! I have been in a very generous mood this week. I have said nice things about the honourable member’s former boss, the member for Higgins. I have given what I think is fair account of his record—I do not expect the honourable member to agree—which is that there are some things that he does deserve recognition for. Those things include the engagement and development of the G20, particularly the engagement during the Asian financial crisis with Indonesia and other Asian nations which were buffeted by that crisis, and the support given by Australia. I think that is worthy of recognition.

The development of APRA and ASIC is something which obviously happened on the Treasurer’s watch, although it took a couple of goes after HIH. Australia’s prudential regulation system has stood Australia in good stead. The former Treasurer’s reform record, given the commodity boom which he presided over and the great times for Australia which arose out of that commodity boom, means that he is not able to be regarded as one of Australia’s great reforming Treasurers, because the reform that he could have engaged in during that period was not undertaken. I have said that he was perhaps the luckiest Treasurer in Australian history, because he presided over the period of the commodity boom and a period of the greatest increase in Australia’s national income since the Korean War as a result of international movements—most particularly the development of China. I do not think even the honourable member for Casey would claim that the honourable member for Higgins engineered the development of China—perhaps he will have a go at claiming that, but perhaps he will not!

The reform program by the member for Higgins was a bit light on, but I acknowledge his role in developing the GST. I have read the honourable member for Higgins’ book. It is a good book. The member for Casey gets a guernsey with some favourable mentions, and so he should. The member for Higgins makes the point that in developing the GST he needed to be across the detail of the GST and that it was a hard reform, all things that I accept, having been involved in this government’s reform program; these measures are never easy. The honourable member for Higgins carried out the reform program competently.

Mr ANTHONY SMITH (Casey) (11.25 am)—I again ask the minister whether, as the former Assistant Treasurer and as the minister here today representing the Treasurer, he thinks the goods and services tax was a good reform and is a good tax for Australia. I remind the minister that with respect to the Henry review deliberations that are occurring—the minister will correct me if I am wrong—everything is being examined except the rate or base of the GST. I commend the Treasurer on that point. The point I make to the minister is that the Treasurer has singled that out as something to be preserved. I ask whether the minister thinks that it was a good reform and is a good tax for Australia.
Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (11.26 am)—Before I come to the honourable member’s question, I will correct an answer I gave earlier. I have been advised by my office that I have gravely misled the House. The community cabinet will be on 30 June, not 1 July. On 1 July I will be returning from the community cabinet in Beenleigh and will be addressing a gathering of public school principals in Sydney. That is in my diary for 1 July, and no doubt there are a range of other meetings for 1 July as well.

The shadow Assistant Treasurer has hit upon the great revelation that the government has no plans to change the GST. I can confirm that for him.

Mr ANTHONY SMITH (Casey) (11.26 am)—I thank the minister for his correction. It leaves open the possibility, of course, that the 10th anniversary of ‘fundamental injustice day’ occurring on a community cabinet day might well mean that the Prime Minister will again address his views on the goods and services tax, for which he is now ultimately responsible. It might well be that the Prime Minister will explain how he has changed his view, but it is likely, of course, that the Prime Minister will say nothing at all.

I would just ask the minister, finally, whether he personally believes the goods and services tax is a good tax for Australia. He has admitted in his second answer, after a long survey of his economic views in the previous answer—he has been as concise in his second answer as he was longwinded in his first answer—that the government has no plans to change the goods and services tax. That is, as he said, not a revelation; I put it to him in the question. What I am asking is whether he thinks it was a good reform and is a good tax for Australia.

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (11.28 am)—I am tempted—to take a point of order and point out that these are appropriations of the 2009-10 budget, not the 1999-2000 budget. The shadow Assistant Treasurer has the opportunity to ask any questions he likes about the 2009-10 budget, but I am not at liberty to answer questions about the budget that he was involved in, which was the 1999-2000 budget—which I think was the budget that introduced the GST; I think I would be correct in saying that. I am happy to confirm for the honourable member that I think that taxation of consumption is an appropriate policy setting.

Mr ANTHONY SMITH (Casey) (11.28 am)—I take the minister’s point about this year’s budget, and I would ask him to confirm that this year’s budget has detail on GST collections.

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (11.29 am)—I can confirm that to the House.

Mr ANTHONY SMITH (Casey) (11.29 am)—I ask the minister whether he thinks that tax is a good tax and whether he supports that tax and thinks it was a good reform that is now delivering revenue into this year’s budget.

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (11.29 am)—One of my favourite subjects at university was economic history—I loved it—and I am more than happy to engage in this tutorial with the honourable member. I did Australian, Japanese and German economic history. It was a great subject which I can recommend to anybody who is thinking of studies in economics. I refer the honourable member to my previous answer, which was that I do think that taxation
of consumption is an appropriate policy setting in the Australian system. I can confirm, in response to the honourable member’s allegation, that we have no changes to make to the GST.

Mr ANTHONY SMITH (Casey) (11.30 am)—I am happy to keep asking the minister questions, but we have had a very detailed and—I think the minister would agree—convivial discussion for the last hour. He set aside all of that time and, it being 11.30, I could continue but, in fairness, we can move on to Prime Minister and Cabinet, which is now scheduled, if that is the wish of the Main Committee.

Proposed expenditure agreed to.

Prime Minister and Cabinet Portfolio

Proposed expenditure, $739,563,000

Mr BYRNE (Holt—Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Trade) (11.31 am)—I want to give a quick overview of the appropriation we are considering in some form of detail today. The 2009-10 budget has been framed against the worst recession since the Great Depression. The world economy is expected to contract by 1.5 per cent in 2009 and global economic growth is expected to remain below average until the end of 2011. Real gross domestic product in Australia is expected to contract by about 0.5 per cent in 2009-10, recovering in 2010-11. As a result of the global financial crisis, estimated taxation receipts have been revised down since the 2008-09 budget by about $210 billion over the period 2008-09 to 2012-13.

In the face of the global recession, with virtually every advanced economy expected to be in recession in 2009, the Australian government has allowed the budget to fall into temporary deficit and engaged in temporary additional borrowing to cushion the impact on jobs and preserve government spending in vital areas such as health and education. An underlying cash deficit of $57.6 billion, or 4.9 per cent of GDP, is expected in the financial year 2009-10. This is less than half that of comparable advanced economies, at 10.4 per cent.

I will now turn to the key elements of the budget. This budget, as has been stated in the other place, supports jobs now. It invests in the future to ensure the economy is well placed to make the most of the global recovery. Measures in the 2009-10 budget raise the level of GDP by three-quarters of a per cent in 2009-10 and half a per cent in 2010-11, when the economy is expected to be hit hardest by the global recession.

The centrepiece of the 2009-10 budget, the $22 billion Nation Building for the Future package, comprises $3.4 billion for roads, $4.6 billion for rail and $389 million for ports and freight infrastructure. There is $4.5 billion for the Clean Energy Initiative, which includes $1 billion of existing funding. There is $2.6 billion for universities and research in the Education Investment Fund and $3.2 billion for hospitals and health infrastructure in the Health and Hospitals Fund, and we are partnering with the private sector to build the $43 billion National Broadband Network.

This Nation Building for the Future package builds on earlier stimulus measures taken by the government to support activities and jobs, such as the Economic Security Strategy, COAG decisions, nation-building infrastructure of $4.7 billion and the $42 billion Nation Building and Jobs Plan. This early and decisive stimulus has helped cushion the economy from the worst impacts of global recession. These stimulus packages are expected to raise the level of GDP by 2¾ per cent in 2009-10 and 1.5 per cent in 2010-11, supporting a total of up to
210,000 jobs. The government’s $1.5 billion Jobs and Training Compact will also provide support to those affected by the downturn, including $299 million for retrenched workers and $155 million in support of apprentices and their employers.

The government’s two-stage fiscal strategy is expected to return the budget to surplus in 2015-16. The first stage comprises government support for the economy by allowing variations in revenue and expenditure to drive a temporary underlying cash budget deficit and using additional spending to deliver a timely, targeted and temporary stimulus with reprioritising of existing expenditure to meet budget priorities and new policy proposals. The second stage comprises sticking to a deficit exit strategy, with the government allowing the level of tax receipts to recover naturally, as the economy improves, and holding real growth in spending to two per cent a year until the budget returns to surplus. I am running very short of time here already.

The Department of Prime Minister and Cabinet has 11 new measures announced in the 2009-10 budget, with a total fiscal impact of $50.3 million over four years, including $3.6 million in capital. The additional funding delivers on the government’s key reform initiatives. The government will provide $20.6 million over four years to establish the statutory Office of the Information Commissioner, which is a key component of the government’s FOI and information reform agenda. An additional $10.2 million over four years has been provided for the COAG Reform Council to undertake an expanded role in monitoring, assessing and reporting under the new performance reporting framework. The COAG Reform Council is jointly funded by the Commonwealth and the states and territories. I have run out of time, and I am sure the opposition have got some questions.

Mr Anthony Smith (Casey) (11.36 am)—For the convenience of the Main Committee, Mr Deputy Speaker Adams, I am happy for the parliamentary secretary to conclude his remarks, and then I will jump in.

Mr Byrne (Holt—Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Trade) (11.36 am)—I appreciate the member for Casey’s forbearance with this. An additional $2.8 million over two years will be provided to the management of border security and maritime people-smuggling, including the provision of support to the newly created Border Protection Committee of Cabinet. This measure forms part of the Australian government’s layered response in combating people-smuggling.

An additional $1.4 million over four years has been provided to establish the National Security Legislation Monitor—and I think you are going to find this is a very significant reform—in the department, to review the operation of counterterrorism and national security legislation. I am sure the member for Isaacs, seated on my left, who is a member of the Joint Committee on Intelligence and Security, will welcome that particular measure. This measure was fully offset by the savings in the Attorney-General’s Department. Additional funding of $0.7 million over four years will be provided to the National Security Adviser for his role in the implementation of enhanced crisis coordination facilities, an initiative that supports the 2008 homeland and border security review.

An additional $4.2 million over four years will be provided to enhance the Community Cabinet program and further direct engagement with the general community. An additional $7.2 million will be provided to sustain the department’s role as a central policy agency and support the government’s program delivery. An additional $3.7 million will be provided over
four years to continue funding the National Australia Day Council for Australia Day activities, including the Australian of the Year awards announcement and the Australia Day live concert. Funding of $0.5 million has been provided to the department in 2009-10 to implement the Nation Building and Jobs Plan.

