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SITTING DAYS—2010

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FORTY-SECOND PARLIAMENT
FIRST SESSION—SEVENTH 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. Anthony John Abbott MP
Deputy Leader—Hon. Julie Isabel Bishop MP
Chief Opposition Whip—Hon. Alexander Michael Somlyay MP
Opposition Whips—Mr Michael Andrew Johnson MP and Ms Nola Bethwyn Marino MP

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

Printed by authority of the House of Representatives
## Members of the House of Representatives

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<td>Windsor, Anthony Harold Curties</td>
<td>New England, NSW</td>
<td>Ind</td>
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<td>Wood, Jason Peter</td>
<td>La Trobe, Vic</td>
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<tr>
<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—R Laing
Clerk of the House of Representatives—B Wright
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 Trade Hon. Simon Crean MP
Minister for Foreign Affairs and Deputy Leader of the House Hon. Stephen Smith MP
Minister for Health and Ageing Hon. Nicola Roxon MP
Minister for Families, Housing, Community Services and Indigenous Affairs Hon. Jenny Macklin MP
Minister for Finance and Deregulation Hon. Lindsay Tanner 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 Human Services and Minister for Financial Services, Superannuation and Corporate Law Hon. Chris Bowen MP

[The above ministers constitute the cabinet]
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<tr>
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<td>Hon. Alan Griffin MP</td>
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<tr>
<td>Minister for Housing and Minister for the Status of Women</td>
<td>Hon. Tanya Plibersek MP</td>
</tr>
<tr>
<td>Minister for Home Affairs</td>
<td>Hon. Brendan O'Connor MP</td>
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<tr>
<td>Minister for Indigenous Health, Rural and Regional Health and Regional Services Delivery</td>
<td>Hon. Warren Snowdon MP</td>
</tr>
<tr>
<td>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</td>
<td>Hon. Dr Craig Emerson MP</td>
</tr>
<tr>
<td>Assistant Treasurer</td>
<td>Senator Hon. Nick Sherry</td>
</tr>
<tr>
<td>Minister for Ageing</td>
<td>Hon. Justine Elliot MP</td>
</tr>
<tr>
<td>Minister for Early Childhood Education, Childcare and Youth and Minister for Sport</td>
<td>Hon. Kate Ellis MP</td>
</tr>
<tr>
<td>Minister for Defence Personnel, Materiel and Science and Minister Assisting the Prime Minister on Government Service Delivery</td>
<td>Hon. Greg Combet AM, MP</td>
</tr>
<tr>
<td>Minister for Employment Participation and Minister Assisting the Prime Minister on Government Service Delivery</td>
<td>Senator Hon. Mark Arbib</td>
</tr>
<tr>
<td>Parliamentary Secretary for Infrastructure, Transport, Regional Development and Local Government</td>
<td>Hon. Maxine McKew MP</td>
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<tr>
<td>Parliamentary Secretary for Defence Support and Parliamentary Secretary for Water</td>
<td>Hon. Dr Mike Kelly AM, MP</td>
</tr>
<tr>
<td>Parliamentary Secretary for Western and Northern Australia</td>
<td>Hon. Gary Gray AO, MP</td>
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<tr>
<td>Parliamentary Secretary for Disabilities and Children’s Services and Parliamentary Secretary for Victorian Bushfire Reconstruction</td>
<td>Hon. Bill Shorten</td>
</tr>
<tr>
<td>Parliamentary Secretary for International Development Assistance</td>
<td>Hon. Bob McMullan MP</td>
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<tr>
<td>Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Trade</td>
<td>Hon. Anthony Byrne MP</td>
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<tr>
<td>Parliamentary Secretary for Social Inclusion and Parliamentary Secretary for Voluntary Sector</td>
<td>Senator Hon. Ursula Stephens</td>
</tr>
<tr>
<td>Parliamentary Secretary for Multicultural Affairs and Settlement Services</td>
<td>Hon. Laurie Ferguson MP</td>
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<tr>
<td>Parliamentary Secretary for Employment</td>
<td>Hon. Jason Clare MP</td>
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<td>Parliamentary Secretary for Health</td>
<td>Hon. Mark Butler MP</td>
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<tr>
<td>Parliamentary Secretary for Innovation and Industry</td>
<td>Hon. Richard Marles MP</td>
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</table>
SHADOW MINISTRY

Leader of the Opposition
Shadow Minister for Foreign Affairs and Deputy Leader of the Opposition
Shadow Minister for Trade, Transport, Regional Development and Local Government and Leader of The Nationals
Shadow Minister for Resources and Energy and Leader of the Opposition in the Senate
Shadow Minister for Employment and Workplace Relations and Deputy Leader of the Opposition in the Senate
Shadow Treasurer
Shadow Minister for Education, Apprenticeships and Training and Manager of Opposition Business in the House
Shadow Minister for Infrastructure and Water
Shadow Attorney-General
Shadow Minister for Defence
Shadow Minister for Health and Ageing
Shadow Minister for Families, Housing and Human Services
Shadow Minister for Climate Action, Environment and Heritage
Shadow Minister for Indigenous Affairs and Deputy Leader of The Nationals
Shadow Minister for Finance and Debt Reduction and Leader of The Nationals in the Senate
Shadow Minister for Agriculture, Food Security, Fisheries and Forestry
Shadow Minister for Small Business, Deregulation, Competition Policy and Sustainable Cities
Shadow Minister for Broadband, Communications and the Digital Economy
Shadow Minister for Immigration and Citizenship
Shadow Minister for Innovation, Industry, Science and Research
Chairman of the Coalition Policy Development Committee

Hon. Tony Abbott MP
Hon. Julie Bishop MP
Hon. Warren Truss MP
Senator Hon. Nick Minchin
Senator Hon. Eric Abetz
Hon. Joe Hockey MP
Hon. Christopher Pyne MP
Hon. Ian Macfarlane MP
Senator Hon. George Brandis SC
Senator Hon. David Johnston
Hon. Kevin Andrews MP
Hon. Greg Hunt MP
Senator Hon. Nigel Scullion
Senator Barnaby Joyce
Hon. John Cobb MP
Hon. Bruce Billson MP
Hon. Tony Smith MP
Mr Scott Morrison MP
Mrs Sophie Mirabella MP
Hon. Andrew Robb AO MP

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

Shadow Minister for Tourism and the Arts and Shadow Minister for Youth and Sport
Mr Steven Ciobo MP

Shadow Minister for Employment Participation, Apprenticeships and Training
Senator Mathias Cormann

Shadow Minister for Consumer Affairs, Financial Services, Superannuation and Corporate Law and Deputy Manager of Opposition Business in the House
Mr Luke Hartsuyker MP

Shadow Assistant Treasurer
Hon. Sussan Ley MP

Shadow Minister for COAG and Modernising the Federation
Senator Marise Payne

Shadow Minister for Early Childhood Education and Childcare and Shadow Minister for the Status of Women
Hon. Dr Sharman Stone MP

Shadow Minister for Justice and Customs
Mr Michael Keenan MP

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

Shadow Minister for Veterans Affairs
Mrs Louise Markus MP

Shadow Minister for Ageing
Senator Concetta Fierravanti-Wells

Shadow Minister for Seniors
Hon. Bronwyn Bishop MP

Shadow Special Minister of State and Scrutiny of Government Waste
Senator Hon. Michael Ronaldson

Shadow Parliamentary Secretary Assisting the Leader of the Opposition and Shadow Parliamentary Secretary for Infrastructure and Population Policy
Senator Cory Bernardi

Shadow Parliamentary Secretary for Northern and Remote Australia
Senator Hon. Ian Macdonald

Shadow Parliamentary Secretary for Roads and Transport
Mr Don Randall MP

Shadow Parliamentary Secretary for Regional Development and Emerging Trade Markets
Mr Mark Coulton MP

Shadow Parliamentary Secretary for Tourism
Mrs Jo Gash MP

Shadow Parliamentary Secretary for Education and School Curriculum Standards
Senator Hon. Brett Mason

Shadow Parliamentary Secretary for the Murray Darling Basin and Shadow Parliamentary Secretary for Climate Action
Senator Simon Birmingham

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

Shadow Parliamentary Secretary for Defence
Mr Stuart Robert MP

Shadow Parliamentary Secretary for Regional Health Services, Health and Wellbeing
Dr Andrew Southcott MP

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

Shadow Parliamentary Secretary for Families, Housing and Human Services and Shadow Parliamentary Secretary for Citizenship
Senator Gary Humphries

Shadow Parliamentary Secretary for Agriculture, Fisheries and Forestry
Senator Hon. Richard Colbeck
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Ambassador to the North Atlantic Treaty Organisation and/or European Union—
Wednesday, 3 February 2010

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

INDIGENOUS AFFAIRS

Suspension of Standing and Sessional Orders

Mr ANDREWS (Menzies) (9.00 am)—I move:

That so much of the standing and sessional orders be suspended as would prevent the member for Menzies from moving the following motion forthwith: That this House:

(1) notes the Prime Minister’s commitment, repeated at the Progressive Governance Conference in London on 4 April 2008, that “each year in Australia’s Federal Parliament the first working day will be marked by a Prime Ministerial statement reporting on progress in closing the life expectancy gap, progress in closing the gap in infant mortality and mortality of children up to five, and progress on closing the literacy and numeracy gap between indigenous and non-indigenous Australians.”

(2) notes that the Prime Minister has failed to deliver such statement to the Parliament.

(3) calls on the Prime Minister to forthwith report to the Parliament as he promised; and

(4) asks him to explain why he has broken his promise to the Australian people.

This is another broken promise from the Prime Minister—

Mr ALBANESE (Grayndler—Leader of the House) (9.02 am)—I move:

That the member be no longer heard.

Question put:

The House divided. [9.06 am]

(The Speaker—Mr Harry Jenkins)

Ayes……….... 77
Noes……….... 58
Majority………. 19

AYES

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

NOES

Andrews, K.J. Bailey, F.E.
Baldwin, R.C. Billson, B.F.
Bishop, B.K. Bishop, J.I.
Briggs, J.E. Broadbent, R.
Chester, D.  Ciobo, S.M.
Coulton, M.  Dutton, P.C.
Farmer, P.F.  Fletcher, P.
Forrest, J.A.  Gash, J.
Georgiou, P.  Haase, B.W.
Hartsuyker, L.  Hawke, A.
Hawker, D.P.M.  Hockey, J.B.
Hunt, G.A.  Irons, S.J.
Jensen, D.  Johnson, M.A.
Keenan, M.  Laming, A.
Ley, S.P.  Macfarlane, I.E.
Marino, N.B.  Markus, L.E.
May, M.A.  Mirabella, S.
Morrison, S.J.  Moylan, J.E.
O’Dwyer, K.  Oakeshott, R.J.M.
Pearce, C.J.  Pyne, C.
Ramsey, R.  Schultz, A.
Ruddock, P.M.  Seeker, P.D.
Scott, B.C.  Slipper, P.N.
Simpkins, L.  Southcott, A.J.
Smith, A.D.H.  Truss, W.E.
Stone, S.N.  Turnbull, M.
Tuckey, C.W.  Washer, M.J.
Vale, D.S.  Wood, J.
Windsor, A.H.C.  *

PAIRS
Crean, S.F.  Somlyay, A.M.
Irwin, J.  Hull, K.E.

* denotes teller

Question agreed to.

The SPEAKER—Is the motion seconded?

Mr LAMING (Bowman) (9.12 am)—I second the motion.

Mr ALBANESE (Grayndler—Leader of the House) (9.12 am)—I move:

That the member no longer be heard.

Question put:

The House divided.  [9.13 am]

(The Speaker—Mr Harry Jenkins)

AYES

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<td>Bird, S.</td>
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Noes: 77

Majority: 19

NOES

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BAiley, F.E.
Billson, B.F.
Bishop, J.I.
Broadbent, R.
Question agreed to.

Original question put:

That the motion (Mr Andrews') be agreed to.

The House divided. [9.16 am]

(The Speaker—Mr Harry Jenkins)

Ayes............. 58
Noes............. 77
Majority......... 19

AYES

Andrews, K.J. Bailey, F.E. Baillieu, B.F.
Baldwin, R.C. Billson, B.F. Bishop, J.L.
Bishop, B.K. Briggs, J.E. Broadbent, R.
Chester, D. Ciobo, S.M. Ciobo, S.M.
Coulton, M. Dutton, P.C. Dutton, P.C.
Farmer, P.F. Fletcher, P. Fletcher, P.
Forrest, J.A. * Gash, J. Gash, J.
Georgiou, P. Haase, B.W. Haase, B.W.

Hawker, D.P.M. Hawker, D.P.M.
Hunt, G.A. Hunt, G.A.
Jensen, D. Jensen, D.
Keenan, M. Keenan, M.
Laming, A. Laming, A.
Markus, L.E. Markus, L.E.
May, M.A. May, M.A.
Mirabella, S. Mirabella, S.
Moylan, J.E. Moylan, J.E.
Oakeshott, R.J.M. Oakeshott, R.J.M.
Pyne, C. Pyne, C.
Southcott, A.J. Southcott, A.J.
Wood, J. Wood, J.

NOES

Adams, D.G.H. Albanese, A.N.
Albanese, A.N. Bevis, A.R.
Bevis, A.R. Bird, S.
Bird, S. Bradbury, D.I.
Bradbury, D.I. Burke, A.S.
Burke, A.S. Byrne, A.M.
Byrne, A.M. Champion, N.
Champion, N. Clare, J.D.
Clare, J.D. Combet, G.
Combet, G. Danby, M.
Danby, M. Dreyfus, M.A.
Dreyfus, M.A. Ellis, A.L.
Ellis, A.L. Ferguson, L.D.T.
Ferguson, L.D.T. Fitzgibbon, J.A.
Fitzgibbon, J.A. Georginas, S.
Georginas, S. Gibbons, S.W.
Gibbons, S.W. Grierson, S.I.
Grierson, S.I. Hale, D.F.
Hale, D.F. Hayes, C.P.*
Hayes, C.P.*. Kelly, M.J.
Kelly, M.J. King, C.F.
King, C.F. Macklin, J.L.
Macklin, J.L. McClelland, R.B.
McClelland, R.B. McMillan, R.F.
McMillan, R.F. Murphy, J.
Murphy, J. Neumann, S.K.
Neumann, S.K. Owens, J.
Owens, J. Perrett, G.D.
Perrett, G.D. Price, L.R.S.
Price, L.R.S. Rea, K.M.
Rea, K.M.
Rishworth, A.L. Roxon, N.L.
Saffin, J.A. Shorten, W.R.
Sidebottom, S. Smith, S.F.
Swan, W.M. Symon, M.
Tanner, L. Thomson, C.
Thomson, K.J. Trevor, C.
Turnour, J.P. Vamvakinou, M.
Zappia, A.

PAIRS
Crean, S.F. Somlyay, A.M.
Irwin, J. Hull, K.E.

* denotes teller

Question negatived.

COMMITTEES
Public Accounts Committee
Membership
The SPEAKER—I have received messages from the Senate informing the House that Senator Bushby has been discharged from the Joint Committee of Public Accounts and Audit and that Senator Kroger has been appointed a member of the committee.

TELECOMMUNICATIONS (INTERCEPTION AND ACCESS) AMENDMENT BILL 2009
FOREIGN ACQUISITIONS AND TAKEOVERS AMENDMENT BILL 2009
Returned from the Senate
Message received from the Senate returning the bills without amendment or request.

BUSINESS
Consideration of Private Members’ Business
Report
Mr PRICE (Chifley) (9.19 am)—I present the report of the recommendations of the whips relating to committee and delegation reports and private members’ business on Monday, 8 February 2010. Copies of the report have been placed on the table.

The report read as follows—

Pursuant to standing order 41A, the Whips recommend the following items of committee and delegation reports and private Members’ business for Monday, 8 February 2010. The order of precedence and allotments of time for items in the Main Committee and Chamber are as follows:

Items recommended for Main Committee (6.55 to 8.30 pm)

PRIVATE MEMBERS’ BUSINESS
Notices
1 MR BRIGGS: To move—
That the House:

(1) notes that:
(a) archives are an important source of primary information for researchers, school students and the general public; and
(b) the South Australian National Archives Office provides South Australians with access to valuable and relevant Australian Government records, including but not limited to important information on migrant arrivals and residenices, government decisions and actions, High Court judgements and prominent people such as Governors-General and Prime Ministers;

(2) recognises that records, especially of the Australian Government, should be available in each State and Territory to ensure all Australians have reasonable access to these important documents; and

(3) calls on the Special Minister of State to reverse the decision to close the South Australian National Archives Office to ensure South Australians continue to have readily available access to national archive collections in South Australia.

Time allotted —30 minutes.

Speech time limits —
Mr Briggs —10 minutes.
Next Member —10 minutes.
Other Members —5 minutes each.
[Minimum number of proposed Members speaking = 2 x 10 mins + 2 x 5 mins]
The Whips recommend that consideration of this should continue on a future day.
2 MS PARKE: To move—
That the House:
(1) expresses its:
(a) deep sympathy for the people of Haiti following the 7.0 magnitude earthquake that struck on 12 January 2010 causing terrible devastation, including large-scale loss of life and injury; destruction of homes, buildings and infrastructure; and widespread hunger, thirst, homelessness and lack of security;
(b) deep sympathy for the United Nations as this disaster has caused the greatest loss of life of United Nations staff members in the organisation’s history; and
(c) strong appreciation for the critical work of the United Nations in Haiti, which it continues to perform under extremely difficult circumstances;
(2) strongly supports the actions of the Government in providing funding in the amount of $10 million for immediate emergency relief in Haiti, and $5 million for reconstruction, as well as technical assistance in the relief and reconstruction effort;
(3) urges the Government to consider the provision of further funding and assistance towards the reconstruction effort over the months and years ahead;
(4) notes its appreciation of the contribution of many United Nations’ member states and Non Government Organisations (NGOs) to the aid effort in Haiti; and
(5) recognises and welcomes the generous and compassionate contributions made by many Australians, and by Australian-based NGOs and charities to the relief efforts in Haiti.

Time allotted —30 minutes.

Speech time limits —
Ms Parke —5 minutes.
Other Members —5 minutes each.

[Minimum number of proposed Members speaking = 6 x 5 mins]

The Whips recommend that consideration of this should continue on a future day.

3 MR HAASE: To move—
That the House:
(1) recognises that:
(a) the proposal to heritage list 17 million hectares of the Kimberley will deter mining companies from investing in the region, further disadvantage all local communities and seriously damage the future of mining in Australia;
(b) those involved in mineral exploration and mining projects, particularly in Western Australia, are subject to an already burdensome approvals process;
(c) adding more red tape by applying National Heritage status to such a vast area would be the breaking point for many companies who would consider moving their investments to other locations;
(d) an ill defined approach suggests a lack of research and understanding of heritage listings; and
(e) the indiscriminate listing fails to recognise the contributions that others such as miners and pastoralists make to the economic viability and heritage of regional areas;
(2) ensures that the Government commits to meaningful consultation across a broad section of the community; and
(3) condemns:
(a) the blanket listing of this vast area of the Kimberley; and
(b) the additional restrictions placed on pastoralists and miners.

Time allotted —remaining private Members’ business time prior to 8.30 pm.

Speech time limits —
Mr Hause —10 minutes.
Next Member —10 minutes.
Other Members —5 minutes each.

[Minimum number of proposed Members speaking = 2 x 10 mins + 3 x 5 mins]

The Whips recommend that consideration of this should continue on a future day.
Items recommended for House of Representatives Chamber (8.40 to 9.30 pm)

COMMITTEE AND DELEGATION REPORTS

Presentation and statements

1 JOINT STANDING COMMITTEE ON FOREIGN AFFAIRS, DEFENCE AND TRADE

Defence Sub-Committee Visit to East Timor.

The Whips recommend that statements on the report may be made—all statements to conclude by 8.50 pm

Speech time limits —

Mr Bevis (Chair) —5 minutes
Other Member —5 minutes

[Minimum number of proposed Members speaking = 2 x 5 mins]

2 STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS

A Time for Change: Yes/No? Inquiry into the machinery of referendums.

The Whips recommend that statements on the report may be made—all statements to conclude by 9 pm

Speech time limits —

Mr Dreyfus (Chair) —5 minutes
Other Member —5 minutes

[Minimum number of proposed Members speaking = 2 x 5 mins]

PRIVATE MEMBERS’ BUSINESS

Notices

1 MR ABBOTT: To present a Bill for an Act to protect the interests of Aboriginal traditional owners in the management, development and use of native title land situated in wild river areas, and for related purposes. (Wild Rivers (Environmental Management) Bill 2010).

Presenter may speak for a period not exceeding 5 minutes—pursuant to standing order 41.

2 MS RISHWORTH: To move—

That the House:

(1) notes with concern the increasing sexualisation and objectification of girls in mainstream media;

(2) recognises that both media and peer influences contribute to the sexualisation of girls including:

(a) television, music videos, magazines, music lyrics, movies, cartoons, clothing, toys, computer games and the internet; and

(b) attitudes of peers and family;

(3) notes with concern the potential negative consequences of the sexualisation of girls on children and young adults, including negative body image, eating disorders, low self esteem, mental illness, poor physical health and gender role stereotyping;

(4) believes further research is necessary to understand the full effects that early sexualisation and objectification of girls in the mainstream media has on children and young adults;

(5) urges governments, publishers, broadcasters, advertisers, retailers and manufacturers to:

(a) work together to review and develop appropriate standards and industry guidelines to address the sexualisation of children and limit its negative impact; and

(b) assist parents and children to understand and manage the influence of sexualisation of girls in the mainstream media and associated negative consequences.

Time allotted —remaining private Members’ business time prior to 9.30 pm.

Speech time limits —

Ms Rishworth —5 minutes
Other Members —5 minutes each

[Minimum number of proposed Members speaking = 5 x 5 mins]

The Whips recommend that consideration of this should continue on a future day.

Report adopted.
PROTECTION OF THE SEA LEGISLATION AMENDMENT BILL 2010

First Reading

Bill and explanatory memorandum presented by Mr Albanese.

Bill read a first time.

Second Reading

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (9.20 am)—I move:

That this bill be now read a second time.

Shipping is vital for world trade, particularly for an island nation such as Australia.

Nearly 4,000 ships carry commodities to and from Australia's shores each year, carrying 99 per cent of our imports and exports, by volume. Australia has the fifth largest shipping task in the world.

It is inevitable that with such a large amount of shipping there will be pollution of the oceans and the atmosphere. As a government, we are committed to preventing and reducing marine pollution where possible.

The best way of doing this is to ensure that Australian legislation reflects international standards.

This bill will amend two acts to strengthen Australia's comprehensive marine pollution prevention regime.

The International Maritime Organization (IMO), whose headquarters are in London, has adopted a number of conventions which are intended to reduce pollution by ships.

The most important of these conventions is the International Convention for the Prevention of Pollution from Ships, which is generally referred to as MARPOL.

MARPOL has six technical annexes which deal with different aspects of marine pollution. These are pollution by oil, noxious liquid substances in bulk, harmful substances carried by sea in packaged form, sewage, garbage and air pollution.

About 150 countries have adopted at least some of these annexes.

Australia has adopted all six.

Schedule 1 of this bill will implement amendments to annex VI of MARPOL. Annex VI is intended to reduce air pollution by ships.

Adverse public health effects associated with air pollution include premature mortality, cardio-pulmonary disease, lung cancer and chronic respiratory ailments.

Annex VI places an upper limit on the emission of nitrogen oxides from marine diesel engines, limits the emission of sulphur oxides by limiting the sulphur content of fuel oil and prohibits the deliberate emission of ozone depleting substances from ships.

Amendments to annex VI, which were agreed to by the IMO in October 2008, will enter into force on 1 July 2010. The main effect of these amendments is to provide for a progressive reduction in the permitted sulphur level in fuel oil used in ships.

The current maximum sulphur content of 4.5 per cent will be reduced to 3.5 per cent from 1 January 2012. Subject to a review to be conducted in 2018 by the IMO, it is further proposed that the sulphur content of fuel oil be reduced to 0.5 per cent from 1 January 2020.

The IMO has agreed that some parts of the seas which are close to heavily populated areas be designated as emission control areas. An emission control area is an area in which there is a proven need for a further reduction of emissions from ships for health reasons.

At present, only two areas have been designated as emission control areas—the Baltic Sea and the North Sea.
The current permitted sulphur content in fuels used in emission control areas is 1.5 per cent. It will be reduced to one per cent from 1 July 2010 and to 0.1 per cent from 1 January 2015.

In order to implement the progressive reduction in permitted sulphur content of fuel oil, the bill provides for the maximum sulphur content to be set by regulation.

The proposed reduction in sulphur fuel content to 3.5 per cent from 1 January 2012 will have little practical impact on vessel operations in Australia. That is because the average sulphur level in worldwide fuel oil deliveries and the sulphur levels in fuel refined in Australia currently fall below the 3.5 per cent cap.

Another important aspect of this bill is to provide protection for persons or organisations who assist in the clean-up following a spill of fuel oil from a ship.

Recent experience demonstrates that even small oil spills can be very costly. For example, the clean-up and compensation costs following the spill of about 270 tonnes of fuel oil from the Pacific Adventurer off the south-east coast of Queensland in March 2009 exceeded A$30 million.

It is therefore essential that persons or organisations not be deterred from providing assistance because they think they may become liable if their actions inadvertently lead to increased pollution.

The bill includes a so-called responder immunity provision to protect persons and organisations who respond to a spill of fuel oil from liability provided they have acted reasonably and in good faith.

This bill continues the government’s efforts to enhance Australia’s marine pollution prevention regime.

I commend the bill to the House.

Debate (on motion by Mr Andrews) adjourned.

FAIRER PRIVATE HEALTH INSURANCE INCENTIVES BILL 2009 [No. 2]

Cognate bills:

FAIRER PRIVATE HEALTH INSURANCE INCENTIVES (MEDICARE LEVY SURCHARGE) BILL 2009 [No. 2]

FAIRER PRIVATE HEALTH INSURANCE INCENTIVES (MEDICARE LEVY SURCHARGE—FRINGE BENEFITS) BILL 2009 [No. 2]

Second Reading

Debate resumed from 19 November, on motion by Ms Roxon:

That this bill be now read a second time.

Mr DUTTON (Dickson) (9.26 am)—Seven months ago, when the government first introduced the Fairer Private Health Insurance Incentives Bill 2009 [No. 2] and cognate bills, I told the parliament that with these bills Australians knew for certain that they had a government that they could not trust, a government that would say one thing and do another, a government that was a fraud. The bills were a direct repudiation of firm commitments the now Prime Minister and the Minister for Health and Ageing gave to the Australian people time and time again that they would not change the rebates regime for the 11 million Australians who take responsibility for their own healthcare needs by taking out private health insurance and thereby relieving pressure on the public healthcare system in this country. No matter how the Prime Minister, the Treasurer or the health minister try to spin it, the effect of these bills, this new tax on private health insurance, is to break a promise the three of them made to the Australian people.
There are no ifs, buts or maybes about what this government committed to before the last election. It promised not to change the existing arrangements for private health insurance rebates introduced by the Howard government. The coalition opposed these bills then and they oppose them now. Nothing has changed in that regard. The bills remain a clear breach of promise on the part of this government, a breach it now tries to cloak as a major reform in health. What has changed, though, is the confirmation of those sentiments of seven months ago in the intervening period by the actions of the Prime Minister and the health minister in relation to this matter. The most spectacular attempt to justify the imposition of this new tax, this means test on health insurance rebates, came from the Prime Minister just days ago. If ever confirmation was needed that he is someone who will say anything, with little regard to fact, to further his political ends, then it came last Sunday with the Prime Minister's interview on the Nine Network with Laurie Oakes. To try to justify the broken promise that these bills represent, the Prime Minister drew on the latest—but as of then unpublished—Intergenerational report, he told Laurie Oakes:

What the Intergenerational report tomorrow will reveal for the first time is that the cumulative impact of knocking that major reform back is in the order of one hundred billion dollars over the next several decades.

That was an amazing claim, though perhaps what you would expect from this Prime Minister, who plucks figures out of the air to back up his arguments.

As everyone knows, the Intergenerational report was released publicly on Monday and the hunt began for the mythical $100 billion figure. Guess what? It was not there. No-one could find it. Nowhere in the 164 pages of the 2010 Intergenerational report did that figure exist. You have been caught out, Prime Minister. The Prime Minister later changed his story to say the figure was in the underpinning data—a qualification, of course, that he did not make to Laurie Oakes when he looked Laurie Oakes in the eye. This was barefaced misleading of not just Laurie Oakes but also the Australian people, and the Prime Minister should stand condemned for it. The simple fact is that this Prime Minister misled the Australian people in relation to private health insurance. This is a great big new tax on those 11 million Australians with private health insurance because it is going to drive up private health insurance premiums. This Prime Minister should come clean and he should apologise.

But that is just part of the deception that is going on here, a matter I will turn to in just a moment. But before I do—before we leave the Prime Minister’s mythical $100 billion—let us recount some other figures surrounding this broken promise. When the Minister for Health and Ageing, Ms Roxon, initially introduced the bills in the earlier part of last year, she told the parliament they would provide savings of $1.9 billion over four years. It was a figure the minister and the government repeated in the parliament and in the media. By late in the year, the Prime Minister, a serial offender in the field of exaggeration, was putting another figure out there. On 10 September, when questioned about the government’s changes to the private health insurance rebates on the ABC's 7:30 Report, the Prime Minister said:

… in the case of that one measure, PHI, that you mentioned, that’s worth some $9 billion in the decade ahead.

Now we are at $100 billion—$100 billion that was not in the report the Prime Minister cited. This is yet another exaggeration about savings over some several decades.

Let me turn to the other aspect of the prime ministerial ruse: that the savings from
the rebate means test, this new tax, will be directed at additional investments in health. It is a ruse that the health minister has also tried to perpetuate—although, as usual, she is all over the shop. In two years as minister, Ms Roxon has lurched from one disaster to another, and this is just the latest example. In August last year, the minister told the CEDA Health Reform Forum in Sydney:

... that the private health changes alone save enough to fund the Commission’s—
she is referring to the National Health and Hospitals Reform Commission—proposed e-health investments.

Three months later and the minister is quoted in the Age as saying:

This measure is part of the Government’s reform of the health system, will save about $1.9 billion over the next four years, and allow the Government to invest more in better services, new medicines and improved technology.

This $1.9 billion over four years has become the magic pot and used for a number of purposes. But it does not stop there; there is actually a different story here and it is this. When the Treasurer foreshadowed these bills in his last budget, he made it clear exactly where any savings from these measures would go. He said they were:

... to support the longer term sustainability of our pension system ...

That is, not to support health generally, as the Prime Minister says, nor e-health, as the health minister said in August, nor better services and new medicines, as the minister said in November—and who knows what the minister might say this month! No, at that stage, according to the Treasurer, the savings were to fund the pension system changes.

Given the Prime Minister’s comments on Sunday, the Treasurer was asked to clarify the situation on Monday. This was put to him by Malcolm Farr at the National Press Club on Monday of this week. Malcolm Farr said:

In your Budget speech you put the means testing of the private health insurance rebate under the heading of pension sustainability. You listed it as one of the structural changes that you wanted made so that Australia could keep affording to pay pensions to the growing pension receiving group. Over the last month or so, that money, those savings have suddenly been switched to paying for health.

This is where the government’s deception was exposed yet again. The Treasurer gave his answer:

It’s true that the private health insurance means testing that we put in there along with a number of other measures we had in the Budget, offset the cost of the pension increase, right out, right out past the forward estimates and well into the future.

The coalition backs additional support for pensioners. We have made that very clear and we have advocated alternative savings measures to offset any impact to the budget arising from rejection of these proposals. The government has point blank rejected these sensible alternatives, which shows that this is more about ideology than good policy.

The changes the government wants to make to the health insurance rebates have nothing to do with investments in health. They do have everything to do with an entirely different budgetary and ideological agenda. Yet the Prime Minister and the health minister have no hesitation in misleading the Australian people and saying on one day that the savings are for one thing and then the next day saying that they are for another thing and plucking figures out of the air to claim savings of $2 billion, $10 billion or $100 billion depending on which day you listen to them. They should stop this subterfuge and admit that what they propose in these bills is simply bad public policy.

If these measures are passed, there is no doubt that they would, firstly, put further pressure on public hospitals—the complete opposite of what Labor promised at the last
election and what this Prime Minister most insincerely has banged on about over the last two years. Secondly, they would increase the cost of private health insurance for millions of Australians, including those on lower incomes. What the Labor Party does not understand is that there is a pool of people who have private health insurance. If you take out some of those people, if you force out some of those people—particularly younger ones—and they leave that pool, it makes the insurance more expensive for those who remain. So by driving people out of private health insurance, particularly the younger people, and leaving the burden to older Australians—in particular, the millions of people who have private health insurance who are on incomes of $26,000 a year or less—you are going to drive up the premiums. But it does not stop there. Families who have private health insurance will, under Kevin Rudd’s proposed new tax on private health, face higher premiums. Families in Australia will face higher premiums as a result of these changes. The fact is that the government agrees that those outcomes will result.

The government have stated that a total of 40,000 people will drop private health cover as a result of these measures. Again, these figures from the government are all over the shop. It is hard to pin them down, because they change their position regularly. According to the government, that figure of 40,000 is made up of the following: 25,000 people who are expected to drop their hospital and general treatment cover; 10,000 people who have hospital and general treatment cover and who are expected to keep their hospital cover and drop their general treatment cover; and 5,000 people who have general treatment cover and will drop that cover. Catholic Health Australia commissioned research by Access Economics which showed that the number of people who will quit private health insurance could be significantly higher. So all Australians will pay a price for these proposed changes if they are passed. Those who have insurance will pay more through higher premiums.