Additional funding of $17.9 million over five years was included in the Mid-Year Economic and Fiscal Outlook under the item ‘Decisions taken but not yet announced’. This funding was provided to establish the National Security Adviser Group within the department. To facilitate transparency and accountability, the measure has been included in the 2009-10 portfolio budget statements, with the full measure description appearing in Budget Paper No. 2. Like other government agencies, PM&C has also delivered savings measures as part of this budget. Savings totalling $1 million over four years have been provided. I thank the member for Casey for his forbearance in this particular matter.

Mr ANTHONY SMITH (Casey) (11.39 am)—I thank the Parliamentary Secretary to the Prime Minister. In this broad consideration in detail debate on the appropriation bills, given the member for Holt’s broad policy oversight as Parliamentary Secretary to the Prime Minister, I would like to ask him—and he is a Melbourne member, and I note that the member for Calwell and the member for Isaacs are here—to update the Main Committee on the terrible situation with respect to the suffering of the Karen people of Burma on the Thai-Burma border; if there are any developments that have occurred, what humanitarian efforts Australia is making and what the latest information is on that terrible tragedy that has been occurring for many years. I know the parliamentary secretary is very aware of this issue, and I suspect other members here are too, because there are many Karen people who have come to Australia and are living in Melbourne. They have close friends and relatives still over there in that terrible situation.

Mr BYRNE (Holt—Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Trade) (11.40 am)—I thank the member for Casey for raising this particular issue. This is an important issue in my electorate, the electorate of the member for Isaacs and in your electorate—and I also know that you are a very strong and enthusiastic advocate for this particular group of people. Just to provide you with some supplementary information on Australian government assistance with respect to that area, in early June alleged Burmese army and State Peace and Development Council sponsored attacks by the Democratic Karen Buddhist Army on the Karen National Union resulted in large movements of Karen people across the Thai-Burmese border. Current estimates by the Royal Thai Army and NGOs place the number of arrivals in Thailand, mostly women and children, at between 3,000 and 6,500 people, with more expected.

We strongly urge the Burmese regime to resolve these enduring ethnic conflicts peacefully as a crucial aspect of national reconciliation. The Australian government is providing assistance through both humanitarian aid and resettlement places. I will just touch on the humanitarian aid component of that. Australia will continue and also increase its longstanding humanitarian assistance to refugees on the Thai-Burmese border. On 16 June Minister Smith announced that Australia will provide $1 million to improve conditions for refugees living in the camps on the Thai-Burmese border. Australian assistance will be provided through the Thai Burma Border Consortium, which provides food and shelter to displaced people living in the camps, which includes a large number of the Karen people. The $1 million is an increase
from the $700,000 provided in 2007-08. These camps represent one of the world’s longest-running humanitarian crises. There are currently 140,000 people in the camps, many of whom have been there for more than two decades—and that is an absolute disgrace. They are unlikely to be able to return across the border to Burma in the near future. This is a human catastrophe; make no mistake about that.

Australia has provided over $6 million to the consortium since 2003—and that includes under the previous Howard government, and I acknowledge that—through Act for Peace, the international aid agency of the National Council of Churches in Australia. This assistance to the consortium is in addition to the support Australia has provided this year to improve the living conditions of the Rohingya people living in Burma and in the camps on the Burmese-Bangladeshi border. The Thai Burma Border Consortium is a consortium of 11 non-government organisations from nine countries and is registered as a charitable company in the UK. The TBBC has been working in Thailand to provide food, shelter, non-food items and capacity-building support to refugees from Burma since 1984. Members include Caritas Switzerland, Christian Aid, Church World Service, Diakonia, DanChurchAid, ICCO Netherlands, International Rescue Committee, the National Council of Churches in Australia, Norwegian Church Aid and the ZOA Refugee Care Netherlands. The TBBC has a head office in Bangkok and four field officers on the Thai-Burma border.

The TBBC provides food and shelter for about 140,000 refugees from Burma in nine camps along the western Thai border, under agreement with the Thai ministry of the interior. The TBBC had a budget of approximately $35 million for 2008 and receives funding from 14 governments, plus the EC. Australia’s assistance to the consortium is in addition to the $8 million Australia has already provided this year to improve the living conditions of the Rohingya people living in Burma and in the camps on the Burma-Bangladesh border. This support is aimed at improving living conditions and economic opportunities; focusing on the provision of food assistance, basic livelihoods and health care; and providing access to credit, saving and income generation schemes. It will be delivered by the World Food Program, $1 million; Care Australia, $1 million; the United Nations Development Program, $1.2 million; and the UNHCR, $2.5 million. A further $2.4 million was provided by DIAC for the support of the Rohingyas in Bangladesh and South-East Asia.

It is important to note that currently Australian sanctions against Burma include travel restrictions on senior figures and associates of the Burmese regime, restrictions on arms sales and targeted financial sanctions against members of the Burmese regime and their associates and supporters.

The second channel through which the Australian government is able to provide assistance to people such as the Karen people is through humanitarian resettlement places. The 2009-10 budget confirmed the size of the Humanitarian Program in response to the global need for resettlement places. Australia will welcome 30,750 people under its Humanitarian Program in 2009-10, an increase of 250 places on the 2008-09 planning levels. There will be an increase of 750 places in the Special Humanitarian Program to 775 places and the refugee component will be set at 6,000.

With the challenges of displacement increasing worldwide, it is more important than ever that Australia steps up to the mark in sharing international responsibility for refugee protection. Burma, and, more broadly, Asia, continues to be one of the main areas of resettlement
focus for the Australian refugees program. The treatment of these people by the Burmese government is reprehensible. I would certainly like to thank the member for Casey for raising this very important issue. As I said, he has a large constituency, which he represents very well. I congratulate him, on behalf of those constituents, for bringing to the attention of this place the continuing human rights abuses that occur in Burma. I hope that I have given a full answer to the questions you raised.

Mr ANTHONY SMITH (Casey) (11.47 am)—On indulgence, I thank the Parliamentary Secretary to the Prime Minister for that very detailed answer, that update, and for that strong statement with respect to the Burmese regime. I know that his words will be very well received by the Karen people and all of those working so hard on this issue. I thank him for providing that information today.

Ms RISHWORTH (Kingston) (11.48 am)—I rise to ask the Parliamentary Secretary to the Prime Minister a question about community cabinets. There was a community cabinet held in July last year in my electorate of Kingston. Over 800 people from around the southern suburbs of Adelaide and even further afield came to the Hallett Cove School R-12 to meet with the whole cabinet and the Prime Minister. This was an incredibly successful event. I got incredibly good feedback after the process. I think people were particularly pleased that they got to ask the Prime Minister direct questions. The Prime Minister was asked a number of direct questions, and I thought I would mention some of the concerns in my local area that were raised at the community cabinet. They included questions on water and pensions and a whole range of other issues, including congratulating the Prime Minister and acknowledging the fact that he said sorry to the Indigenous people of this country.

People particularly enjoyed having individual meetings with their local cabinet ministers. This was very important because it allowed people to have that one-on-one connection with the different cabinet ministers on a range of different issues. Certainly the members of the Hallett Cove Residents Association were very pleased to have a one-on-one meeting with the Prime Minister, during which they were able to discuss the issue of broadband in the area—

Mr Briggs interjecting—

Ms RISHWORTH—I hear the member for Mayo interjecting. In fact, there were a lot of constituents from his electorate who came down to talk directly with the Prime Minister and they were very pleased to have that opportunity as well. In addition, a number of local people were pleased to meet with Minister Macklin. They were able to talk to her directly about the pension and the pension increase—an increase that I know they have welcomed in this budget. Some veterans in my area were very pleased to have the opportunity to meet directly with the defence minister to talk about their experience in World War II.

I would like to take the opportunity to thank the ministers for attending and the Hallett Cove R-12 School, who did an enormous job making sure that the location was available, that it was well suited and that everyone was very comfortable on this very cold night. I know that seeing so many people attend was a buzz within their school community. I certainly think that this type of event was an incredible success and will continue to be so as the Prime Minister and cabinet continue to move around the country.

My question to the parliamentary secretary is: how have the community cabinets and this program been received in other areas of the country?
Mr BYRNE (Holt—Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Trade) (11.52 am)—I thank the member for Kingston for her question. With respect to the member for Mayo, I would invite him in this forum if he wishes to have a community cabinet in his electorate to write to me and I would be more than happy to pass it on to the Community Cabinet Secretariat if that is his wish. I am sure that, at some stage, given the appropriate programming—

Mr Briggs interjecting—

Mr BYRNE—But we have a number of your colleagues that are seeking that. I am extending an invitation in a bipartisan way, because we have been to a number of electorates that are not Labor-held electorates, such as La Trobe, Macarthur and others I will talk about in a second. If you wish us to actually come down to your electorate, we would be more than happy to accept your letter. You can take that proposition in good faith or you can turn it into a political thing. In one of the meetings, held in the federal electorate of Macarthur—

Mr Briggs interjecting—

Mr BYRNE—Well, you should talk to the people who attend the community cabinets. We had some of your constituents at the one the member for Kingston referred to, and I think they enjoyed the opportunity to actually meet with senior cabinet ministers and the Prime Minister. Coming back to the formalities of this debate, I thank the member for Kingston for recognising the importance of this community cabinet initiative, which began under this government in January last year. Close to 7,500 members of the public have attended these forums. They reflect the government’s commitment to providing opportunities for members of the public to raise issues of concern directly with the senior members of the government, as well as ensuring the government remains in touch with community expectations—expectations that members of the community will have an opportunity to voice directly to the ministers and, I think, expectations that the public feel have not been met in the past.

This commitment is further embodied by the geographical spread of the locations where the community cabinet meetings have been held. These include at Canning Vale in south Perth in January 2008; Narangba in north Brisbane in March 2008; Penrith in Sydney’s west in April 2008; Mackay in Northern Queensland in June 2008; Yirrkala in Arnhem Land in July 2008; a very successful gathering at Hallett Cove in southern Adelaide in August 2008, the community cabinet to which the member for Kingston has just referred; Newcastle in September 2008; Launceston in November 2008; and Corio and Geelong in December 2008. A community cabinet meeting was also held at Campbelltown in Sydney’s south-west in February. The member for Macarthur was, in fact, there, believe it or not; he was invited and he turned up. There was another held at Ballajura in northern Perth in April, and I think another member of the opposition turned up to that. Most recently, there was a community cabinet meeting at Emerald Secondary College in Melbourne’s Dandenong Ranges, where I understand the member for La Trobe was invited by letter to participate but chose not to turn up.

I would like to take this opportunity to highlight the great work that the Department of the Prime Minister and Cabinet’s Community Cabinet Secretariat have done in coordinating these events. The feedback that I have received from members of the public and others who have attended these events has been unanimously positive and I think is a great credit to the secretariat within the department.
In coming back to the community cabinet at Hallett Cove in the electorate of Kingston, there were a wide variety of issues of concern raised and discussed. These included—and I know the member for Mayo will be very interested in this—the COAG Murray-Darling Basin intergovernmental agreement and the Waterproofing the South project, which the Commonwealth provided $34.5 million for. This project aims to provide recycled water and stormwater for urban reuse and viticulture for residents and businesses in the city of Onkaparinga around Noarlunga. Funding of up to $3.5 million was also approved for the McLaren Vale water plan, which also aims to substitute the use of mains water with recycled water. In this instance it is aimed at eligible irrigators in the southern portion of the Kingston electorate. The Wellington Weir and the Coorong wetlands are also of concern to the residents of Kingston. The weir will help secure drinking water for Adelaide residents, though it will permanently change the nature of the Coorong wetlands.

Other issues discussed include the proposed desalination plant at Port Stanvac, the closure of the Mitsubishi Motors plant at Tonsley Park and the assistance and retraining opportunities provided for by the Commonwealth. Over $50 million has been allocated to support affected workers in the region. I know that the Noarlunga rail line is an issue of significant interest to the honourable member for Kingston’s constituents and they will correspond with her daily on this particular issue. (Time expired)

Mr Briggs (Mayo) (11.57 am)—I have a couple of issues I want to pursue with the parliamentary secretary. The first one is just to follow up something he has said from his notes. He said that the development of the Wellington Weir was a major concern to constituents in the Kingston electorate. It is a bigger concern to the constituents of the electorates of Mayo and Barker, let me tell you, yet I accept it is an issue for the member for Kingston as well. No decision has been publicly announced about the Wellington Weir. Has the parliamentary secretary, in saying that it will help secure South Australia’s water supplies, just announced that the federal government has given approval for the Wellington Weir to go ahead? I just seek that clarification and I seek it very seriously.

The second issue I want to raise is in relation to the community cabinets. Can the parliamentary secretary break down how much each one costs? I understand there is a figure in the budget for the overall cost. Is he able to break down how much each community cabinet costs?

The third issue is slightly different. It is in relation to his responsibility in answering questions about the Australian National Audit Office budget. I am a member of the JCPAA and we were very pleased with, and I congratulate the government on, the additional money that was given to the Audit Office to conduct more performance audits this year. However, there is one area they did not get additional funding for, which they did bid for, which was the change in standards going forward for auditors that is going to have quite significant resource implications. I ask: is the government giving serious consideration to this? The Auditor-General in our budget briefing was extraordinarily concerned about this as it will have significant implications for his resourcing. I ask the parliamentary secretary: is the government considering those issues?

Mr Byrne (Holt—Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Trade) (11.59 am)—If I can clarify a point for the member for Mayo; that was a proposition without an actual announcement, so I apologise for confusing you. That is a mis-
reading of the document that I have before me and I do not wish to mislead you. Could you just remind me what the second question was that you asked?

Mr Briggs.—The cost of each community cabinet.

Mr BYRNE—I will take that question on notice. I will give you the full costings and I give you an undertaking to get that to you within 28 to 30 days, I think it is, of your asking that question, as we have done in the past.

The third thing in terms of the National Audit Office is that it normally comes under the remit of the Cabinet Secretary. To assist you I will, if I may, take those questions on notice on behalf of the Cabinet Secretary and I will get back to you. If you have any further questions I am very happy to take them up on your behalf.

Mr BRADBURY (Lindsay) (11.59 am)—I wanted to firstly add my words of endorsement and support for the community cabinet process, which we have discussed here today. Having had one in my electorate it was a great benefit to the local community. I certainly hope that these are initiatives that will continue to be rolled out. The question I wish to ask of the parliamentary secretary relates to the government’s response to the global recession, and in particular in relation to the various stimulus measures that the government has put in place and is now actively rolling out right across the country. I preface my comments and my question by making the point that in my local community in Western Sydney, an area where many of the effects of the global recession are beginning to be felt, we are seeing some impact from the early stages of the rollout of the three-pronged approach of the government’s stimulus measures. These are very positive developments. I know that they have been welcomed very much by my local community.

My question to the parliamentary secretary is in relation to various stimulus measures and their rollout across the country. Can the parliamentary secretary report on the extent of feedback that has been received in relation to the rollout of these proposals? If the indications that I am receiving from my community are anything to go by then I think that that bodes well for the future.

Mr BYRNE (Holt—Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Trade) (12.01 pm)—I am very mindful of the fact that we are programmed here to conclude our proceedings at 12 pm. I am also particularly mindful that some senior staff who are here for that purpose will have to leave us shortly. I thank the member for Lindsay for his question. He is obviously a very enthusiastic advocate for his constituents. That is certainly the feedback that we received at the community cabinet in Penrith and subsequently.

Because we do not have much time I unfortunately cannot go into the details, but, in terms of the Australian government creating jobs around Australia under the economic stimulus plans so far, there are already 270 social housing units under construction, and 347 defence houses are under construction. The Prime Minister handed over the keys for the first completed house last Friday in Brisbane—I read that on his Twitter site. Also, 285 primary school constructions are underway, repairs and maintenance has been done in thousands of primary schools, 9,000 existing social housing units have had repairs and upgrades and over 30,000 homes have had insulation installed since February and have claimed the $1,600 rebate. Road safety projects and new rail level-crossings are being built. Twenty-eight new rail level-crossings will be completed by the end of the month, and this is just the start of the construc-
tion projects; we are talking about 35 construction projects. It is a monumental project, a gargantuan project. It is a reflection of the difficulties in the global financial crisis and the strong, positive and decisive action that this government, led by Kevin Rudd, is taking.

With your indulgence, Mr Deputy Speaker, because I am mindful of the time and of the fact that we are due to conclude, I would like to—and this will sound very bizarre at the end of a discussion about appropriations—pay tribute to the retiring member for Higgins, Peter Costello. Regardless of where we stand on each side of the political divide, both of us know, and as the member for Mayo will know as time goes on, this is a very difficult life. It is a life that separates you from your family and puts you under enormous constraints. All of us here are in here for the right reasons: to advance the cause of the national interest. We do it in different ways. The member for Mayo will have a different way in which he sees that he can take our nation forward and I have a different way.

But the great part about this chamber is that we can have a robust exchange of ideas without being at gunpoint as in other places around the world. It is one of the great benefits of our democracy. I would like to acknowledge the substantial contribution that the member for Higgins has made, particularly in his role as Treasurer. I am not quite sure of the reasons why he made the decision, but can I say to you that in my private conversations with him I have found him to be a very decent fellow and a very family oriented individual. I, and on behalf of this chamber, wish him well for his future. I look forward to hearing about his progress in his subsequent life outside of this place.

Proposed expenditures agreed to.
Remainder of bill—by leave—taken as a whole, and agreed to.
Ordered that the bill be reported to the House without amendment.

**APPROPRIATION BILL (No. 2) 2009-2010**

**Second Reading**

Debate resumed from 12 May, on motion by Mr Tanner:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.
Ordered that the bill be reported to the House without amendment.

**APPROPRIATION (PARLIAMENTARY DEPARTMENTS) BILL (No. 1) 2009-2010**

**Second Reading**

Debate resumed from 12 May, on motion by Mr Tanner:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.
Ordered that the bill be reported to the House without amendment.

**ADJOURNMENT**

Mr MELHAM (Banks) (12.07 pm)—I move:
That the Main Committee do now adjourn.
Mr BRUCE SCOTT (Maranoa) (12.07 pm)—I rise in this adjournment debate to talk about a very serious issue that is confronting the employers in my electorate of Maranoa and particularly in what I would call the Surat coal basin, including my own hometown of Roma. The Surat coal basin and the Darling Downs statistical area stretches from just west of Toowoomba right through to Charleville down to Goondiwindi.

There are approximately 100 workers in this region that I am aware of—there may be more—who are on 457 visas. They are in the communities of Goondiwindi, Injune, St George, Roma and Charleville. Interestingly enough, they are engaged not only in the health sector and the public sector but also in sawmills, diesel engineering services, the hospitality industry—including working at ‘Maccas’ and the local coffee shop—and the meatworks out in Charleville and, of course, on farms. In fact, this morning I met students from the Wallumbilla State School in Parliament House. One of the students from the school visiting Parliament House was the son of a 457 visa worker. His father is working on a pastoral property north of Wallumbilla.

I recognise that Australia’s economy is experiencing a downturn and, with one million Australians who are forecast to be out of work towards the end of next year or into the following year, we are certainly facing some challenges and some worrying times. But let us be realistic about this: is a Sydney professional or, for example, a stockbroker who finds himself unemployed going to pack up his family and come out to Charleville in western Queensland because there is a job vacancy or a possibility of replacing a 457 worker in a meatworks? Let us be realistic about this. Is someone who might be working in hospitality and finding it difficult to get a job down at Bondi beach or the Gold Coast going to pack up their family and come out to Roma to work in the McDonald’s restaurant there or the local coffee shop? It is just not going to happen.

Charleville is 800 kilometres west of Brisbane and Roma is 500 kilometres west of Brisbane. If these workers were even thinking of going out there, they have to leave a home, family and extended family behind in the hope that they will get secure and long-term employment out in western Queensland—and that is just not going to happen. That is why these 457 visas have been absolutely invaluable. I am sure you, Mr Deputy Speaker Adams—having worked in the shearing industry in western Queensland—can understand the remoteness, the tyranny of distance, and the importance of being able to attract good workers.