These bills introduce three new tiers to the health insurance rebates. As a direct result of the changes in these bills, the cost of private health insurance will increase for millions of Australians by between 14.3 per cent and 66.7 per cent. These are people who earn above $75,000 as singles or $150,000 as couples. All of the 11 million privately insured Australians will be faced with increases in private health insurance premiums, and it is something that is not able to be counted by those opposite. Those who opt to have no insurance will pay more through the Medicare levy. Those who rely on public health treatment can expect longer waiting lists with more people seeking treatment. As people drop out of private health insurance they will be joining public hospital queues. That is an unquestionable fact.

What does this mean for our health system? It will increase the patients, treatments and costs on the public side of the ledger. The Prime Minister said, whilst all of this was happening, that he was going to fix public hospitals. The private health sector estimates that, over a year, this ‘fix’ could transfer almost 75,000 extra treatment episodes from the private sector to the public sector, meaning that public hospitals would have to accommodate an extra 190,000 bed days per year at a cost of some $200 million. This is a transfer to the states and territories, who operate Australia’s public hospitals, of $200 million—a shameful act by this government that is in direct contravention to what they said they would do, which was to relieve pressure on public hospitals. They are doing the complete opposite.

Four million allied health services would no longer be covered by private health insur-
ance. That is another outcome of this failed health policy of the Rudd government, and it comes at a cost of over $200 million. Almost two million dental treatments, for which private health insurance would have paid almost $100 million, would also no longer be covered. So there is no argument about whether there will be more pressure on the public health system; it is about how much additional pressure will flow from these ill-conceived measures.

Under the Hawke and Keating governments, the last Labor governments that left this nation mired in debt, the number of people with private health insurance fell to just 30 per cent of the population. The previous coalition government reversed that fall, through rebates and a series of other measures, to a situation where around 45 per cent of Australians were covered by private health insurance. If that were to change, the consequences would be grave. Our public hospitals have already been stretched to breaking point by the mismanagement of successive state Labor governments, and there are no better examples than Queensland and New South Wales. The corruption and the failed public policies that exist in both of those administrations are something for which they should be condemned at the next state elections. For more than a decade, a succession of Labor premiers in New South Wales, from Carr to Keneally, have been promising to fix health. With every promise, the situation in health only gets worse under Labor. In Queensland, from Beattie to Bligh, they not only promised to fix hospitals but, at one point, they declared them fixed—only for the data to show the complete opposite.

One thing we know about Labor in this country is that you cannot trust them when it comes to health. We are talking about the administration of a multibillion dollar sector, and Labor do not have the capacity to manage the health system. The worry for all of us is that Kevin Rudd is starting to look like those premiers, promising to fix health at every election but sitting on his hands in the intervening periods. After all, the Prime Minister learned his tricks first hand when he was the chief bureaucrat in Queensland under the Goss Labor government, which began widespread hospital closures and the removal of more than 2,200 hospital beds. Many people in Queensland say that that was when the rot in Queensland health started; that was the start of the demise of a once great and successful health system that is now on its knees. That is how the Prime Minister fixed hospitals in Queensland, where the health bureaucracy has ballooned—filling its ranks with spin doctors rather than real doctors and its hospitals with desks rather than beds. That is a formula that the Prime Minister now seems intent on repeating at a federal level.

The Prime Minister was the decision maker in a state system where he is now laying the blame. He is now repeating the process federally, hiring bureaucrats to review, discuss, study and monitor all of those problems in the health system. Whilst he is doing all of that he is not fixing a single thing in hospitals. Of course, this follows this Prime Minister’s grand success of Fuelwatch and GroceryWatch. I am guessing that we are not far away from seeing the Prime Minister unveil a new ‘hospital watch’ website with a suitably-sized army of bureaucrats rather than doctors and nurses in our hospitals. Imagine just how much worse things would have been over the last decade if there had been a federal Labor government driving people out of private health insurance, putting additional pressure onto the public hospitals. That is exactly where the Rudd government is headed now.

This is not the government’s first attack on private health and—I make this prediction
with great certainty—it will not be the last. Australians should remember that the Rudd government do not have a mandate to pursue the measures proposed in these bills. They specifically told voters that they would not make changes to the health insurance rebates. The matter was extensively canvassed before the last election. In a speech to the annual conference of the Australian Health Insurance Association in 2007, prior to the election, the now Minister for Health and Ageing said:

This is why we have committed to the current system of private health insurance incentives—including the package of rebates, the Lifetime Health Cover and the surcharge. Labor understands that people with private health insurance—now around 9 million Australians—have factored the rebate into their budgets and we won’t take this support away.

How disingenuous! When the coalition questioned the sincerity of Labor’s commitment, the now minister accused us of being dishonest, firing off a media release which said:

Federal Labor rejects the Liberal scare campaign around the Private Health Insurance rebates.

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

This is absolutely untrue.

The Howard Government will do anything and say anything to get elected.

It is easy to see who was dishonest now, and the Australian people are seeing that every day with this Prime Minister. Who would doubt that this Prime Minister and this health minister would do anything or say anything to get elected? It was not just the minister who pledged not to make changes—so too did the Prime Minister. In a letter to the Australian Health Insurance Association dated 20 November 2007, only days out from the federal election, opposition leader Kevin Rudd, as he then was, wrote:

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

Labor has been absolutely and continually dishonest on this issue throughout. As late as February last year the government was maintaining the falsehood that it had no intention of launching this attack on private health. Asked by the media whether the government intended to scrap the rebates, the minister responded with these words, and people should take note of these words:

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

Yet during Senate estimates it was revealed that, whilst Minister Roxon was giving that public assurance behind closed doors, she and other senior members of the government were seeking advice on how to progress changes to those private health insurance rebates. They were ‘firmly committed’ to retaining the existing rebates in public, whilst secretly working on plans to reduce and to scrap them. We now know Minister Roxon first obtained advice from her department on 12 January 2009. Advice on how to change the rebate had been sought by the health minister’s office as early as December 2008. Treasury provided advice on means testing the rebate on 20 February 2009 at the request of the Treasurer, the Department of Finance and Deregulation provided advice on the same measure on 22 February and the Prime Minister’s department did so on 23 February.

They say one thing and they do another—a hallmark of the Rudd government. How could anyone believe the Rudd government when they say or make commitments on private health insurance—or anything else, for that matter? Remember that it was the gov-
ernment that told us public hospitals were broken, would need fixing and would be fixed by mid last year. If Australians ever needed more evidence that they cannot believe the Prime Minister, that deadline to fix public hospitals, which came and went without making one iota of difference, delivered it. The Prime Minister must explain how this deadline went unmet. After all the other big promises he made, was there any other promise that was more significant than his promise to fix public hospitals? Over and over he said that he had a plan to fix hospitals. It is 2010, Prime Minister, if you had not noticed, and Australians are yet to see your plan. What they have seen over the course of the two years since the government were elected is a continual deterioration in our public hospitals. Things have not improved as Labor promised.

It is clear that public hospitals are not a health issue for the Prime Minister; they are an electioneering issue. The Prime Minister wants to recycle the same old rhetoric and promises for the next election. He is not interested in taking on his state Labor colleagues. According to the AMA and their public hospital report card in 2009, Australia’s public hospital system continues to deteriorate and waiting times for elective surgery have been getting longer. Major metropolitan teaching hospitals typically operate at an average occupancy rate above 95 per cent. Eighty-five per cent is considered a safe performance benchmark. Only 60 per cent of emergency department patients classified as urgent were seen within the recommended 30 minutes. In November 2008, as part of a COAG agreement, the Prime Minister stated that the government’s funding could support additional hospital beds. The AMA found:

To date, there is no evidence to show that these new beds have been opened.

In response to the government’s so-called ‘blitz’ on waiting lists and the minister’s assertion that it had delivered 41,000 additional elective surgery procedures in 2008, the AMA concluded that:

The “blitz” did not occur in the first half of 2008 … waiting times are still increasing and waiting lists are still too long.

We continue to see the reality of those AMA report card findings on a daily basis as the media detail the horror stories that people experience in a stressed system, particularly in rural parts of our country, and it is unacceptable. The continuing attack by this government on private health insurance—this new tax represented by these bills—will result in people moving from their private health cover into the public system, creating yet more stress and strife. It is an ideologically driven attack with little thought for the consequences.

A striking example of that was another budget measure that the health minister pursued with unbridled zeal: the decision to savagely slash Medicare rebates for cataract surgery. This directly affected privately insured patients trying to seek treatment in the private system. Most of those patients were pensioners and self-funded retirees, people on tight budgets who could not afford the extra costs this minister was intent on imposing on them. With absolutely no concern for these people—patients—Ms Roxon was determined to press ahead, despite the coalition, all crossbench senators, doctors and seniors and pensioners groups warning her of the harm she would inflict.

At various times the minister attempted to obfuscate the issue by introducing a new higher rebate for a smaller number of patients; resorted to scare tactics, claiming the rebate would drop to zero; fuelled media reports about doctors’ incomes and then blamed them as greedy doctors and the reason rebate cuts were necessary; and refused to produce any evidence to back her claim
that technology had made cataract surgery quick and easy. In some media reports she even attempted to compare the cost of cataract surgery here to that in Third World countries, as if there were some sort of a comparison to be drawn with Australia’s health system and the provision of that very important surgery by professionals in the 21st century.

As some people, mostly the elderly, were forced to postpone their treatment and others were slugged with hundreds of dollars in additional expenses, the Minister for Health and Ageing was eventually forced into talks with the ophthalmologists, who carry out cataract surgery, and the result was a humiliating backdown by this minister. Medicare rebates would no longer be slashed by 50 per cent, instead a more modest 12 per cent decrease would apply. One wonders why it took eight months for the minister to see common sense.

This government talks loud and long about preventative health measures. If ever there were one, it is cataract surgery. It is a life-changing surgery particularly for older Australians who will suffer blindness without the surgery and give up driving their cars. They will lose their independence and they are more likely to suffer a fall if their eyesight deteriorates, bringing additional cost and burden onto the public hospital system when those people need to be treated for hip replacements or other surgery. It is shameful, this pursuit that the minister has embarked upon over the course of the last months.

Those people who have paid additional money between the time that the minister first announced this rebate change up until the effective change announced by the minister only a week or so ago should contact their Labor members of parliament and complain long and loud about the fact that they had to pay to facilitate the involvement of the Prime Minister and the health minister in some sort of a political trickery game with the Senate which ultimately resulted in some people not having cataract surgery done and some services, particularly in rural areas, actually closing. This was in addition to that out-of-pocket additional expense that people suffered. It is a pity that the government is so blind to the impact of measures contained in these bills and the way in which they will impact on the health system if they become law.

I want to say to the Australian people today that if you have words of doubt in your mind about who Kevin Rudd is and whether or not he is actually the genuine product then look at this new tax on private health insurance. Look at what the Prime Minister has done or has not done in relation to health over the course of the last two years. This Prime Minister said in 2007—and the Australian people will remember this—that he had a plan to fix public hospitals. The Prime Minister said in 2007 that he had the ability to deliver a plan which would see Australia’s hospitals fixed by mid-2009. I say to the Australian people we are now in February 2010 and the Prime Minister still refuses even to release the plan let alone enact it or achieve the outcome that he promised to you. To the Australian people, who I think now are starting to get just a question mark in their minds about whether or not Kevin Rudd is a genuine product, I say to look no further than the issue of health.

Know that Kevin Rudd is spinning to you the same words that you have heard Bob Carr and Peter Beattie spin to you and that you have heard all of those failed state Labor health ministers spin to you over a decade. The Prime Minister has no greater capacity to deliver better health outcomes than those Labor premiers did. This is like Groundhog Day when you hear the Prime Minister making the same commitment over and over,
delivering the same speech saying that he has a plan to fix public hospitals and to fix the health system when he does not. This Prime Minister will run up to the next election saying that he needs a mandate to take over public hospitals or to implement a plan, whatever his plan will be. He will say that he needs the imprimatur of the Australian people to deliver that change, but the Australian people should not believe him because that is exactly the same promise Kevin Rudd made in 2007.

This great big new tax that is being imposed on the private health insurance model right across the country is going to put more pressure on the public system because people are going to move out of private health insurance, join the waiting lists and join the emergency department waiting queues at two and three o’clock in the morning when mums and dads are waiting for a doctor or nurse to see their sick child. That is not what Kevin Rudd promised at the last election. Kevin Rudd promised the opposite and it is why today the Prime Minister should not be believed when it comes to health. When people look at Kevin Rudd, they should see another failed Labor premier because this is exactly the same formula of bluff and trickery that Labor at a state level have pulled on the Australian people over the course of the last 10 years. I say to the Australian people, we will completely oppose these bills because we do not want the same trickery, the same deception and the same spin from this Prime Minister that we have seen from state Labor over the last 10 years.

Debate interrupted.

PERSONAL EXPLANATIONS

Mr FITZGIBBON (Hunter) (9.56 am)—Mr Deputy Speaker, I seek leave to make a personal explanation.

The DEPUTY SPEAKER (Hon. BC Scott)—Leave is granted. Please proceed.

Mr FITZGIBBON—This morning Fairfax newspapers published outrageous, untrue and completely false allegations against me. I reject those allegations completely. They are completely untrue and they are false. I believe them to be defamatory. The matter is now in the hands of my lawyers for immediate action.

FAIRER PRIVATE HEALTH INSURANCE INCENTIVES BILL 2009 [No. 2]

Cognate bills:

FAIRER PRIVATE HEALTH INSURANCE INCENTIVES (MEDICARE LEVY SURCHARGE) BILL 2009 [No. 2]

FAIRER PRIVATE HEALTH INSURANCE INCENTIVES (MEDICARE LEVY SURCHARGE—FRINGE BENEFITS) BILL 2009 [No. 2]

Second Reading

Debate resumed.

Mr CRAIG THOMSON (Dobell) (9.57 am)—I rise to support the Fairer Private Health Insurance Incentives Bill 2009 [No. 2], the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009 [No. 2] and the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge—Fringe Benefits) Bill 2009 [No. 2]. It is with blinding hypocrisy that we hear the opposition spokesperson on health trying to give this parliament and the government a lecture in relationship to health and the merits of the two parties as to where they stand on their records with the health system. What the Australian people know, what this parliament knows and what is plain to everyone is that when the former Howard government was in charge of the Treasury benches what they did, when the now Leader of the Opposition was the health minister for four years, was rip $1 billion out of the health system.
The contribution of the former health minister, now opposition leader, was to make it harder for public hospitals to operate and harder for them to deliver the services that Australians expect. He also presided over putting a cap on the number of GPs which also led to shortages of GPs in electorates like my own, something that this government has rectified. It is an amazing contribution that the opposition spokesperson on health made today to claim that Labor cannot be trusted when it comes to health care versus the position that the former government took on health. I will come back in a little bit more detail to some of those issues.

What is clear from the opposition spokesperson on health is that last year not only did he give up on his electorate but also he gave up on tough health reform. It is a pretty sorry state that he is still remaining as the shadow health spokesperson when he clearly does not have his heart in that job either.

The government is again seeking to rebalance its range of policies supporting private health insurance. Under these bills for low- and middle-income earners the private health insurance rebate will remain unchanged. Higher income earners will receive a reduced rebate. As income increases the rebate will progressively fall. The changes to the Medicare levy surcharge will encourage higher income earners to maintain their private health insurance. These reforms will provide a fairer distribution of benefits bringing government support for private health insurance in line with the principle underpinning the Australian tax transfer system that the largest benefits are provided to those on the lower incomes.

Currently approximately 14 per cent of single taxpayers who have incomes above $75,000 receive around 28 per cent of total private health insurance rebate paid to singles. Under the new reforms these single taxpayers will receive about 12 per cent of the total PHI rebate paid to singles. Similarly, approximately 12 per cent of couple taxpayers who have incomes above $150,000 currently receive approximately 21 per cent of total PHI rebates paid to couples. Under the new reforms these couples will receive around nine per cent of the total PHI rebate paid to couples.

Treasury modelling estimates that under these reforms 99.7 per cent of people are expected to remain in private health insurance. While the opposition spokesman on health will tell us that the world is going to collapse and that everyone is going to leave private health insurance, that simply does not stack up when economic modelling is done. I repeat: 99.7 per cent of people are expected to remain in private health insurance. This is because those high-income earners who receive a lower rebate will face a higher tax penalty for avoiding private health insurance. This is supported by a recent Ipsos survey which demonstrated that, when people are fully aware of the changes made, only 15,000 people will drop out of insurance. This is actually 10,000 fewer than what the government estimated when we first introduced these bills into parliament.

Private health insurance has shown to be a resilient product. In the latest September quarter figures the coverage of health insurance has grown to 46.7 per cent, up 0.2 per cent on the June quarter. This demonstrates that the government policy changes are not having an impact as predicted by the opposition. The saving from this measure has increased by approximately $90 million to $2 billion over five years from the estimated savings published in the 2009-10 budget, which was $1.9 billion. This is due to an upward revision in the estimated government expenditure on the private health insurance rebate published in the 2009-10 Mid-year Economic and Fiscal Outlook.
While most private health insurance rebates are now expected to be paid, increasing the cost of the private health insurance rebate to the government, the average size of each additional rebate will be smaller if this measure is passed, thus increasing the savings from these measures. The estimated increase in government expenditure on the private health insurance rebate published in the 2009-10 Mid-year Economic and Fiscal Outlook—$276 million in 2009-10 and $1.1 billion over four years—underscores the need to implement the government’s reforms to reduce the long-term cost to the budget of a quickly growing expenditure and ensure that support for private health insurance remains fair and sustainable into the future.

It never fails to amaze me how those on the other side constantly come here and express concerns about our public hospitals, the dental system and our health system generally. When we think back to what the former government did by ripping billions of dollars out of the public health system and closing down the Commonwealth dental scheme, the opposition has no credibility with anyone when it comes to health. The government is rebalancing its range of policies supporting private health insurance so that those with a greater capacity to pay for their own private health insurance do so. We are doing that rebalancing through the bills that I am speaking in support of today.

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

There will always be many families who cannot afford private health cover but those families will be more secure in the knowledge that this government is committed to improving the public health system. Let us start with the hospitals, which of course are the most visible face of the health system. It is no secret that many of our public hospitals are under severe pressure as our population ages and the burden of chronic disease takes hold. The emergency department of Wyong Hospital in my electorate is the fifth busiest in the state. In my electorate we are very familiar with the pressures on public hospitals.

It should also be mentioned whenever we talk about health—and I think it is sometimes overlooked by both sides of politics—that in Australia we have a world-class health system. We look after and make sure that people who need to be seen in emergency departments and hospitals are seen. If I or my family were to fall ill, I would rather it be in Australia than in any other country in the world. I think that point always needs to be made in terms of a debate about health. Having looked after health workers for close to 20 years, the dedication and the work that doctors, nurses, allied health professionals, health workers and hospital workers do is something to behold in terms of their commitment to doing their job. Because of that commitment we have a first-class, world-class health system throughout Australia. That is not to say that there are not things that can be improved. It is also important to point out that, when this government came to
power, there was a need for some immediate action to strengthen our health system.

Whilst the opposition spokesman said that the government has been all rhetoric in relation to what it has done on health, that simply does not stack up to analysis. I would like to go through some of the issues and some of the improvements that this government has made in terms of our health system since coming to government. In terms of hospitals, the government will invest $64 billion in the hospital and health system across the country over the next five years. That is a 50 per cent increase on the previous agreement by the Liberals. That is a real change: a 50 per cent increase in the money that is going to be spent in health. That is not simply rhetoric; that is real action, putting dollars into our health system and our hospitals to make sure that they can run as smoothly as possible.

We have invested $600 million in our elective surgery program. Stage 1 committed to a target of 25,000 extra elective surgeries in 2008 and delivered 41,000 procedures. They were real procedures. These are real people who are out there, on waiting lists for elective surgery. This is not some sort of spin that has been made up by this side of parliament. Forty-one thousand additional procedures have taken place because of the investment that this government has put directly into health. Under stage 2, more than 150 hospitals across Australia will receive funding to make sure that these extra elective surgeries can take place so that people who have been on waiting lists can be seen in a shorter period of time than would have been the case if the Howard government had been re-elected.

We have invested $750 million in taking pressure off emergency departments, and more than 30 hospitals will benefit from this investment. In terms of infrastructure, we are now undertaking historic investment in nation-building health infrastructure. We are investing $3.2 billion in 36 major projects across our hospitals and medical research institutes, including $1.2 billion in world-class cancer centres. The statement from the opposition spokesperson that the government has done nothing simply does not stack up when you look at the achievements that this government has made and the inroads that this government is making in improving the health outcomes for all Australians.

We have invested $275 million to construct 34 GP superclinics across the country. I am lucky enough that one of those super GP clinics is in my electorate of Dobell, and it has been operating since September of last year in a temporary capacity. They have just exchanged contracts for the permanent site of this new super GP clinic, and the successful tenderer—who is operating now with two doctors, a dietitian, a physiotherapist, a hearing clinic and a podiatrist—will be investing a further $16 million on top of the government’s investment into this super GP clinic on the Central Coast. In addition to that, because the model of the super GP clinic has been such a good model, this same provider is looking at putting in a similar investment of $14 million a little further south in my electorate. So, from a modest investment from the Australian government in two super GP clinics operating in my electorate, we will end up with some $30 million of private investment going into these super GP clinics.

Just in terms of doctor numbers, this will provide an additional 40 doctors in my electorate. We at one stage, when the Howard government was in office, had close to one doctor for every 2,000 residents. Of course, at that time the then Minister for Health and Ageing, now opposition leader, Mr Abbott, had put a cap on GP training places, so it was very difficult to get more doctors into regional areas such as my own and into areas...
that had a great need for additional GPs. So, whereas some Sydney suburbs had one doctor for every 800 residents, we had one doctor for every 2,000. I am happy to report that, whilst we are looking forward to these additional doctors that will be coming through the government’s investment and the private sector’s investment in super GP clinics, we are already up to one doctor for every 1,500 residents in my electorate. This is because we have lifted the cap on GPs, a very important initiative of this government that is having a real and direct effect on the primary care that people in my electorate are receiving.

In terms of workforce, the government will invest $1.1 billion in training more doctors, more nurses and more health professionals. This is the single biggest investment in the health workforce ever made by an Australian government. We will see 812 additional ongoing GP training places from 2011, a 35 per cent increase on the cap of 600 places imposed since 2004 by the now opposition leader, then health minister, Mr Abbott. The government will deliver $134.4 million to better target existing incentives and provide additional non-financial support to rural doctors. The reform introduces incentives based on this principle: the more remote you go, the greater the reward. Under this initiative, 2,400 more doctors in 500 communities around Australia will become newly eligible for rural incentive payments.

There will be $122.7 million of measures to improve choice of and access to maternity services for pregnant women and new mothers through providing MBS and PBS benefits for services provided by midwives. We will provide access to the MBS and PBS for nurse practitioners at a cost of $59.7 million. The government will also provide 20 nurse practitioner scholarships, 1,134 new annual Commonwealth supported higher education places in national priority areas of nursing and a new incentive of $6,000 for eligible nurses who return to a hospital or aged care setting.

You can see the scale of the investment that this government has already made in terms of health. You can see that without these measures we would be in a much worse situation in terms of our health system and that this government has made a real difference in making sure that money is flowing to the health system. We have also made sure that the often neglected area of prevention has been recognised, and we have invested a record $872 million—the single largest investment ever in preventative health—to make sure that we can look at ways of making sure that people do not fall ill in the first place.

I noticed that the opposition spokesman made some comments about dental care. It was unbelievable that he would have the gall to do so, given the former government’s record of closing down the Commonwealth dental scheme. This government committed a total of $650 million for two dental programs. The teen dental program commenced last year and provides $150 annual payments to eligible families. To the end of December, 258,203 teenagers had received a dental check-up under the program, with 7,598 dentists—70 per cent, that is—providing services. Unfortunately, due to the opposition standing in the way in the Senate, the Commonwealth dental health scheme, which would provide up to one million consultations, has not been able to commence. They closed it down when they came to government in ‘96. We are trying to put services back into dental care, and we are being frustrated in the other place by the opposition.

This government is committed to providing $44 billion over the next four years to aged and community care. No government has invested more than this one in aged care.
We are rolling out an additional 2,000 transitional care beds, a $293.2 million program which helps reduce pressures on hospitals. What this means is that older people generally, who are in hospital beds and who could be moved out of those hospital beds, which could be provided to new patients, are able to move to these transitional beds, freeing them up and meaning that our health system has a greater flowthrough. These are very important reforms that this government has made to the health system.

When it comes to health reform, this side of parliament welcomes a debate. We will stack up our record, any day of the week, against the record of those opposite, particularly against the record of the former health minister, the now Leader of the Opposition, who presided over ripping a billion dollars out of the health system, capping GP numbers and doing nothing about the shortages of nurses and health professionals. On this side of parliament we have made real changes. For the future, the government has embarked on a path to build the health and hospital system that Australia needs for the 21st century. The government is committed to an overhaul of the health system to ensure it can cope with future challenges, including an ageing population and rising health costs. I commend the bill to the House. (Time expired)

Dr SOUTHCOTT (Boothby) (10.17 am)—We have been here before. The Labor Party, when they were last in government, could not wait to get their hands on private health insurance, and they made a number of decisions in the first few years of the Hawke government which amounted to a 40 per cent withdrawal of the support for private health insurance. We saw private health levels fall from around 50 per cent in 1983 to the point where they reached a low of 30 per cent a little more than 10 years ago. Private health insurance plays a very important role in keeping pressure off public hospitals. It provides for people to have choice of doctor and choice of hospital, but it really plays a critical role in reducing waiting lists and keeping pressure off the public hospital system. So, as the previous government, we introduced a number of reforms: the private health insurance rebate, lifetime health cover and an increased rebate for people over 65 and over 75.

It is no secret that the Labor Party have always been opposed to private health insurance. Anyone with any passing familiarity with debates on health policy would be well aware of that. The Latham Diaries is a very good guide to what the view of the Deputy Prime Minister on private health insurance was when she was the Labor Party’s spokesperson on health. That is why there was great interest by the public in knowing what the Labor Party would do with private health insurance. Let us have a look at what they said before the election. Before the election, when Kevin Rudd was interviewed by Leon Byner on radio FIVEaa on 24 August 2007, Leon Byner asked:

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

Kevin Rudd replied:

Absolutely not.

The Prime Minister, when Leader of the Opposition, in a letter to the Australian Health Insurance Association, said:

Both my Shadow Minister for Health, Nicola Roxon, and I have made clear on many occasions this year that Federal Labor is committed to retaining the existing private health insurance rebates, including the 30 per cent general rebate and the 35 and 40 per cent rebates for older Australians.
The Prime Minister, in a press conference in the Prime Minister’s courtyard on 25 February 2008, said:
The Private Health Insurance Rebate policy remains unchanged and will remain unchanged.
The current Minister for Health and Ageing, in a media release when she was shadow minister for health on 26 September 2007, said:
On many occasions for many months, Federal Labor has made it crystal clear that we are committed to retaining all of the existing Private Health Insurance rebates, including the 30 per cent general rebate and the 35 and 50 per cent rebates for older Australians.
The Liberals continue to try to scare people into thinking Labor will take away the rebates. This is absolutely untrue.
On 24 February 2009 Nicola Roxon told the Age—and this was at a time that we now know she was seeking advice on the means testing of private health insurance rebates:
The Government is firmly committed to retaining the existing private health insurance rebates.
What this means is that with the Labor Party it is very important to always look at the fine print, because in each of just two budgets they have already withdrawn government support for private health insurance.
We would like to know what their plans are if they are re-elected this year. The 46 per cent of Australians who hold private health insurance have a right to know what the Labor Party plan to do if they are re-elected. With Labor it is not just what they say; it is what they do. Everyone knew that the Labor Party were to do this, so why did they lie before the last election? Why have they broken this promise? This is a clear breach of a promise they made—of commitments they made—prior to the last election. They promised not to alter the private health insurance rebates.

What this now means is we return to the bad old days where you saw people dropping out of private health insurance. As the people who stayed in private health insurance were older and were more likely to claim, we saw rising premiums and a vicious circle occurring. This is what happened when Labor were last in government. We saw a dramatic decline from 50 per cent to 30 per cent of the population being insured. It dropped to a point where the structure we had was almost unsustainable. According to details given by the Department of Health and Ageing to the Senate inquiry, 25,000 Australians are predicted to drop their hospital and general treatment cover. A further 10,000 people who currently have hospital and general treatment cover are expected to keep their hospital cover and drop their general treatment cover. Another 5,000 people with general treatment cover will drop that cover. That is very modest compared to other predictions which are around, such as research undertaken by Access Economics which showed that four times more people than predicted by Treasury may go without private health insurance as a result of changes to the private health rebate and the Medicare levy surcharge.

What we know is that there is enormous concern in the community about quality of treatment in public hospitals, about access to treatment and about waiting lists. Another thing that the Labor Party promised to do in government was fix the public hospital system. They set a deadline of the end of June 2009. We are already seven months on from that deadline and nothing has happened. This is another very clear case. Labor promised before the election that they would fix public hospitals. The Prime Minister famously said, ‘The buck stops with me.’ Now we see, more than two years on in government and more than seven months after their own deadline, that nothing has happened on public hospitals. What we see, importantly, on private
health insurance is that Labor have taken measures which will add further pressure on the public hospital system. We saw only this week the embarrassment to the Labor Party in which the Prime Minister claimed that this measure would save $100 billion over the next 40 years. He claimed that was in the Intergenerational report. The Intergenerational report made no mention of this at all; in fact, the measure that we are considering is a savings of $1.9 billion over the next five years.

Turning to my electorate of Boothby, I know that private health insurance is an important issue. There are 93,685 people who are covered with private health insurance. Seventy-one per cent of voters hold private health insurance, 63 per cent of voters hold hospital treatment insurance and 69 per cent hold general treatment insurance for ancillaries and so on. These are about 20,000 singles and 20,000 families who are insured. As I said, more than 90,000 people are covered with private health insurance. One of the things that I have always had impressed upon me by constituents is the importance of having tax deductibility as an incentive for people to take out private health insurance. The measures such as tax deductibility through the private health insurance rebate, the lifetime health cover and the Medicare levy surcharge have led to the point where we have more than 45 per cent of people covered by private health insurance. That is a big jump from what it was when the Howard government was first elected, where it was languishing in the low 30s.

In my electorate there are a number of hospitals—Flinders Private Hospital, Blackwood and District Community Hospital and Griffith Rehabilitation Hospital—and outside of my electorate but used by many people in my electorate is the Ashford Hospital as well, so this is a very important issue for my electorate. We have more than two-thirds of people holding private health insurance. This is a very simple issue. The Labor Party before the election said one thing, and they have done another thing in government. The Labor Party in two budgets have on two occasions withdrawn support from private health insurance. What my constituents and the public would like to know is what their plans are if they are re-elected. This is the second time we have considered this bill, and the opposition remains opposed to this. This is a clear breach of the promise.

If this bill is passed, all Australians will be paying more for their health. In fact, using the government's own figures, Australians will be paying something like $100 billion more for their health over the next 40 years. People who are on incomes above $75,000 will see increases in their premiums or the Medicare levy surcharge. People who are on incomes below $75,000 who hold private health insurance will see increased premiums as a result of dropouts and these cutbacks to the private health insurance. People who do not hold insurance will have to wait longer, because there will be more people in the public hospital system. There will be more people in the public system, adding further pressure to that. This was not just a promise they made in the election. This was, as I said at the start, repeated many times by the Prime Minister. It was repeated many times by the minister for health. It is another broken promise by the Labor Party, and the opposition remains opposed to it. We believe that private health insurance plays a very important role in our health system. It is very important in taking pressure off the public hospital system. We will be fighting for this to be retained.

Mr PERRETT (Moreton) (10.30 am)—I rise to speak in support of the Fairer Private Health Insurance Incentives Bill 2009 [No. 2] and cognate bills. Before I continue, I would like to go on the record and declare a
conflict of interest: I do have private health insurance—like millions of other Australians—and my family is covered by it. Also, I cannot hide from the fact that I do earn more than $120,000. I just wanted to put that on the record.

This week the Treasurer released the new *Intergenerational report*, called *Australia to 2050: future challenges*. This report confirmed what most of us already know: Australia’s ageing population is a big pressure point for our health system. Unless we can magically discover Ponce de Leon’s fountain of youth—maybe somewhere out in the Balonne or on a property out in Western Queensland—the pressures on our economy are only going to get worse. As the population ages, more people will rely on health services. At the same time, health costs—the opportunities to spend money in the health system—are growing rapidly. It is just a reality that most of our health costs balloon as we age. They tend not to occur when we are 20, 30, 40 or even when we are 5, 10 or 15; it is much later in life that health costs skyrocket.

The report that the Treasurer delivered on Monday found that health spending would almost double in the next 40 years. That is incredible. It would rise to 7.1 per cent of our GDP in 2050. This means that we cannot continue the way we are going because our economy will be totally overwhelmed. Life and lifestyles as we now know them will come to a screeching halt. If we want our fellow Australians to be able to access the kind of health system that they expect and deserve, we cannot just take a business-as-usual approach. We cannot just stick our heads in the sand and say, ‘No, things are fine; we can continue.’ We need to respond to the research, to the hard data, to the empirical trends that, sadly, sit before us. The private health insurance rebate is an important tool for helping more Australians access private health insurance. It is a great example of the helping hand of government working with individual responsibilities. It is something that those opposite used to believe in; now they are retreating from that.

Since 2001, more than 1.2 million more Australians have taken up private health insurance, with 9.8 million people now covered. In fact, in the latest September quarter, the coverage of private health insurance has grown to 46.7 per cent, up by 0.2 per cent on the June quarter—something not mentioned by speakers on the other side, especially the first speaker for today, the member for Dickson, who is like Henny Penny Hanrahan when it comes to private health insurance—‘the sky is falling’. He says ‘we’ll all be rooned’ when it comes to private health insurance numbers. But, no, Henny Penny Hanrahan, the member for Dickson, has it totally wrong; we have actually had an increase, despite the calibrations that the Rudd government has sensibly brought in in the context of a constrained budget and an ageing population.