A lot of this has been brought about because of the resources boom. The Deputy Leader of the Opposition, Julie Bishop, generously took time out of her very busy schedule last week to visit my electorate. She visited Dalby and Roma, where we had very successful meetings with the regional council, people who are employing 457 workers, and small businesses. She also took the time to talk to other people in the community. I want to thank the member for Curtin for the time she devoted to come and see firsthand the growth of Surat coal basin and what is happening to that part of Queensland. That region is actually growing at the rate of 10 per cent per year. They are official figures. The unemployment level is 1.6 per cent and falling. So not only can you say that there is full employment; it is impossible to get new workers. Why? It is due to the growth in power generation using the coal seam methane gas being produced in the area, and of course the value that agriculture adds on top of that. Roma boasts the largest cattle-selling centre in the Southern Hemisphere and it is the centre of the nation’s oil and...
gas industry. And, as I said a moment ago, it has an unemployment rate of 1.7 per cent. So these 457 visas are absolutely essential.

I understand that there have been changes to the way these visas will be granted in the future, but I know the minister has some discretionary powers and I would hope that she would use those powers and recognise the importance of the resource sector. It is important that businesses be able to keep going. If they do not, it is going to have an effect on the overall economy. I call on the minister to make sure that, through her department, these businesses—whether it is in the pastoral sector, the hospitality area, meatworks or sawmills—are able to continue to employ these 457 visa holders. They fit into our community. They are an invaluable resource, and they are not taking jobs away from Australians.

Robertson Electorate: Infrastructure

Ms NEAL (Robertson) (12.13 pm)—I rise today to inform members of the progress of the delivery of infrastructure projects to the residents of my electorate of Robertson through the Rudd Labor government’s economic stimulus plan. The electorate of Robertson has been for many years an area of rapid population growth. The accompanying growth in demand for community services has not been matched by the provision of community infrastructure. The Nation Building Economic Stimulus Plan introduced by the government has set out to redress this lamentable backlog in infrastructure provision.

I am pleased indeed to report to members that Robertson is currently benefiting from a massive infrastructure boom as a result of the stimulus plan. At present there are 635 local projects already announced under the plan that are currently being delivered to the people of Robertson. This represents one of the biggest ever injections of funding in my region. This rollout begins the process of building local projects that are vital to the proper functioning of our community. Of equal importance, however, is the massive boost it provides to the economic activity of the Central Coast. This economic stimulus means jobs for local small businesses, tradespeople and contractors who work, live and raise their families locally. The plan is helping to protect the Robertson community from the full impact of the global recession by investing in local infrastructure.

It should be remembered by all members that nearly 70 per cent of the economic stimulus plan is being invested in infrastructure. In my electorate this includes building roads, social housing and much needed community infrastructure projects such as new parks, playgrounds, upgraded community halls, better sporting ovals and club facilities. The most beneficial aspect of this historic funding measure for Robertson is the enormous number of renewal projects underway in our 43 schools. This is part of the largest school modernisation program in Australia’s history and is transforming both the physical and the educational landscape of the Central Coast.

The figures for new community infrastructure projects currently underway in Robertson are also impressive. I have already mentioned that there are 635 projects being rolled out at the moment. This represents a direct investment by the government of more then $76 million in my electorate alone; something that is being replicated all around Australia. $42.5 million is being provided for 18 Robertson primary schools under the Primary Schools for the 21st Century program, part of the BER. This program is now building new multipurpose halls; covered outdoor learning areas—vergolas; new classrooms; and new libraries to equip our students for the future. The remainder of our primary schools will be upgraded under the future rounds of
this program. An additional $7 million is being delivered to each of the 43 primary and secondary schools under the National School Pride Program to provide much needed repairs and maintenance.

Social housing is another feature of the stimulus plan that is impacting in a real and positive way in Robertson. Seventy-three new social houses were built locally and 476 dwellings are undergoing repairs and maintenance in our local community. Backlogs in basic community infrastructure are also being attended to. Gosford City Council has received a total of $4.428 million to build local community infrastructure. More than $1.3 million of this funding is being invested in nine projects across the electorate that will refurbish and rebuild our parks and playgrounds and provide state-of-the-art sporting facilities for the families of Robertson. The remainder of this funding to the council, more than $3 million, will see the building of the Peninsula Recreation Precinct. This will be a world-class, multiuse sport and recreation facility that will address a real need for families in Robertson. A total of $905,000 has also been delivered to make the roads of Robertson safer under the Rudd government’s Black Spot Program road funding.

Meeting the challenges of climate change has been a priority of the Rudd Labor government. Our homes are being made more energy efficient through the measures contained in the stimulus package. The package provides households with up to $1,600 for home insulation and for solar hot-water systems. To date some 84 applications have been made for insulation and another 232 applications have been made for the solar hot-water rebate.

These are just some of the highlights among the 635 stimulus plan projects the government has delivered to Robertson. The plan is transforming schools, roads, housing and community infrastructure in Robertson.

**Paterson Electorate: Hospital Funding**

Mr BALDWIN (Paterson) (12.18 pm)—It was during the election campaign on 22 October 2007 that Kevin Rudd, the then Leader of the Opposition, said: ‘The Rudd government is committing to delivering a better health outcome for Australians through our health and hospital system. Key priorities for the government include fixing our hospital system.’ He promised to do so by mid-2009.

Next week marks the end of the winter sitting period and the halfway point for 2009, and I report to this House that the hospital system in my electorate of Paterson is far from being fixed. Forster Private Hospital, formerly known as Cape Hawke Community Private Hospital, is a first class hospital. After many years of lobbying, finally, in September 2007, the then New South Wales health minister said that the New South Wales government would enter into contracts for the provision of 20 public low-acuity beds at the hospital for the benefit of the 19,000 residents in the local community. It took until March this year for the contract to be signed; a contract for 6,000 bed days per annum.

I was horrified to find out last week that in the three months since signing the contract there have been only 50 bed days referred to the Forster Private Hospital. If this is projected through to the full 12-month period, it will amount to around 200 bed days, which is a long way short of its contracted 6,000 bed days. Bureaucratic red tape is at issue here. Local doctors, whom we trust with our lives, should be able to directly refer patients to the Forster hospital instead of patients being taken 34 kilometres to Taree hospital, admitted, assessed and
then, if there is a bed shortage—and only if there is a bed shortage—transferred back to Forster. This is ludicrous. The red tape needs to be cut to allow doctors to effectively get on with their job.

Tomaree Community Hospital services a local population of around 23,000 people, and in the tourist season that number is more than doubled. Staff at the Tomaree Community Hospital and the broader community are calling for the government to equip their hospital with a combined dialysis and chemotherapy unit. Providing such services at the hospital would address the dire community need and put an end to the requirement of those in the Tomaree community battling ill health to travel the arduous 120-kilometre return trip to Newcastle for treatment.

Following the visit to the Tomaree Community Hospital, a suggestion came back that the hospital should be a model similar to the Parkes Hospital in Central New South Wales. Parkes Hospital services a population of around 10,000 people but it has a 26-bed medical surgical ward, a four-bed paediatric ward, a six- to eight-bed combined emergency and high-dependency unit, a six-bed obstetric unit, medical imaging facilities and operating theatres. Operations are performed mostly by visiting surgeons who visit the town and practise at the hospital once per week or fortnight. Local GPs carry out minor procedures and do minor emergency surgery.

The current services at Tomaree are extremely limited. They need not be if they fix our hospital system as promised. Tomaree Community Hospital could operate in a manner more similar to Parkes Hospital than it does at present. There is no doubt that the staff at both the Forster and the Tomaree hospitals are first-class professionals. But the facilities are either underutilised, as in the case of Forster, or underresourced and stretched beyond belief, as in the case of Tomaree. Last night I put out a message on my Facebook website, asking for public opinion. One of those responses came back from Yvonne Annette Arbuckle-Elliott, in the Great Lakes region. She hit the mark when she said:

I firmly believe that health, like education, should be a Federal issue. Bob, bring up the issue I mentioned about the 16 year old left for 4 days in agony with a broken jaw. I personally have my own issues, a Pensioner, can’t have a cancer cut off my eyelid with Medicare, or have a hip replacement before the next 2 years, or have my diseased jaw attended to, surely after a lifetime of paying taxes I can get a bed in a hospital.

All the while bureaucracy stands in the way of the quality of life of people like Yvonne. What of the promise made by the Prime Minister to fix the hospital system by mid-2009 or he would take over the hospital system? Has the Prime Minister abandoned that promise? Not one cent of the $14 billion cash splash was spent on the public hospital system. At the ALP campaign launch on 14 November 2007 Kevin Rudd said:

I have a long-term plan to fix our nation’s hospitals. I will be responsible for implementing my plan, and I state this with absolutely clarity; the buck will stop with me.

So, Prime Minister, my questions demand an answer. When will the buck stop with you? When will you stop the excuses? And when will you fix the ever-expanding hospital waiting lists in New South Wales? I have constituents who are in a lot of pain and who demand urgent answers, not more excuses and blaming things like the global financial crisis. We demand action not excuses.
Mr CHAMPION (Wakefield) (12.23 pm)—I rise to talk about the Gawler rail upgrade. But before I get onto that I want to talk a bit about a story by Charles Miranda which was in The Punch recently. It is about the fact that Waltzing Matilda, one of our great national songs, has now been used for a commercial purpose in a Spanish mobile phone ad. He reports:

The accents on the advertisement are strange and the video clip is downright wacky but online chat rooms and talk back radio in Spain has been inundated with debates about “billy-bongs” and “kooly-bar trees” and speculation about what it was that a man put into a “ta-ka” bag.

I am not really outraged but I am concerned that this great Australian song is being used in this way. It is a great part of Australian culture. It has been sung by diggers at war. On my iPod I have John Williamson and about a hundred thousand other Australians singing it at a concert. I am concerned that this great Australian song is being used commercially overseas. I think it should be of great concern to Australians.