Not only does this mean that nearly 10 million Australians enjoy the benefits of access to private health care; it also takes pressure off our public hospitals. However, the current rebate is just not sustainable for the long term. That is why we need to recalibrate the rebate to ensure low- and middle-income Australian taxpayers are not subsidising the health insurance of wealthier Australians. As I said at the start, if I earn over $120,000—and all MPs would be in that bracket, certainly individually—why should the trolley boy at Woolworths at Moorooka subsidise my health needs? Why should the panel-beater at Coopers Plains subsidise my health needs? Why should the baker at Corinda subsidise my health needs? Why should the aged-care nurse at Sunnybank Hills subsidise my health needs? I know that the Liberals want to look after the big end of town, but by
blocking this particular measure they are costing Australian taxpayers almost $2 billion over the forward estimates and $100 million out to 2050.

When will the Liberal and National parties have the courage to take the tough decisions to manage long-term fiscal pressures and ensure that all Australians have a sustainable health system? I remember a time when they claimed economic credibility, but that title has slipped away entirely. The opposition like to pretend that this bill will force thousands of Australians to give up on private health insurance and rely on the public health system. As I said, the previous speaker and Henny Penny Hanrahan, that voice of doom, said, no, people are going to turn away from private health insurance; but this view does not add up and it is not supported by the data and the research. It is just more of the smear and fear that we have come to expect from those opposite. The member for Dickson said that the Labor Party’s changes are about an ideological obsession. However, any sensible person, anyone with a shred of common sense, would see that it is about a commitment to delivering balance and common sense.

The Treasury estimates show that in fact 99.7 per cent of people are expected to remain in private health insurance. If we look at the last quarter’s data, maybe it will even increase. They predict about 6,500 singles and 5,500 families may have to drop their private health insurance—and let us hope that those numbers decrease. In fact, a survey conducted by the research firm IPSOS found that even fewer people would drop their private health insurance as a result of these changes. It is a much more valued product than those opposite claim. The reality is that around three-quarters of all policyholders in Australia will not incur any increase in their net premiums as a result of this bill before the House.

These changes to the private health insurance rebate are not being made in isolation. They are accompanied by a massive health reform agenda and increased spending on public health in areas like elective surgery and chronic disease prevention and other initiatives like GP Superclinics rolling out across the country—one coming soon to Moreton—and a significant boost to training more doctors, nurses and allied health professionals. Contrast that with the work of those opposite, where they ripped a billion dollars out of the health system. So for those opposite to complain about this recalibration is hypocritical, to say the least.

The Fairer Private Health Insurance Incentives Bill 2009 introduces a tiered system to better balance the incentives for people taking out private health insurance. For low- and middle-income earners the private health insurance rebate will remain unchanged. That is for singles earning less than $75,000 or families earning less than $150,000. Tier 1 will apply to singles with incomes of more than $75,000 and families with incomes of more than $150,000. For these people the rebate will be 20 per cent, increasing to 25 per cent at 65 years of age and 30 per cent at 70 years. Tier 2 kicks in at $90,000 for singles and $180,000 for families. These are not necessarily people on struggle street, I would suggest. The rebate will start at 10 per cent, increasing to 15 and 20 per cent at the age brackets I mentioned above. The rebate cuts out at tier 3 and applies to singles on $120,000 and families earning more than $240,000. This legislation also changes the Medicare levy surcharge to encourage higher income earners to maintain their private health insurance. It does so by raising the levy to 1.25 percent for those in tier 2 and 1.5 percent for those in tier 3. The Medicare levy will remain unchanged at one per cent for those in tier 1 and below.
As healthcare costs continue to rise, we are going to see an increase in private health insurance premiums. That is just the reality of an ageing society and advancing health technologies. If we agree that we want private health insurance to be sustainable for the long term, we need to respond to these increasing costs. That is the Labor Party view of policy. We look for the long-term benefits to the nation and the long-term best interests of the nation, not short-term political expediency. Unfortunately, maybe sometimes that is the curse of opposition—and it certainly seems to be a baton that the new Leader of the Opposition has grasped with both hands. Rather than handing out government rebates to all and sundry, responsible government, far-sighted government, government with vision, demands that we fairly allocate government resources to those that need it most. This legislation strikes the right balance. It continues to support low- and middle-income earners while empowering those that have the ability to pay. As I mentioned previously, this measure will deliver $2 billion in savings over the next five years and ensures that private health insurance remains fair and sustainable into the future. I commend the bills to the House.

Mr BALDWIN (Paterson) (10.40 am)—I rise today to address the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009. This legislation would alter the Medicare Levy Act of 1986 by increasing the surcharge for those workers who exceed higher-income thresholds but do not opt into private health insurance. This is part of a package of bills and has been presented in conjunction with two bills which seek to create three income tiers. These tiers would be used to determine the amount of private health insurance rebate people receive when they purchase a complying health insurance policy, and thus affects the price of premiums. The former provision is undoubtedly a means to punish those people on higher wages who choose to remain in the public health system. In simple terms, the act imposes a substantial cost on those high- and middle-income workers who rely on the public system, which in turn encourages them to pay for membership of a private fund.

The success of this system has been demonstrated by the increase in private health insurance membership which occurred when the surcharge was first established by the former coalition government. In little more than a decade, private health insurance membership has increased by more than 14 per cent. With the success of this program in mind, it seems ludicrous that the Rudd Labor government would seek to make damaging changes to the provisions already in place.

Increased private health insurance membership is vital to ensure the public system can cope with the demand of those who need it most. Currently, hospitals across the Hunter and across the country are overstretched. This has been highlighted by a number of recent reports, including the New South Wales Health Quarterly Hospital Performance Report. In the September quarter of last year, this report found that the Hunter’s three hospitals—the Calvary Mater, Maitland Hospital and John Hunter Hospital—admitted just 69 per cent of emergency patients in the recommended time frame, on average. Further, and most recently, the Productivity Commission revealed that in 2007-08, there were 59 cases of ‘sentinel’ events in New South Wales public hospitals—the highest of any state in Australia. These ‘sentinel’ events, as they are called, occur when there is a hospital system failure. This includes incidents involving the wrong patient or body part, medical instruments being left in patients after surgery, and medication errors. These events can result in serious injury or even death and can lead to a serious de-
cline in confidence in the nation’s public health system.

Let us be clear on this issue: these failures are not to be blamed on the hardworking doctors, nurses and other allied health practitioners who perform outstanding work despite far from ideal conditions and who are stretched to the limit to perform, often encouraged to work extremely long hours and tiring shifts. These people are to be praised for their dedication, and in particular, for serving areas of real need. In Paterson we have a drastically ageing population and a shortage of health facilities. To put this into numbers, GP Access has found that in some parts of the Paterson electorate there are more than 2,000 residents for every full-time GP, while there are fewer than 800 per GP within many areas of Sydney.

To add further insult to injury, the Rudd Labor government has failed to initiate programs to attract more doctors to rural and remote Australia and the numbers continue to dwindle. In the Hunter region alone, including the Paterson electorate, more than half of all doctors are more than 50 years of age and 20 per cent are more than 60 years of age. These doctors are facing retirement and will cause numbers to decline even further. Despite this stress and demand, we still have a number of talented professionals who choose to serve patients across the electorate. Their dedication is truly appreciated.

Of course, these people are not to blame. Where we really must point the finger is at the Rudd Labor government, which has failed to put a real plan into place and make an investment to provide our public hospital staff with what they require to get the job done. In 2007 our Prime Minister looked into the eyes of Australians and promised to fix our health system. Now, after 2½ years of failed benchmarks, underfunding and broken promises, Kevin Rudd has finally decided to do something. Now, ironically in an election year, Mr Rudd has decided to take some action. Clearly, this is policy on the run and sadly, after all this time, he still has not managed to get it right.

Allow me to note how the private-public health system works. I will quote from the government’s own Department of Foreign Affairs and Trade website:

Private hospitals provide about one-third of all hospital beds in Australia. Private medical practitioners provide most out-of-hospital medical services and, along with salaried doctors, perform a large proportion of hospital services. Private practitioners provide most dental services and allied health services such as physiotherapy.

About half of all Australians have private health insurance. Forty-three per cent of the population (or nine million people) have ancillary cover for non-medical services provided out of hospital, such as physiotherapy, dental treatment and the purchase of spectacles.

The Australian Government is seeking to achieve a better balance between public and private sector involvement in health care by encouraging people to take out private health insurance, while it also preserves Medicare as the universal safety net. The Australian Government helps to make private health insurance more affordable by offering a 30 per cent rebate (and higher rebates for older Australians) for the cost of private health insurance premiums.

As you can see from the Rudd Labor government’s own webpage, 30 per cent of rebates are used to make health care affordable. It is amazing then that this same government wants to reduce rebates, by its own admission making private health insurance less affordable for workers. It would also punish those people who have already signed up to private health insurance by making their rebate smaller. This is extremely worry-
ing because if private health cover becomes too expensive and premiums soar, many of my constituents will be forced to stop paying for private cover, especially those who are already struggling with rising interest rates, petrol prices, grocery bills, power bills and water rates—not to mention the threat of what will occur with the Rudd Labor government’s ETS.

This hurts not only those on middle and high incomes, who the Rudd Labor government is clearly trying to attack through this legislation, but also those people barely struggling to pay for private insurance in order to supply braces for their children and contact lenses for their teenagers and to afford to get those painful wisdom teeth removed. The Rudd Labor government may try to trick you into thinking that those on lower incomes will still pay the same amount for private insurance because their government rebates will not change; however, if higher income earners are forced out of the private health system, premiums will soar for everyone. And the more they soar the more people will drop out of cover, and the vicious cycle will continue.

This poses problems on many levels. Firstly, it is sure to force more people back into the public hospital system, which, as I have demonstrated in this parliament, is already struggling. It will make waiting lists longer, increase the time it takes to have elective surgery and place more demand on already stretched resources and hardworking hospital staff. Moreover, it could stop people seeking vital treatment for health conditions. Since many patients rely on private health cover to afford services such as dental surgery and optometry, these same people could be forced to go without.

This has turned out to be just the latest in a string of ill-conceived rebate cuts designed to fill the Rudd government’s coffers, which have been left empty and in serious debt because of Kevin Rudd’s cash splash. We have been forced to watch as Mr Rudd and his ministers spend billions of taxpayers’ dollars but get little or no results. Take, for example, the failed Copenhagen climate change conference. On 8 January Nine News reported that the Rudd Labor government’s delegation spent almost $1½ million on travel and accommodation. Did we get a binding target out of it? No. Did we get an agreement from our globe’s biggest polluters? No. What did come out of all that cash? A nice trip overseas for Mr Rudd and many of his supporters.

This is just the tip of the iceberg. The Rudd Labor government wasted $200 million of taxpayers’ cash before it finally lowered its inflated rebates for home insulation from $1,600 to $1,200. It made this mistake despite advice from the coalition that the $1,600 rebate was excessive. The Rudd Labor government has also now hit the $1 billion jackpot on consultants. What has come out of this spending? More talk, more reviews, more broken promises, very little action and no practical measures to actually help the families in my electorate of Patten.

At the same time as this reckless spending has been occurring, Mr Rudd has also fought to cut vital life-changing rebates for cataract surgery and cortisone injections for arthritis sufferers, which cost little in comparison. Thanks to the immense pressure from the coalition, the Rudd government has now backed down from its plan to cut the Medicare rebate for cataract surgery by a staggering 51 per cent and instead will—still cruelly—reduce the rebate by 12 per cent, most of which is expected to be absorbed by practitioners. But there is still no action on the cortisone injections.
This comes as a huge relief to many residents in my electorate of Paterson, who wrote to me that they were very fearful that they could be forced to go without sight-saving surgery. I am pleased that the coalition has, in this case, been able to force Kevin Rudd to see the error of his ways. Nevertheless, these attacks on health rebates by the Rudd Labor government raise questions over where the priorities of our Prime Minister actually lie. Even more so, it demonstrates his overwhelming inability to fix our health system and his total disregard for the elderly, frail and sick. This failure by Kevin Rudd was demonstrated in a report in the Australian newspaper just this week, on Monday, 1 February:

Medical students are emerging from the nation’s universities feeling inadequately prepared to deal with crucial tasks such as calculating safe drug doses and writing prescriptions.

In a challenge to Kevin Rudd’s twin promise to improve university education and doctor shortages, a government study has also revealed that medical supervisors feel the abilities of hospital interns fall short of their expectations.

The study reveals just 36 per cent of junior doctors think they have been adequately or well-prepared to do wound management.

And only 29 per cent of final-year medical students feel they have been adequately prepared to calculate accurate drug doses.

The landmark review of the nation’s medical education system was finalised 19 months ago but released only on Friday.

Medical leaders warn that the extra influx of students since the Education Department commissioned the research has made the failings it describes even worse.

The article went on to reveal even more distressing figures from our medical graduates. It stated:

The report found medical students feared for their skills in a number of key areas, including knowledge of basic sciences, while hospitals increasingly struggled to make time for effective teaching in the face of packed waiting rooms.

Only 48 per cent of final-year students and 64 per cent of junior doctors thought they were adequately or well prepared to write prescriptions.

Interpreting X-rays was a concern for 69 per cent and 77 per cent respectively.

And just 44 per cent of medical students and 48 per cent of junior doctors felt they had been properly trained to insert a tube through the nose and down the throat of a patient.

This is yet another problem that has come with an overburdened public health system. With too many patients and not enough resources, doctors have been unable to devote the time required to train new doctors and have left many fledgling GPs feeling inadequately trained to serve the health needs of Australians.

As this example shows, the problems of an overstretched public health system are far-reaching. If the Rudd government has its way on these reforms and forces people out of private health insurance, the problems will only get worse. It is with dismay that I imagine even longer waiting lists, fewer people seeking help for dire medical conditions and doctors left to fend for themselves, feeling inadequately trained. Most people are aware of the problems associated with means-testing private health cover. That is why before the 2007 election Kevin Rudd and his ministers promised not to means-test private health. Here we are three years later with nothing but another broken promise and another ill-conceived bill before parliament.
It begs the question: why has Mr Rudd suddenly changed his mind? Of course, backflips are something we have seen a lot of during the time of the Rudd Labor government. But, in this case, to change his mind about something so fundamental to the way we live, breathe and survive can only be because Mr Rudd is panicked about the massive debt he has burdened this country with—the massive debt which will force interest rates to skyrocket over the coming years, the debt which we and generations to come will pay dearly for. The latest figures from the Mid-Year Economic and Fiscal Outlook place the Rudd Labor government’s projected net debt at $153 billion by 2013-14. This is money which will have to be paid back by taxpayers.

In an attempt to convince the Australian people we need these reckless changes to private health, the Rudd Labor government has said that not passing this bill will cost $100 billion over the next four decades. We were led to believe the details for this enormous figure would be revealed in this week’s Intergenerational report. Unfortunately, Treasury analysis does not appear in the report and we have been left wondering where on earth this figure has come from. To date, it appears to be nothing but a fear tactic orchestrated by a desperate government that is attempting to deal with its own money mismanagement.

The key message here is that we cannot afford to force people out of private health care. If this happens, our struggling hospitals will only struggle further because of increased demand on supplies and longer waiting lists. Those families who choose to remain in private health care will have to dig further into their pockets to be able to afford basic cover for themselves and their children. At a time when our population is ageing and demand for health services is already increasing, this is a mistake we simply cannot afford to make.

The current rebate on private health care and the Medicare levy surcharge are practical measures to encourage people to take up private health care and ease the pressure on our public system. These are practical measures we absolutely cannot afford to lose or tamper with. We cannot be fooled anymore by a Rudd Labor government that cares so little for the health of our nation.

Ms REA (Bonner) (10.56 am)—I support the Fairer Private Health Insurance Incentives Bill 2009 [No. 2] and associated bills, which attempt to introduce a fairer private health insurance system. I listened with great interest to the member for Paterson as he gave a very gloomy and dim picture of a public health system that was in trouble. I listened to his litany of examples about people being forced to receive inadequate health care and medical professionals being concerned about the level of health care that they were able to provide.

What I find interesting is that the member for Paterson—and, indeed, many members of the opposition in speaking on this debate have used very similar examples—is somehow trying to say that this legislation, which is not yet law, is the reason the public health system and his constituents are facing such serious healthcare problems. I think we need to remind the opposition of the reality. Perhaps it is due to the 12 years of neglect by the previous government and the fact that the Leader of the Opposition when he was health minister for four years ripped $1 billion out of the health system and froze the number of GP places. Perhaps the report that the member for Paterson was referring to is in fact a reflection of the attitude the previous Howard government had towards health care. I doubt very much it is a result of this proposed legislation which is attempting to in-
introduce a fairer private health insurance system by reducing the private health insurance rebate for higher income earners—hardly a measure that would have created the litany of examples produced by those opposite that reflect on our public health system.

The point I want to reiterate to the opposition is that we are not abolishing rebates for private health insurance and the proposals contained in this legislation are not the cause of the problems we are addressing in our public health system. A range of factors have contributed to that, and I certainly agree that it is due in no small part to the lack of federal government support in terms of funding, resources and policies when it comes to providing a better healthcare system.

This legislation is unapologetically about this government ensuring that we introduce a fairer private health insurance system. It is about ensuring that low-income earners do not subsidise higher income earners when it comes to health insurance rebates. I agree with the Treasurer: I do not think that the low-income earners in my electorate of Bonner should be subsidising my or my family’s private health insurance.

I took out private health insurance for a number of reasons. I have three children. I have very bad eyes and all three kids now wear glasses. All of us, including my husband and me, need dental care. There are a whole range of reasons, very practical, cost-effective reasons, that my family would take out private health insurance. It is not because I received a subsidy from the government. It is not because I received a rebate. It is because it was a health choice that I thought was best for me and my family and I therefore do not expect people on much lower incomes than mine, or than my combined income with that of my husband, to be subsidising the fact that I am in a position to make that choice.

What is important in the context of the opposition’s comments and in the context of this debate is that this legislation is just one small part of the very significant initiatives that have already been introduced by the Rudd Labor government to ensure health reform in this country which will provide a better overall healthcare system. The reality is that the health dollar is finite, that the population is growing and that the demand for health services within the population is also growing. We know that it is our responsibility as a government which provides funding for health care that we do two important things. It is a dual responsibility. We have to find a way of providing the best health services for the vast majority of Australians in this community. It is not about subsidising the health choice of high-income earners. The overall responsibility is to provide a balanced healthcare system that supports both private health choices and a good public health system while at the same time being very mindful of the fact that we are spending taxpayers’ dollars. We must be responsible in the way that we spend that money. We have to find a way of supporting a healthcare system that is cost-effective and efficient but also provides the best possible healthcare choices for all Australians, regardless of their position and their income.

We also know that, due to modern science and to great advancements in technology, particularly in the area of medical procedures and health care, the demand on the health dollar is changing. We are getting better at doing some things, but we are also discovering new procedures and new medicines that we as a government would like to support and make more affordable for all Australians. So it is also important that we acknowledge that health funding is an ever-changing, ever-moving feast. It constantly needs to be reassessed and re-prioritised as some procedures become redundant, some procedures become
less expensive and we become aware of new procedures that require and deserve support to be made more affordable.

So we have to be very clever about the way we use the health dollar and we have to be mindful always of both changes in technology—medical advances—and changes in demand, because we are looking at a population which is living longer and which is increasing. We must be very careful and mindful of how we spend that dollar. Once again, I do not believe that subsidising the private health insurance costs of higher income earners is the most cost-effective and efficient way that we can spend a health dollar to provide a better health system in our modern world.

We need to look at what the government has already done to support the health system overall—a $64 billion COAG agreement on health. This involved unprecedented amounts of money and unprecedented cooperation between the states and the Commonwealth who, combined, are the people ultimately responsible for providing the healthcare system in Australia.

The expectation is that 99.7 per cent of people will retain private health insurance even when this legislation is passed. We are not talking about a drastic reduction in the number of people seeking private health insurance. We are not talking about a sudden rush on our public hospital system because of this legislation. All we are talking about is a fairer way of supporting affordable private health insurance in this country. Currently, 14 per cent of single income earners in this country who earn over $75,000 get 20 per cent of the total private health insurance rebate. That is just not fair. There is no other way to explain that statistic than simply to say, ‘It is not fair and we need to rearrange it.’ In the same way, 12 per cent of couples who earn over $150,000 currently get 21 per cent of the private health insurance rebate.

This is not simply a statistic that reflects that, as a percentage of the population, they are getting a greater share of the rebate; we are talking about a particular sector of the population which is earning what are considered, in this day and age, to be very good incomes. I find it amazing that the party which considers itself to be the party of small government, the party of free enterprise and the party that supports the free market, is contradicting every single one of those principles by opposing this legislation. High-income earners do not have private health insurance because they get a government rebate. As I have already said, from my own experience, that of many of my colleagues and that of people I talk to, high-income earners take out private health insurance because they want that choice, because they want the medical services that they can access and because they know that having private health insurance is a better way of providing good health care for themselves and their families. That is why they take out private health insurance.

The health insurance companies themselves are private companies. They are in a competitive market. They have good marketing analysts, they have great PR strategies and they have great advertising campaigns. They are in the business because they have a product to sell and they believe that they can match or better their competition. They are not saying, ‘We will become a private health insurance company because the government will support people to take out our product.’ They want people to choose their product because they believe that they can provide the best healthcare options in the private health insurance system. So to say that reducing the rebate for people on incomes of over $75,000 and families on incomes of over $150,000 is about attacking and putting
too much pressure on our public health system does not recognise those people’s ability to make a choice and to pay for it, and it does not recognise the fact that private health insurance companies are out there selling a product. The companies do not necessarily need those people to have government rebates to choose their product.

In terms of the issue about subsidy, it really surprises me that the opposition do not understand that there are still eight million low- and middle-income earners whose rebates will not change under this legislation. We are not attacking the rebate system. We are not removing private health insurance rebates. This legislation is not about completely removing a benefit; it is about providing balance. It is about understanding that a government’s responsibility first and foremost is to provide a healthcare system which supports, maintains and upgrades our public health system. We also acknowledge that the private health sector provides people with options that can relieve pressure on the public health system. Therefore, it is appropriate that the government also step in to support low- and middle-income earners by giving them an affordable option to taking out private health insurance. It is not about supporting private health insurers; it is about giving all Australians an affordable option on health choice. We have to remember our responsibility as government health funders and our responsibility to support Australians to seek out the best health options they can. It is not about simply providing a rebate for the sake of it.

The doom and gloom that is painted by the opposition—if they support this legislation, which they have clearly said they will not—raises a number of assumptions that I think are quite interesting. For example, as I have already said, there is an assumption that 0.3 per cent of people may choose to drop out of private health insurance because of these changes—we must remember that we are actually still supporting the 99.7 per cent who are still in there—and that that will suddenly put such great pressure on our public hospital system that it will fall over. As we can all see, that is nothing more than a scare campaign about this legislation. We know that people will not be rushing to the casualty departments tomorrow because they do not have private health insurance. We know that people will still look at their budgets and their healthcare needs and make the best decisions for themselves and their families.

I also want to say to the opposition that trying to drum up a fear and scare campaign around the pressure on our public health system as a result of this legislation is totally wrong. All they are doing is reminding every single Australian that our public health system is in need of major reform, support and upgrading because of their 12 years of neglect—not because of a proposed piece of legislation. It is also important to remind the opposition that if they want to support the private health insurance industry they could support the government’s measures on preventative health. They could do that rather than opposing this fairer approach to the way that government rebates are administered, rather than opposing this legislation which is about providing affordable healthcare options to those who need them and acknowledging that those on higher incomes are in a financial position to make their own health choices and will do that. If the opposition were to support the government's measures on preventative health, they would be supporting the public health system and the private health system, and I think that would be welcomed by private health insurance companies.

Preventative health can not only significantly reduce the pressure on our public health system; it can also support an ever-growing market for the private health sys-
tem. We all know that our private health insurance companies are now offering a vast range of products that are about preventative health and allied health services rather than just hospital or dental care. We all know that you can claim gym membership, you can get physiotherapy costs covered, and you can get a whole range of allied preventative health measures claimed through your private health insurance company, because those companies understand that that is the best way of reducing health costs. They also understand that in this day and age it is becoming increasingly popular, throughout the whole of the Australian community, to look at ways of getting healthier and fitter and to find ways to avoid becoming victims of chronic and acute diseases and avoid having to rely on a public health system when it comes to injury or major illness.

I say once again and reinforce in closing: please would the opposition get over their ideological opposition to this and appreciate that this is a fairer way of distributing the public health dollar. To really support people who take out private health insurance and to ensure that private health insurance and the private health system continue to flourish and grow, you need to actually acknowledge the importance of preventative health. We need to start looking at policies, programs and government support for that area. Indeed, supporting the Preventative Health Agency would be a very good start.

Mr HAWKE (Mitchell) (11.15 am)—I rise to speak for a second time on the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009 [No. 2] and related bills because, of course, this legislation has already been rejected by the Senate. We now see a government desperate to impose this ideological agenda on the Australian people. It is an agenda that they did not apprise the Australian people of prior to the last election. Indeed, all of the statements from the shadow minister for health, now the Minister for Health and Ageing, and the Prime Minister indicated that they would not touch the rebate system. Quotes to that effect are numerous right up until 2009. Even as late as 24 February 2009 we heard:

“The Government is firmly committed to retaining the existing private health insurance rebates,” Ms Roxon told The Age.

That is the minister for health in 2009, telling the Australian people that that government is firmly committed to retaining these rebates.

People are entitled to ask: what is really going on? When the Senate has turned this legislation down, saying it is a breach of election commitments and not an appropriate way to manage the health system, why would the government seek to reintroduce this legislation in the face of such opposition? The answer is their mismanagement of the budget. Of course, now we do not have any money to fund a proper healthcare system. This is not an issue of private health versus public health. This debate is not about that, although some of those opposite are trying to turn it into an ideological debate. This is about how we fund the healthcare system. Funding is certainly one of the issues we have heard a lot about in this debate, and it is something I would like to talk about. How we fund all of the needs of the healthcare system is critical.

In Australia the biggest component of federal government expenditure is welfare. It is more than double the expenditure on health in Australia. That is important to note, because we have a strong and thorough welfare system that spends in the order of $110 billion a year, more than double the healthcare budget, and that is not counting state budgets and all of the money spent by state governments. Yet every government in this country, whether state or federal, knows that we are facing a funding crisis in relation to health.
How do we meet future challenges? How do we fund those challenges? The answer is not going to be found in government expenditure alone. No government can afford to increase expenditure to fund healthcare challenges completely. We need a private healthcare system. It is not a luxury or something that we can take for granted. We need to ensure that it is a strong and vital system. The legislation that is before us today is going to undermine that system.

There is a public healthcare system available to those who cannot afford private health care and a private system for people to fund by putting their own capital into private health cover so that they can make a contribution to their own health care, thereby lifting the burden off the taxpayer and enabling money to be spent where it is needed. That is why I say there is an ideological component in the legislation before us. Certainly the ‘fairer’ in the title of the legislation is a misnomer. There is nothing fairer about changing these rebates, putting more pressure on the public system and ensuring that there is a worse healthcare outcome for all. It is commonly the rhetoric of socialist governments to say things are fairer when they are bringing everybody down. Simply put, this is something that will drag everybody down.

Coming from an electorate that has the highest proportion of families in this country, I reject the contention that people on $75,000 a year are wealthy. I reject the contention that couples on $150,000 are wealthy. I come from an electorate with a high average income, the second highest average income in Australia. However, most of that income is spent on mortgages. My electorate also has the highest proportion of mortgages of any electorate in the Commonwealth. It is one of the fastest-growing areas in Sydney. I know that all of that disposable income is spent on simply affording the family home in Sydney. I know that people on $75,000 pay a higher marginal tax rate and that people on $150,000 pay one of the highest tax rates. You cannot simply say that people on $75,000 or $150,000 with two, three or four kids are wealthy, so they can afford not to have these rebates. That is not a proposition that I accept. It is about the signals that you send to people out there in the community as a government. What is the signal from this legislation? The signal is: we do not want you to take up private health care. The indirect signal you will send is: the government does not prioritise private health as something that is valued. It is only a 30 to 35 per cent rebate. It is something that says to people: if you are prepared to put your capital into your own health care, the government will make a contribution as well.

The member for Bonner spoke about a fear campaign, and there is a fear campaign being run by the Prime Minister of this country in relation to this matter. With Laurie Oakes on Sunday we saw that fear campaign dramatically exposed to the Australian people. The Prime Minister claimed on national television that, if this measure was not passed by the parliament, there would be a cost to the Australian taxpayer of $100 billion. He claimed that that was in the Intergenerational report and that the Intergenerational report backed up his claim that, if we did not do this, private health in Australia would cost the taxpayer $100 billion. Clearly that was a complete and utter misrepresentation. The Prime Minister said:

What the Intergenerational report tomorrow will reveal for the first time is that the cumulative impact of knocking that major reform back is in the order of one hundred billion dollars over the next several decades.

Of course, when industry went to research this claim it found it is not in the Intergenerational report. Indeed, industry rejects completely that this is the case. Why would a Prime Minister make a claim of $100 bil-
lion? There is a real contention about this quote, because $100 billion is what we already spend on welfare. We spend less than half of that on the health budget—$50 billion goes into health. Is health worth $100 billion over several decades? Most people in this chamber and most people in the Australian public would say, ‘Absolutely it is.’ If we are providing a rebate which means the government pays one small component and other people put a larger component of their capital into their own health care then that is a great system because the government has the smallest share of the payout in that case.

If you remove that incentive, we have heard many arguments from those opposite that there will only be a few people who leave the system. I can say anecdotally, even from speaking to people in my own age category—and I am one of the youngest people here—that people do not just say that they will leave the system. Speaking to people who have private health cover I hear that they will reduce their level of cover. That is an issue that has not been addressed by those opposite. Reducing the level of cover and putting a burden back to the public system is not going to be a good outcome. Even if it is a small amount—10,000, 15,000 or 20,000, whatever we want to argue about the figures, it could be more and it could be less—that will place an extra burden on the public system.

Then there are the people who will reduce their level of cover or will not be attracted to take up private health insurance. How will that be a better outcome for the health system in Australia? That is what this government has failed to demonstrate. I want to record here that private health insurance is not just for the rich. There are over one million people with private health and hospital cover who live in households with a total annual income of less than $26,000—over one million of these households have some form of private hospital cover. They are saying there is a value in putting their hard earned capital of $26,000 or less into the private health system. Why would they make that assessment? It is because there is great value in putting aside your capital to look after your own health and it is a value judgment they have made. It is because the government has a system which rewards them for doing so and it is a good system. Why then should a person on $75,000 not be entitled to a reward? They work just as hard; they do earn more money and they get taxed more as well. They have as many taxes, charges and imposts as anybody else. It is as vital to those people as it is to people on $26,000 that there is an incentive to take up private health because we still operate under that mentality that we have a universal healthcare system—that is still one of the prime directives in public health in Australia—and so anybody is entitled to put the whole burden of health care onto the public system. I say that we should retain the incentives because those incentives are working and doing a good job for us in keeping our system sustainable—and we do have a major funding challenge.

I think where this debate turns to an ideological issue has cost us enormously. Taking my own electorate again, a brand new private hospital, the Hills Private Hospital, has opened. It has an emergency ward; it is a fantastic thing. It cost in the order of $200 million. Speaking to the managing director, who has worked in public and private health in Australia, in New Zealand and in the UK, it could not have been done in the public system for less than double that amount. He is very clear about that. We want private capital in health, we want private capital in research, we want private capital in health insurance and we want them to build hospitals. It is a good thing; it is not something that we should be threatening or rejecting. It
is a complementary and positive thing to the public healthcare system and it is something that we must be very focused on continuing to encourage.

When I spoke to the people running the Hills Private Hospital about getting someone to open it, they told me that they have opened three private hospitals in western Sydney, under the New South Wales Labor government, in areas where, for the New South Wales Labor government—not let us be very clear—it will be a long time coming before they can build a hospital. Even though in the north-west of Sydney we have had a massive growth in population, a huge expansion in the number of families and in the demand for services, and a scaling back in hospitals like Blacktown, Blue Mountains, Hawkesbury of all kinds of units and services, there is no plan to build a major hospital in the north-west of Sydney. If the private sector did not deliver this hospital, there would be no new hospital in north-west Sydney even though it is one of the major growth corridors in our largest city in the country.

So we can talk about records all we like. We can talk about the Labor record at state government level or we can talk about the Howard government record at federal level, but the reality is all governments are increasing funding to health, they are increasing it substantially and it is not enough to meet the expectations and the demands. That is the reality of this debate. So why would we take a measure in this chamber today to reduce the incentives for people to put their own capital into their own health cover? It is an absolute and utter wrong signal to the market at this time that we are reducing incentives to take up private health insurance from whatever categories of income and age group is the wrong signal at the wrong time. It will mean that fewer people will put less capital into their own health which is exactly what we do not want at a time when we are facing funding crises, shortfalls and challenges across the entire health system and nobody has the answer to that.

Kevin Rudd came forward and said: ‘I do have an answer to that. If by the first six months of my government we have not solved the problems in health, the federal government will intervene and take over the healthcare system and, of course, take over hospitals.’ We have seen a complete and utter backtrack on that position and we still have no answer or no plans from Kevin Rudd—yet another broken election promise and commitment. We all wait with breathless anticipation to see how he is going to solve the issues of public health that he committed to solve prior to the last election.

In summarising, I have spoken on this prior to this and I think that some of those comments that I made including that three-quarters of my own electorate is covered by private health insurance are really important arguments. I do not see that it is a difficulty to me; I do not see that as a problem. I think that it is a good and important fact that we encourage as many people to take out their own health insurance and as many people as possible to look after their own health because that allows us to do more in our public system. We should not mistake the signals in these bills. The fact that this government has not worked with the industry and peak body associations to even amend or look at another option in relation to this means that it is ideological and hard headed about undermining the private health insurance system.
There are plenty of third-party bodies—the Australian Health Insurance Association, the Australian Medical Association, the Australian Private Hospitals Association, the Royal Australasian College of Surgeons, the National Association of Specialist Obstetricians and Gynaecologists—who all say that this will put greater pressure on every person who is privately insured and will also put greater pressure on the public system. That is something that we should take from these bodies with great concern. Why add extra pressure to every person in private health? Why add extra pressure to people in the public system? If there is a budgetary crisis in the Rudd government, health ought to be sectioned off from that crisis. If we have gone from a state where we had zero net government debt and a $10 billion surplus to having a $50 billion deficit or more and a problem with the budget, it ought not to be health that is used to solve that crisis. I make that position very clear.

The Prime Minister in trying to allege that there would be a $100 billion cost, which is completely fictitious and not backed up by the Intergenerational report, indicates that he is thinking about how to solve his budgetary crisis—the debt that we have gone into. Health is not the area that we should be looking at. There is no way any federal government, whether it be this government or a future government, can decide to fund every health need and challenge that we are going to face. We are going to need to have a strong private health system as well as a well-funded public system.

Therefore this kind of measure is a retrograde measure. It will mean that fewer people are taking up private health. It means that Australians will pay more for their health care. Even if you argue that it is only 10,000 or 15,000 people, when they leave the private health insurance system—those who understand all about insurance systems know, and all of our free-market economists on the Labor backbench will particularly note this—that you then have less money in the pool to pay all the claims. Therefore the insurance premiums have to rise. There is no doubt about that. There is no argument about that. I know that with all the lectures we are getting from the Labor backbench on the market that that will resonate very strongly with them.

The key points about this legislation are that the government is refusing to budge because it has an ideological obsession with private health, but this should not be turned into a debate about the public system versus the private system. That debate ought to be trash-canned straightaway. The reality of modern Australia is that we have a strong public health system and that we have a strong private health system. Governments provide incentives for people to put their own capital into private health and we need them to do so. We need people to put as much of their own capital into private health as we can encourage them to. We know that even people on household incomes of $26,000 or less—one million of them in this country—made the judgment that they are going to put something aside because of the incentives we as governments have put in place. Why then is that not good enough for people on incomes of $75,000 and over or on $150,000 and over? We want them to put as much of their capital aside as we can encourage them to. You must have incentives for that to happen. You must have incentives under a universal healthcare system.

This is a good system. It is a working system. It is the same as saying, ‘The Rudd government inherited zero net government debt and a $10 billion surplus so we can go on a spending spree.’ Now we know that we are all going to pay the price for profligate spending, for $900 cash bonuses, $22 billion in cash handed out to people. There will be
an enormous price to pay. If that is why we are seeing these bills reintroduced again after being refused by the Senate then, certainly, that is a failing of this government.

I also want to say that the government have broken their election commitment. I want to remind everybody about that one more time, because we are going to hear a bit about this. They promised they would not touch the rebate system. They had to promise that prior to the election because all Australians know that the private health insurance rebate system works. It works because the government provided it as an incentive and people take up that incentive. There are 11.1 million Australians who have a form of private health insurance. We have a working system and we need more capital generated into the private system to relieve the public system so that it can be funded adequately for governments to meet the challenges.

Together, as a complementary model, we can achieve a level of quality funding for health in Australia, but it must be together. This ideological division of public versus private will not be useful. It will mean a lot of pain for people in private health. It will add pressure to the public health system. Coming from an electorate with a large proportion of families and people on private health, I can speak with authority and say that people will leave the private system and return to public health, and people will seek to reduce their level of cover. Both of those things are unnecessary. We do not need to take this step. If we do not take this step we can continue to work on how we fund these challenges and how we make sure more people are putting as much of their daily budgets as possible into their health care. That is the way that we will have a chance of funding this system. The reality is that no government in this country can meet the challenges purely through government funding alone.

Mr OAKESHOTT (Lyne) (11.35 am)—I also rise to speak on the Fairer Private Health Insurance Incentives Bill 2009 [No. 2] and associated bills, with the changes to the Income Tax Assessment Act, the Medicare Levy Act and bringing in the three private health incentive tiers to commence from 1 July 2010. Hopefully, as legislators and policy makers, we can get an outcome this time on this legislation package. I would hope that no-one in this place or in the other likes standing and talking and achieving nothing. We have seen various pieces of legislation come before this chamber and get bounced by the other chamber. I would hope we have more success this time around.

I was interested to listen to the previous speak and thought I heard a criticism of the market. In many of the conversations going on at the moment in this place I am left scratching my head when I hear a Liberal criticising the market that is being endorsed by a Labor government. I sometimes wonder where the consistency is in public policy. If the question is about the market and about the fairness of the market, and if this is the legislation in question, then I think we can have a debate, but if the implication is that the market based response from the coalition on the ETS, which was presented yesterday, is somehow a non-market response, then I think people are being a bit two-faced.

There is also the question that is raised in the heading of this legislation—and I raised this the first time around—of ‘fairness’. It is a growing pet hate of mine to see this pushing of a particular view in the titles of bills before this place. I think it is for the debate of the chamber and the view of the parliamentarians to decide what is fair and what is not. It is not for the proponents of particular legislation to almost push a view of fairness onto policy makers. Once again I raise that issue: it is through this process of discussion and debate that we will decide what is fair or
not. When we see words included in legislative headings that push particular emotions it is, as I say, starting not only to get my back up but, I know, to get the backs of a few backbenchers and members of this chamber up as well. So I would hope a bit of a resistance movement to that can be formed over time.

Also, there is the question of universality in health. This is also a point raised previously. It still, within communities, sometimes comes up as a point of division and debate about whether in Australia today there is universal free health coverage for all. I would hope that argument is dead in this place. I would hope there is an acceptance of the symbiotic relationship between public health and private health. Each relies intimately on the other and each will fail without the other. It is a concern at times to still hear comments that government should provide free health care to all regardless of the circumstances. I still remember Graham Richardson, when he was health minister, making that point very clear: there is no such thing as free universal health care. The private system has been built very much to support and allow for public health care in Australia. But this idea of free universal coverage is one that seemed to enter the mythology of Australia incorrectly. So I would hope everyone in this chamber, regardless of what side of politics they are on, does accept and promote the importance of that symbiotic relationship between the public sector and the private sector in the delivery of health care in Australia.

Representing the mid-North Coast of New South Wales, I can assure this place that we are intimately aware of the importance of this symbiotic relationship. The Port Macquarie Base Hospital—I am sure it has been mentioned in this place many times over the last 15 to 20 years—was the test case in Australia for a privately run public hospital, with a contracted agreement between the New South Wales public sector and a private company going way back. It started out as Health Care of Australia, worked its way through to Mayne Nickless and in 2005 was returned to the public health network. We in our community are intimately aware, therefore, of the potential divisions that can be caused due to this concept of privatisation within the health sector and the divisions when the private and the public are played off against each other. On the flip side, we are intimately aware of the importance of both sides in this ongoing debate about health care between the public and the private sector. There are enormous benefits when the two of them work together well.

So I would hope that, when this public-private issue is referred to in the provision of insurance, there is this test of fairness. I can accept a means testing on the figures that are put before us, and I think it would meet a community standard of fairness if a rebate no longer applied to a family that is on an income of just under $250,000 a year. Representing a lower socioeconomic region, I am pretty confident we can pass the pub test on the mid-North Coast by saying that there should not be any government money going to a family that is earning nearly a quarter of a million dollars a year in income and that there should be some dip into their own pockets if they are earning over that. So I do think that passes the fairness test, even though I am critical of the word ‘fairness’ being used in the title of the bill. Likewise, from the income scales that have been presented—the three tiers—I am pretty confident that they can also pass that Pub test and that community standard of what is fair in regard to whether government incentives should be given to people to take out private health coverage based on the certain income levels attached to the three tiers.
So it is a watching brief that I will be taking, making sure that government keeps those commitments. I hope the figure of 99.7 per cent still stands in regard to the impact of these changes and that only 0.3 per cent of people with private health coverage will leave because of this means testing. I think that is one that we will all be watching very closely, and quite rightly so. If the impacts are greater and therefore the impacts on public health delivery become greater then hopefully there will be a fair rattling of the tin by many of us to have this policy reconsidered and reviewed. Representing a high-growth region with a high elderly population, I think it is fair to say that the 'house full' sign is up on, certainly, four of the hospitals within my area, and any greater pressures that could come from legislative change such as this are certainly not welcome under current funding arrangements for regional hospitals such as mine. So I will be watching that issue closely to see whether there is transfer of anyone who may take great offence or see it as a huge burden that sees them drop out of private health insurance, and then I will be watching the direct impacts of that on public health delivery in a regional area such as mine.

The final point I want to make is that I expect there will be savings made from this, so there is the question of where that health dollar that is saved is going to go. It relates back to the point I was just making about current funding arrangements. They are a huge burden on high growth areas such as ours, where state governments such as New South Wales do not even follow their own funding formulas when it comes to the distribution of resources. On the North Coast of New South Wales, where we are now starting to drift up to a population in the North Coast Area Health Service of not much under a million people, we still remain below equity in the resource distribution formula—the government’s own formula—for how they split up the funding pie around the state. For the Commonwealth to blindly act without considering areas where there is high growth which remain underfunded, and therefore have extraordinary pressures on health delivery, would be folly. It would be folly for the Commonwealth not to consider that in their future allocations of funding, COAG agreements and future dealings with the states, because that is the critical issue for areas such as mine. Whilst we are under equity only by about two or three per cent, in dollar terms that equates to about $40 to $50 million a year. That money would make the delivery of health in our region substantially different. If any of the money potentially saved through this legislative package is going to go via this ugly path of going through the states to get on the ground then I would hope that a big stick is used to make sure the states deliver equity through their own funding formulas, which up until now they have been allowed to get away without. It is a blight on the delivery of fair, equitable and just health care within Australia. Populations move, and the funding formulas seem to lag a long way behind that movement of population. In an area such as mine, where there is high growth, we suffer because of that, and that will mean poor delivery of health care by government until it is addressed.

That would be the final question in allowing this legislation through this chamber from my point of view; I am not going to oppose it. I would want to know with any money that is attached to this that might be saved, or if we are going to start to see some reallocations of health dollars through this and other pieces of legislation, that finally we will get fair dinkum about funding in health in this country. That is going to take the big stick to the states that we have not seen before. In my short time here, I have seen a lot of kowtowing to the states: relying
on the states to put up infrastructure priority lists which might be completely wacky. But that is what has been allowed to happen up until now, through programs such as the Health and Hospitals Fund. New South Wales quite publicly got slapped for putting up a wacky list. In the delivery of health in a region such as mine, that has implications, so I would hope that the Commonwealth will start to take more of a lead on this, will start to take ownership of the flow down of those public dollars and will start to take a real interest in the impacts on the ground, particularly in high growth areas. I was flattered and pleased that we had the Prime Minister visit four or five months ago and sit with doctors at the Port Macquarie hospital, the controversial one. He sat for over two hours with doctors and it was appreciated. I think we are now starting to get to the point of wanting to see the response from meetings such as those. With all the talk about health reform, the 2007 election commitments and where we are going with the health restructure, we are starting to come to the point where a few people have to come home with some commitments and plans, and we really need to start to engage communities who have acted in good faith in participating in this process.

My broader call to arms is for government to get the skates on in regard to health reform. This is one step, but there are people on the ground who are hurting. Port Macquarie Base Hospital, for example, is operating at twice its capacity. It is certainly the most efficient hospital in regional New South Wales, and I reckon it would give the metropolitans a good run as well. It is getting no benefit for being efficient. It is full, and at the moment none of that is recognised within the government’s own funding formulas. I am happy to let this legislation through, but it is the broader changes that we want to see. We want to see where the money is going to go and how serious the government is going to be about taking some ownership of that flow of money through to the delivery of health on the ground.

Ms MARINO (Forrest) (11.50 am)—I rise to oppose the Fairer Private Health Insurance Incentives Bill 2009 [No. 2] and cognate bills that give effect to the measures announced in the 2009-10 budget. These measures provide for means testing of the private health insurance rebate and progressively increase the Medicare levy surcharge for people in my electorate without hospital cover. This legislation is yet another example of Kevin Rudd and the Labor government not being honest with the Australian people, by promising one thing in the lead-up to the election and then doing another. Before the 2007 election, Mr Rudd and the Minister for Health and Ageing—

The DEPUTY SPEAKER (Hon. Peter Slipper)—Order! I remind the honourable member for Forrest that she ought to refer to the Prime Minister by his title.

Ms MARINO—Certainly, Mr Acting Deputy Speaker. Before the 2007 election, the Prime Minister, Mr Rudd, and the Minister for Health and Ageing repeatedly promised that they would not change the private health insurance rebate which had been introduced under the Howard government. Yet here we are and we have a completely contradictory piece of legislation introduced by the Labor government. The government clearly misled the Australian people prior to the 2007 election. These bills, which were rejected by the Senate in September 2009, are flawed and if passed will affect all Australians, both directly and indirectly. I am extremely concerned for people in my electorate. The coalition is strongly opposed to this legislation, which is likely to result in all of those with private health insurance facing even higher premium increases in the future.
Furthermore, those without insurance will be affected, with more people reliant on the public health system. The government itself has admitted that this will be the case.

The Labor government initially claimed that 25,000 people were likely to drop private health insurance as a result of this legislation, with estimates that potentially 40,000 Australians would downgrade their cover. That, in turn, puts pressure on the system. However, Senator Ludwig later admitted that 1.7 million people with health insurance will be impacted by the changes proposed in this legislation. The health insurance sector has also stated that the government has seriously underestimated how many people will drop their health insurance and has anticipated the figure would be almost 250,000, a significant difference from the Labor government’s estimate of 25,000 people. The health insurance sector also projects that another 730,000 people are likely to downgrade their hospital cover and 775,000 people are likely to drop ancillary cover. All of these have implications for the public health system.

The most important issue in the lives of the majority of people, as we know, is their health. My constituents frequently remind me of this. They frequently remind me of their concern about the Prime Minister’s failed election promise in relation to the health system.

What is also of concern is that this legislation comes when there has been an increase of more than 14 per cent in the Australian population over the past decade. Every Australian knows that the cost of health care is growing, as are the waiting lists for public hospitals. The coalition believes that it is the right of all Australians to have choices, to take charge of their own healthcare needs and to plan for their future needs. In my electorate of Forrest, 66 per cent of voters—that is 56,650 people—have private health insurance. This means that, if passed, this legislation will force 66 per cent of people in my electorate to pay more for the Labor government’s reckless spending and bad financial management. I wonder why the Labor government is attacking the health system. Why attack those with private health insurance cover in spite of inheriting the best economy of any government in the history of federal politics? The Labor government has wasted billions of dollars through its cash splashes and is forcing those with private health cover to help pay for their debt, their deficit and their bad decisions by saving $1.9 billion through this attack on people with private health cover.

We have seen reckless spending such as the $1.7 billion of waste in the BER program, which went from a $14 billion spend to a $16 billion spend of taxpayers’ funds, including $7.3 million for plaques and display signs. We have seen the Labor government spending over $1 billion on consultancy fees when this measure regarding private health will save $1.9 billion. This is at the same time that the government is attacking people with private health insurance, who are taking pressure off the budget and the public health system by having private health insurance. It is contradictory. We continually see examples of the Labor government failing the health portfolio. In December last year, the WA Liberal Minister for Health, Kim Hames, criticised the federal Labor government’s rollout of GP superclinics in WA. In a West Australian newspaper article, Minister Hames stated that he is concerned about delays and the lack of consultation with doctors. Minister Hames said: ‘We are not really satisfied with the progress, and there have been difficulties getting the agreements in place and the contracts out. There has been quite a lot of dissatisfaction with local general practitioner groups.’ They don’t seem to be such super clinics, at least in WA.
The government, through other defective health legislation, also tried to target thousands of Australians by proposing that they pay hundreds of dollars more for what is life-changing cataract surgery. A majority of these people are seniors, the very people who can often least afford to pay more and those who need the surgery most. They are attacking the most vulnerable. I had countless seniors in despair over what they saw as a heartless decision. When I met them in the shopping centres and in their homes, they were very vocal on this issue. They saw this as an appalling attack on elderly and often frail people in my electorate and around Australia. I presented a petition from the south-west of Western Australia. There were hundreds of signatures gathered in just a few days. It was not until sustained pressure from the coalition and people just like those in my electorate that the Labor government was forced to back down on this plan to dramatically cut the Medicare rebates for cataract surgery. It should not have come to this. The government should not even have considered using cataract rebates to help fund their program blowouts and to help pay off their debt and deficit.

There was also the IVF debacle, where Minister Roxon was forced to backflip on the Labor government’s proposed halving of the Medicare rebate for IVF treatment. The latest health legislation to raise concerns is also national e-health—more importantly, the absolute guarantee that will be required for the security of patients’ information. I note that the coalition’s shadow parliamentary secretary for health, who at the time was Matthias Cormann, captured the government’s inaction on health in an article in the Australian on 27 August last year, when he said:

On health Kevin Rudd promised the world and has delivered next to nothing. All we’ve had is a review into public hospitals, followed by a review into the review. After all their reckless spending there is now nothing left in the locker for health.

In conclusion, this legislation will put further pressure on public hospitals. We have heard members speak about this issue. It is the complete opposite of what the Labor government promised at the last election, increasing the cost of private health insurance for millions of Australians and resulting in fewer people with private health cover. I remain opposed to this legislation.

(Quorum formed)

Mr BILLSON (Dunkley) (12.01 pm)—I thank my colleagues opposite for the warmth of their welcome. It is quite noticeable that there are no Labor members actually speaking to this horrendous piece of legislation—

Mr Price interjecting—

Mr BILLSON—The Chief Government Whip’s encouragement is appreciated. I have been ‘Rogered’. He could not rustle up any of his own people to speak in support of this horrendous piece of legislation. I must say I am not surprised. I just wonder how many Labor members, as they return to their electorates after being heroic in their compliance with the government line on whatever the speaking notes are, look forward to then facing the tens of thousands of people in their communities that have private health insurance. It is not surprising that the Labor Party is comprehensively AWOL in defending this measure. It seems to have learned nothing from the last time the Fairer Private Health Insurance Incentives Bill 2009 [No. 2] and cognate legislation were debated. It seems to have a very poor, in fact nonexistent, grasp of the dual pillars of Australia’s health system. The public system is valued and does a sterling job under difficult circumstances, ordinarily with underfunding and with poor administration and leadership from state governments. The private system complements the public system. We see in our
community in the Mornington Peninsula many of the outstanding health professionals actively participating in both the public and the private system. This is good. The public health system is important but the private health system is equally important.

The measure we are talking about today is to remove an incentive for Australian families to provide for their own health needs and to get a little bit of encouragement from the government to do so. This is a little bit of encouragement that then results in many times that incentive being contributed to the health system through private health insurance premiums. This is a little bit of support for people who choose to provide for their own healthcare needs through their private insurance, who make choices about their discretionary income and decide to put a share of it towards their health costs, complementing the resources that are provided through governments. That would seem a good idea. It seems such a good idea that tens of thousands of Australians in each of the electorates right across the country think it is a good idea. It was such a good idea when the current Prime Minister, the then opposition leader, Kevin Rudd, was in me-too mode—remember that, colleagues, when I think the term was that there was not a cigarette paper between what the then Howard government did and what the then Rudd opposition claimed it would do if it were elected; not a cigarette paper’s difference.

In my electorate people were very interested in urging me to secure clarity about the Labor Party position on private health incentives because the electorate knew that private health insurance ran against the DNA of the ALP. They wanted to know, and there was question after question on talkback radio, at press conferences, even in this chamber here, in an effort to draw out what the true position of the Labor Party would be if it were elected to government. Many people were falsely reassured and many people were, frankly, misled by the Rudd Labor team into believing their words that nothing would change about the private health insurance incentives and that people could confidently stride up to the ballot box on election day not having to worry about that incentive that encouraged them to provide for their health needs being messed with should the Labor Party be elected. That has proved to be a very misleading statement by Prime Minister Rudd and his health spokesperson, and Labor members and senators have parroted those assurances right across the country. They were parroted in my own electorate. People went to ask the ALP candidate what was going to happen with private health insurance and he said: ‘Don’t worry, rest assured nothing will change. Let’s go and talk about something else.’ That was the tactic of Rudd Labor, and now in government we can recall those immortal words attributed to Peter Garrett, the Minister for the Environment, Heritage and the Arts, ‘Once we get elected things will change,’ and that is exactly what has happened. Now we see a second assault on the private health insurance incentive.

This is so troubling because I have explained briefly the complementarity between the public and private systems. I have touched on the fact that medical professionals often practise in both systems. They are able through that practice in both systems to provide optimal care for their patients. They recognise that the waiting lists and scheduling challenges of the public system are one thing and they do a herculean job to try and address the difficulties that the administration of the public hospital system presents, knowing that in the private system they can pursue quality patient care and respond to individuals’ decisions to provide for their own health through private health insurance with a commensurate level of support and assistance. That is a good model.
You take away that incentive, and you take away encouragement for people to provide for their own health needs. You take away a modest incentive, a portion of private health premiums, and you risk losing the whole premium. So, whilst you might save some cents in the dollar, you lose the private, personal contribution through health insurance premiums. You quickly see a net reduction in the health resources available to support the care, the wellbeing and the treatment of the Australian population. You also see a shift of the demand, where those who once provided for their own retirement, able to pursue care in the private hospital system, join the waiting lists in the public hospital system. What you end up seeing is nothing more than a draining of resources, a discouragement for individuals to provide for their own healthcare needs and net disadvantage to the healthcare system as a whole. These were clearly articulated concerns last time this private health insurance legislation was discussed. These are the reasons why the opposition has been consistent in not supporting this damaging measure that the Rudd Labor government is proposing, and that is why the bills were comprehensively rejected in September 2009.

The government originally claimed that only 25,000 people were likely to drop out of private health insurance because of its proposal, with estimates of 40,000 degrading their cover. According to research from Roy Morgan, Ipsos and the Private Hospitals Association and other analysis from the health industry, nearly a quarter of a million people are likely to drop hospital cover, three-quarters of a million will downgrade their hospital cover and more than three-quarters of a million are likely to drop ancillary cover. This is what the practitioners, those in the field, are saying. And yet the government seems ideologically driven to keep that pressure on. The last time I spoke about this I highlighted the shift of demand from the private system to an already stretched and strained public hospital system, and how it would be to the detriment of not only those who currently have private health insurance but also those who do not.

I have highlighted how the cost increases to those who retain their private health insurance will flow from fewer people being in the insurance pool providing that care. But I also highlighted in the Mornington Peninsula example how the Frankston Hospital, the hospital that the state health minister recently recognised for its outstanding care—a recognition well earned and deserved in my view; a hospital that has, frankly, worked its tail off trying to respond to a growing population and an ageing population with increasing complexity and volume of health presentations to services—will lose as well. Frankston Hospital got a bit of a touch up a few years ago—they were told they were not bringing in enough private revenue. Private revenue is when a privately insured patient attends the public hospital for treatment and care. They are invited—they are not obliged, but they get plenty of encouragement—to reveal the fact that they have private health insurance. Why? Because then the cost of their treatment gets built into the health fund rather than absorbed by the operating budget of the hospital. The Frankston Hospital was apparently, according to the state government, underperforming in sucking in additional revenue from privately insured patients attending the hospital. They were told that they had to lift their game. The last time I spoke on this bill I outlined the revenue impact of that directive from the state government and how it had caused considerable disquiet in the local community. They are resources funded by the private health system supplementing the resources available to the public hospital.
So myopic is this government in its ideological hatred of private health insurance, it does not join up the dots. If you take away the incentive for people to take out private health insurance and to provide for their health care, you see a reduction in people making that personal choice; you see a reduction in the resources available to the health system as a whole; you see an increasing demand on a public hospital system already stretched with long waiting lists and, in the state of Victoria, waiting lists to get onto waiting lists—so clever is the management of that significant public hospital challenge—and you see a diminished opportunity for those public hospitals to draw in additional resources through revenue from privately insured patients.

It is almost like a perfect storm. It is almost like the government is setting about creating more of a health crisis than we have right now. Prime Minister Rudd said the buck stopped with him and promised so much about taking over the hospital system. What is he trying to do? Is he trying to nobble it first, so whatever it does it cannot look any worse than it is now? Is that the cunning plan of the Prime Minister? That seems to be what he is doing. This is a Prime Minister who forgets history. I was reminded by my friend and colleague Mr Tuckey, when he was reflecting on his time as shadow veterans’ affairs minister recently, and from my own time as veterans’ affairs minister, how there was a time when the Commonwealth ran hospitals—they were veterans hospitals; repatriation hospitals. A former Labor government thought it was such burden that they did all they could to unload them. They thought it was too expensive. There was a handful of them; that is all. There were not hospitals all across the country, just a handful of them. They were repatriation hospitals caring for our veterans community, who deserve our great respect and our great commitment to their health and wellbeing needs.

But a former Labor government thought, ‘No, let’s not do that,’ and they unloaded the repatriation hospitals.

As the veterans’ affairs minister I was pleased to be able to introduce more private hospitals into the system that provides veteran health care, recognising that that was supporting the responsiveness of the system to the care needs of our veterans community and, together with the health system, we could increase the quality and the responsiveness and the convenience of the care provided to people. That is the history. But we have a Prime Minister thinking about going back to the future, when he could not handle a handful of repatriation hospitals—this was the Labor Party then—and they thought it was too expensive and they could save a lot of money by not being directly involved in operating hospitals. But, no, the Rudd Labor government is talking about going there again and I fear that these measures, such as removing incentives for private health insurance, are simply making a rotten system now, working under duress, worse, so all those concerns are exacerbated and then he will say, ‘Well, things aren’t flash but they are not as bad as they used to be,’ after he has made decisions of this kind to put added pressure on the public hospital system.

But it is not just this measure. I have spoken before in this place about the Frankston Medicentre. This is an after-hours GP clinic that has been around longer than the Prime Minister has been in this parliament. It has been proven to be a successful model, it had support from the former Howard government and yet we have learned that the Rudd Labor government is withdrawing that funding support. They have been told they will have to do less. We have the Rudd Labor government running around saying, ‘Let’s have these after-hours GP clinics’ et cetera, we have members talking about them being par-
tially operational—which sounds like they are not quite what they are supposed to be—and we have a perfectly viable and enduring model, which has been with us for many years, being defunded by the Rudd Labor government. This is another decision that is simply putting more pressure on the Frankston Hospital.

At the moment people can attend the accident and emergency area and be advised of the existence of an option, if they choose to take it, of an after-hours GP service collocated in the same facility. Some funding to support that was provided by the Howard government, yet the Rudd government is defunding it. They have been told, ‘No, we are not going to provide the level of support you need—see how you go on less.’ The medcentre have informed me that that will make the system unviable. They have put to me good ideas about either a restoration of the funding being taken from them by the Rudd Labor government or alternatively some thoughts about Medicare benefits schedule billing arrangements. This is by definition an after-hours GP clinic, yet for at least an hour a day when they are open they are not able to access the after-hours GP Medicare Benefits Schedule item. As it is an after-hours clinic—that is, it is not open during normal hours—you would have thought they could access that benefit. That would at least provide some support, but we have seen no action on either of those two issues. Inactivity on those issues is putting greater pressure on the Frankston Hospital—a hospital that, as I said, I admire for the way it provides care under great pressure from a growing population, under-resourcing and many challenges that are being made more difficult by the Rudd Labor government.

I invite people to think carefully about this measure. It is not a $64,000 question for the electorate of Dunkley; it is a $64,000 Dunkley residents’ issue, as they will all be paying a heavier price for this Rudd government’s ongoing attack on private health insurance. It is not just an issue for those people that hold that care; it is also an issue for those that are looking for support from our health system. This ill-conceived measure will put up the price of private health insurance, discourage people from providing for their own health costs and add pressure and waiting lists in the public hospital and health system. In addition, as I have illustrated, privately insured patients bring additional revenue into the public hospital system. That opportunity, being encouraged in hospitals in Victoria by the state Labor government, will be diminished and disadvantaged as a result of this change.

It does not matter where you are in the health system or whether you are part of the public or the private system—in fact many people are active in both and contribute to both—the incentives to encourage the participation of those in the private system should not be changed, because the Rudd Labor government said they would not. Even on the most basic issue of honour, this should not be supported. At a policy level, with its impact on the health system, this is a silly move. In terms of preparing for our future and the population projections in the Intergenerational report that get selectively dragged out to support some ideological adventure that the Rudd Labor government is on, how can it be helpful to discourage people from providing for their own retirement at a time when we have an ageing and growing population? It is just another example from this government.

Prime Minister Rudd used to boast about a big Australia, as all diplomats do—they like being a representative of a bigger country—but he could not talk about a coherent strategy to support that projected population explosion of 60 per cent through to 2049. It is no good talking about a big Australia if you
do not have the plans and the strategies to successfully settle and support a growing community in a sustainable way. Taking away encouragement from people to provide for their own health needs, with a growing and ageing population, is just downright dopey. It is wrong, it is dishonourable and it is a breach of faith and promise from the Rudd Labor team. They should hang their heads in shame and see that this is bad public policy. It is appallingly deceitful politics and it is going to undermine health care regardless of whether you are privately insured or not in electorates including Dunkley.

I am very pleased to be able to oppose this again because this is one of the silliest things we have debated. We proved that point last time. I do not know what is motivating this—the Rudd Labor government seem to learn nothing from their mistakes. It is just pure ideology and I invite the House, and particularly those members as they scurry back to their electorates after the parliament closes tomorrow, to have a chat to the tens of thousands of people in their electorates and explain why they are being done over by this bill today.

PERSONAL EXPLANATIONS

Ms GILLARD (Lalor—Deputy Prime Minister) (12.20 pm)—Mr Speaker, I wish to make a personal explanation.

The DEPUTY SPEAKER (Hon. Peter Slipper)—Does the honourable member claim to have been misrepresented?

Ms GILLARD—Yes.

The DEPUTY SPEAKER—Please proceed.

Ms GILLARD—There are claims in the Fairfax papers today that I was made aware of more extensive dealings between the member for Hunter and Ms Helen Liu. This is incorrect. In late March last year, my former chief of staff was contacted by a solicitor at Slater and Gordon. No specific allegations were raised. A subsequent email was sent, containing a photograph of Mr Fitzgibbon on a plane with an unnamed Chinese gentleman. No words or allegations were contained in the email. The government made appropriate checks and, given the lack of specific allegations and no supporting documentation, determined that no further action was required.

**FAIRER PRIVATE HEALTH INSURANCE INCENTIVES BILL 2009 [No. 2]**

Cognate bills:

**FAIRER PRIVATE HEALTH INSURANCE INCENTIVES (MEDICARE LEVY SURCHARGE) BILL 2009 [No. 2]**

**FAIRER PRIVATE HEALTH INSURANCE INCENTIVES (MEDICARE LEVY SURCHARGE—FRINGE BENEFITS) BILL 2009 [No. 2]**

Second Reading

Debate resumed.

Mr CIOBO (Moncrieff) (12.21 pm)—I am pleased to rise to speak of the coalition’s point of view—and in particular, I would suggest, that of my electorate—with respect to Labor’s proposed changes under the various bills that are part of this cognate debate today, the Fairer Private Health Insurance Incentives Bill 2009 [No. 2] and the others. In summary, we have before the House again a number of bills that the Labor Party is consistent upon trying to ram through this parliament—bills which go to the very essence of private health insurance in this country. If you look at the journey that Australians have had with respect to private health insurance over the last several decades, there are a number of clear trends in place. The most obvious of those trends is that private health insurance has always been adopted by more
Australians under the coalition, and the reason for that is effectively underpinned by ideological belief. Those on this side of the chamber hold the view that, if Australians can afford to provide for their own health cover, they should be encouraged to do so. That point of view stands in contrast to that of the Australian Labor Party, where a very different attitude exists about private health insurance.

We know that deep in the warm bosom of the Australian Labor Party they hold and nurture the view that we should have a global public health system that does not register any difference between multimillionaires and those who unfortunately face the very toughest challenges in Australian society. It is a very different point of view to the coalition’s. The coalition’s view is that our public health system should serve the public but that those that can afford to pay or those that choose to pay for private medical insurance should be encouraged to do so. Fundamentally, the reason for that is a very simple belief, and that is that our public health system already labours to meet the demands of the Australian population. Given that the public health system already labours to meet the high level of demand in the Australian population, why would you seek to put more people into the public health system and make the problem even worse?

That is the fundamental difference in policy between the coalition’s approach—both under the previous Howard government and even before that, in the eighties under Fraser—and the Australian Labor Party’s approach, which attempts to tear down those incentives for Australians to provide for their own private health insurance where they can afford to do so. The Labor Party have the misdirected belief that by doing so they are in some kind of dogged pursuit of ideological nirvana that sees that we should have one health system for all, no matter how bad it is.

So what we have before the House in the bills today are a number of policy changes that directly attack private health insurance in this country under the guise of reforms by the Australian Labor Party that will apparently make it a more egalitarian system.

I talk about my own electorate when I consider an issue like this. The Gold Coast is Australia’s sixth largest and fastest growing city. We have a woefully inadequate public hospital on the Gold Coast, in the form of the Gold Coast Hospital in Southport, and a number of satellite health centres that are publicly funded. I do not know the exact number, but I would suggest that it is a hospital that was built and designed to service a city of probably about around 200,000 people, which is a far cry from the 500,000 that currently reside on the Gold Coast. Granted, thanks to both Commonwealth and state government funding, there is a new hospital being built, albeit years late because of the ineptitude of the state Labor government and their inability to ever deliver a single project on time or remotely on budget. That notwithstanding, I think people will accept to some extent that the Queensland state Labor government has a long and unfortunately very undistinguished track record of botching public projects. The new Gold Coast hospital is just the latest in a long list, so people are not surprised that it is now some three years overdue.