This song has been a big part of our nation’s history. Last year I visited Winton and went out to the Waltzing Matilda Centre museum. The song was written in 1895 about 100 kilometres north-west of Winton on Dagworth Station and since that day it has captured the hearts and minds of many Australians. I would never question the decisions of the Australian people. We know the decision they made in 1977 in the national plebiscite. There were four songs in the plebiscite: Advance Australia Fair; God Save the Queen, the song that represents my heritage; Waltzing Matilda; and the Song of Australia. The only concern I have with the results of that plebiscite is that none of the songs had an absolute plurality. Advance Australia Fair got the most number of votes but still only got 43 per cent, and the rest—the 60 per cent—was split between Waltzing Matilda, God Save the Queen and the Song of Australia, so no song got an absolute majority. I think at that time it might have been better to have either a preferential system or to have required an absolute majority of Australians to agree to a national anthem and then have a run-off election eliminating the two lowest songs, those songs being in this case God Save the Queen and the Song of Australia.

Waltzing Matilda is a terrific Australian song. It is a tragedy to see it commercialised overseas in this way to sell mobile phones in Spain. The Punch, on which I know the member for Mayo writes on occasion, is a great website. It is a pity this story was not reported a bit more broadly. Australians deserve a national anthem that is sung with gusto and not just mumbled along with. In my view Waltzing Matilda would have been that song, so my views are on the public record.

Before I get on to the rail upgrade in Gawler, it is worth noting that the Song of Australia, which got 9.8 per cent support at that referendum—some 652,000 Australians—was awarded the first prize in the song competition held at the Gawler Institute in 1859, so that is when it first came about.

Recently the government announced the electrification of the Gawler train line. This is a state and federal project. It has been done in conjunction with the Rann government. It is a $2 billion plan for South Australia’s public transport system, and the Building Australia Fund has allocated some $294 million to upgrade this line, firstly, by putting in concrete sleepers and, secondly, by electrifying the line. This line will deliver much faster services. It will create 440...
local jobs. These jobs are especially important to my electorate at this time. We have seen the effects of the global financial crisis, particularly in manufacturing in South Australia, and so it is good to have a very significant public infrastructure project in my electorate. I commend all those involved, including the state member, Tony Piccolo, who has been a great champion for this project.

Road Safety

Mr BRIGGS (Mayo) (12.28 pm)—Thank you for the opportunity to address the Main Committee on a very important issue. It is largely a state issue but it is an issue of extreme importance for all of us. In recent times, as the member for Makin and the member for Wakefield will be aware, the Adelaide Hills have seen a large number of road crashes involving young people. In particular, as the Mount Barker Courier reported last week on the front page of its edition, there have been three serious accidents in the Adelaide Hills so far this year in which six young people have been killed: one in Lobethal on 14 February, one in Bridgewater on 25 March and one on 30 May in Mount Barker which was literally about 1½ kilometres from my home. Unfortunately, all of the accidents were due to speed and due care not being taken. I will not step through each accident, but suffice it to say that six people dying in my local community has been a significant issue and the Mount Barker Courier has rightly given a great deal of attention to it.

Safety on the roads is an issue that is important to all of us, not just in South Australia but across the country, and it is a particularly significant issue for our young people. This year, unfortunately, the South Australian road toll is a lot higher than it has been in previous years. As of last week there have been 62 deaths, compared to 37 at the same time last year. We do not really know why this is happening. But it is certainly of a great deal of concern to my local community and people are rightly reassessing the rules that apply. It is an important thing for us to do when we have this number of deaths.

I want to refer to a constituent, Mr John Coorey, who came and saw me following the death of his son on an Adelaide Hills road late last year. Mr Coorey had written to me earlier this year and then came to see me about his son’s accident. His son was unfortunately killed when riding his motorcycle on a winding road in the Adelaide Hills, in an accident that he had no control over. It is an extraordinarily sad story. He was an up-and-coming 19-year-old going through life. His father and his family are devastated over what has occurred. When Mr Coorey came to see me, he pleaded with us all as law makers, no matter whether we are state or federal, to reassess the way that we conduct our driver training and to reassess our approach to road safety. The point he made was that we too often seek to blame other drivers on the road when we are all far too aggressive. It gets back to the basic training and ongoing training that we get. I think he makes a very good point that is worth while to consider.

Although this is a state issue, I think it is an issue that we in this place need to take an interest in. We do our training when we are 17 or 18 years of age and then we can avoid ever being tested or doing any sort of road safety retraining until later in life. For something as dangerous as a motor vehicle you would think that it would make sense to have some ongoing support for people to update their skills, to learn new techniques and to just remind themselves of basic safety information on the roads. I think it is something that is worth while considering because I am not sure that the training you receive at 17 or 18 years of age, in any field, lasts you forever; I am sure other members would agree that it would make sense for us
to reconsider whether we should have five-yearly refresher courses or something of that ilk. The point I am making here today is that, for the sake of the safety of the young people in our communities, the federal and state parliaments and all of us together need to look at this issue and consider whether we are getting it right in the way that we go about road safety. I am not seeking to criticise anyone; I am simply saying that we need to reconsider this issue because it is a very important issue for our younger Australians.

**Italian Consulate, South Australia**

Mr ZAPPIA (Makin) (12.33 pm)—On Monday I became aware that the Italian consulate in Adelaide has been earmarked for closure some time in the year 2010 or perhaps 2011—we do not have a firm date. The decision is part of a decision made by the Italian government recently to close over 20 consulates around the world. I understand that it is part of a budgetary measure taken by the Italian government and it is estimated that it will save the Italian government some €8 million. Here in Australia the Adelaide and the Brisbane consulates are the two that, I understand, are going to be closed, and the ones in Perth, Sydney and Melbourne will remain open.

Understandably, the decision has caused extreme disappointment to much of the Italian community in South Australia. Interestingly, it comes immediately following the first visit to South Australia by the newly appointed Italian ambassador to Australia, His Excellency Gian Ludovico De Martino di Montegiordano. His Excellency came to Adelaide only last week as part of his first visit and to specifically open, in conjunction with South Australian Premier Mike Rann, a new Italian cultural facility referred to as Punto Italia in Adelaide and also to attend a function at the Dante Alighieri Society in Adelaide.

I certainly do not in any way suggest that it is a result of His Excellency’s visit to Adelaide that the Italian consulate is closing—quite the contrary. As a result of his visit, there has been huge optimism about strengthening relations between South Australia and Italy. I organised, in conjunction with the Italian Chamber of Commerce in Adelaide, a function held on 29 May. This was attended by the Minister for Trade, Simon Crean. He addressed those in attendance about the strong relationship between Australia and Italy. I understand that, with regard to our exports, Italy is in fact our fourth-largest European trading partner. This point was reaffirmed and made equally strongly by the Italian consul, who was there on the night and who also addressed the people in attendance. As I said earlier, it comes as a huge surprise and disappointment that the Italian consulate in Adelaide is likely to close. I understand that it has been there since the 1970s and has served the Italian community in Adelaide very well.

In Adelaide, some 14,000 people hold Italian passports and about 100,000 people are of Italian origin. The links between the two countries are very strong. They range from trade links to education links through to art and cultural links. As a result of all those links there is ongoing Italian activity throughout South Australia, and that is something that we hold very dear. About 2½ years ago, Dr Tomasso Coniglio was appointed as the new consul in Adelaide and, in that time, he has worked exceptionally hard to build and strengthen those links even more. It is a credit to him that, as a result of his work over the last 2½ years, there is no question at all that the multitude of Italian associations, be they religious organisations or broader community groups, has grown and blossomed. We have been working on strengthening even further the links between Italians living in South Australia and those in Italy. It will be clearly a huge disappointment to see that work come to an end. It is interesting that it is only in the
last decade or so that many of the Italians who came here in the fifties and sixties have been able to establish themselves to a point where they can start to rebuild some of the links with their country of origin.

I understand that South Australian Premier Mike Rann has written to the Italian government, asking that the decision to close the Italian consulate be reconsidered—and I join with him on that call. I will also be writing to the Italian ambassador here, in Canberra, supporting the call by Premier Mike Rann because I believe there will be disappointment amongst the Italian community about this decision. We have a lot to gain by the service provided by the Italian consulate in Adelaide, and it will certainly be missed should the consulate be closed in the years ahead.

Cowan Electorate: Community Awareness Initiative

Mr SIMPKINS (Cowan) (12.38 pm)—There are certain elements in this nation that seem to be trying to undermine the strengths of Australia. I count in that list those who forever demand or promote their rights without firstly acknowledging the responsibilities they have to our country as citizens. These people stand on the other side of the spectrum from the principle of personal responsibility. They are the people who blame society, who blame a perceived belief of past injustices or who otherwise take the easy path of finding anyone but themselves responsible for problems in their own life. It is a disturbing ethos that is worth opposing for the good of this country. By not critically examining our own shortcomings, we neglect the main obstacle to becoming the best person we can be. I see it as something akin to superstition where one’s fate is seen as outside one’s own control. Blaming someone or something is an easy way to avoid responsibility and, therefore, is an excuse for not trying harder or doing the work needed to succeed in life.

One aspect of this can be seen in our society when we walk along the street and see something that should be fixed. It may be something dangerous to others, it may be some sort of security issue; but, in any case, it is something that needs to be acted upon. It is my view that too many people see these threats or problems as someone else’s responsibility. They do not see themselves as having any form of responsibility in the matter. Typically, I have heard people say: ‘Someone is paid to do that,’ or ‘I don’t have time to do something about it.’ That is exactly the sort of attitude that perpetuates suburban decay and toleration of increasing levels of crime.

In opposition to such attitudes I established my community awareness initiative, known as the Junior Cowan Community Watch, to promote the sense of personal responsibility amongst young people in Cowan that is so important to achieve the best Australia that we can have. I have well over 100 members in the team and I would like to reflect on the good work they do in reporting things that need to be fixed in our community of Cowan.

Firstly, I acknowledge Mikaela Armstrong of Greenwood Senior High School for her reports about issues at Barridale Park in Kingsley. Also at the same school, Matt Willoughby has reported safety hazards at the Kingsway Sporting Complex in Madeley. It is not the first time that I have mentioned the good work of Teah Arrowsmith of Landsdale Primary School for her reports of graffiti, hooning and infrastructure issues in her suburb of Landsdale.