But that notwithstanding, there is an important principle that exists in the city in which I live and which I have the privilege of representing. That principle is that there are large numbers of people prepared to pay for their private medical insurance. There are possibly two reasons for that. The first is probably a great degree of scepticism about whether or not the public health system will meet their needs. The second reason that large numbers choose to take out private hospital cover may be that they like the fact
that they can choose their doctor in the private system. But that notwithstanding, roughly 50 to 55 per cent of my electorate has private medical cover.

The Southport public hospital is frequently on bypass. In other words, it cannot cope with the demand for its service, so if you have some kind of medical emergency the ambulance actually drives past Southport hospital to go to the next hospital down the road, which in some instances is on the south side of Brisbane. When that hospital already struggles all too frequently with the challenge of being overcrowded and not able to cope with demand, we now have this brilliant and inspired decision by the Australian Labor Party to put more people into the public system! It is going to do that by making private health insurance less affordable. By jacking up the price of private health insurance, the Australian Labor Party somehow and bizarrely thinks that it is going to make the public system better. By making it more expensive and therefore triggering, we estimate, somewhere in the vicinity of one million Australians to transition from private health insurance to the public system, the Australian Labor Party thinks it has achieved some kind of policy goal. What a strange set of policy goals that Labor would seek, to undertake such a ridiculous course of action in pursuit of ideological dogma.

From time to time we get members of the Australian Labor Party who claim that this is all being done as a savings measure for the government. They have said that they need this policy and they need these laws to go through to savage private health insurance in this country to save the government money. This is a government that has wasted nearly $3 billion on cost blow-outs under the so-called Building the Education Revolution, the pink batts program and the computers in schools program. There have been nearly $3 billion in cost blow-outs by these lazy, incompetent economic managers. But, that notwithstanding, they will still seek to penalise roughly one million Australians and to push them from private health insurance into the public system. As a responsible alternative government we have said to the Labor Party, ‘Offset the impact of our proposals, or rather our refusal to adopt Labor’s failed and short-sighted proposals, by increasing tobacco excise.’ By raising tobacco excise you completely offset the cost of our opposition to the government’s moves. So we are responsible. We say tax those who are a massive burden on the health system—that is, smokers; because they are a massive burden on the health system—and increase tobacco excise. That will raise $1.9 billion over the forward estimates, which completely offsets the cost of our refusal to adopt this shortsighted policy change from the Australian Labor Party.

When I talk to those 50 to 55 per cent of residents in my electorate who currently enjoy private health insurance I cannot possibly argue to them why I would ever support such a harebrained scheme as Labor’s proposal, which will probably result in that figure dropping into the mid-30 per cent range or something like that. I am very happy to outline to them why I stand opposed to it. They understand innately that the consequence of this policy change that Kevin Rudd and Labor are introducing will be that already very long public hospital queues will get even longer. They understand that, because they cannot get an elective surgery operation when they have been on the waiting list for 12 months already, it is going to get even worse as a result of these changes. My constituents innately understand that. That is why I have, with a high degree of confidence, the view that they support the coalition’s opposition to Labor’s proposed health insurance reforms.
There is another issue of principle here—that is, ahead of the last federal election we saw Kevin Rudd and other members of the government frontbench out campaigning on the road, hand on heart saying, ‘The buck stops with me.’ We all remember those immortal words that were uttered by the Prime Minister. ‘The buck stops with me,’ he said. ‘When it comes to fixing the public health system, Australians if they elect me can rely on me to fix it. The buck stops with me.’ That is what he said. And here we are two years since the Rudd Labor government was elected and what has happened? The public health system has gotten worse. The buck never stopped with Kevin Rudd; that is for sure. It just went straight past. We have a public health system that is crippled by this government’s ineptitude. It is no surprise because the same ideological dogma that plagues the Labor Party at a state level and that has caused so many mistakes, problems and such mismanagement at a state level has now been embraced by Canberra. We have the same failed policies in public health that exist at the state level now being brought to Canberra. So it is no surprise that we see our public health system lurching from crisis to crisis.

I want to say that I hold in the highest regard the doctors, the nurses and the allied health professionals who work in our public health system. Indeed I have immediate family members who work in the public health system. I admire not only them and the work that they do but also all those in the public health system who work in hospitals and in other auxiliary services, who provide first-class services in the main. But that stands in contrast to the bloated bureaucracy that lies behind it. Comments are frequently made to me by those who have had an interaction with the public health system. They often say to me that for every doctor they saw, they saw about five or six managers, bureaucrats or people doing paperwork—people not delivering front-line health services but actually sending memos to each other for whatever reason; we do not know. When you look at the billions of dollars of taxpayers’ money that is shovel ed into the public health system you do not see it on the front line helping the doctors and nurses; you see bureaucracies that get bigger and bigger and bigger.

Queenslanders remember the great fraud that was perpetrated by the state Labor health minister. A number of years ago the then state Labor health minister stood up and said that he had achieved great reform of waiting lists in the Queensland health system. He held up statistics and talked about how the waiting lists for elective surgery had declined so rapidly under the Labor Party in Queensland. But, you know what? It was not long thereafter that the truth was uncovered. What we uncovered, unfortunately, in Queensland was that they had simply introduced a waiting list to get onto the waiting list. So there were two waiting lists and by pushing people from the waiting list that was measured and accounted for previously they were able to make it look as if the waiting list had become smaller when in reality there was now a second waiting list that patients were stockpiled on. It was almost like a traffic gridlock as they waited for months and sometimes years on the pre-waiting list to get onto the waiting list. Then they waited months and sometimes years to have the surgery. So it is no wonder that when the former coalition government gave people an incentive through the 30 per cent health insurance rebate to embrace private health insurance the level of private health insurance coverage in this country skyrocketed from down in the 30 per cent range up into the 40 per cent or 50 per cent range. It did so because people wanted to be in the private system because they had confidence in the private system.
The bills that are before the House will do great damage. They will do great damage because they will force another million Australians, or thereabouts, from private health insurance onto the public system. You can look any Australian in the eye and they will understand when you say to them: ‘This is bad legislation. Do you think that the public health system can deal with an extra one million people waiting in its queues, waiting in its emergency departments and waiting for elective surgery?’ The answer overwhelmingly will be, ‘No, we don’t believe it.’

I know the Minister for Health and Ageing will stand up and say: ‘But, hang on, we’re going to pour billions of dollars of extra funds into the public system. It’ll be okay. Trust us.’ There is such a litany of failure at a state level by state Labor governments who, hand on the heart, have said exactly those words that it is no wonder Australians are cynical about Labor’s ability to manage money. If there were genuinely improved patient outcomes and benefits that flowed—and that will now flow with additional funds, Labor will claim—as a consequence of the billions of dollars of taxpayers’ funds put into the public health system, people might be more understanding. But the truth is that the track record of this government, like that of state Labor governments, is one of abject failure when it comes to improving the health system.

More importantly, why would anyone in their right mind truly believe that the health minister or the Prime Minister is actually going to do anything beyond political spin when it comes to improving the public health system? Bear in mind that these same two people, before the last election, went around hoodwinking the Australian people, saying, ‘The buck stops with me and we’ll fix the public system.’ Here we are two years later and nothing has changed.

The simple challenge from the simple task that lies ahead for the Minister for Health and Ageing and for the Prime Minister is to get back the confidence of the Australian people that change will take place. Nothing has happened in two years. Talk of throwing billions of dollars of extra money at the problem will not change. It has not in the past, so why will it suddenly change now? Until rock solid guarantees and KPIs are put in place, the Labor Party should steer away from driving a million people or thereabouts into the public health system. More importantly, the Labor Party should embrace the coalition’s proposal to completely offset the costs of this measure through increasing tobacco excise. That achieves, on even the most straightforward principle, two key outcomes: firstly, it creates a greater disincentive to engage in an unhealthy habit—that is, smoking—and, secondly, it is economically responsible by making sure that the coalition’s opposition to this bill does not have an impact on the budget bottom line.

I am happy to stand here on behalf of my constituents in Moncrieff, the people in Gold Coast City, who are already lumbered with a substandard public health system due to the fact that it is woefully inadequate for a city of 500,000. It is a city which incidentally—and I will take the opportunity to highlight this while the health minister is here—had funding for a large number of its after-hours medical services cut by this government because the government said that it would pursue GP superclinics as its solution. Do you know what? This is the sixth largest city in the country, with 500,000 people, and there is not one GP superclinic from this government.

Ms Roxon interjecting—

Mr CIOBO—Now the minister says that is because we oppose it. So apparently GP superclinics can spring up all across the
country, but, where the opposition opposes it, it does not happen—

Ms Roxon—Madam Deputy Speaker, I rise on a point of order. I have tolerated a long stretch from the debate. This is not relevant. But I also will not be verballed. That is not what I said. He cannot now ask for a superclinic when their position is to oppose all GP superclinics. Now he is actually asking for one in his electorate, which I note.

Mr CIOBO—Now I am out of time.

The DEPUTY SPEAKER (Hon. DS Vale)—I thank the member for Moncrieff for his contribution.

Ms ROXON (Gellibrand—Minister for Health and Ageing) (12.42 pm)—in reply—I thank the members for their contribution to this debate. I must admit that the member for Moncrieff did not really take the opportunity to talk about anything particularly relevant to the Fairer Private Health Insurance Incentives Bill 2009 [No. 2] and cognate bills, but I am pleased that he has put on the record his request for a GP superclinic in his area, something that until today he has been vehemently opposed to. We will note his request for that proposal to be expanded into his electorate.

I am pleased to be summing up on these bills, which are very important to us. I am a little disappointed that those opposite who took the opportunity to speak did not really come up with any decent reason for opposing these bills and unfortunately filled their speeches with a whole range of mistruths, including some of the highlights like ‘nothing having happened in two years in health’, when actually we have been rebuilding block by block our health system after the current Leader of the Opposition spent all of his time in government pulling investment out of our health system, capping GP places, ripping a billion dollars out of public hospitals and neglecting our workforce shortages.

I think it is interesting that the member for Moncrieff and others are still using the entirely discredited figure of one million people being anticipated to move as a result of this measure into the public hospital system. Even the private health insurers themselves agree that that figure is no longer credible, and I am surprised that the Liberal opposition are continuing to use these figures.

These bills, a combination of three bills, give effect to our 2009-10 budget measure to introduce three new private health insurance incentive tiers for the rebate. These bills have previously been debated in the House, and after previously being passed in the House were defeated by the Senate at the second reading on 9 September. This legislation is needed to bring fairness to the private health insurance rebate. We believe that reforms are needed to make the rebate sustainable for the future.

The Senate, by taking the action that it did, dismissed one of the government’s key measures to appropriately deal with the global financial crisis. Its obstruction of the government’s budget and the defeat of these bills has caused a $2 billion impact to the budget over the forward estimates. Treasury estimates that, if the bills are not passed, that will increase total health spending by the middle of the century—that is, 2050—to 0.15 per cent of GDP, or by about $100 billion over that period. That is why the government has reintroduced these bills to the House and, after members’ consideration, will be submitting them to the Senate once again.

Government support for private health insurance needs to be directed to those hard-working Australians who need the assistance most, not the high-income earners who do not. Hairdressers, secretaries and taxi drivers will continue to receive benefits but not millionaires or politicians, who do not need it.
Importantly, the vast majority of people keep their benefits. It is estimated that 90 per cent of Australians with private hospital cover will be totally unaffected by these changes. The government does support a mixed model of financing and delivery for health services in Australia, but, as the Intergenerational report highlights, private health insurance is going to be the fastest growing aspect of this health expenditure. As I have said, the Commonwealth cost of the rebate—and these figures have been released previously—has ballooned over the past decade from about $1.5 billion in 1999-2000 to $4 billion last year. This spending is not sustainable, particularly in light of the global financial crisis. Since the 2008-09 budget, tax receipts have been revised down by $170 billion, and the $2 billion of net saving in this package will ensure that the government’s commitment into the future for the rebate remains sustainable. I am pleased that the shadow health minister is here. Someone who previously had a role of some financial responsibility in the former government would be very aware that these figures presented a great problem for the budget, for the community and for the sustainability of private health insurance in the past, something that the new opposition finance spokesperson is clearly aware of and the reason he is leaving open the option of supporting this measure when it comes into the Senate.

The way that we can still maintain a high level of insurance is by using the other levers that we have, such as the Medicare levy surcharge and Lifetime Health Cover. A key element of the way this package of bills was designed was to ensure that Australia does maintain a high level of private health insurance membership. In fact, 430,000 more people have taken out private hospital cover since this government was elected, and the opposition’s claims that previous changes were going to lead to a massive decline of people in private health have been shown to be patently incorrect. In fact, the reverse has happened. The opposition at the time inaccurately claimed that previous bills would have an impact, and now they are crying wolf again, claiming that these bills will cause hundreds of thousands of people—or, as the member for Moncrieff just said in his contribution to the debate, a million people—to drop out of private health insurance. There is simply no evidence to support these outrageous claims. They are not based on the facts, and we are very confident that we have the mix of incentives and benefits right to ensure that the participation rate remains at high levels. As I say, this hyperbole is designed more to get on the TV news than it is to actually make sure we have a sustainable health system for the future.

Treasury projections are that only 25,000 people are estimated to drop out of hospital cover. These Treasury estimates have been supported by the independent Ipsos private health insurance survey conducted by the industry, not by the government, where the results show that only 15,900 people would drop their hospital cover, based on members’ responses when the package was explained to them. My department estimates that the small reduction in hospital coverage is estimated to result in only 8,000 extra admissions to public hospitals over two years, and this represents an increase of less than 0.1 per cent of the 18 million presentations to public hospitals over the same period. Even the President of the Australian Medical Association, Dr Andrew Pesce, agreed, saying that the AMA’s own modelling showed ‘there isn’t going to be a huge dropout rate at this stage’. That is something that he said on Meet the Press. The peak public hospital body, the Australian Healthcare and Hospitals Association, an organisation that you think would be fearful of any figures being sustained at the levels that the opposition are

suggesting might be, have said that there will be ‘little or no impact on the numbers of people with private health insurance’. But, as I have noticed, there is one politician on the opposition side who has spoken honestly about this legislation. The finance spokesperson, Senator Joyce, who holds the job that Mr Dutton would dearly love to hold, has said that the opposition should consider this legislation with an open mind. He said that if there is a net saving you would have to positively consider it.

The opposition now seems to be in total disarray about this issue. The opposition leader’s response to Senator Joyce’s call was to say:

Politicians should be open-minded in a general sense, but it is a very strong position of the Coalition that we don’t support the Government’s proposal …

This sort of general sense compared to reality—that they are just going to oppose anything that gets put before them—is I think going to present some problems for Senator Joyce. But ultimately he has a vote in the other place, and, when the bill comes to the other place, we will be expecting him to act in accordance with good sense and logic.

We are concerned that the opposition leader’s role, it seems, is just to oppose everything that the government does. He is happy and ready with a complaint about everything in the system, which is something that the shadow health minister is very fond of as well. But they have no solutions—not a single solution—to any problem that they persistently complain about. That is what they did when they were in government, but now that we are in government we are determined to take some of the actions that are needed to have a sustainable health system into the future.

So we call upon the opposition not to be obstructive and threaten the sustainability of the budget but to do what Senator Joyce has called for and support this measure. The Minister for Finance and Deregulation and I have written to Senator Joyce offering him further evidence and briefing and further information if he needs it on how this net saving will be achieved for the budget. This measure will make our private health insurance system fairer and more balanced. It is necessary for our health system and for our federal budget. I would like to thank the departmental advisers who have worked on this legislation in great detail. I commend the bill to the House.

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

The House divided. [12.55 pm]

(The Deputy Speaker—Hon. DS Vale)

Ayes…………… 77

Noes…………… 50

Majority……… 27

AYES

Adams, D.G.H. Albanese, A.N.
Bevis, A.R. Bidgood, J.
Bird, S. Bowen, C.
Bradbury, D.J. Burke, A.E.
Burke, A.S. Butler, M.C.
Byrne, A.M. Campbell, J.
Champion, N. Cheeseman, D.L.
Clare, J.D. Collins, J.M.
Combet, G. 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.
Ferguson, M.J. Fitzgibbon, J.A.
Garrett, P. Georganas, S.
George, J. Gibbons, S.W.
Grierson, S.J. Griffin, A.P.
Hale, D.F. Hall, J.G. *
Hayes, C.P. * Jackson, S.M.
Kelly, M.J. Kerr, D.J.C.
King, C.F. Livermore, K.F.
Macklin, J.L. Marles, R.D.
McClelland, R.B. McKew, M.
McMullan, R.F. Melham, D.
Question agreed to.

Bill read a second time.

**FAIRER PRIVATE HEALTH INSURANCE INCENTIVES (MEDICARE LEVY SURCHARGE) BILL 2009 [No. 2]**

Second Reading

Debate resumed.

Ms ROXON (Gellibrand—Minister for Health and Ageing) (1.04 pm)—by leave—I move:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

Third Reading

Ms ROXON (Gellibrand—Minister for Health and Ageing) (1.04 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

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

Second Reading

Debate resumed.

Ms ROXON (Gellibrand—Minister for Health and Ageing) (1.04 pm)—by leave—I move:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.
Third Reading
Ms ROXON (Gellibrand—Minister for Health and Ageing) (1.05 pm)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

NATIONAL BROADCASTING LEGISLATION AMENDMENT BILL 2009

Second Reading
Debate resumed from 26 November 2009, on motion by Mr Albanese:
That this bill be now read a second time.

Mr CRAIG THOMSON (Dobell) (1.06 pm)—I rise to support the National Broadcasting Legislation Amendment Bill 2009. This bill will amend two acts, the Australian Broadcasting Corporations Act 1983 and the Special Broadcasting Services Act 1991, to establish in legislation the new merit based appointment process for ABC and SBS non-executive directors and to reinstate the staff-elected director of the ABC board. The staff-elected director position cannot be reinstated to the ABC board until the legislation is amended.

Under the provisions of the bill: the position of staff-elected director will be restored to the ABC board; non-executive director vacancies on the ABC board and SBS board will be advertised; an independent nomination panel will shortlist suitable candidates; and there will be a clear merit based selection criteria for non-executive director positions. Where the government does not appoint a shortlisted candidate, they will have to provide reasons to parliament. The Prime Minister must consult with the Leader of the Opposition prior to recommending to the Governor-General the person to be appointed as the ABC chairperson. The appointments of current or former politicians or senior political staff will be prohibited. The government committed to these initiatives prior to the 2007 federal election. They were part of the platform that we took to that election. We are intending to honour those election promises with this legislation.

In relation to merit based appointments of non-executive directors, it is important to note that strong and independent national broadcasters are an essential pillar in our democracy. It is incumbent on the ABC board and the SBS board to be able to respond to the challenges and opportunities of the emerging digital and online environments. To this end, both organisations must have transparent and accountable governance processes. The ABC and SBS cannot function to their maximum capacity without excellent boards. This legislation will ensure that all Australians will have an opportunity to nominate for a place on the ABC board or the SBS board and that all claims will be considered on their merits by an independent panel. All future appointments will be governed by the overriding principle of selection based on merit. Individuals who through their abilities, experience and qualities match the needs of the ABC and SBS will be selected. All future appointments to the ABC and SBS boards will be subject to independent scrutiny by the nomination panel. The process promotes the principles of equal opportunity and gender and geographical diversity. The ultimate responsibility for appointments remains with the minister.

This bill reinstates the role of the staff-elected director, which will further enhance the governance arrangements on the ABC board. The position of staff-elected director is an important enhancement of the ABC’s independence, providing the board with a director who has a unique and important insight into ABC operations. The staff-elected director may often be in the best position to critically examine the advice coming to the
board from the ABC’s executive, given their knowledge of the daily operations of the broadcaster.

The changes to the board process are needed to ensure the future independence of both boards as media technology evolves. For too long the process of appointing directors to the ABC and SBS boards has been open to political interference. It is time to restore the independence. The new appointment process will ensure that all future appointments to the ABC and SBS boards are conducted in a manner that fosters independence, transparency, accountability and public confidence. Former politicians and political staffers will not be eligible to apply and, to make it clear that the government is serious about independence and balance, the Prime Minister and Leader of the Opposition will have a hand in deciding the appointment of the boards’ chairs.

When the changes were publicly proposed in a discussion paper last year, the ABC’s then most recent staff-elected director welcomed the government’s decision to reinstate the role, saying it was vital to the independence of the public broadcaster. Broadcaster and journalist Quentin Dempster said at the time that the ABC audience would be better served by board members who were not appointed on the basis of politics. That is important, because that is why the national broadcasters are there—for their audiences. We need to make sure that their independence is an essential part of Australian viewing. Mr Dempster said:

We’re really looking forward to seeing that merit selection comes through and the public gets an understanding that they as taxpayers are the ones who own the ABC, not the staff, not the Labor Party or the Liberal Party.

One of my staff is himself a former journalist who worked with one of the two national broadcasters, and he recognises the importance of independence. He tells me of the times when there was strong solidarity within the staff ranks of the TV and radio stations of the ABC and SBS while either was having a dispute with management and/or the board over political appointments or the question of staff-elected directors. To come to work every day in the knowledge that somewhere at the top of a national broadcaster’s food chain there was the possibility that a story or program could be interfered with because of an executive decision made with one political bias or another was a very disturbing feeling for many a working journalist, editor or programmer.

In a dramatic example of how circumstances can turn, that same staff member of mine was once a part of the media in the Pacific Island country of Fiji. Fiji, as many of the members here know, no longer has an independent media. The newspapers, radio and television in that popular destination for Australian tourists have virtually been shut down by the country’s military leader. It is probably true to say that Fiji’s national broadcaster was never as strong and independent as ours, but now any independence ever enjoyed by the media over there has virtually been put aside. Thankfully, the chances of that ever happening in Australia are practically impossible. And through this legislation I am speaking on today, any threats to the integrity of the independence, transparency, accountability and public confidence of the two national broadcasters will be no longer.

The ABC and the SBS are both recognised throughout the world as quality program makers. The current affairs segments and hard-hitting documentaries of both have at various times had major impacts on the lives of not only public affair conscious Australians but also on people in various other countries. These programs have also been screened on some of the world’s leading in-depth news and current affairs channels op-
erated by the likes of the BBC and ITV. And the growing popularity of travel documentaries and lifestyle shows, especially when they involve food, is ever so evident. Our national broadcasters have had a major hand in these new brands of reality TV shows.

But the traditional world of broadcasting as we know it is changing and changing rapidly. Increasingly the digital age is determining how we receive our daily doses of news and current affairs and other programs. These programs themselves are converging and finding more and more niche audiences, and the audiences are trying out new ways to catch up with the world around them on their portable screens and mobile phones or they are investing in higher quality TV sets at home or increasingly turning to their computer screens to update themselves. And while they can more easily see what is going on in the world, there will more demand for services like news and weather to be focused on their local areas.

The wider range of viewing and listening equipment demands programs that are technically superior. That is why this country needs to update, why we need to truly enter the 21st century of communications, and our two national broadcasters will play a major part in the future of digital broadcasting through a far better broadband network. The National Broadband Network will be the single largest infrastructure investment made by an Australian government. It will be a key nation-building project, stimulating our economy, improving health and education services and connecting our cities and regional centres. The government’s $43 billion investment will deliver 90 per cent fibre-to-the-premises coverage at speeds of 100 megabits per second and the remaining coverage through state of the art wireless and satellite technologies.

A range of studies, both in Australia and from overseas, agree on the fundamental bottom line that investment in high-speed broadband leads to billions of dollars in economic benefits across the economy. The NBN is not just about delivering existing internet services to consumers. It will be an enabling platform for a range of 21st century communications, including new applications promoting health, education and energy efficiency and new innovative business applications. A range of studies both in Australia and from overseas, including from Access Economics, the Centre for International Economics and the European Commission, have converged on the view that high-speed broadband will lead to billions of dollars in economic benefits across the economy in the future.

I note Infrastructure Australia’s view in its National infrastructure priorities report, in May last year, which stated:

The importance of an accessible and fast broadband network to Australia’s international competitiveness is almost impossible to overstate. The government is now clearly focused on the implementation of this policy. That is why the government is conducting a detailed implementation study to work through issues such as, amongst other things, operating arrangements, ownership, structure and ways to attract private sector investments. The implementation study is due early next year.

By taking a leadership role in investment in high-speed broadband, the government is positioning Australia to take advantage of the benefits of the future digital economy. The opposition, on the other hand, are all over the place on this issue. Clearly, they are very slow to move with the technology in terms of broadband, let alone party unity on these issues. What we hear from the opposition is that, first of all, they criticise us for moving too slowly and then they want to reopen the
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debate about the technology. They have had an opportunity. They had 11½ years to look at what direction they wanted to take. What did we get in those 11½ years? Eighteen failed broadband policies—that is right: 18 different policies when they were in government but not one concrete step forward into the digital economy.

The opposition clearly failed in the past on the digital revolution. They clearly have no plan for the future on this and they should be supporting the government’s role and initiative in the rollout of the NBN. It is the way to go for Australia. It will lead to greater economic benefits for the Australian people and it is something that should be bipartisan. Unfortunately, getting a single position from an opposition that takes multiple positions on almost every issue is very, very difficult.

In terms of international comparisons, the most recent OECD statistics indicate that Australia is in the bottom half of OECD countries in broadband take-up. We are 16th out of 30 countries. Australians pay more for broadband than most OECD countries. We are 20th out of 29 countries. For average monthly subscription prices, Australia is the fourth most expensive for slow speed connections and the fifth most expensive for medium-speed connections. These are important facts that were before the previous government but again they failed to act on them. They failed to make broadband accessible to the vast majority of Australians. They failed to look at technology that would make it available at a much reduced price.

On the other hand, this government is investing $250 million to roll out fibre-optic backbone links connecting cities, major regional centres and rural towns. The first six priority locations for initial investments are Geraldton, Darwin, Emerald and Longreach, Broken Hill, Victor Harbor and the southwest Gippsland region. Tasmania was to be the first state to receive these services, and that has already occurred. On 21 October the Prime Minister and the Tasmanian Premier announced stage 2 of the NBN rollout in Tasmania. The centres of Smithton, Scottsdale and Midway Point will be the first to receive optical fibre broadband connections under the National Broadband Network rollout.

The NBN coverage of rural areas is important for all Australians. It means being able to connect and making sure that Australians get access and that 98 per cent are covered under this important commitment we made before the last election. The remaining 10 per cent of homes and businesses will receive next generation wireless and satellite technology that will deliver them broadband speed.

Clearly, the future of the two national broadcasters, the ABC and the SBS, depends a great deal on how the government supports them. We support them through major investment in technology infrastructure and we are putting in place the foundations of a future of continued high-quality and independent national broadcasting in this country. This particular bill makes sure that both SBS and the ABC are able to have transparent management structures, merit based appointments and the reinstatement of the staff-elected director. It is a good thing that this government continues to support, both in the technology and in their structures, the boards of both the ABC and SBS. I commend this bill to the House.

Mr LINDSAY (Herbert) (1.20 pm)—Madam Deputy Speaker Vale, I thank you for being such a wonderful colleague over so many years as a member of the class of ’96. There is a quaint title on this bill, the National Broadcasting Legislation Amendment Bill 2009. As is so often the case with bills in this place that have these quaint titles, you would have no idea of what it is really about,
what it might do and the dangers lurking in the legislation. It is right that there is a debate in the parliament, and this side of the House suggests that there could be ways that the government could improve the legislation—or that the legislation should not be passed at all.

It was back in 2006 in the time of the Howard government that an effort was made by the then government to improve the corporate governance of the ABC. Many of us have had views about the ABC and its role within Australia and whether or not it fulfils its mission and objectives. Those views have often been substantially correct. There are parts of the ABC about which members of parliament are very unhappy; other parts of it shine—for example, the ABC newsroom in Townsville. It is the most professional newsroom that we have in the north. It is terrific to be able to say that our national broadcaster has the most professional news service of any of the media outlets in North Queensland. Congratulations to the people in the ABC newsroom in Townsville for the work they do and the way that they accurately and impartially report the news. At the end of the day, that is the mission of the ABC: to be accurate and impartial. You cannot say that about certain other sections of the ABC nor can you say it about certain other sections of the Australian media. From time to time, we have all seen glaring examples of that. I will shortly make some more observations in relation to that.

The reason I raise this is to lay out my views on this bill. The coalition amended the Australian Broadcasting Corporation Act 1983 to remove the staff-elected position from the ABC board. The rationale for the removal of the staff-elected position was that it was inconsistent with other government agency boards and inconsistent with the Uhrig review of corporate governance, statutory authorities and officeholders. The Uhrig review concluded:

The Review does not support representational appointments to governing boards as representational appointments can fail to produce independent and objective views. There is the potential for these appointments to be primarily concerned with the interests of those they represent, rather than the success of the entity they are responsible for governing.

In other words, expressed simply, there would be a conflict of interest.

In the face of an independent review with a very powerful and logical conclusion, I fail to see how the government can come back to the parliament and say, ‘We intend to reinstate a staff director on the ABC.’ This is basically pressure from the unions on the government. There can be no other explanation as to why the government would put such a foolish piece of legislation before the parliament today. Any fair-minded person could immediately see the conflict of interest of having a staff member on the board of the ABC. They could see the threat to proper governance of the organisation. It does not happen in other statutory bodies. It does not happen in the private sector. Yet the ABC is singled out, and of course SBS too, for this rather special situation.

We all know the various problems that the ABC have had in relation to objectively reporting the news. We know that so often material is produced on the seven o’clock nightly news program which is presented as news but is actually editorial opinion in the way that it is presented. That is wrong. There is nothing wrong with editorial opinion provided that it is presented as such. The 7.30 Report is basically an editorial opinion slot. To present editorial opinion as news is wrong. The ABC board needs to be strong enough to be able to address that particular situation. How can it be strong enough if a staff member is on the board? What is the
staff member’s view going to be? Obviously, the staff member is going to side with the staff and their political views are going to prevail. The ABC was designed to be an independent broadcaster with a mission that the Australian people want to see fulfilled.

The clause in this bill that seeks to reinstate the staff-elected director position to the ABC board is simply creating a conflict of interest. It undermines the system of checks and balances that exists within the ABC. There is no need to introduce an inherent risk that could pose a conflict of interest. The idea of reinstating a staff-elected position is nothing more than a move by the government to please the unions at the ABC. Since the election of the Rudd government, all of us have seen the power and influence of the union movement. More importantly, we have also seen the misuse of that power and influence. Look at what is going on in the north of Western Australia right now: $50,000 a year salary increases for no productivity gain—for nothing in return. How can that be justified? How can the government condone such an outcome when they talk continually about improving Australia’s productivity? Of course they cannot, but they do. Here we go again: the power of the unions getting the government to put in place something that is not in the best interests of Australia or its people.

ABC directors, including the staff-elected member, are legally bound to put the interests of the ABC first and foremost. The role of the staff-elected board member is to represent ABC staff at board level. What will happen when the overall interests of the ABC differ from the interests of the ABC staff? What will happen if there is a pay dispute between ABC staff and the board? The staff-elected member will be placed in a predicament whatever way they vote, and they will not be performing their duty as required by the normal governance rules of boards in Australia today.

It is my strong view that the minister has got it wrong again. According to Senator Conroy, this is not an inherent conflict of interest. I do not know what the minister’s definition of ‘conflict of interest’ is but it differs from all other conventional meanings and it differs from what ordinary Australians would see as the definition of ‘conflict of interest’. The SBS does not have a staff-elected member on the SBS board, yet the government only wants to introduce one to the ABC board. There should not be any staff-elected member on the ABC board—or the SBS board, for that matter.

This legislation also bans former politicians and senior political staff from being appointed to the boards of the SBS or the ABC. This is not a sensible move as it locks out a valuable resource for these boards, that being former politicians and senior political staff. These people have a wealth of knowledge and experience in dealing with government, legislation, representation, governance, management and public accountability. I believe it is not appropriate to single out former members of parliament or their senior staff to be excluded in this way.

I also believe that it is not appropriate for this class of people to be appointed immediately after they have left the parliament or the public service. I, along with the opposition, am of the opinion that there should be an 18-month cooling-off period for former MPs, senators and senior staff before they become eligible to be appointed to the boards of the ABC or SBS. That does not mean to say that any will be appointed—there is a merit selection process—but they should not be excluded either.

It is hypocritical of the government to appoint former politicians and senior political staff to some boards but not to the boards of
the ABC or SBS. Clearly one approach is at odds with the other. It is unfair to deny the SBS and the ABC access to the valuable skills and experience that these people possess. Certainly former members have made an important and valuable contribution to the board of the ABC and to other government bodies, but, of course, they have also made important contributions, and still do, to boards of many public companies in this country today. In fact, in 1994 the Labor government appointed former South Australian Labor Premier John Bannon to the ABC board. In more recent times, we have seen Mr Rudd appoint John Kerin to the CSIRO and Steve Bracks as an adviser for the car industry. There is ample precedent to show that these appointments are valuable and useful appointments. So why the government would present this proposal to the parliament today mystifies me. It just goes against common sense. It defies logic, as does the reinstatement of a staff-elected board member position.

I would like to finish with an observation in relation to something I said earlier in my contribution to the debate on the motion on truthfulness in the media. More and more, particularly in the print media, we see sensationalism being presented as news. It gets to the stage where you have to say, ‘You can’t believe anything you read in the newspaper any longer.’ That is not true of some of our quality publications. The great newspapers of this country strive to produce an honest reporting of the facts, but then there are those which strive to maximise circulation by being sensational with no regard for the facts.

I would point out today’s Townsville Bulletin, which has a story about a long-running issue in the Coronary Care Unit of the Townsville Hospital. It involves a doctor who was stood down and the government being forced to reinstate that doctor. The story was misleading and the impression that it left with the reader was entirely untrue. It is a shame that readers in Townsville are left in the situation of no longer being able to believe what they read on the front page of the Townsville Bulletin.

I remember an instance last year, when the city council was looking at some significant rate rises because the former Labor council had so badly affected the finances of the council. In March last year, the Townsville Bulletin reported on its front page that ‘the rate rise for Townsville City Council rate-payers will be’—note that it said ‘will be’—‘nine per cent this year.’ The budget was not due to be brought down until June, so I rang the general manager of the paper and I said, ‘How could you report that the rate rise will be nine per cent when the council has not even formulated its budget yet?’ The response was, ‘Well, we’ve got good information from inside the council.’ The damage was done, because the rate rise was, from memory, 6.7 per cent. It was not determined until quite late in the piece, but the readers in Townsville were completely misled.

I also suffered at the hands of the Townsville Bulletin. There was a front-page story: ‘Member takes a study trip estimated to cost the Australian taxpayer $100,000’. I rang the editor and I said, ‘Well, that is news to me; where did you get $100,000?’ He said, ‘Oh, we tossed it around and we estimated that’s what the cost would be.’ The cost to the taxpayer was $15,000 and, incidentally, I personally put in $17,000 myself on that trip, but there was no mention of that. There was just the sensationalist ‘$100,000 the member slugged the taxpayers of Australia’. That kind of reporting has to stop. The print media in this country have to accept more responsibility than they currently accept and the residents of Townsville have to be able to believe what they read on the front page of the Townsville Bulletin.
I am reminded also of a Defence example—which you will understand, Mr Deputy Speaker Scott. There was claim made by the *Townsville Bulletin* that 3,000 marines from Japan were going to be based in Townsville. There was not a skerrick of fact in that front-page story. The Department of Defence had not even heard about the prospect, yet it was reported that 3,000 marines were going to be based in Townsville. That kind of reporting has got to stop and we have to see better standards of reporting and professionalism in our Australian media.

That brings me back to the ABC and this bill. The board of the ABC—and SBS, but particularly the ABC—has got to be a strong, impartial, unbiased quality board that has no conflicts of interest whatsoever so that the board can exercise its authority and direct the standards that it wants within our great national broadcaster. I utterly reject the proposition that is being put in this bill, and I will vote accordingly.

**Mr DREYFUS (Isaacs) (1.38 pm)**—I support the National Broadcasting Legislation Amendment Bill 2009. It reflects the fulfilment of a longstanding commitment on the part of the Australian Labor Party to ensure the independence of the ABC and SBS, the two national broadcasters. It is a commitment that Labor has been repeating for a very long time and it is a commitment that Labor has expressed many times in the face of attacks on the independence of the ABC and SBS by the former government.

The bill establishes a new and transparent appointments process for the ABC and SBS, and it reinstates the staff-elected director to the ABC board—which is the matter that the member for Herbert has just been expressing such indignation about. The staff-elected director of the ABC was, of course, abolished by the former government in the face of a great deal of well-founded community opposition.

The appointments process is important. Through a transparent appointments process can be understood the steps that are taken to make appointments to the board of the ABC and the board of SBS. With that level of transparency, it is possible to establish the true independence of these boards and the independence of these very important taxpayer-funded broadcasting organisations. The problem that the community encounters if the process is not transparent, is not able to be externally assessed and checked, is that able, diligent and expert board members—people who are making a very important contribution to the management of these two organisations—can be tarnished if there is an accusation that their appointments have in some way been ideologically driven or partisan. I make the point that, whether or not there is any substance to such accusations of partisan appointment, a perception that the appointment of a particular board member has been produced by some partisan and ideologically-driven process is a very important one. Perception matters greatly in this area of public administration, not least because public funds are being used by the ABC and SBS to provide information to the community. Of course, part of the activities of the ABC and SBS are inevitably and rightly concerned with broadcasting news about politics and affairs of the nation and with broadcasting commentary about the affairs of the nation. It is for that reason that it is so important to maintain the perception that the appointment of the people at the very peak of these two publicly-funded organisations has been achieved without partisan involvement.

The procedure that is provided in this bill will ensure not just that there are merit based appointments of future directors to the ABC board but also that those appointments will
be seen to be independent and non-partisan appointments. The fact of the matter is that neither the ABC or SBS is able to function to the capacity that we would expect of them without excellent boards. It is important that there be expert, able and interested people serving on these boards and that, having been appointed, they do not have to undergo the potentially unfair criticism that their appointment has been achieved by some partisan involvement.

The features of the process, at their core, are that the assessment of applicants for board positions in future will be undertaken by an independent nomination panel that is to be established at arm’s length from the government. Vacancies are to be widely advertised, at a minimum in the national press. The assessment of candidates is to be made according to a core set of published selection criteria. Again, what you have there is the achievement of a degree of transparency, because the criteria to be applied in the selection of candidates by the independent panel will be publicly known. That nomination panel is to provide a report to the minister with a short list of at least three candidates for each vacant position. The minister selects a candidate and writes to the Governor-General recommending the appointment, as is required under these two pieces of legislation, the ABC and SBS acts. As well—and this is, again, in accordance with a commitment that the Australian Labor Party made at the last election—the appointment of current or former politicians or senior political staff will be prohibited.

What is made clear from that process is that the process which is now to be included in the legislation is one by which the process of appointment will be seen to be a transparent one. Where the vacancy is for the chair of the ABC Board, the selection process will follow all of the aspects I have just outlined of this merit selection process as it applies to non-executive board appointments, except that in the case of the Chair of the ABC Board the Prime Minister would select the preferred candidate in consultation with the minister. There would then be conferring with cabinet and, following cabinet approval, a consultation with the Leader of the Opposition before making a recommendation to the Governor-General. That is an appropriate additional check and balance in respect of the very important position of the Chair of the ABC Board and, again, achieves a level of transparency and of accountability and will do a great deal to ensure that the perception of independence of the appointment process for these two boards, the ABC and SBS boards, is maintained.

As was announced by the Minister for Broadband, Communications and the Digital Economy, Senator Conroy, in late 2008, the process contained in this legislation, in advance of its passage, was followed by the government in making the appointments last year to both the ABC Board, where two appointments were made, and the SBS Board, where, again, two appointments were made. It was open to the government to adopt these new processes, which involved the appointment of a nomination panel to assess applications in accordance with a stated and publicly known set of criteria, the nomination panel making recommendations to the minister and, at that point, the appointments being made.

It should come as no surprise that, as a consequence of the adoption administratively by the government of that independent process—the one that is now to be contained in legislation to guide future appointments—the appointments which were announced in April of last year were welcomed. Not only were the appointments greeted with praise for the very high quality and, indeed, eminence of the new non-executive directors—Mr Michael Lynch and Dr Julianne Schultz to the
ABC and Ms Elleni Bereded-Samuel and Mr Joseph Skrzynski as non-executive directors to the board of SBS—but, because the government had adopted a more transparent selection process for the directors of the ABC and the SBS, their appointment was met with, happily, very little, if any, criticism directed at what would have been an entirely false accusation that there was any partisanship at all in the process of their appointment.

Probably representative of the high praise with which the appointments of these four people to the ABC and SBS boards, respectively, were greeted was the editorial appearing in the Melbourne Age on 2 April last year. I will quote some of that editorial because, as I say, it was representative of the manner in which these appointments were greeted. I suggest that the appointments were greeted in this way because of the adoption of this more transparent process. The Age editorial writer said:

THE two new members of the Australian Broadcasting Corporation Board, arts administrator Michael Lynch and publisher Julianne Schultz, are the first to be appointed under the Government’s new, more transparent selection process for directors of the ABC and SBS. The new process involved advertising of board positions and a five-month vetting system that considered more than 350 applications (former politicians and senior political staff are ineligible), whittled to 25, then a panel review that submitted to the Government a short list of seven for each board.

Although conspiracy theorists will no doubt try to find political undercurrents, there can be no doubt that the collective experience and expertise of Mr Lynch and Dr Schultz outweighs any ideologies either person might or might not necessarily possess. This has not, of course, been the case with such ultra-conservative appointees as columnist Janet Albrechtsen and historian and editor Keith Windschuttle, whose presence on the ABC board is a legacy of the former Howard government.

The editorial writer went on to say:

Although it will take time for the new system to have a full effect, it at least represents an encouraging start that augurs well for the future of national broadcasting—

and they go on to comment favourably about the distinguished careers of the appointees. The new process of appointment that is provided in this legislation is an entirely appropriate step to restoring and ensuring for the future the independence of the ABC and SBS. It is important, of course, that both boards be in a position to attract the best possible appointees in order to ensure that the governance of these two important public institutions continues to be undertaken as well as it can possibly be.

The other matter which this legislation deals with is the restoration of the staff elected director. The abolition of this position by the former government was, of course, something that the former government did not take to the election in 2004. Nothing was said about the abolition of the staff elected director. Upon being re-elected in 2004 and obtaining control of the Senate from 1 July 2005, the former government was able to embark on a whole range of attacks on longstanding Australian institutions not the least of which was their attack on the Australian industrial relations system in the form of Work Choices, but what we saw in the case of the ABC was the attack on its independence with the abolition of the position of staff elected director.

We have heard again just from the previous speaker, the member for Herbert, the repetition of the complete myth that the Uhrig report, which dealt with Commonwealth corporations, that lengthy report in some way supported the abolition of the position of staff elected director to the ABC. The problem with the repetition of that statement is that the Uhrig review did not
look at staff elected appointments. The citing of the Uhrig review was not a basis back then and is not a basis now for the argument that is being advanced that there is some problem with having a staff elected director.

Staff elected directors are well known in many developed economies. As this legislation in combination with the legislation that governs the ABC board makes entirely clear, there will be no possibility of an unmanageable conflict of interest for the staff elected director for the simple reason—and it is a simple reason—that the Australian Broadcasting Corporation is a Commonwealth authority. It is a Commonwealth authority governed by the Commonwealth Authorities and Companies Act 1997 and that act makes clear that officers being directors and senior managers of Commonwealth authorities owe duties of due care and of diligence, a duty to act in good faith in the interests of the Commonwealth authority, as well as not to improperly use their position to gain an advantage to themselves or anyone else or to cause detriment to the Commonwealth authority. In that context the provisions that do now apply and will continue to apply to all directors of the ABC and SBS will ensure that there is nothing in the legislation nor could there be that makes the duties of the staff elected director different to those of the other non-executive directors on the board of the ABC.

The arguments that are continuing to be advanced by those opposite that there is some problem about the staff elected director position simply show their desire to, on an ongoing basis, attack the independence of this very important government funded organisation. There is a long, trouble-free record for the staff elected director of the ABC. This was a position that was created in 1983 and continued without difficulty through to the abolition of the position by the former government. There is no suggestion of a conflict of interest. There is no suggestion that the staff director will do other than understand fully the obligations that the staff elected director will owe to the corporation that she or he will be a director of. The position will ensure that if for some reason the board is not as fully aware of the interests of those who work at the ABC as it should be, the staff elected director can make absolutely clear to the other members of the board exactly how important those staff concerns are.

Finally, I want to say something about how the attacks on the ABC that we saw during the course of the former government are to be deplored. They are to be deplored because those opposite fail to recognise on a continuing basis the important role that the Australian Broadcasting Corporation and the SBS play in our Australian democracy. They play that role because they provide to the Australian people, free of commercial interests, the news and commentary that we have come to expect at the standard which we have come to expect from our independent national broadcasters.

The ABC is a vital Australian institution. We need to defend the ABC against the attacks of those opposite, against the attacks of commercial corporations who have an interest in limiting the activities of the Australian Broadcasting Corporation and SBS, who are direct competitors and through their own news outlets are continuing to mount an attack on the ABC. As recently as Monday of this week we read in the Murdoch owned newspaper, the News Limited owned newspaper, the *Australian*, an attack by a commentator on the proposal by the ABC to embark on a new 24-hour, seven-day a week television news channel. The proposition expressed by this commentator was that the private and commercial broadcasters in this country could fully fulfil the role—(Time expired)
Mr BRIGGS (Mayo) (1.58 pm)—The National Broadcasting Legislation Amendment Bill 2009 is a perfect Labor bill to go into question time with. It is a bill about three things: union power, union power and union power. That is all this is about. There is nothing wrong with the ABC; this is a bill about union power. The one reform the ABC wants is for this Prime Minister to appear on Insiders just once this year. He is on Sunrise every week but he spends no time on Insiders. We need to see him on Insiders. That is the reform the ABC wants.

This bill is about union power. As we see with workplace relations, as we see with this bill before the parliament, this is about union power first, second and third. They are coming back. Eighty-five per cent of senior frontbenchers were union officials. This bill is about union power. The ABC has never performed so well. We are seeing the situation of Pluto at the moment in WA; we are seeing the country being shut down. We will see in the economic statement which we are about to hear from the Prime Minister about union power. This bill, one, two and three, is about union power.

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 Veterans’ Affairs will be leaving question time early today and will also be absent tomorrow as he is attending the Veterans Administration Ministerial Forum in Wellington, New Zealand. The Minister for Defence Personnel, Materiel and Science will answer questions on his behalf.

QUESTIONS WITHOUT NOTICE

Emissions Trading Scheme

Mr ABBOTT (2.00 pm)—My question is to the Prime Minister. I refer the Prime Minister to his answer yesterday when he suggested that people could go to Treasury documentation to find out the impact of the emissions trading scheme on electricity and gas prices. I inform the Prime Minister that I have here the 820 pages of Treasury documentation, which has to be downloaded and printed as it is not available in hard copy, which he expects Australian families to read. I ask the Prime Minister: why shouldn’t Australian families and small businesses believe that he is trying to hide the true cost to them of his great big new tax on everything, when he expects them to find answers to their legitimate questions in an 820-page document?

Mr Albanese—Mr Speaker, I rise on a point of order. That was a breach of a number of standing orders, as you are aware Mr Speaker, which go to argument. I would ask you to get the new Leader of the Opposition to go directly to his questions in future.

The SPEAKER—Order! The question is within the bounds of leniency that have been allowed in the past. While there might be some elements to the point of order, the practice of this place has been that, within reason, this has been allowed and, within reason, the leaders of the opposition have been allowed some greater leniency.

Mr Albanese—we were much tighter, Mr Speaker.

The SPEAKER—I will read people’s autobiographies, especially those of leaders of the House, in a later life.

Mr RUDD—I thank the Leader of the Opposition for his question. He asked specifically about the cost of electricity and gas under the proposed Carbon Pollution Reduction Scheme and he asked where it could be
found. In broad summary I think that was the content of his question. On the question of electricity, electricity prices under the proposed Carbon Pollution Reduction Scheme would rise by seven per cent in 2011-12. As for gas, the gas price would increase by four per cent as advised in both cases by the Treasury in 2011-12.

The second part of the honourable member’s question goes to the extent to which the government is transparent about this. Yesterday I made these statements in the parliament, today I make the statements in the parliament and they go to the actual cost of the scheme.

The third part of the Leader of the Opposition’s question went to what he described as ‘this big tax’ on all Australians—to use his own terms—and that is what I would like to respond to as well. I think honourable members and various members of the public were witness to a fairly extraordinary interview last night on this subject on the The 7.30 Report. It was, I think, necessary viewing because it goes to the absolute heart of the question asked by the Leader of the Opposition about ‘this great big tax’. I will read some of what was contained in that interview. In his interview with Kerry O’Brien on the ABC, which just received plaudits from those opposite and I welcome that, the first statement from the Leader of the Opposition last night, as today, was to this effect:

Well, under Mr Rudd’s scheme taxpayers will pay because they are consumers, they’ll pay a lot more, $120 billion …

That is his statement upfront.

Mr Pyne interjecting—

Mr RUDD—Well, member for Sturt, let us just see what unfolds in this interview between Mr O’Brien and the Leader of the Opposition. The first question which is asked by Mr O’Brien of the Leader of the Opposition is:

… Mr Abbott, is it honest of you to say baldly, as you just did, that this entire cost of $100 billion plus, will actually come out of taxpayers’ pockets. Consumers pockets, is that correct?

The first evasion from the Leader of the Opposition is as follows:

But it’s a giant money-go-round, it’s a giant drag on the economy.

He then goes on, but the question he was asked was, ‘Is this $120 billion a tax coming out of taxpayers’ or consumers’ pockets?’ Mr O’Brien has a second effort to extract the truth from the Leader of the Opposition and asks again:

Is it honest of you to say that consumers and taxpayers will pay $110 billion, or whatever figure you use, is that honest?

The Leader of the Opposition’s answer on the question he has been asking me today about is:

Because of the, of the volume of trades,—

I am seeking to be absolutely accurate in what it contains here—

Because of the, of the volume of trades, the accumulative value of all this, on the Government’s own figures, is close to $120 billion.

Then we have the third attempt by Mr O’Brien at asking the direct question of, ‘Is the $120 billion a tax on people and on consumers?’ Mr O’Brien asks:

The total churn, as you put it, does not mean that individuals will foot that bill, does it.

To which the Leader of the Opposition replies:

Yes.

He agrees with the proposition that it is not a tax on consumers. That is what he says. It is absolutely clear.

Opposition members interjecting—

Mr RUDD—I would suggest that those opposite actually read the transcript. He gets asked once; he gets asked twice; he gets asked a third time. This one big tax—this
Mr Hunt—They’ve all bowed their heads, mate.

Mr RUDD—I always enjoy the interjections from the PhD from Flinders, who, we read out yesterday, was a strong supporter of an emissions trading scheme all his life. But here goes, to the absolute core of it. Firstly, on taxpayers, we in our scheme cost taxpayers $3.3 billion; they cost them $10 billion-plus, three times as much, at their own admission. Secondly, our scheme refers to, as the Leader of the Opposition confirms in his own interview, the ‘value’ of the carbon market. It is like the value of the electricity market or the value of the gas market. What he has sought to do is to say that that equals a tax on consumers.

Last night’s interview was spectacular in the Leader of the Opposition being nailed on the core con which lies at the heart of his climate con job strategy, and that is that on tax you charge three times more. On the question of the size of the market which is created for carbon through the CPRS, that is comparing apples with oranges and you know it, and you were exposed on television last night for having done so.

DISTRIBUTED VISITORS

The SPEAKER (2.09 pm)—Order! Before giving the call to the member for Franklin, I will at a very early stage use my ‘getting the House out of rhythm and together about a cause’ card by saying, in the context of plaudits to the ABC, that today in the House we have representatives from across Australia aged between 16 and 22, a part of the ABC’s Heywire initiative, a youth leadership scheme now in its 12th year, devised by the ABC specifically for youth who live in rural and regional areas of Australia. On behalf of all members, I welcome them to the House today.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Economy

Ms COLLINS (2.10 pm)—My question is to the Prime Minister. Will the Prime Minister update the House on the one-year anniversary of the government’s economic stimulus plan?

Mr RUDD—I thank the honourable member for her question.

Mr Abbott—Mr Speaker, on a point of order: my understanding is that there is to be a ministerial statement at some stage on this, and I think that, rather than detain the House at great length now, it would be much more appropriate if this matter were left to the prime ministerial statement.

The SPEAKER—Order! The question was in order. The Prime Minister has the call.

Mr RUDD—Thank you very much, Mr Speaker. I thank the honourable member for her question because I believe all those who are attending the House today, and the nation at large, are interested in the state of the national economy. They are interested in how the nation has responded to the global economic recession. They are interested in the implications for jobs.

This government is optimistic about the economy’s future. This government is optimistic because the government has acted early and decisively to intervene to support the economy, keep the economy strong, pro-
vide and protect jobs in the economy and support working families on the way through. This is clearly illustrated when we actually look at the employment data around the world and the growth data around the world. Most recently we have seen the IMF put out growth data for the period 2010, and it is forecasting global growth of 3.9 per cent. This contrasts with 2009, when the global economy, for the first time since the war, actually contracted, by 0.8 per cent. Those are the dimensions of the economic challenge which we in this country faced last year. I also draw to the House’s attention what the IMF said when it released this data. It said:

Due to the still-fragile nature of the recovery, fiscal policies need to remain supportive of economic activity in the near term, and the fiscal stimulus planned for 2010 should be implemented fully.

That is the considered position of the IMF.

Australia’s achievements in response to this are as follows. We, uniquely among the major advanced economies, did not go into recession. This economy, uniquely of the advanced economies, grew in the period 2008-09. Thirdly, we generated the second lowest unemployment of the major advanced economies, and we did so with the lowest debt and the lowest deficit of the major advanced economies and, can I say to those opposite, while retaining this government’s and this country’s AAA credit rating.

The core of our national infrastructure stimulus plan is this: it is to intervene to protect Australian jobs, because we are serious about that. The numbers speak for themselves. Over the past year here in Australia, we have created some 112,000 jobs. Can I say to those opposite: as we look around the rest of the world’s data, in America in the same period of time 5.8 million jobs were lost; in Canada 321,000 jobs were lost; in the United Kingdom nearly half a million jobs were lost; in the European area at large more than three million jobs were lost; in Japan more than a million jobs were lost; and in Australia our employment growth, through those 112,000 jobs, went up as a consequence of government stimulus strategy and the participation in it by the Australian business community.

Can I also draw the House’s attention to the fact that, if we were to look at the comparison of what we have done in response to this global economic recession, it is actually important in terms of previous global recessions as well. During the global recession of the early eighties, global growth was 0.9 per cent; Australia’s unemployment rate peaked at 10.4 per cent. In the recession of the early nineties, our unemployment rate peaked at 10.9 per cent. In this global economic recession, the worst in 75 years, we through the MYEFO have forecast unemployment to peak at 6.35 and it is now 5.8 per cent.

My point is this: across the world jobs are being destroyed in practically every country on earth. Here, we actually added 112,000 jobs, and, secondly, against the measure of previous recessions where unemployment reached double digit figures in Australia, we have so far kept unemployment at between 5.5 and 5.8 per cent. That is the consequence of a government intervening through a national economic stimulus and infrastructure strategy. I conclude by saying that this has been to protect Australian jobs. We have done so through infrastructure projects. We are building some 27,000 infrastructure projects around the country. These projects have supported the creation of these 112,000 jobs over the past year, together with other activity from the Australian business community.

That is our policy; that is our approach. What is the alternative? The alternative is to pull $20 billion out of the infrastructure stimulus strategy. Five thousand school pro-
jects around the country have not yet commenced—5,000. So the challenge for those opposite is: if we are going to pull $20 billion out of the national infrastructure stimulus strategy, stand up and name the 5,000 schools where onsite construction has not commenced and name where you will make these cuts. Not only will you undermine those school communities, not only will you undermine Australia’s economic growth, but you will also undermine this government’s and this country’s proud record on employment and jobs.

Mr Abbott—Mr Speaker, on indulgence—may I note the first anniversary of the package—

The SPEAKER—No. The Leader of the Opposition will resume his seat. There is no indulgence.

Mr Abbott—Mr Speaker, I rise on a point of order. With respect, and with some reluctance given your previous comments, may I say that normally when something is said in this parliament to note an anniversary there is an opportunity for the opposition to respond. The Prime Minister has commemorated the anniversary—

The SPEAKER—The Leader of the Opposition will resume his seat. I think that in the clear light of day, in consideration of events that happened before question time, the Leader of the Opposition will understand my reluctance to grant the indulgence. I ask him to reflect upon these issues because I do not want the granting of indulgence to become a controversial point and I think that we have to keep them at the appropriate level. I thank the Leader of the Opposition.

Climate Change

Mr HOCKEY (2.18 pm)—My question is to the Prime Minister. I refer the Prime Minister to his answers in the House yesterday and again today, when the Prime Minister said that Treasury documentation projected:

… electricity prices would rise by seven per cent in 2011-12.

I refer the Prime Minister to the government’s 820-page, easy-to-use, consumer-friendly, carbon-emitting guide to the real cost of the government’s ETS. I refer him specifically to page 17(3), which says:

Electricity prices are estimated to increase by around 18 per cent.

Prime Minister, which of these figures should Australian families believe—seven per cent or 18 per cent?

Mr RUDD—Can I say in response to the honourable member’s question that the advice which the government has received from the Treasury is as follows: firstly, in relation to electricity prices—

Opposition members interjecting—

Mr RUDD—I am directly answering the question which has been asked—that in 2011-12 electricity prices would go up by seven per cent and that in 2012-13 they would go up by 12 per cent. That actually goes to the sequencing of the introduction of the Carbon Pollution Reduction Scheme, with a fixed price in the first year and a floating price in the second. That is the answer to the honourable member’s question.

Mr Hocke—Mr Speaker, I rise on a point of order. I ask the Prime Minister to release that information and to disclose the information on the paper from which—

The SPEAKER—Was the Prime Minister quoting from a document?
Mr Rudd—Consistent with my predecessor’s usual practice, I was, and I therefore decline to table it.

The SPEAKER—I take it that the Prime Minister is indicating that it is confidential.

Mr Pyne—Mr Speaker, I rise on a point of order. On the Leader of the Opposition’s request, the past practice has been for the Speaker to ensure that the document is marked ‘confidential’. If it is not marked ‘confidential’, the practice is for it to be tabled.

The SPEAKER—No. The Manager of Opposition Business will resume his seat. It has not been the role of the Speaker to decide whether things have been marked confidential or not. The question has been asked of the minister concerned. As I said, I took it from the response from the Prime Minister that the document is confidential.

Economy

Mr TREVOR (2.22 pm)—My question is to the Treasurer. Will the Treasurer update the House on the role economic stimulus has played in Australia’s economic performance and the consequences of withdrawing it too quickly?

Mr SWAN—I thank the member for Flynn for his question, because economic stimulus is playing a critical role in supporting employment and in supporting small business in his electorate and in electorates right around the country. It was delivered precisely at the right time through the nation-building stimulus program and infrastructure investments we put in place and announced one year ago today. I think it is pretty fair to say that the economic performance of Australia over the last 12 months is a tribute to the hard work and to the resilience of the Australian people. It is a tribute to the Australian people and it is a tribute to Australian business. I think the way Australians got behind the stimulus says a lot about the quality of our people and the quality of our businesses, and I think it is important to acknowledge that today, because over the last 12 months Australia has achieved something special. What we managed to do, working together, was to put some confidence back into the economy. The impact of the stimulus was, in fact, over a 12-month period greater than the sum of its parts.

Of course, there will be those in this House who will seek to rewrite history. They will seek to say that it was not needed. They will sit back and ignore the circumstances and the dangers this economy faced over 12 months ago, because over 12 months ago financial systems around the world were in meltdown. Over 12 months ago, share markets were plummeting. Over 12 months ago, global trade and production had fallen off a cliff and millions of jobs were being lost worldwide. Countries were following each other into recession like dominoes. Our economy 12 months ago was on the brink of a recession, having contracted in the December quarter. Of course, we were then facing the bleak prospect of one million Australians being out of work.

Those were the circumstances 12 months ago, but a combination of stimulus and the resilience and hard work of the Australian people and businesses has meant that we have avoided a recession, and in avoiding a recession we have saved tens of thousands of jobs and we have kept open tens of thousands of small businesses, because there has been a pipeline of activity which has underpinned confidence in the economy. It has kept customers going through the doors of businesses and, of course, it has invested in vital areas of infrastructure, in our schools and in our social housing. All of this has been absolutely important to the economic success of Australia and explains why this country is the only major advanced economy not to go into recession. Consider what we
have achieved together given that backdrop: 112,000 jobs created over the past year; an unemployment rate of 5.5 per cent, unlike the 10 per cent rate in the US and the other high rates right around Europe; stronger growth than just about every other advanced economy; and 20,000 school projects under construction.

I know everybody on this side of the House supports those projects. They have been vital to local employment in local communities. And, of course, there are 6,600 social homes already under construction, a further 42,000 homes repaired and 3,300 community infrastructure projects across the nation. But of course those opposite do not accept the need for these projects, and they do represent a grave risk to these projects and the jobs that they support, because if they had had their way this country would be in recession right now. It will suit their purposes to pretend that none of this happened. I well remember the debates in this House 12 months ago. I remember the debates when we were in the House at 4 am, putting the case for economic stimulus—putting the case that was denied by most of those opposite. Whatever you thought of the debate and whatever you thought about the propositions being put by those opposite—which were full of political opportunism and a lack of national interest—at least many of them did put their case. But there were two people who did not speak in those debates at 4 am—who did not speak in the whole debate about the economic stimulus program and the infrastructure investments. They were the Leader of the Opposition and the shadow Treasurer.

We know the Leader of the Opposition says economics is boring. He finds it boring because he simply does not understand it. And what alternative policy have we had from the shadow Treasurer? He has had the full summer to get a costed economic policy together, and they cannot even fund their climate change policy. His only substantial contribution over the summer was to go on a TV program, put on a crown, get a tutu, wrap it round himself and wave a magic wand like some giant Tinkerbell. That has been the only contribution to the policy debate we have had from their economic team. The Liberals got it wrong 12 months ago and they are getting it wrong again today.

Emissions Trading Scheme

Mr ABBOTT (2.28 pm)—My question is to the Prime Minister. I refer the Prime Minister to the New South Wales Independent Pricing and Regulatory Tribunal report which found that electricity prices will rise by 60 per cent in New South Wales, with one-third of this massive price hike due to the government’s emissions trading scheme—its great big tax. As this represents $228 on an average annual household electricity bill of $1138—a 20 per cent mark-up—how can the Prime Minister maintain that his great big tax is a good deal for Australians under enormous financial pressure?

Mr RUDD—I welcome any debate on the cost of our respective approaches to climate change, because that put forward yesterday by those opposite does less, costs more and is totally unfunded. The question put by the Leader of the Opposition goes again to the electricity price. I say to the Leader of the Opposition that the Treasury advice to the government is that prices will rise by seven per cent in 2011-12 and 12 per cent in 2012-13. I would further tell the Leader of the Opposition that the total average increase in electricity, based on the advice from the Treasury, will be $1.70 per week or $88 per year in 2011-12. That is part 1. Part 2 is this: omitted from his presentation just now is the fact that the government has somethingcalled a compensation scheme for working families.
The reason the government charges polluters is to use the money from the big polluters to provide financial support to working families so that they can deal with the 1.1 per cent increase in the cost of living and provide them with the resources to then fund the acquisition of energy efficiency measures for their home. That is why we have done it that way. What is the contrast? Those opposite, when it comes to compensating working families, offer not one dollar. What they have done—

**Government member interjecting—**

Mr Rudd—He interjects on time. ‘The money churn.’ Guess what churn those opposite have decided to use. They reach their hand into the pocket of taxpayers and churn that money into the pockets of the big polluters. That is exactly what they have done. That is Liberal Party churn, front and centre, because what they have done is transfer the burden of climate change transition from the big polluters who cause it onto working families as taxpayers or consumers. That is it in a nutshell.

I am also taken by the fact that for the first time in my life that I have been in this position I have heard those opposite cite as their source of authority a publication of the government of New South Wales. But I will just leave that to one side and ask him to reflect on the numbers that I provided before from the Treasury. The Leader of the Opposition concluded his question with this: he referred again to what he describes as the great big tax, on which he was asked three specific times last night on television whether it was an impost on consumers and taxpayers. He ducked and he weaved because he knew the answer was no.

The bottom line is this—their approach is as follows: (1) they do less with their scheme, (2) it costs more for taxpayers and (3) it is not even funded. On this there are only two ways to go. You will fund your scheme by a huge additional tax yourselves because you are charging taxpayers at least three times more than the government scheme or, secondly, as the Leader of the Opposition was asked again this morning, you cut services. When asked whether he was going to cut schools, cut hospitals, cut defence, he refused to rule it out. Can I just say to the Leader of the Opposition that there are two ways you can go when you have an unfunded policy. One is that you jack up taxes and you pass them on to working families; the second is that you cut services. When asked whether he would cut hospitals and defence this morning he ran a million miles.

The heart of the climate con job by the Leader of the Opposition is this: they are putting forward a scheme which costs the taxpayer three times as much. That is point 1. Point 2: those opposite know that, when it comes to the value of the carbon market over the next 10 years, the value of the carbon market is not a cost to taxpayers. It is like saying that the value of the electricity market is a cost to taxpayers and they therefore know that the value of a market as one concept does not equal a direct impost on taxpayers. What he has deliberately done is mix apples with oranges. That is the heart of the big con. It is at the very centre of the climate con job which he has tried to put forward to the Australian people. Bit by bit, tile by tile, as each day passes, it starts to crumble into a total lack of credibility.

Mr Abbott—Mr Speaker, I ask that the Prime Minister table the Treasury documents from which he was quoting.

The Speaker—Was the Prime Minister quoting from a document?

Mr Rudd—Consistent with my previous answer, yes.
The SPEAKER—Was the document confidential?

Mr RUDD—The document was confidential. Consistent with my predecessor’s practice, I will not be tabling it.

Mrs Bronwyn Bishop—Mr Speaker, pursuant to standing order 201, where the Leader of the Opposition has raised the question of tabling of those documents, I refer you to page 590 of *House of Representatives Practice* which sets out quite clearly that where it relates to public affairs that document should be tabled and, if it is not because he claims confidentiality, it should be treated like the rule of evidence in court where if the evidence is not placed before the court then it may not be cited by counsel. I put it to you, Mr Speaker, that unless the Prime Minister is prepared to put his evidence before the parliament here he is not entitled to quote it.

The SPEAKER—The member for Mackellar will resume her seat. There is no point of order and I have acted consistent with past practice about these matters. I think that during the last parliament we clearly established the way in which these things were handled and that is the way in which I am handling them.

Infrastructure

Mr PERRETT (2.36 pm)—My question is to the Minister for Infrastructure, Transport, Regional Development and Local Government. How is work progressing on vital transport and community infrastructure projects funded as part of the government’s economic stimulus plan, particularly in rail?

Mr ALBANESE—I thank the member for Moreton for his question. A short answer to how many of these projects those opposite supported would be: none. I can answer that: none, not one, because you voted against this government’s economic stimulus plan. But through the Nation Building Program we have quadrupled federal investment in rail to $7.9 billion. I was with the member for Moreton and the member for Oxley just a couple of weeks ago at Acacia Ridge to lay the last sleeper on the $55.8 million upgrade of the rail line between the Queensland-New South Wales border and Acacia Ridge. The shadow minister tries to argue they funded this. It was actually part of the economic stimulus plan that they voted against. It is true that on the day the shadow minister put out a release saying that John Anderson did it when he was transport minister—three transport ministers ago. One of those ministers is the current occupant of the shadow ministry position.