In Koondoola, the suburb is well-supported by local advocates and good community members Tony Nguyen and Jayden Tonaro. Tony and Jayden are from Waddington Primary School.
and have demonstrated an interest in better parks and facilities in their suburb. I would also say that Waddington Primary School has strongly supported my initiative with the Junior Cowan Community Watch and has contributed the most members of any school at 24. That is not bad for the smallest school in the electorate of Cowan. I think that their efforts are a testament to the character of the young people at the school and also to the leadership of the senior class teacher, James Cunningham, the Principal, Phil Chaloner, and the Deputy Principal, Melissa Morgan. I am pleased to be a supporter of the school.

If we are looking at strong commitment to a better and safer community, it is hard to go past the dedication demonstrated by the students of Hocking Primary School. I refer to the leadership shown by Megan and Jade McLoughlin, Melissa Tran, Stacey Smith, Madeline Nurse and the newest team member, Sarah Rodo. In looking at reports submitted by the Hocking Primary School students they are doing an excellent job and, although I have previously spoken about that school, I again congratulate them for their dedication and efforts on behalf of their suburb.

Last Friday I was at St Anthony’s Primary School in Wanneroo to acknowledge the membership of Sam Dulyba. Although I am yet to receive any reports from Sam, I look forward to hearing his views on Wanneroo, and I look forward to future members from St Anthony’s Primary School. It is also appropriate that I acknowledge the leadership of the Principal, Peter Cutrona, for the work he does for the children and for the wider school community.

There is little doubt that I think this country is let down badly by those that think only of their rights without mentioning their responsibilities. The main responsibility is always personal responsibility, without which none of us can ever reach our full potential. I have, however, demonstrated that there are a lot of young people in Cowan who appreciate their sense of responsibility to the community and who have a sense of personal responsibility as well. It is for that reason I have great hope for the future, and I am proud of the next generation because this country will be in very good hands if the examples shown by these young people are followed by their peers.

Forde Electorate: Queensland 150th Anniversary

Mr RAGUSE (Forde) (12.42 pm)—The date of 6 June 1859 was the day that Queen Victoria signed the letters patent that essentially formed the colony of Queensland. A vast area of what was known as New South Wales became the colony of Queensland and then, of course, with Federation thereby became the state of Queensland.

The Queensland celebration this year was 150 years since those letters patent were signed and in my electorate of Forde there is a celebration with an awards ceremony every 6 June. This year, of course, being the 150th anniversary of those letters patent being signed, the Queensland government set up a commemoration fund, called the Q150. It was a fund that touched most of the communities through Queensland by way of providing funding for projects that would commemorate the 150 years since the colony of Queensland was formed; later becoming the state of Queensland.

In my electorate there were a number of ways that the celebration of the 150 years was played out. The Phoenix Ensemble, a local theatre company in Beenleigh, was funded and put together the staging of a very well-known Steele Rudd play called On Our Selection. Of course On Our Selection has the very memorable characters of Dad and Dave, which most
people in the House would know something about. The Phoenix Ensemble put together that particular production, which opened on 6 June—a very fitting date, of course—and is continuing with a season to present to the community of Forde and to the people of Beenleigh the Steele Rudd play On Our Selection.

I would like to recognise these activities and congratulate the director of that particular production, Maria Grills, who brought together a very good cast. I would like to congratulate the cast and crew, and make particular mention of Colin Foote, who has been an integral part in the staging as well as obtaining the initial funding to allow this play to be put on in Beenleigh as part of Q150.

Another commemorative activity in my electorate that I would like to mention is the Drumley Walk. Billy Drumley was an Indigenous community leader who died in 1950. He would regularly walk from what we now know as the Gold Coast strip to Southport to check on his family. Billy actually has a direct involvement or connection with this House: he provided his people with a strong understanding of the need for education and the need to be involved in the community, and one of his proteges was Neville Bonner, the first Australian Aboriginal senator, who served for a number of years here in the Senate. It was Billy Drumley who encouraged him to not only be properly schooled but also live a certain way of life that would allow him to take the opportunities that presented themselves. It was a very difficult time for Indigenous people in this country to make their mark, but Neville Bonner was one of those men, with Billy Drumley’s support.

The Drumley Walk occurs every year and is also now being commemorated as part of Q150. It takes several days and goes from Beaudesert in my electorate to Southport. Along the way it gathers people who participate in parts of the walk and they complete that walk as part of what they call their own pilgrimage. The Yugambeh nation, which covers most of my electorate, have a Yugambeh style corroboree at the end of that walk not only to commemorate Billy Drumley and his activities in the region but also to bring recognition to the Indigenous people who formed our earliest communities. Billy Drumley and his family were a big part of those communities and that has been recognised by their part in the Q150 commemorations. I would like to commend Rory O’Connor for organising the event and educating the local community about local Indigenous heritage.

It is very important that Forde recognise the other leaders in our community, those volunteers and activists in the electorate. Again this year I will have my Queensland Day awards, which are part of a formal presentation and recognise not only volunteers and organisations but all the people who come together to provide those services to our community. I acknowledge them and I commemorate Queensland’s 150th birthday, celebrated on 6 June this year.

Sri Lanka

Dr JENSEN (Tangney) (12.47 pm)—I rise today to speak in support of the people of Sri Lanka—all the people Sri Lanka. My seat of Tangney is home to many people from Sri Lanka, including Tamil people. I have a wonderful working relationship with both the Tamil community and the wider Sri Lankan community.

Sri Lanka is a beautiful place, sometimes referred to as the pearl of the Indian Ocean. One of its former names was actually Serendip or Serendib, from which we get the word ‘serendipity’, meaning good luck and good fortune. This was made famous in Horace Walpole’s
story, *The Three Princes of Serendip*. It is also the shape of a teardrop, and that is so appropriate because of the years of suffering by so many in the civil war. The fighting is now officially over, and I am sure that we all hope that peace will reign over all Sri Lanka’s people.

To assist the Sri Lankan government and protect the Tamil minority, I now call upon the government to request that neutral, third-party observers be sent to Sri Lanka to help the people through the rebuilding phase—not just rebuilding the infrastructure damaged by years of hostilities but also rebuilding the broken communities, families and neighbours torn apart by conflicting loyalties but united by tragedy and loss.

There was a courageous recognition of the enormity of the humanitarian disaster by Sri Lanka’s Chief Justice, Sarath Silva. Speaking of displaced people, he said:

I was unable to console them. They survive amid immense suffering and distress.

He expressed concern that these already suffering people would not get just treatment:

They cannot expect justice from the law of the country. Their plight and suffering are not brought to the court of law in our country.

He is a brave man, the highest law officer in Sri Lanka, who may well suffer himself for speaking out so poignantly in support of his fellow Sri Lankans—fellow human beings whose lives were so shattered. In many cases the people have lost homes and possessions but, worst of all, they have lost loved ones and they are now being kept in what Chief Justice Silva describes as appalling conditions. According to government figures there are more than 250,000 displaced people in some 20 camps. The International Red Cross and Red Crescent movements have been distributing drinking water, food packs, personal hygiene kits, emergency household items and kitchen utensils to around 40,000 people in the biggest camp, Menik Farm, near Vavuniya. Furthermore, tents and plastic sheeting have been distributed to serve as temporary shelter for around 17,000 people.

There are also worrying signs that journalists on the island are in danger. With the old adage, first articulated in 1758, about the first casualty of war being the truth, it is important that the outside world is kept properly informed. Recently, journalist Lasantha Wickramatunga was shot dead as he drove to work. The government has strongly denied any involvement in this murder. Lasantha’s wife, Sonali Samarasinghe, is one of at least 10 journalists who have fled from the country in the wake of his murder. According to *BBC News*, at least nine journalists have been killed in Sri Lanka in the past three years. It is essential to get neutral observers into Sri Lanka to ensure, as much as possible, that human rights are being protected for all the people on the island of Sri Lanka. These observers must ensure that Chief Justice Silva’s words are not prophetic. They serve as a warning as to what might happen if there is not some form of international oversight of this important transition phase. I am sure Australians want to help Sri Lanka put this terrible civil war behind it and ensure that after so many years of bloodshed all Sri Lankans can live in a safe, harmonious and just society.

**Blair Electorate: City of Ipswich**

Mr NEUMANN (Blair) (12.52 pm)—This week I was asked by one of my local newspapers, the *Ipswich News*, what I thought the icons of Ipswich were. I mentioned St Mary’s Catholic Church in Ipswich—a beautiful building—and St Paul’s Anglican Church as well. But it got me thinking about the icons of Ipswich. Last year we celebrated 160 years of Methodist worship in Ipswich and this year St Paul’s has its 160th birthday. I was pleased to attend
the service to commemorate that and to recognise the wonderful work St Paul’s Anglican Church does in the Ipswich community. This weekend my own church, Ipswich Baptist Church, celebrates its 150th birthday.

Ipswich is Queensland’s oldest city. As I have said before, it could and should have been the capital of Queensland. When it was first established, back in about 1843, it was called Limestone. Three years later we started mining coal in Ipswich and have mined coal since that time. Ipswich was an agricultural community and later became a manufacturing industrial community. It has fought back brilliantly in the last few years. I was thinking about what my own church has meant for the city of Ipswich. Originally, the Baptists and the Congregationalists in Ipswich met together under the Reverend Thomas Deakin. They agreed to separate and go their own ways over theological matters, but it was an amiable separation and every year when I was a boy, and later as a young man, we would celebrate Easter Good Friday service and Christmas together. That tradition continued when the congregation formed part of the Uniting Church.

The situation is that my church, Ipswich Baptist Church, started off in what is now known as a tenpin bowling centre in Ipswich, in the heart of the CBD, and then moved to the site where they had their celebration services, right opposite the Prince of Wales pub. In fact, they always commented that the pastor at Ipswich Baptist Church was always a great preacher because he used to preach in front of the Prince of Wales every Sunday. That church existed on that site for a long time, until the last few years, when it relocated, because of growth and for other reasons, to the current site. Going back to its sporting roots, it is now worshipping in what was the old indoor cricket centre at Brassall, near my electorate office.

I have been involved in that church and the Baptist churches in Ipswich all my life—in fact, I married the senior pastor’s daughter—so that church has meant a lot to me. It was there in that church that I went to Sunday school, was baptised and became a church member and ultimately a deacon. For 150 years, Ipswich Baptist Church has been looking after the spiritual and material welfare of people in Ipswich. It has been involved in all kinds of things. Currently there are five chaplains involved in chaplaincy work in schools. There are four pastors, including the senior pastor, who is a new pastor, the Reverend Ashley Saunders. Just to show those opposite that we are quite ecumenical in the Baptist Church, the Reverend Ashley Saunders was actually a Liberal Party candidate a couple of times in, I think, Hunter and was on the state administrative committee of the Liberal Party in New South Wales. He is a great bloke; I do not know how he could have remained in the Liberal Party for such a long period of time!

The Ipswich Baptist Church has been looking after those who are poor, those who are weak and those who are oppressed for 150 years. Even now, it runs a counselling and outreach ministry in the heart of the city, called 241. It is partnering with other churches in helping those who are homeless and those suffering from addiction to drugs and alcohol. It is a great church when it comes to caring for those who are challenged and those with difficulties. Recently, with the Mayor of Ipswich, Paul Pisasale, I was privileged to put the time capsule at the front of the church. The council has been terrific in support of the church, giving $10,000 for the beautification of the gardens there at the new facility.

I want to congratulate the church for what it has meant to me and my family and to Ipswich. I honour those who have gone before: the Reverend Noel Charles, the Reverend John
White, the Reverend Geoff Litzow and the Reverend Steve Cooper. I also recognise my uncle Merv Neumann, who was there for 25 years or more as the church secretary. Well done and happy birthday, Ipswich Baptist Church. *(Time expired)*

**New South Wales Budget**

*Ms LEY (Farrer) (12.57 pm)—I would like to talk about the New South Wales budget and the effect it will have on my electorate of Farrer in western New South Wales. The New South Wales budget announced on Tuesday concentrates on the greater Sydney metropolitan area, to the detriment of rural New South Wales to the west of the Great Divide, and sadly that comes as no surprise to those of us who live in rural areas. The New South Wales Treasurer, Mr Eric Roozendaal, provided empty rhetoric in his budget speech and very little of substance for regional New South Wales. I thought that overall the budget lacked economic credibility and tied New South Wales to an enormous deficit which will see many more people joining the unemployment queue.*

*In his announcement, the Treasurer of New South Wales says that New South Wales is forecast to remain in deficit for the next two financial years but will return to the black with a modest surplus in 2011 before bouncing back up into a much larger surplus in 2012. So he waves away the state’s largest plunge into the red since 1992 and assumes that the state economy recovering from the global financial crisis in the ensuing few years will give rise to increased consumer spending and increased housing activity and bounce the state budget back into surplus. That is copying Mr Rudd’s heroic rhetoric on our own federal budget.*

*The DEPUTY SPEAKER (Ms AE Burke)—The member will refer to members by their appropriate titles.*

*Ms LEY—Roads only rated four mentions in the Treasurer’s speech. He failed entirely to mention disabilities. Also absent from the budget speech was any mention of a major nation-building project to improve infrastructure and provide jobs. In fact, the infrastructure spending that we saw in the New South Wales budget was directly channelled from federal infrastructure spending. Without the injection of the federal stimulus package into New South Wales this would have been a much unhappier picture. Although an additional 250 new police across the state were announced, the Treasurer gave no commitment to increased policing in regional New South Wales, where we desperately need more police to cover the vast areas and distances and the increasing crime rate. There is no specific funding for schools in the region but there is money for school maintenance across the state. That is hopelessly inadequate.*

*The budget failed to recognise the need for strong investment in roads, transport and rural infrastructure. In fact, when you consider that the budget does not allow any additional spending other than the barest, basic maintenance on roads, I do fear for western New South Wales, which has an enormous road network and an ever-diminishing proportion of the state’s road budget. The Treasurer of New South Wales probably never travels in a modest 10- to 15-year-old car on those roads. If he talked to those who do so daily to get to hospitals, health systems and care for their disabled children, he might feel that he should direct some more attention to this important area.*

*The budget provides little hope for rural families struggling to make ends meet. Farmers and rural businesses are now hit with a triple whammy—the world economic crisis, the New South Wales recession and the ongoing drought. Almost half of New South Wales remains...*
drought afflicted and it is of great concern that the budget shows no funding allocated for drought relief. I ask the New South Wales government to continue the funding for its critical drought councils, which are located in key areas of New South Wales and doing a fantastic job on the ground helping farmers—a great complement to our federal drought support workers. That funding needs to be continued with a horizon longer than six months.

While the budget includes more than $16 million for operation works programs in irrigation areas, 66 per cent of New South Wales is still drought declared. It will take a lot more to recover. So drought assistance is a must. Last year there was $19 million allocated; this year there is absolutely nothing. I saw in the budget a complete rehash of old projects being announced. A lot of the money that was announced has already been allocated by the federal government and or previously announced by New South Wales. Health remains the No. 1 priority for every Australian but particularly for those in rural areas and the spiralling cost of health care continues to be a drain on the state’s coffers, with a record $14.5 billion for delivering health services. There is no sign of that budget being brought back into the black and back to a situation where people turning up at the casualty sections of the hospitals can get good treatment—(Time expired)

Greater Geelong Region

Mr CHEESEMAN (Corangamite) (1.02 pm)—I wish to make a short speech documenting the extraordinary progress the greater Geelong region and in particular my region of Corangamite has made in just 18 months since the election of Labor. Our local regional paper, the Geelong Advertiser, which is a paper of repute, today wrote an overview of the region’s future and its recent representation. Unbelievably, they completely forgot all that has been achieved in Corangamite and the western Victorian region, deriding the level of representation, particularly in the last 18 months. I am now going to remind them of these achievements.

Never in the 200 years of history since white settlement has so much been invested in our region. Never has so much been invested in transport infrastructure, in schools and in innovation. I would particularly like to thank the federal Minister for Infrastructure, Transport, Regional Development and Local Government, Minister Albanese; the Minister for Education, the Deputy Prime Minister, Julia Gillard; and the Minister for Finance and Deregulation, Lindsay Tanner, for the way they have listened to my representations on the need for infrastructure to set up our region for the coming decades. In just 18 months the big building blocks have been swung into place to open the region to the world and to create a better city and of course a better region.

We have put in place a whole new transport system, more connected towns, better schools and a healthier, more liveable environment. Never in our 200-year history has the greater Geelong region seen investment in infrastructure on this scale. Importantly, these are not one-off infrastructure investments in isolation. A strategic linking of investments is the result of years of thinking by local business, political and community leaders. I have been very pleased to be able to lead this lobbying process and to have the minister for infrastructure, the Minister for Education, the finance minister and the Rudd government back this vision. The vision has been significantly driven by federal and state government road and rail transport commitments of around $4 billion.

Funding is committed for all of the Geelong Ring Road and this massive project is now nearing completion. The Geelong Ring Road will link seamlessly onto a duplicated Princes
Highway and of course through to the important coast region. A $50 million investment in upgrading rail links into the Port of Geelong will connect our rail system better to the major export facility for western Victoria, the port of Geelong, making our port more competitive than other ports in our region. What has until recently been a primary producers’ and export-ers’ distant hope is now happening: we are investing in that facility. Opportunities for both commuters on public transport and rail freight will also greatly expand with the new $3.2 billion Geelong-Melbourne fast rail project. These transport infrastructure initiatives will substantially change and reduce car usage in the city of Geelong, increase road transport efficiency and reduce commuting times overall. With reduced costs and more efficient transport, new businesses, industries and jobs will come to Geelong and so will people.

Social infrastructure is also being completely modernised, with hundreds of millions of dollars being ploughed in. Every school in our region is being upgraded and major reforms are occurring in our higher education sector. Deakin University has a growing reputation as a major educational player on the world market. There is the $20 million National Innovation Centre being built in our region. As well, new community and regional recreational facilities are being planned for Torquay, Bannockburn, Geelong and Armstrong Creek. The centrepiece of our region’s sport and entertainment, Kardinya Park, is being upgraded with a $14 million funding commitment from Labor.

On top of all of this we are building a new GP superclinic that will service the region’s health needs. The attraction of jobs, the ease of access, a good education system, liveable communities and of course the regional or near coastal environment will inevitably fuel higher population growth areas such as Armstrong Creek, Bannockburn and the Surf Coast. Our region is set to capture a much larger slice of Victoria’s growth and a bigger slice of new jobs. All of this infrastructure will be delivered in the next few years. *(Time expired)*

Question agreed to.

**Main Committee adjourned at 1.08 pm**
Mr Ciobo asked the Minister for the Environment, Heritage and the Arts, in writing, on 23 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 his department;

(b) what sum of funding did each organisation and project receive; and

(c) for what purpose was each funding commitment made.

Mr Garrett—The answer to the honourable member’s question is as follows:

The following organisations and projects which received funding from programs administered by the Department of the Environment, Water, Heritage and the Arts (the department) were clearly defined as being located within the Moncrieff electorate. It is possible that other activities within the electorate may have been funded by the department, however these have not been identified due to projects being administered over a wide geographic region – for example projects which cover natural resource management regions which overlap with the electorate.