This was funded under the economic stimulus plan. All the old wooden sleepers were replaced with 105,000 new concrete sleepers, meaning that jobs were created in the production of those concrete sleepers at Grafton, in the electorate of the member for Page. Significant improvements were also made to signalling and line infrastructure. Funding was announced in December 2008, 120 jobs were supported and the project was completed within 13 months.

There was also a historic moment that day, because the management of this section of the rail line was transferred from the Queensland government to the Australian Rail Track Corporation, of which the Commonwealth is a shareholder. This creates, for the first time, a truly national rail network connecting all mainland states. It took us 110 years but, through the economic stimulus plan, we were able to provide the funding. Through the cooperative relationship with the states, we were able to provide the policy impetus to make sure this occurred. This was one of the 17 rail projects that were fast-tracked under the economic stimulus plan when we put some $1.2 billion of capital into the ARTC. Seven of those projects have now been completed.
I am asked about other projects as well. Of the 14 major projects—collectively worth some $6 billion—that were accelerated, 10 are running ahead of schedule. Jobs are being created, and those roads will be opened ahead of schedule. We tripled work on black spots—607 projects—349 completed and another 131 underway. In relation to boom gates at rail crossings, there are 292 projects; 73 of which have been completed. In relation to community infrastructure projects, these are projects that they lobbied for but voted against. They are still lobbying for the second round. One by one they come around to my office lobbying for the next round of these projects. There are 3,357 projects that have been funded; 2,874 of those have been completed already. This means supporting jobs in local areas today—when they are needed. All of those—rail, road, community infrastructure—support the infrastructure development that we need for the future.

**Economy**

Mr HARTSUYKER (2.40 pm)—My question is to the Minister for Small Business, Independent Contractors and the Service Economy. I ask this question on behalf of Mr Russell Greenwood of Russell’s Prime Quality Meats of Coffs Harbour, who said today:

My electricity bill has jumped from $5,600 per quarter to $7,400 per quarter in less than 12 months. A further electricity price increase as a result of Kevin Rudd’s great big new tax will cause me to shed staff and drive up the cost of meat. Further increases in the cost of electricity will cause extreme financial difficulty for my business.

Given that Mr Greenwood will receive no compensation for his business costs under the government’s emission trading scheme, how does the minister expect him to keep his business afloat in these times of rising costs?

Mr Albanese interjecting—

The SPEAKER—Order! Before giving the call to the Leader of the House, he will withdraw his remarks.

Mr Albanese—I withdraw. Mr Speaker, on a point of order: I would ask that the member table the letter from which he was quoting.

Mr Hockey interjecting—

The SPEAKER—There is no provision for that. As I have said before, the past practice of people who have occupied the chair has been to take it on trust that a member, in quoting from a document or a case where they have actually identified a person, will substantiate that by their own word.

Dr EMERSON—Some mothers do ‘ave ‘em! For the member for Cowper to suggest that electricity prices have gone up in the last 12 months as a consequence of the CPRS is patently absurd. I am not suggesting—

Mr Pyne interjecting—

The SPEAKER—Order! The member for Sturt will withdraw his remarks and he should dampen his enthusiasm.

Mr Pyne—I withdraw, Mr Speaker.

Mr Hartsuyker—On a point of order, Mr Speaker: I think it would assist the House if I were to repeat the question, because the minister clearly was not listening.

The SPEAKER—No. The member for Cowper has asked his question.

Mr Hartsuyker—I think it would help. Just the last paragraph?

The SPEAKER—The member for Cowper has asked his question.

Dr EMERSON—I am not suggesting that the small business man in question has claimed that electricity prices have gone up over the last year as a consequence of the CPRS, but that is what the member for Cowper said. As we know, the author of the question is the Manager of Opposition Business,
because he repeated the question. We are quite happy for you to ask the question again.

Mr Hartleyker—Mr Speaker, it is essential that I read the question again, because he is misrepresenting the question.

The SPEAKER—I do not think it is essential.

Opposition members interjecting—

The SPEAKER—Order! The member for Cowper will resume his seat. If the member for Cowper feels aggrieved by comments that the minister has made in his response, there are other forums of the House which he can use. I am not dealing with making question time a debating session.

Mr Hockey interjecting—

The SPEAKER—The member for North Sydney, who seems to be bemused or amused by my comments, knows that I have a view that has not been adopted by the House in any changes to standing orders, but it would assist if the standing orders that apply to the questions applied to the answers. They do not, and the practice of the House has been that there are different interpretations of what is allowed. The minister is in order.

Dr Emerson—I will wind up my remarks by saying that this is the most absurd question I have ever heard in this chamber. That the member for Cowper would read out a question written by the member for Sturt, the Manager of Opposition Business in the House, asserting that increases in electricity prices over the last year have been caused by the Carbon Pollution Reduction Scheme is absurd. It is an absurd question. The member for Cowper has embarrassed himself and he should think twice about asking stupid questions in the parliament.

DISTINGUISHED VISITORS

The SPEAKER (2.47 pm)—I inform the House that we have present in the gallery this afternoon a delegation from the Czech Republic, led by His Excellency Mr Premysl Sobotka, the President of the Senate. On behalf of the House I extend to them a very warm welcome.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Schools

Ms Bird (2.48 pm)—My question is to the Minister for Education, the Minister for Employment and Workplace Relations and the Minister for Social Inclusion. Will the Deputy Prime Minister update the House on reactions to the launch of the My School website?

Ms Gillard—I thank the member for Cunningham for her question and for her support of the education revolution, including the My School reform. This was a reform where the parents of this nation voted with their fingertips and got onto My School. To give the House the most recent update figures from the Australian Curriculum, Assessment and Reporting Authority, they are recording 1.6 million visits to the site, 77 million page views and 176 million hits on My School—parents voting with their fingertips desperate for this information. This sentiment was well summarised in yesterday’s Daily Telegraph, where Sharryn Brownlee, in talking about the reaction of her P&C to this amount of information, was quoted as saying:

“People really like it … my emails haven’t stopped. They are so pleased to be able to look at the information and understand it … this is changing the level of conversation in P and C meetings from fundraising to education topics.”

That is a very well-put sentiment—and it is happening right around the nation as a result of My School. Of course, My School is also
going to be used to help guide where a new $2 billion of funding, a new $2 billion of resources, for schools can go to so that it can make the biggest difference for Australian kids—part of our education revolution; part of almost doubling the amount of money going to school education from the national government over the lazy and incompetent days of the Howard government.

We always knew that My School was going to be controversial. We always knew that there was going to be a lot of public debate and we always knew that there would be public debate about misuse of the information. But I regret to inform the House that there was one potential misuse of the information that we did not foresee when we launched My School. That, of course, is the misuse that the Leader of the Opposition is planning—the misuse of using the My School website to identify schools to rip money out of and stop their nation-building stimulus. The Leader of the Opposition has committed to ripping $20 billion out of our nation-building stimulus package. Given the single biggest element of the package is infrastructure in schools, if you are ripping $20 billion out of the package you are ripping money off schools.

So, while Australian parents are on the site trying to work out how to improve their kids' schools and education, the Leader of the Opposition is on the site trying to find a school to rip some money out of. One wonders what the Leader of the Opposition would say to the principal of Reidy Park Primary School, who said, ‘The stimulus is the most wonderful thing we’ve seen in primary education in the whole of our careers’? Well, the Leader of the Opposition would say that he would be ripping that money out of that school. What would the Leader of the Opposition say to the principal of Sawyer’s Valley, who said:

… we don’t have any visual arts facilities and performing arts is taught in a very old, small building some distance from the rest of the classrooms …

Having a dedicated room for visual arts will be a fantastic boost for students and staff.

Mr Abbott interjecting—

Ms GILLARD— The Leader of the Opposition, for some reason, is talking about MySpace. He should try to keep up.

Mr Pyne—Mr Speaker, under the standing order covering relevance, the question was about the My School website. The minister is straying a very long way from the My School website and the information provided by it. She is now talking about spending in schools and infrastructure, which has got nothing whatsoever to do with the My School website.

The SPEAKER—I have been listening carefully to the Deputy Prime Minister and she has constructed her response around the reaction to the My School website.

Ms GILLARD—It is called My School, not MySpace, for the edification of the Leader of the Opposition. Let me tell you the link—the opposition was opposed to both. They fought us on the legislation for the My School website and transparency, and voted against the nation-building stimulus package. The point here is a very simple one. The Leader of the Opposition likes to present himself as an honest man. Well, if he is an honest man, come clean with Australian parents about where the $20 billion is coming
out of. It has got to be coming out schools. Table a list of every one so that Australian parents can see it.

**Joint Standing Committee on Migration**

**Mr MORRISON (2.53 pm)**—My question is to the Chair of the Joint Standing Committee on Migration, the member for Melbourne Ports, under standing order 99. I refer to his comments in 2008 following an inspection of the Christmas Island detention facilities conducted in the work of the committee’s inquiry, where he referred to these facilities as a grandiose waste of money, saying that they resembled a stalag and that it looked like an enormous white elephant. Given that under the government’s policies Christmas Island is now bursting at the seams with 1,800 people in detention, with the last boat carrying 181 passengers—

**Mr Pyne**—Mr Speaker, the question asked when he expected a response from the government to his latest report.

**Mr Albanese interjecting**—It did. They were the last five words of the question. The point is that it is an administrative matter to do with the committee. When is he expecting a response from the government? That is why the question is in order. When is the response coming?

**The SPEAKER**—Order! The response to the report is outside of the chair’s responsibilities and there are other forms of the House that deal with the timing of responses to committee reports.

**Mr McMullan**—Don’t take that idiot’s advice, Scott.

**The SPEAKER**—The Parliamentary Secretary for International Development Assistance will withdraw.

**Mr McMullan**—I am happy to withdraw whatever it was, Mr Speaker.

**The SPEAKER**—He knows what it was and he has withdrawn.
**Mr Morrison**—On a point of order, I refer to page 536 of *House of Representatives Practice*, where it does allow members to ask questions of others who are chairs of committees. It refers to standing order 99, which allows this:

Opportunities to ask questions about committee business are restricted by standing order 100(e), which prevents questions from referring to proceedings of a committee not reported to the House.

This report has been reported to the House. I have asked when he is expecting a response from the government. It is an administrative matter. I expect him to say whether he stands by his own comments, and whether he continues to support these policies.

**The SPEAKER**—As I have said earlier, a question based on the comments is out of order and the responsibility for the response is out of the control of the committee chair.

**Housing**

**Mr MELHAM (2.59 pm)**—My question is to the Minister for Housing and the Minister for the Status of Women. How is the government’s commitment to building new social housing dwellings supporting jobs?

**Ms PLIBERSEK**—I thank the member for Banks for that question. Today marks the anniversary of the announcement of the nation building and economic stimulus plan. It had two goals: to protect the Australian economy from the effects of the worst recession in 75 years and to build investment in Australia’s future. The social housing element of the program was the largest investment in social housing at a time when investment was desperately needed in the housing industry to support jobs. As the Treasurer said earlier, by the end of December 6,675 homes had been commenced. As at the end of January, 7,784 homes are being built, with almost 500 completed and 70,000 repairs and maintenance jobs are underway, with over 42,000 completed. In fact, in the electorate of the member for Banks, we have seen the social housing program deliver 207 homes—116 are underway and three are already complete. Of course, that is great for local business and it is great for the most vulnerable people in our society.

As I have been travelling around the country I have heard many stories from local builders and local tradespeople. I was with the member for Kingston not so long ago looking at developments in that electorate. Last May, I visited a new housing site in Hackam west in Adelaide’s southern suburbs. When I was there I met Bradley Jansen, the Managing Director of Qattro, a company that had won a contract to build houses in Hackam. They already had land and they planned to build 16 homes, but the global financial crisis really knocked them for six. Because the private market slowed down, Qattro were thinking about making some redundancies.

Within two weeks of the government making its social housing announcement, Qattro had attended an information session and they saw opportunities for their business. The Hackam project was approved in round 1 of the social housing projects and as a result they deferred two planned redundancies. Recently, the member for Kingston invited me back to see the progress on that development. I have to say it was terrific to see that construction had started on 30 June on 13 three-bedroom homes and three 2-bedroom homes and some other work was being done on an existing property. That work has progressed apace. A number of those homes have been completed and Qattro are looking at doing the roadworks now on that development. By July people will be moving into those new homes.

Mark Gardiner from Qattro told me about the jobs that this development was support-
ing. He talked about 20 full-time subcontractors working on this one development. They put on three new staff in their office to manage the work they were doing. Because of this stimulus work they were doing on this development, the money had been released for them to undertake other jobs that meant the pipeline was there. It is not just the stimulus work that is happening for them; having money in their business means that they can keep working on other much-needed homes across Adelaide, particularly in the southern suburbs.

I want to say one other thing about these jobs. The member for Kingston and the Minister for Employment Participation held a local jobs forum in the Kingston electorate. Qattro went along to that forum and because they went they were able to employ local people. They were able to put on local contractors and subcontractors. They were able to source their kitchens locally. It meant that they were able to employ local people not just on the stimulus work; they will be able to provide ongoing employment on the 100 or so properties they build in those southern suburbs of Adelaide every year. There is the job’s effect of the stimulus package but there is the ongoing jobs effect of having Qattro in touch with local builders, local plumbers, local electricians, local carpenters, local bricklayers and the ongoing work that those contractors and subcontractors will get. Behind the success story that is the social housing element of the stimulus package are hundreds of stories like this—great local employment outcomes.

Member for Hunter

Ms JULIE BISHOP (3.04 pm)—I refer the Deputy Prime Minister to reports in the Fairfax press today that two freedom of information requests have been refused for copies of all correspondence between her office and Slater and Gordon with regard to allegations about the then defence minister and Ms Helen Liu. Why have these requests been refused?

Ms GILLARD—I thank the Deputy Leader of the Opposition for her question. I refer her to the fact that I gave a personal explanation about this matter earlier today. In that personal explanation, I indicated that a solicitor from Slater and Gordon contacted my former chief of staff. The only document forwarded to my office was an email, which only contained a photograph. No words were contained in the email. No specific allegations were made. Consequently, in the light of that, general inquiries were made but there were no specific allegations.

On the matters in today’s newspapers in the Fairfax press, the Deputy Leader of the Opposition would also be aware that the member for Hunter has provided a personal explanation denying those matters and indicating that they could be the subject of legal proceedings. To assist the Deputy Leader of the Opposition, I indicate that the material canvassed in today’s Fairfax articles, the allegations about the member for Hunter, were news to me. The first time I was aware of them was when I read the newspapers this morning.

Ms Julie Bishop—Mr Speaker, I rise on a point of order. In the interests of disclosure, I invite the minister to table the document.

The SPEAKER—There is no point of order.

Climate Change

Ms GEORGE (3.00 pm)—My question is to the Minister for Defence Personnel, Materiel and Science and Minister Assisting the Minister for Climate Change. Why does Australia need to take action on climate change and what are the most effective and efficient methods of so doing?
Mr COMBET—I thank the member for Throsby for her question. She has, of course, been a colleague of mine for many years. The scientific case for action on climate change is very clear. This country, as we know, faces huge environmental and economic costs from climate change and doing nothing or having pretend policies is not an option for this country. The fact is that an emissions trading scheme is the most cost-effective and efficient economy-wide approach to reducing emissions. This is a point well recognised by former Prime Minister John Howard, who had this to say on 27 May 2007:

It is fundamental to any response both here and elsewhere that a price is set for carbon emissions. This is best done through the market mechanism of an emissions trading system.

The Leader of the Opposition and the climate sceptics gang that got control of the leadership on the other side of this House have repudiated that fundamentally sound economic observation.

Understand that the coalition’s policy is not about serious public policy. It is not about seriously addressing climate change. It is all about politics, because what we know is that the new Leader of the Opposition thinks the science is absolute crap but that it is politically a problem for the coalition. So they have had to concoct a policy position that is not serious. It is a con job. The National Party is going to have a good time with it, isn’t it? It will be regional rorts all over again. That is all this policy amounts to. Already, as I indicated yesterday, algae fired power stations are on the agenda—not a business case and no cost analysis, but that will be a good thing to hand out money for. That is what the Leader of the Opposition cited as a likely project that would attract funding and it will shift the cost burden from polluters to households. It offers, on that point, no compensation to households and it will not link with international efforts.

In the Sydney Morning Herald, the Leader of the Opposition himself conceded that business as usual emissions growth will attract no penalty under their policy. He said:

Business as usual does not result in any penalty.

On current projections, business as usual emissions growth can lead to an emissions level in this economy 20 per cent higher than year 2000 levels—and that, instead of a five per cent cut, would be considered a success under the policy they announced yesterday. It is absurd and it is a con job. But Senator Joyce, who can always be relied upon, has really let the cat out of the bag. Senator Joyce said:

The beauty of the scheme is if people do not want to participate in it, if they don’t want access to the funds, they don’t have to.

So nothing happens. He said that last night on Lateline, but incredibly he went further. He actually thinks that greed might be something of a motivation. This is what he had to say:

Because of the greed factor. People will see money on the table.

That is what we have with their policy—reward for greed. This is the underpinning policy that has been put forward—no cap on emissions and no reductions in emissions growth.

Just imagine when this fund is set up. The National Party is going to have a good time with it, isn’t it? It will be regional rorts all over again. That is all this policy amounts to. Already, as I indicated yesterday, algae fired power stations are on the agenda—no business case and no cost analysis, but that will be a good thing to hand out money for. That is what the Leader of the Opposition cited as a likely project that would attract funding
under their new fund. It is ridiculous. It is not just a con job; the policy that you put out is a farce. It is not serious public policymaking; it is a con. Any member of this House who accepts the science and is serious about climate change and reducing our emissions will support the legislation that was introduced into this House last night. Let us not forget that, less than 10 weeks ago, that side of parliament supported the legislation. You should support it again.

**Infrastructure**

**Mr OAKESHOTT (3.12 pm)**—My question is to the Prime Minister. Prime Minister, with so many timber bridges now failing on local roads throughout this country, such as the Marlee and Duffs bridges in the Upper Manning, will the Prime Minister now consider establishing a Commonwealth replacement fund that will assist state governments and local councils in addressing this issue which is of such cost and such magnitude that it remains a job too big for the other two tiers of government and therefore remains a job undone? Prime Minister, will the Commonwealth engage on what is a life-changing matter for many rural Australians and, if so, when?

**Mr RUDD**—I thank the honourable member for Lyne for his question. I will come to the elements of the government’s investment in transport infrastructure. First of all, I go to the Roads to Recovery Program. The government is investing a record $1.75 billion in the Roads to Recovery Program and that funds local government for local roads. The second point I would make in relation to that is that the government’s investment in local roads has gone up by a quarter of a billion dollars relative to the same period under the previous government. That is the second point I would make. Thirdly, on the question of black spots, we are currently providing across the country $150 million as part of the economic stimulus plan.

**Mr Truss**—You are taking it away from country roads.

**Mr RUDD**—I note the interjection by the Leader of the National Party, who actually voted against funding for the national Black Spot Program. I presume the National Party also voted against our boom gates program as well?

**Government members**—Yes.

**Mr RUDD**—So they voted against safety for boom gates and they voted against funding under the stimulus strategy to fix black spots across the country—that is $150 million. In the electorate of Lyne, I say to the honourable member that what we have done is provide funding for councils—the Greater Taree City Council, Kempsey Shire Council and the Port Macquarie-Hastings Council. That has been increased from $11.1 million to nearly $60 million over a five-year period. That is an increase of 43 per cent.

On the Blackspot Program, according to my advice we are providing $1.5 million, including stimulus funding, to fix seven blackspots in the honourable gentleman’s electorate of Lyne. He asked a broader question about the fixing of timber bridges. Those are our generic responses to this challenge nationwide for local roads and for local blackspots in particular. Obviously, local government also have it within their remit to draw upon those funds for those purposes.

The member for Lyne asked a legitimate question about the overall capacity of state and territory governments to provide effectively for infrastructure. Can I simply answer the honourable member’s question in these terms: what many ministers and the government have been confronted with is the effect that spending responsibilities are having on the overall state of both Liberal and Labor governments across the country. This is ob-
viously one of the factors which inform our considerations on the future of health and hospital reform. You can see the impact in terms of what has been, in many cases across the country, an underinvestment by state and local governments in local transport infrastructure. I have some knowledge, having taken a few drives myself, about the state of a number of rural bridges.

Therefore, the serious answer to the honourable gentleman’s question goes to the long-term structure of Commonwealth-state financial relations, and it goes to the serious question of the future spending responsibilities of the states and how that impacts also on the health and hospitals debate. In answer to the honourable member’s question, that is specifically what we are doing in two categories. That is the application for his electorate and those are the increases we have made. On the broader question of the financial capacity of states and territories, we have much more reform work still to be done.

Budget

Ms REA (3.16 pm)—My question is to the Minister for Finance and Deregulation. Minister, why is it important that proposals for additional government spending are matched by equivalent savings?

Mr TANNER—I thank the member for Bonner for her question. The government’s budget has been pushed into deficit by the global financial crisis. As a result of that, the government has adopted a number of rules with respect to committing to get the budget back into surplus. One of them is to match new spending with savings. Those who care to look at the Mid-Year Economic and Fiscal Outlook papers at the end of last year will see that that is precisely what has occurred. Unfortunately, there are some in this House who think the government is not doing enough and that the fiscal settings should be stricter. Sadly, their actions are very different from their words, because at the same time as they are indicating that the government should be tougher and should have more savings, over in the Senate they are blocking major savings legislation, defending millionaires’ private health insurance subsidies at a cost of $9.5 billion to the budget, and they are announcing new spending initiatives. The other day they announced $750 million a year to help save the Murray-Darling Basin, and yesterday they announced a new spending initiative with respect to climate change: $3.2 billion over the forward estimates with no savings whatsoever—no explanation as to where the money is coming from to pay for this policy.

The policy they announced was straight out of the John Howard songbook: pretend you are doing something, splash a lot of taxpayers’ money around, set up a big pork barrel slush fund for the National Party, and make sure you do not upset anybody by declaring business as usual. There are a couple of critical questions about this. How is it that the half the Liberal Party who think that climate change is either a scientific fraud or a communist conspiracy are prepared to support spending $3.2 billion to address it? And how is it that the other half of the Liberal Party, who voted for the government’s emissions trading legislation to be supported, now say that it should not be supported? The most significant question about this commitment is: how is it that the nations of the world gathered in Copenhagen only weeks ago to consider how to deal with climate change, and they were unable to come up with this brilliant solution that the Leader of the Opposition has somehow stumbled upon? They did not realise that if you commit to spending a quarter of a percentage point of the government’s budget over a few years it will fix climate change—Dr Abbott’s miracle cure for climate change. There it is in a little bottle; it is just a little bit of dirt, a few trees...
and a few solar panels. Mix them all together and you have got Dr Abbott’s miracle cure for climate change. Can we perhaps expect that we will have delegations descending upon Australia from all around the world to see the magical miracle cure for climate change from Dr Abbott? Both the Leader of the Opposition and I are probably waiting for his hair restorer product to come out, and there will be a few other customers around the House today.

Last night, my fourth opposition number, Senator Barnaby Goose or whatever his name is, let the cat out of the bag about where the money is coming from.

Mr Pyne—Mr Speaker, I rise on a point of order. The standing orders specifically require that members refer to people in this place and in the Senate by their proper title and not degrade members of the other place. I would ask him to withdraw that stupid remark.

The SPEAKER—Order! The member for Sturt should not extend his case in the way he does sometimes, because I sometimes change my mind when I have some sympathy. Even though I think that the aspect about protecting the fragile petals over in the other place—

Mr Hockey—I was always polite about Barney Cooney.

The SPEAKER—The member for North Sydney is correct. He was one of the greatest urgers for Senator Cooney, whom I think we should be sending our best wishes to. It would assist the House if the Minister for Finance and Deregulation withdrew.

Mr TANNER—I withdraw, Mr Speaker. I will refer to him henceforth as my fourth shadow finance minister. Last night on Late-line Senator Joyce was asked how the coalition was going to pay for the spending that it just committed itself to with respect to climate change. His answer was that he could not say and had to wait until the Henry report on taxation emerged. That can only mean one thing because, by the time the election arrives, the government’s taxation decisions with respect to the Henry report will be in the bottom line. Whether they impact this year, next year or the following year, they will be in the bottom line. So any changes that Senator Joyce proposes to make with respect to taxation will be above and beyond that. Were such changes to reduce taxation, that would not be able to pay for the $3.2 billion, would it? In other words, there is only one logical outcome from Senator Joyce’s statement—that is, the opposition, if it is elected to government, is going to increase taxes in order to pay for its climate change policy.

Further, this morning on the radio program AM, when Senator Joyce was asked a similar question, ‘Can he guarantee there won’t be any tax increases?’ he responded, ‘That’s a very hard question to answer,’ and then said, ‘Wait for the Henry report.’ The truth is that the opposition’s climate change policy is simply a giant con job. It is straight out of the Howard songbook. It is pure John Howard: splash money around, set up a National Party slush fund, pretend you are doing something and meanwhile hope you can skate through. Those days are over. This government and this nation are committed to dealing with the serious challenge of climate change. That involves tough decisions, not the kind of nonsense that we saw from the Leader of the Opposition yesterday.

Mr Pyne—Mr Speaker, I rise on a point of order. I ask the minister for finance to table the page of Hansard that shows that the coalition voted for the government’s emissions trading scheme.

The SPEAKER—Order! There is no point of order.
Building the Education Revolution Program

Mr WOOD (3.24 pm)—My question is to the Minister for Education. I refer the minister to complaints that I have received from Oatlands Primary School, Berwick Primary School and Berwick Lodge Primary School in my electorate, all of which have different priorities for the infrastructure in their schools than the state bureaucrats who are implementing the minister’s so-called Building the Education Revolution. Minister, why won’t the government implement a real education revolution and give principals in government schools the kind of autonomy that principals in non-government schools have to make decisions that are good for their school communities?

Ms GILLARD—I thank the member for La Trobe for the question he asked. Unfortunately for the member for La Trobe, it was clearly written by the member for Sturt and run round to him. I saw that happen with my own eyes. When you take a question from the member for Sturt the premises on which it is based are always wrong. The member for La Trobe may like to study our education revolution reforms, particularly those that we are bringing through our national partnership program for schools.

Mr Wood—Three schools in Berwick are not happy!

Ms GILLARD—I know the member for Sturt has not appreciated that—and the member for La Trobe is now repeating his words—but the message for the member for La Trobe is: the words of the member for Sturt are wrong and every time he repeats them he repeats an error and gets something wrong. The member for Sturt has not kept up with, studied or cared about the education revolution, other than to block and vote against things like the nation-building plan for schools and our transparency measures that delivered the My School website. On the question of working with schools under the Building the Education Revolution program, what the member for La Trobe would be aware of is this is a nation-building stimulus. He voted against it. He should be doing that because that would be truthful.
Mr Laming—Mr Speaker, I rise on a point of order: relevance. I know the minister is convinced of the perfection of her revolution, but this is a specific question about three schools in the town of Berwick.

The SPEAKER—Order! The Deputy Prime Minister is responding to the question.

Ms Gillard—Thank you very much, Mr Speaker. As I was saying to the member for La Trobe about the three schools in his electorate, who are working on their Building the Education Revolution projects: fact No. 1, the member for La Trobe voted against them having the money; fact No. 2, we are always very willing to work with school communities to work through issues—

Mr Wood—Mr Speaker, I rise on a point of order. I want the question answered so I can actually go back and tell the principals—

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

Mr Wood interjecting—

The SPEAKER—Order! The member for La Trobe is warned.

Ms Gillard—I conclude by saying: the message for the member for La Trobe is as follows. He should go back to his school community and say: ‘I didn’t want you to have this money. I voted against it.’ If there is some issue the principals would like to raise with a government that cares about education, obviously we always stand ready to work through issues. But let us see some honesty from the member for La Trobe upfront. He opposed every dollar, every brick, every nail and every building project in every school in his electorate.

Private Health Insurance

Mr Sidebottom (3.29 pm)—My question is to the Minister for Health and Ageing. Will the minister update the House on the government’s plans to reform the private health insurance rebate and make it more sustainable for taxpayers?

Ms Roxon—I thank the member for Braddon for his question. He has always taken a very active interest in the health needs of his community in Braddon. I know he is determined like the rest of us on this side of the House to make sure that our expenditure in health is sustainable into the future. That is why we have reintroduced our private health insurance incentive bills. They have just passed through the House today and have now been referred to the Senate.

We are determined to pursue these sensible reforms because we do not think it is appropriate that taxi drivers, secretaries, nurses and others should be funding the private health insurance of politicians, bankers and millionaires. This is not an appropriate position for us long term. What was shown in the Intergenerational report that the Treasurer released at the start of the week was that private health insurance is the fastest growing expenditure item of health in—

Opposition members interjecting—

Ms Roxon—If the members opposite would like to listen to the answer, they would find that in the Intergenerational report it is clear that the private health insurance rebate is growing faster than all other expenditure in health and needs of course to be reined in. What is important to understand is the measures that have been introduced have been designed to ensure that the participation rate is not significantly affected. Our changes are designed to have a minimal impact on participation, with 99.7 per cent of people projected to maintain their hospital cover.

Now that we have the opportunity with this bill going again to the Senate, we will see how serious the opposition, in particular the new finance spokesperson, is about a measure that will save $2 billion over the
next four years. I know that the Leader of the Opposition does know that $2 billion is a lot of money. In fact I also know that he knows that health and hospitals cost a lot of money. He told the Australian late last year that one of the problems with hospitals is, ‘There is not enough money.’ I wonder why there is not enough money when, as health minister, the Leader of the Opposition oversaw $1 billion being pulled out of our public hospitals and then has the audacity to say, ‘The problem with hospitals is they do not have enough money.’ Why is that, I ask the Leader of the Opposition? The Leader of the Opposition is very good at identifying problems—hospitals need more money—but he does not have any solutions. His only solution when he was in government was to actually rip money out of our public hospitals. He is very good at being all complaint but no solution.

In contrast our government has been investing in health busily for the last two years block by block, rebuilding the system that was pulled apart by the Leader of the Opposition. Now we have an opportunity to save $2 billion in a very fair and reasonable way over the next four years, nearly $10 billion over the projections for about the next 10-year period and we know it grows exponentially on Treasury advice to $100 billion by the middle of the century. This can easily be effected and it is a policy which we think is fair. It is about making private health insurance sustainable. If the new finance spokesman meant anything at all when he said he would keep an open mind and look at anything that would deliver a net saving to the budget, the opposition would be getting on board and supporting this measure in the Senate.

Digital Television

Mr FORREST (3.33 pm)—My question is to the Prime Minister. It is a question from a very concerned local member about digital television. I refer the Prime Minister to his government’s digital television switchover timetable and the fact that the electorate of Mallee is the national guinea pig with a switchover scheduled to occur in June this year. Will the Prime Minister guarantee that nobody in the electorate of Mallee will be left without television reception after switchover occurs and that communities such as Ouyen, Walpeup, Underbool, Murrayville and Robinvale in my electorate will have adequate digital signal strength? Will the Prime Minister also guarantee that the local news service out of Mildura will be available to my constituents at the same time as terrestrial delivery should the government elect to utilise a satellite delivery system for those areas unable to be serviced by a terrestrially broadcast digital signal?

Mr RUDD—I thank the member for Mallee very much for his question because this is a legitimate question raised by those in regional Australia. I am very much aware of the trial which is underway in his part of Australia. Let me answer his question as best I can concerning, firstly, access to general transmission and, secondly, the question of local television news—I think they were the elements of the question.

Firstly, people in regional Australia will get local news. The satellite service will have a dedicated local news channel and they will be able to get their news by what is described as a red button technology. Secondly, I am advised that some people in signal black spots will need a dish for satellite television and we have announced that we will subsidise this at a cost of $400 per household. This means that everyone would be able to get digital TV and all those news channels, including everyone in regional Australia based on the advice that the government has received.
Could I go on to say that in early January this year the government reached an important agreement with Australia’s commercial broadcasters to deliver on the full range of digital television channels to all Australians no matter where they live. The solution being implemented by the government is aimed at ensuring that viewers in black spots around Australia will have access to the same number of television channels as are currently available in the capital cities.

Furthermore, I am advised that under this agreement the commercial broadcasters will upgrade a substantial number of existing analog self-help transmission sites to digital. For areas where retransmission sites are not upgraded or which rely on the existing analog satellite service the government will fully fund a new satellite service. The service will include all free-to-air digital television services including the original three commercial and two national channels as well as new digital services such as ABC2, ABC3, SBS TWO, GO!, 7TWO and ONE HD. Furthermore, the government will provide capital and operational funds to broadcast via satellite all of the local news segments from all of the licensed areas and submarkets around Australia.

Furthermore, Mr Speaker, in response to the honourable member’s question I am advised that viewers would be able to access their local news via this channel as soon as it is available from broadcasters, and they would be able to select their local news on the dedicated news channel via the red button technology I referred to before, which is similar to the system that is already used on Sky News. I thank the member for his question.

Mr Forrest—Mr Speaker, this is a very sensitive issue. The whole of the nation is watching what is happening in northern Victoria. I wonder if you might allow me the indulgence to pursue the point about the time of the news.

The SPEAKER—Order! This would cause me great difficulty today. I apologise to the member for Mallee but I cannot allow him the indulgence, given some comments I made earlier in question time. There is indication that other forms of the House might be conjured up at a later stage for the member for Mallee to use.

Mr Forrest—All I can say, Mr Speaker, if I may, is to remind the Prime Minister that, if my constituents are not able to watch their football—

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

Climate Change

Ms KING (3.38 pm)—My question is to the Minister for Agriculture, Fisheries and Forestry. Will the minister advise the House of the government’s climate change action plan for agriculture and advise why the government has rejected other approaches?