<table>
<thead>
<tr>
<th>Program</th>
<th>Project Description</th>
<th>Recipient Name</th>
<th>Total</th>
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<tbody>
<tr>
<td>Grants to Voluntary Environment and Heritage Organisations (GVEHO)</td>
<td>The program provides administrative funds to help community-based, not-for-profit environment and historic heritage organisations to value, conserve and protect Australia’s natural environment and historic heritage for current and future generations.</td>
<td>Friends of Federation Walk</td>
<td>$2,300</td>
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<tr>
<td>GVEHO</td>
<td>As above</td>
<td>Friends of the Gold Coast Regional Botanic Gardens</td>
<td>$1,500</td>
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<tr>
<td>GVEHO</td>
<td>As above</td>
<td>Gold Coast and Hinterland Historical Society Gold Coast Film Fantastic Ltd</td>
<td>$17,380</td>
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<tr>
<td>Festivals Australia</td>
<td>Possibilities Project funded a 50 minute projection based live performance that incorporated dance and music. It featured athletes with disabilities and the limitless possibilities sports and other activities offer these individuals.</td>
<td>Gold Coast Film Fantastic Ltd</td>
<td>$17,380</td>
</tr>
<tr>
<td>Low Emission Technology Abatement - Strategic Abatement</td>
<td>This project aims at demonstrating greenhouse gas abatement achievable through the installation of a new high tech resource monitoring and control system in homes at the Ecovillage at Currumbin.</td>
<td>Gold Coast City Council</td>
<td>$80,300</td>
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<td>Program</td>
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<tr>
<td>Solar Homes and Communities Plan</td>
<td>Cash rebates are paid to householders and owners of community use buildings for installation of photovoltaic systems (conditions apply).</td>
<td>Various</td>
<td>$251,929</td>
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<tr>
<td>Solar Hot Water Rebate Program</td>
<td>The Australian Government is helping Australian households install climate friendly hot water technologies. Cash rebates are available in eligible circumstances to install solar and heat pump hot water systems to replace electric storage hot water systems in existing privately owned homes.</td>
<td>Various</td>
<td>$40,000</td>
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<tr>
<td>Green Vouchers</td>
<td>The previous Government's Green Vouchers for Schools Program supported schools in installing rainwater tanks and/or solar hot water systems. Following feedback from schools, the Government is replacing this program with a new, more flexible initiative, the National Solar Schools Program.</td>
<td>Gilston State School</td>
<td>$48,904</td>
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<td>Green Vouchers</td>
<td>As above</td>
<td>Emmanuel College</td>
<td>$50,000</td>
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<td>Green Vouchers</td>
<td>As above</td>
<td>Trinity Lutheran College</td>
<td>$15,100</td>
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<tr>
<td>Green Vouchers</td>
<td>As above</td>
<td>Musgrave Hill State School</td>
<td>$23,348</td>
</tr>
<tr>
<td>Community Water Grants</td>
<td>Nerang State High School will save water by replacing inefficient toilets, taps and urinals with more efficient models. This project will save 842,250 litres of potable water each year.</td>
<td>Nerang State High School</td>
<td>$49,654</td>
</tr>
<tr>
<td>Community Water Grants</td>
<td>Southport State School will save water by installing rainwater tanks for irrigation. This project will save 259,661 litres per year.</td>
<td>Southport State School</td>
<td>$49,528</td>
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<tr>
<td>Community Water Grants</td>
<td>Nerang Community Bowls Club will save water by installing tanks to collect and store rainwater from roof. Harvested rainwater will be used to flush toilets and to irrigate the greens. This project will save 1,358,484 litres of water per year.</td>
<td>Nerang Community Bowls Club</td>
<td>$46,911</td>
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<tr>
<td>Community Water Grants</td>
<td>The Kumbari Avenue School Water Efficiency Project will install flow control valves and dual flush toilets. This project will save 934,800 litres of water per year.</td>
<td>The Kumbari Avenue School-Gold Coast</td>
<td>$49,868</td>
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<tr>
<td>Community Water Grants</td>
<td>Gold Coast Pistol Club Limited will save water by installing rainwater tanks, plumbing an irrigation system, bore capping, controlling leaks and installing sensors. This project will save 100,320 litres of water per year.</td>
<td>Gold Coast Pistol Club Limited</td>
<td>$50,000</td>
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<tr>
<td>Community Water Grants</td>
<td>St Kevin’s School will save water by upgrading their irrigation system and installing water tanks. The harvested rainwater will be used to irrigate their playing fields. This project will save 1,650,000 litres of potable water per year.</td>
<td>The Corporation of the Trustees of the Roman Catholic Archdiocese of Brisbane</td>
<td>$49,160</td>
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<tr>
<td>Community Water Grants</td>
<td>Gold Coast City Council will save water by capturing rainwater from Gold Coast Stadium roof. The water will be stored in rainwater tanks and be used for irrigating the oval and flushing of public toilets. This project will save 1,700,000 litres of water per year.</td>
<td>Gold Coast City Council</td>
<td>$129,750</td>
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<td>Community Water Grants</td>
<td>Merrimac State High School will save water by installing rainwater tanks. This project will save 1,022,371 litres of water per year.</td>
<td>Merrimac State High School</td>
<td>$50,000</td>
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<tr>
<td>Community Water Grants</td>
<td>The Corporation of the Trustees of the Roman Catholic Archdiocese of Brisbane will save water by installing water tanks. Harvested rainwater will be used to flush toilets and to irrigate the grounds or washing outdoor equipment. This project will save 316,109 litres of water per year.</td>
<td>The Corporation of the Trustees of the Roman Catholic Archdiocese of Brisbane</td>
<td>$48,030</td>
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<td>Community Water Grants</td>
<td>Worongary State School will save water by retrofitting dual flush toilets and water efficient taps. This project will save 592,350 litres per year.</td>
<td>Worongary State School</td>
<td>$48,847</td>
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<td>Community Water Grants</td>
<td>The Broadbeach Kindergarten will save water by installing a rainwater tank. The harvested water will be used to irrigate grounds. This project will save 20,000 litres of water per year.</td>
<td>The Broadbeach Kindergarten Association</td>
<td>$5,745</td>
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<td>Community Water Grants</td>
<td>This project will save water by installing slow flow devices at Miami State School. The school will install constant flow control valves, dual flush toilets, waterless urinal systems. The project will save 665,140 litres of water per year.</td>
<td>Miami State High School</td>
<td>$39,782</td>
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<tr>
<td>Community Water Grants</td>
<td>This project at Southport Pony and Hack Club will save water by installing tanks to store harvested rainwater which will then be used to irrigate the arena. The irrigation system will also be upgraded to increase water efficiency. This project will save 201,600 litres of water per year.</td>
<td>Southport Pony and Hack Club</td>
<td>$49,958</td>
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<td>Community Water Grants</td>
<td>This project will save water at Mermaid Beach Bowls Club through the installation of water tanks. Rainwater will be used to flush toilets and irrigate gardens. The project will save 1,965,360 litres of water per year.</td>
<td>Mermaid Beach Bowls Club Incorporated</td>
<td>$16,327</td>
</tr>
<tr>
<td>Community Water Grants</td>
<td>This project will save water at Guardian Angels Primary School by installing water tanks for flushing toilets and irrigation. Dual flush toilets will also be installed. The project will save 1,920,000 litres of water a year.</td>
<td>The Corporation of the Trustees of the Roman Catholic Archdiocese of Brisbane</td>
<td>$49,896</td>
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<tr>
<td>Community Water Grants</td>
<td>This project will save water at Musgrave Hill State School by upgrading the amenities block, installing dual flush toilets, waterless urinals and slow flow devices. This project will save 963,000 litres of water per year.</td>
<td>Musgrave Hill State School</td>
<td>$42,245</td>
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<tr>
<td>Community Water Grants</td>
<td>This project will save water at Southport State High School by installing rainwater and stormwater tanks to collect water for irrigation. The irrigation system will also be upgraded, installing slow flow devices, moisture sensors and evaporation control. This project will save 1,378,000 litres per year.</td>
<td>Southport State High School</td>
<td>$48,792</td>
</tr>
<tr>
<td>Natural Resource Management Envirofund</td>
<td>This project will enhance the current capacity of the BeachCare program to engage with the local community and facilitate community dune planting activities. Activities will include establishing a new BeachCare site, site preparation at three existing sites and one new site, weed management, planting of 600 native coastal species, distribution of flyers to the local community, development of project plans for each site and a community awareness and training event. The project will improve the health of the local dunes through enhancing the biodiversity and managing weeds within an urbanised coastal area.</td>
<td>Griffith University</td>
<td>$20,073</td>
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<td>Program</td>
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<tr>
<td>Natural Resource Management Envirofund</td>
<td>This project will develop a resource kit to increase knowledge and awareness of the vegetation communities within threatened coastal dune areas and the importance of this vegetation to the coastal ecosystem, to be distributed to the local community and schools.</td>
<td>Griffith University</td>
<td>$9,781</td>
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<td>This project will build the knowledge and awareness of Gold Coast Catchment Groups around issues relating to natural resource management in the coastal and marine environments of the region. Two major capacity building events will be held. A local catchment management forum and planning workshop for on-ground groups and a catchment management technical support and technology fair will be held to develop skills and knowledge for resource managers in planning for sustainable use and management of marine and coastal resources.</td>
<td>Gold Coast Catchment Association Inc</td>
<td>$14,826</td>
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<tr>
<td>Water Smart Australia</td>
<td>Capturing water losses through pressure management of the Gold Coasts water supply reticulation system.</td>
<td>Gold Coast City Council</td>
<td>$1,500,000</td>
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<td>$2,951,251</td>
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Small Business
(Question No. 669)

Mr Ciobo asked the Minister for Families, Housing, Community Services and Indigenous Affairs, in writing, on 19 March 2009

(1) From 1 July 2007 to 30 June 2008:

(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 Macklin—The answer to the honourable member’s question is as follows:

(1) (a) (i) The number of payments made to small or medium businesses that were more than 30 days late during the reporting period was 1,570 or 9.3% of all payments to small and medium enterprises.

(ii) The number of payments made to small or medium businesses that were more than 60 days late during the reporting period was 250 or 1.5%.

(b) The average time lapsed between invoices being received and payments being made to small businesses during the reporting period was 25.67 days.
ArtBank
(Question No. 725)

Mr Ciobo asked the Minister for the Environment, Heritage and the Arts, in writing, on 12 May 2009:

In respect of his announcement on 19 March 2009 regarding appointments to the Board of ArtBank—
(1) Are new members replacing outgoing members or is the Board membership being expanded.
(2) What recruitment process was undertaken for the selection of the new members of the Board.
(3) Did he meet with the new members prior to their appointment; if so, which members, and on what date(s).
(4) Did his personal staff meet with the new members prior to their appointment; if so, which members, and on what date(s).
(5) Did he, his personal staff, or his department seek advice from industry stakeholders prior to the appointment of the new Board members; if so, what are the names of the stakeholders that were consulted.

Mr Garrett—The answer to the honourable member’s question is as follows:
(1) The new members are replacing outgoing members.
(2) Board members were selected with a view to maintaining the mix of skills on the board.
(3) No.
(4) No.
(5) From time to time the Department may seek input from stakeholders on potential appointees. No specific consultation process was undertaken in respect of these appointments.