Mr BURKE—I thank the member for Ballarat for the question. There has been a lot of talk in the last 24 hours about what can and cannot be done for farmers in terms of soil carbon. I think it is important to note that, under the legislation that was put to this House and to the Senate last year and was voted against by the coalition in the Senate, the government was establishing an offsets scheme for abatement for areas that were not covered by the CPRS but did count towards our international obligations. We were also establishing the national carbon offsets standard for an abatement program which did not count towards international targets. That was being established under that legislation, which at the end of last year the coalition voted against.

In the scheme that was announced yesterday there are two key problems. Firstly, it is
bad for farmers and, secondly, it does not deliver the reductions in carbon pollution that the Leader of the Opposition committed to on about his second day in the job. The way it is bad for farmers and the difference between what the government put to the Senate and what was announced yesterday is best described in an interview this morning on the Fran Kelly program when Peter Cossier from the Wentworth Group said: ‘Well, the emissions trading scheme according to the Treasury modelling would pay farmers two, three or four times more than what the coalition policy is providing. So, if I was a farmer, I would not necessarily be that excited by what was being put forward yesterday.’

The other issue that needs to be dealt with is that this does not deliver the reductions in carbon pollution under the international rules that the Leader of the Opposition committed to. It was about day 2 or 3 in the job when, in a courtyard, he stood beside the deputy and recommitted the coalition to the bipartisan approach of the five per cent reduction in emissions under the international rules. The problem they have is that under the current international rules soil carbon does not get counted. The maths are relatively simple here. By 2020, if you assume business as usual, their presumptions are the same as ours in that emissions would be at 121 per cent of 2000 levels. To reduce carbon pollution by five per cent in the year 2020 you need to find a reduction of 140 megatonnes. Eighty-five megatonnes of the 140 that they have found cannot be counted under international rules.

It took two days in the job before the Leader of the Opposition committed to replicate the commitment that had been made by his predecessor, that there would be a bipartisan approach of a five per cent reduction under international rules. Instead they get a 55-megatonne reduction at best which means that, when the Carbon Pollution Reduction Scheme offers a five per cent reduction by 2020, the Leader of the Opposition offers a 10 per cent increase in emissions by 2020. The Leader of the Opposition is the only person in the world who is arguing that the response to climate change should be to increase carbon pollution. Under international rules the difference between each side of the House is simple. We reduce carbon pollution by five per cent; they increase it by at least 10.

**Lower Lakes**

Mr BRIGGS (3.42 pm)—My question is to the Prime Minister. On 6 January this year the Premier of South Australia wrote to you, Prime Minister, requesting that the federal government intervene to ensure a fair portion of the floodwaters flowing to Menindee Lakes from northern New South Wales made it to South Australia, and in particular to the Lower Lakes in my electorate. That letter was released publicly. Prime Minister, have you responded to the letter of 6 January and, if so, under what terms?

Mr RUDD—I thank the member for Mayo for his question. Firstly, on the question of the release of waters from New South Wales to the state of South Australia and the various needs placed on the Murray in that state both urban and rural, the Premier of South Australia and I have discussed this. Secondly, I have also discussed it with the Premier of New South Wales. Could I also say in response to the honourable member’s question that the Minister for Climate Change and Water has actively discussed the needs of South Australia with both premiers.

Mr Abbott—Where’s the letter?

Mr RUDD—The Leader of the Opposition interjects about action. What occurred as a consequence of that was the release of 148 gigalitres from the New South Wales system into the South Australian system.
An opposition member—What’s happened?

Mr RUDD—Can I say to the honourable member who interjects about what action has occurred—

Mr Pyne—Have you written a letter back?

Mr RUDD—The member for Sturt interjected and said: have I written a letter back? I have told him what action ensued, and the action that ensued was the release of 148 gigalitres from the New South Wales system into South Australia. This is a significant action by New South Wales. It occurred within the framework of the cooperation which now underpins the Murray-Darling Basin Authority and the discussions which now occur within it on how we can provide water from the system into South Australia to meet its various needs. So, if the question is about a request for action and the delivery of action, I would draw the honourable member’s attention to the facts of what transpired, the actions of this government within it and the specific responsibilities and action by our Minister for Climate Change and Water.

Emissions Trading Scheme

Ms NEAL (3.45 pm)—Can the Prime Minister update the House on the importance of dealing with climate with the least-cost policy response? Can he also update the House on the recent commentary on alternative proposals for climate change policy and the importance of being up front with the Australian people about the cost-effectiveness of alternative policies?

Mr RUDD—I thank the honourable member for her question. I do notice on this question of climate change that, within barely 24 hours of the release of the alternative plan, we had about three or four questions from those opposite on climate change, and then it went elsewhere.

I am asked about the integrity and transparency of dealing with the effectiveness and costs of different approaches to climate change. The government has described the proposal put forward by the Leader of the Opposition yesterday as a giant climate con job, and we have done so for three or four specific reasons. The first is this: it does less, it costs more and it is totally unfunded. These are very basic propositions. It does less because they do not cap carbon; it costs more because the cost to taxpayers is 300 per cent more than that put forward by the government. The reason that occurs is that they have let the big polluters off scot-free and instead they have transferred the burden to taxpayers and consumers. That is con No. 1.

What is con No. 2? Con No. 2 is: where do they fund this totally unfunded scheme from? The Minister for Finance and Deregulation referred today to Senator Joyce’s intervention in this debate, and the bottom line is that if you have, at their calculation, more than $10 billion invested in this scheme—$10 billion possibly rising—then the question is that you can fund it by an increased tax or you can fund it by cutting services for schools, for hospitals or for defence. In these areas today they were asked and they ruled out none. That is con No. 2.

What is con No. 3? Con No. 3 is the performance last night by the Leader of the Opposition on the absolute giant con at the middle of this overall con job, and that is his comparison of apples with oranges. He was challenged three times by Kerry O’Brien to come clean on his so-called giant tax. Three times he ducked and weaved—this is the ‘straight-talking’ Leader of the Opposition: three times asked a straight question, duck and weave, duck and weave and duck and weave—because the giant con at the centre of it was his equation of the total value of the carbon market on the one hand with the value of a total tax and direct tax on the Aus-
ralian consumer and household on the other. That is the absolute con. He knows that. Everyone who follows this debate knows that.

But, as they say, there is more. I would go to the whole question of the bona fides of their engagement in this debate on climate change generally. We know the Leader of the Opposition has said in the past, in his own words, that climate change is ‘absolute crap’. Those are his words, not mine. But he has also sought to invoke the authority of others to legitimise the plan that he put forward yesterday. Let me quote to you what he said. He said yesterday:

I do want to draw your attention to the work that has been done by Frontier Economics who have said that our policy is economically and environmentally responsible.

Furthermore, he went on and said:

… it was incidentally designed by Frontier Economics who are very happy with the scheme that we are putting up today.

For the information of the House, that was yesterday. Today we have had some developments. The managing director of Frontier Economics, Mr Danny Price, said a few hours ago the following:

Well, we’ve looked at Tony Abbott’s scheme—two things, really: the quantity of abatement from the different sources and whether the costs actually add up. We’ve never said anything about whether that’s more cost effective than the CPRS or, indeed, what we proposed, so it’s been a very limited review in this case.

But there is more, because the managing director of Frontier Economics, Mr Danny Price, was invoked by the Leader of the Opposition yesterday, if I read it correctly, as part of the mob who designed it; it was designed by Frontier Economics, to quote him. The Leader of the Opposition says here:

I do want to draw your attention to the work that has been done by Frontier Economics who have said that our policy is economically and environmentally responsible.

That is what the Leader of the Opposition said yesterday. Let me go on, therefore, to what Frontier Economics have said today on radio. The radio presenter said:

Mr Abbott’s saying he’s got an emissions reduction fund which will raise $1 billion over four years but, okay, he’s not calling it a carbon tax, but that’s a tax. That’s got to be money found that would normally be spent on health, education etcetera, so it’s a tax indirectly.

That is the radio presenter. Here is the answer given by Danny Price, the managing director of Frontier Economics. In response to that question, he says:

Yep. So, instead of under the government’s scheme where producers and consumers are having to buy permits and the government handing the money back again, what’s happening again is the government will have to pay for it by changing taxes and changing expenditures.

That is his description of what they are putting forward. Can I say to those opposite: let me just repeat what Mr Price from Frontier Economics said:

So, instead of under the government’s scheme where producers and consumers are having to buy permits and the government handing the money back again, what’s happening again is the government will have to pay for it by changing taxes and changing expenditures.

Let us be very clear about this.

Opposition members interjecting—

Mr RUDD—With those opposite you always know when there is a problem because the volume goes up on their side. So we have this from Frontier Economics, which was cited by the Leader of the Opposition yesterday when he said:

I do want to draw your attention to the work that has been done by Frontier Economics who have said that our policy is economically and environmentally responsible.

They have said:

We’ve never said anything about whether that’s more cost effective than the CPRS or, indeed,
what we proposed, so it’s been a very limited review in this case.

If you are going to go out there and try and claw together some credibility from Frontier Economics, to invoke their name in the debate, and then the managing director of Frontier Economics comes out 24 hours later and effectively distances that organisation from the detail of the plan which has been put forward, what that does is let the cat out of the bag. The Leader of the Opposition says he is a straight talker. He came out yesterday and said that this organisation, Frontier Economics, were pretty happy with what they had put forward. Frontier Economics have had a different point of view put out to the public today. If you cannot even line up Frontier Economics behind your plan 24 hours after you have released it, I think you have a credibility problem.

Always remember, when it comes to the credibility on this question, what the former Leader of the Opposition had to say about the current Leader of the Opposition on climate change. When it comes to climate change—and Mr Abbott has changed his position four or five times over the last five or six months—the former Leader of the Opposition says that the current Leader of the Opposition would go in and say, ‘Mate, you know that on climate change I am just a bit of a political weathervane’. All that goes to underpin the point that he believes that climate change, in his own words, is ‘absolute crap’ and the entire scheme he has put forward is not effective, does not add up and therefore, frankly, does not deserve the support of the Australian people.

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

QUESTIONS TO THE SPEAKER

Question Time

The SPEAKER (3.53 pm)—Before giving the member for North Sydney the call, I want to add to some remarks I made earlier. During an answer by the Minister for Finance and Deregulation, quite correctly, the Manager of Opposition Business rose on a point of order. The Minister for Finance and Deregulation cooperated and withdrew remarks, but I regret that by characteristically misspeaking or, more regrettably, mistake, that I may have conveyed sentiments that do not support the practices of the House. In House of Representatives Practice, 5th edition, page 499, under the heading ‘References to the Senate and Senators’, it says, inter alia:

Offensive words cannot be used against either the Senate or Senators. It is important that the use of offensive words should be immediately re-proved in order to avoid complaints and dissenion between the two Houses.

If comments that I made indicated that I did not support that position, I apologise.

Parliamentary Computer Network

Mr HOCKEY (3.54 pm)—Mr Speaker, very briefly—and this relates to our ability to do our jobs—will you confirm that the parliamentary computer network used by MPs and staff continues to run Internet Explorer 6.0, which is no longer supported and ensures that we are unable to open some work-related sites including, I understand, some government sites in our daily work? When will Explorer be upgraded to the current version, Internet Explorer 8.0? Can you also confirm that the Adobe version 7 PDF reader is currently used? It is an obsolete software program. When will we be able to download the free version 9 Adobe PDF reader so we can do our jobs?

The SPEAKER—The answer to the question as at 3.55 pm today is that I will take the question on notice because I think that these are serious matters that the member for North Sydney has raised. I know that there have been problems with accessing
government sites, amongst others, as he says. I am not across the points that he has made but I will get a detailed response not only to him; it will be something that I will report back to the House on at the earliest opportunity.

REPORTS

Report No. 20 of 2009-10

The SPEAKER (3.56 pm)—I present the Auditor-General’s Audit report No. 20 of 2009-10 entitled The national broadband network request for proposal process—Department of Broadband, Communications and the Digital Economy.

Ordered that the report be made a parliamentary paper.

DOCUMENTS

Mr ALBANESE (Grayndler—Leader of the House) (3.56 pm)—Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings and I move:

That the House take note of the following documents:

Infrastructure, Transport, Regional Development and Local Government—House of Representatives Standing Committee—Funding regional and local community infrastructure: Principles for the development of a regional and local community infrastructure funding program—Government response, including response to the interim report: Proposals for the new regional and local community infrastructure program.
Procedure—House of Representatives Standing Committee—Re-opening the debate: Inquiry into the arrangements for the opening day of parliament—Government response.

Debate (on motion by Mr Hartsuyker) adjourned.

COMMITTEES

Membership

The SPEAKER—I have received advice from the Acting Chief Opposition Whip nominating changes to membership of certain committees.

Mr ALBANESE (Grayndler—Leader of the House) (3.58 pm)—by leave—I move:

That Members be discharged and appointed as members of certain committees in accordance with the list which has been placed on the table. As the list is a lengthy one, I do not propose to read the list to the House. Details will be recorded in the Votes and Proceedings. Question agreed to.

MINISTERIAL STATEMENTS

Nation Building Economic Stimulus Plan

Mr RUDD (Griffith—Prime Minister) (3.59 pm)—On this day 12 months ago I announced the launch of an historic nation-building plan. The $42 billion Nation Building Economic Stimulus Plan represents the largest Commonwealth infrastructure project in our nation’s history. The government’s decisive action through our infrastructure stimulus plan is protecting jobs through over 28,000 individual projects nationwide. We are keeping the economy strong and we are supporting working families in the here and now.

The government introduced the plan with two key goals:

• to protect Australia from the worst global recession in three-quarters of a century, and
• to build Australia’s future with investment in long-term infrastructure.

At the time, I said that this plan would support jobs and small businesses in the short term and build schools, energy efficient housing and transport infrastructure in the long term. Today I am reporting back to the parliament and to the Australian people on
the progress that we have realised in this plan.

During the past 12 months the Australian economy has received support from the Reserve Bank’s emergency low interest rates and from ongoing growth in the Chinese economy. But let me be absolutely clear. The difference between the strengthening growth in the Australian economy today—and being engulfed by the global recession like eight out of our top ten trading partners—is the government’s economic stimulus strategy. The difference between having generated 112,000 new jobs in the past year—and hundreds of thousands of Australians facing job losses—is the government’s economic stimulus plan. The difference between the increasingly confident business outlook—and small businesses going to the wall in communities across the nation—is the government’s economic stimulus plan.

The Nation Building Economic Stimulus Plan is delivering on what it promised. Jobs for today, and infrastructure for tomorrow.

- Half of the $42 billion stimulus has now been injected into the economy, through businesses, households, state and local government allocations and construction projects.
- Almost three-quarters (71 per cent) of almost 50,000 infrastructure projects have been completed or are underway.

The Nation Building Economic Stimulus Plan is transforming schools, community facilities and neighbourhoods across the nation. And it is building lasting foundations for Australia’s future growth and productivity.

The challenge of the global economic recession

One year ago Australia was facing the most hostile global economic conditions in three-quarters of a century. The collapse of Lehman Brothers in September 2008 and subsequent events on Wall Street had reshaped the landscape of American finance. What had begun as seemingly a patch of bad weather in American financial markets gathered force as the interbank lending markets that turn the wheels of the global financial system effectively shut down.

By the beginning of 2009 a cyclone was sweeping through the entire global economy.

- World trade collapsed by nearly 45 per cent (on an annual basis) in the last three months of 2008.
- Entire banking systems needed to be rescued, recapitalised and, in the case of individual banks in many countries, nationalised.
- Stock markets slumped, many losing more than half of their value.
- Financial institutions that had survived a combination of world wars and world depressions were swept aside.
- Even the finances of nations themselves were threatened—with one nation-state declaring itself to be officially bankrupt.

We were truly looking into the abyss of the total failure of the global financial system, the collapse of global economic growth and the real possibility of a global depression of indefinite severity and duration.

The jobs of hundreds of thousands of Australians were at risk. The Australian government faced a stark choice. Would we simply fold our arms and allow the free market to run its course. Or would we act decisively, by providing a major stimulus to the economy that could cushion Australia from the full force of the global economic recession. We had a very small window of opportunity within which to make that decision. The government weighed the arguments and the evidence of past global economic crises. And we concluded that we must do everything
that we reasonably could to cushion Australians from the impact of the recession; to protect jobs, apprentices and businesses and to protect our economy from the full impact of a global economic cyclone, by saving and supporting the jobs of working families around Australia.

**The Australian Government response**

The government’s first urgent step was to guarantee deposits and to guarantee wholesale funding for APRA regulated banks, building societies, and credit unions. This was an essential move—without it, credit for major projects would have largely seized up and construction projects across the nation would have stopped in their tracks. In the months that followed, the government rolled out $77 billion in stimulus and investment packages to support the economy across the immediate, medium and long term. The centrepiece of this $77 billion stimulus and investment is the $42 billion Nation Building Economic Stimulus Plan.

The government’s strategy began with immediate stimulus through cash payments, support for first home owners and tax breaks to encourage investment by small business. Our rationale was that these measures would trigger key drivers of growth in the Australian economy, in particular household consumption, at a time when we faced the risk of a freefall in retail spending due to the collapse in consumer confidence. And we all in this place know the concentration of Australian jobs which lies in the retail sector—some 15 per cent of the entire Australian workforce.

The next stage of the strategy was to provide medium-term support for the economy by investing in school modernisation, energy efficiency and social housing. The third stage is investment in major, long-term infrastructure projects in rail, road, ports, education, research, clean energy, and broadband.

**Implementation challenges**

From the beginning, the government recognized that if the plan was to be effective, timing was critical. To have the intended effect on the economy, it was essential that funds flowed quickly to support jobs and to support local communities. For this reason, in February 2009 the Council of Australian Governments agreed to ambitious delivery timeframes. This has been a herculean exercise, with Commonwealth, state and territory coordinators-general overseeing the development, approval, construction and completion of around 50,000 major construction projects across Australia. This is virtually unprecedented in our country’s history.

Now—one year since I announced our commitment to the plan—we are well into the delivery phase. The Commonwealth Coordinator-General has reported to me that significant progress has been made, with 71 per cent of the 50,000 approved projects already completed or under way. Half of the $42 billion stimulus has now been injected into the economy, through businesses, households, state and local government allocations and construction projects.

Of the major building and construction projects being rolled out:

- 49,179 projects have been approved;
- 34,853 projects have commenced; and
- 8,339 have been completed.

The rapid delivery of the plan has been critical to its effectiveness. By comparison with other nations, Australia acted early and decisively in implementing the stimulus measures. For example, the United States government currently estimates that only 34 per cent of the stimulus package announced by the US last year has been paid out—that is, $269 billion out of a total of $787 billion.

The Australian government was acutely aware of the need to bring forward the stimu-
lus at the time when economic growth was under acute stress—mindful of the lesson that, in previous downturns, governments have often acted too late to prevent a downward spiral. Unlike other nations, Australia acted before our economy had plunged into the deep downward spiral and before a surge in unemployment. Early and decisive action was critical to the effectiveness of the stimulus plan. That is why the impact of the stimulus peaked in mid-2009, and will continue to phase down as the economy recovers.

**Building the Education Revolution**

I will now outline to the House progress in each component of the Nation Building Economic Stimulus Plan, as at 31 December 2009. The Building the Education Revolution Program represents the single largest school modernisation project in Australian history—and in this chamber I would acknowledge the central role of the Minister for Education and the Deputy Prime Minister of Australia in her oversight of this program:

- 12,467 National School Pride projects are underway and 4,435 have been completed.
- 503 science and language centres are underway and the first three are now finished.
- Of the 10,083 Primary Schools for the 21st Century projects, 5,334 are now at the onsite construction phase and 200 have been completed.

We have also introduced new flexibility into the timing for some P21 projects to help all schools achieve the best value for money. Importantly, these projects are making a difference in classrooms across the country—in classrooms in schools such as Halidon Primary School in the northern suburbs of Perth. The school received $125,000 for painting, replacement guttering, new carpets and vinyl flooring, whiteboards and electrical work. Principal Bill Hunt said he was thrilled with the work, completed in July last year. Bill said,

In terms of incorporating technology in the classroom, this work has lifted a last-century school into the 21st century.

When the school was built in 1986, one double plug was all a teacher needed in a classroom. These days we run several computers, interactive whiteboards, gas heaters and audiovisual equipment in classrooms so we need many more power and data points.

**Social Housing Initiative**

The next element of the stimulus plan which we outlined concerned social housing, the Commonwealth’s largest ever investment in social housing. I would again acknowledge the critical role of the Minister for Housing for her oversight of this program. Delivery of the social housing initiative is on track.

- Work has been completed on 42,364 of the 70,000 dwellings approved for repairs and maintenance work.
- Some 19,344 dwellings have been approved for construction, with 6,675 underway and 309 completed.

We expect to have 75 per cent of these houses completed by 30 December this year. Further, the average cost per dwelling is now expected to be about $270,000, well under the $300,000 initial estimates. The government’s investment in housing is supporting the residential construction sector in the medium term, while providing long-term secure housing for some of the most disadvantaged Australian households.

I am pleased to report to the House that under this part of the plan 11 new affordable homes will be built in Marysville and Kinglake to help communities recovering from last year’s devastating bushfires.
I will mention to the House an example of one person who will be helped by this investment. Shane Hilder and his three children—Lachlan, 15, and 13 year-old twins Maddison and Kieran—lost their home and all their possessions in the Black Saturday bushfires one year ago. Since then the family have lived with relatives in temporary accommodation. Shane’s greatest wish came true recently when state housing minister Richard Wynne visited Marysville and introduced Shane and his family to members of the Dennis Family Corporation, who are to build a four-bedroom home to be ready for the family to occupy in April.

Work on the other 10 new affordable homes is already underway and residents will be able to move into houses that are fully compliant with the new building standards in Victoria. The homes will generate up to eight jobs in the local construction industry—work for local people in the area was another key element of the overall recovery process.

Our investment in social housing is critical to supporting businesses right across Australia. It is providing jobs for the hundreds and thousands of workers involved—the builders, plumbers, carpenters, electricians, brickies, carpet-layer, kitchen manufacturers and many more in the building and construction industry.

In Tasmania, for example, the state’s largest project for repairs and maintenance of social housing is now nearing completion. Repairs are being made to a 62-unit social housing complex in Bedford Street, New Town, one of Tasmania’s oldest social housing complexes. This complex had been built in the 1970s and was in need of major renovations. Spotless Pty Ltd’s project manager Gary Dwyer says the repairs and maintenance package has been great for the local building and construction workforce. The local Spotless workforce had been able to increase their numbers with, all up, 37 tradespersons and five apprentices engaged for this project. Gary has said: ‘The economic stimulus plan has helped us to provide a new career opportunity for a couple of people and ensure job security for the others.’

**Defence Housing**

Defence Housing Australia is well ahead of schedule against its planned project milestones. Major site works have commenced on 669 houses and 303 houses have been completed. The rest will be completed by 30 June 2011.

**Energy Efficient Homes Package**

The government’s investment in the Energy Efficient Homes package focused on cost-effective measures that households can take to help reduce their greenhouse gas emissions. Over 92,000 homes have claimed solar hot water rebates, and over $146 million has been paid under the program.

The Homeowner Insulation Program has been very successful with more than 915,000 homes insulated, and over $1.2 billion has been paid under the Program. I would acknowledge publicly the role of the Minister for the Environment, Heritage and the Arts in this important program for the government and for the economy and for working families.

We have also recently announced improvements to the insulation program to improve consumer protections, strengthen safety measures and improve value for money. In addition, Australian manufacturers have added shifts to operate around the clock, generating further job opportunities.

**Road and Rail Infrastructure**

The government’s investment in roads, rail and community infrastructure is generating business and employment opportunities
now, while building infrastructure for a more productive economy in the future.

- I can report to the House that all 14 major road projects under the plan are now approved and are scheduled to be completed by 30 June 2014.
- Black spots projects are under construction and are on track to be completed by 30 June this year, with 607 projects approved, 480 commenced and 349 of those already completed.
- Of the 17 major ARTC rail projects, 10 projects are underway and three are completed.
- Of the 292 boom gate projects, which include a range of safety measures at rail level crossings around the nation, 155 are underway and 73 projects have already been completed. All projects are on track to be completed by 30 June 2010.

**Regional and Community Infrastructure**

Under the government’s Regional and Local Community Infrastructure Program, we are providing new and upgraded facilities to address the different needs of communities across the nation.

In some places, this means something as simple as upgrading footpaths.

- All of the 3,220 approved projects are underway, with an impressive 2,654 projects completed.
- Of the larger strategic projects, 102 of 137 are underway.

These have provided work for building and construction businesses during the downturn, and they will leave a lasting benefit for communities across the nation.

**The Impact of the Nation Building Economic Stimulus Plan**

Taken as a whole, all of these measures constitute the most ambitious nation-building recovery plan in Australian history. Without the stimulus package, Australia would have plunged into a technical recession. Australia’s growth would have been minus two per cent over the year to the September quarter. Instead, Australia now has a stronger rate of economic growth than any of the major advanced economies, growing by 0.6 per cent over the year to September 2009.

The International Monetary Fund (IMF) is now forecasting that the Australian economy will grow faster than it initially expected this year—predicting that the Australian economy will grow by 2.5 per cent this year, up from the two per cent the IMF forecast in October. The IMF says Australia’s economic growth will reach three per cent next year. The latest official forecasts suggest a peak in the unemployment rate of 6.75 per cent in the June quarter 2010, around 1.5 percentage points lower than in the absence of the stimulus. In fact, Australia’s unemployment rate—5.5 per cent in December—is lower than any of the major advanced economies except Japan.

Industry groups such as the Master Builders Association Australia have acknowledged the key role that the stimulus package has played in turning around the economic outlook. Specifically, the MBA has estimated that the stimulus measures are helping to maintain up to 50,000 jobs in non-residential building that would otherwise have been lost. Those 50,000 jobs in turn support hundreds of thousands of Australians in small businesses and working families across the nation.

**Conclusion**

I want to express my thanks to the Commonwealth Coordinator-General, Commonwealth agencies, state and territory coordinators and the more than 600 local government authorities who have been so committed to delivering these projects on time. The unique
coordinator-general delivery model established during the initial phase will be maintained throughout delivery, to ensure consistent reporting and ongoing commitment to driving delivery. There is still a long way to go in the full delivery of the plan.

The economy is still in need of support as we move into economic recovery, as the focus of the stimulus plan shifts to long-term infrastructure projects. Those projects are critical to lifting productivity growth and tackling the long-term economic challenge of an ageing population outlined in the third Intergenerational report released this week. The Nation Building Economic Stimulus Plan has laid a strong foundation for tackling those long-term challenges. And it has cushioned Australia from the greatest economic threat we have faced in our lifetimes. I commend the Coordinator-General’s report to the parliament.

Mr ALBANESE (Grayndler—Leader of the House) (4.19 pm)—I ask leave of the House to move a motion to enable the Leader of the Opposition to speak for 20 minutes.

Leave granted.

Mr ALBANESE—I thought I was a fair show of getting that one up, Mr Speaker. I move:

That so much of the standing and sessional orders be suspended as would prevent the Leader of the Opposition speaking in reply to the Prime Minister’s statement for a period not exceeding 20 minutes.

Question agreed to.

Mr ABBOTT (Warringah—Leader of the Opposition) (4.20 pm)—Let me say that what we have seen from the Prime Minister today is a long sermon of self-congratulation. In that long sermon of self-congratulation he failed to explain the fundamental contradiction at the heart of Australia’s economic policy right now—namely, the fact that we have a government which is still spending like a drunken sailor and we have a Reserve Bank which is desperately trying to restrain spending by consumers. We have, in the words of the Shadow Treasurer, a Treasury which has its foot flat on the accelerator and a Reserve Bank which is desperately pumping the brakes. This is the contradiction at the heart of economic policy in our country right now which the long, self-satisfied sermon that we have had from the Prime Minister failed to explain.

Let me say at the outset of my response that I am pleased that Australia seems thus far to have avoided a recession. A recession would exact a terrible human cost. But I am very disappointed that, thanks to the misguided policies of this government, the price of its policies has been mortgaging our future not just for years but for decades—a price that we did not need to pay. Let me also say to members opposite and to any who are following the proceedings of this chamber: voters do not like governments and prime ministers who look too pleased with themselves, and that is precisely what we saw from this government and this Prime Minister today.

The other thing that voters do not like is governments that are talking about the past rather than the future. They do not like governments that are talking about what they did for voters last year rather than what they might do for voters this year. The trouble with this government is that it is quite happy to talk about last year and all the money it spent and it is quite happy to talk about 2050 and all the things that it would like to do then, but it is not prepared to talk about tough decisions that it is prepared to take in 2010—and 2010 is what the voters of Australia are interested in. The Prime Minister’s focus on last year—a focus that was repeated by every minister answering an opposition question today—suggests very much that this is a Prime Minister who is already conscious
of political mortality and that this is a government that is already conscious of the fact that it is past its prime. This is a government whose glory days are gone. The Prime Minister’s speech was very, very redolent of a government already in decline.

Let us be clear about why we have this ministerial statement today from the Prime Minister. We have this statement from the Prime Minister today to cover up for his embarrassment yesterday. Yesterday the government had the worst question time that it has had since coming into office. It had the worst question time that it has had since coming into office, because the Prime Minister is incapable of explaining his climate change policy. He is incapable of explaining why a $120 billion money-go-round is a better policy than a simple and straightforward purchasing of emissions reduction and environmental improvements. There will be a $120 billion impost on consumers, because they will have to pay for the $120 billion worth of permits that business has to buy—the cost of which will flow through to every single purchase in our economy. That is why we are having this statement—because the Prime Minister was so embarrassed yesterday.

He actually wanted to effectively abolish question time today. What was going to happen today was that we were going to have a prime ministerial self-congratulatory statement at the beginning of question time today. Instead of a major announcement of new policy to meet a crisis, instead of an appropriate announcement of a developing response to some disaster, instead of some commemoration of some tragedy overseas—the sort of thing which might properly have detained the House at the start of question time—the Prime Minister, in his arrogance and in his embarrassment, wanted to deliver his ministerial statement at two o’clock today.

I sought to speak to the Prime Minister to indicate that this was an abuse of parliament. The Manager of Opposition Business spoke to the Leader of the House to make the same point. Mr Speaker, if I may, I want to say to you that the fact that this statement did not go ahead at two o’clock but has more properly taken place after question time is a tribute to your role as the custodian of the traditions of this House. I want to thank you for the work that you have done today to stop this parliament being abused in the way that the Prime Minister proposed to do.

Honourable members interjecting—

Mr ABBOTT—Yes, Mr Speaker, enjoy this brief moment of praise, because this is a pretty tough place, a place where you do not get praised too often. I make the point that a government which wants to talk about the past is a government that is frightened of the future. I can understand why this Prime Minister does not want to talk about the future. It is because the future under his policy is price rises for everything—price rises that he does not understand and cannot explain. And did we not have a great example of that today in question time. Yesterday he said that electricity prices would rise under his great big new tax by seven per cent and today he was forced to admit that even the government’s own figures show that it would be 18 per cent.

I will now turn to the substance—if substance it be—of the Prime Minister’s statement today. If we are to take the Prime Minister’s statement today at face value, we are to believe that he—the great helmsman; the great magician of the Australian economy; he who is better than Hawke; he who is greater than Keating; he who is greater than Howard and Costello; he, the greatest genius; better than Ben Chifley, better than John Curtin, better than Ted Theodore, the messiah of economic policy—has saved Austra-
lia from all the plagues of the apocalypse. This is what this great genius has done. This Prime Minister of ours, assisted slightly by his frontbench, has saved Australia from this terrible disaster.

Mr Shorten interjecting—

Mr ABBOTT—The Prime Minister did not acknowledge Parliamentary Secretary Shorten, but I think we will, because we know that he is more talented than most of the people on the front bench, which is why the Prime Minister is keeping him on the middle bench. What this Prime Minister did was spend $53 billion in two stimulus packages in late 2008 and early last year and, coupled with additional spending, the automatic stabilisers under the budget, he ran up a net debt in excess of $200 billion. This economic magician, this former economic conservative, this one-time Christian socialist who became an economic conservative and is now an old-fashioned Social Democrat—and the scourge of economic fundamentalism, but he does believe in fiscal prudence—turned a $20 billion surplus into a $30 billion deficit in a single financial year. He has even bigger deficits in the future.

Opposition members interjecting—

Mr ABBOTT—Yes, he is a miracle worker. It takes a true messiah to turn a $20 billion surplus into a $30 billion deficit. Only Saint Kevin of Canberra is capable of this extraordinary miracle of the loaves and fishes in reverse. That is what he has done.

I accept that, thus far at least, Australia has avoided a recession. As I said, I am grateful for that, as are all members on this side of the House. But it is not the government’s stimulus that has saved us. If stimulus spending saved economies from recession why is the United Kingdom, which also had a large stimulus, in serious and prolonged recession? And why is the United States, which had an even bigger stimulus on a proportionate basis, in deep recession and why is their unemployment over 10 per cent?

Australia’s economic strength, which I am grateful for, owes far more to the reforms of the former government than it does to the spending of the current one. It owes far more to Peter Costello and John Howard than it does to Kevin Rudd and Wayne Swan. It also owes, quite honestly, far more to Bob Hawke and Paul Keating, who were tough prime ministers and who were prepared to make hard decisions in a good cause. It owes far more to their work than it does to the work of current frontbenchers.

If the stimulus was designed, as the Prime Minister tells us today, entirely to keep Australia out of recession, why is it continuing now that a recession has plainly been avoided? The crisis is over but the spending is continuing. He just cannot stop. The Prime Minister said today that half of the $42 billion has been injected. In other words, half of it is yet to be spent. That is $20-odd billion that is yet to be spent even though the crisis has passed and the recession has never happened. We know it has never happened because he is congratulating himself for avoiding it and yet he is still spending the money. He is congratulating himself for avoiding something which he is still spending money to avoid. Something weird is happening inside his head.

He boasts that 75 per cent of the houses under the social housing package will be completed by the end of 2010. It is nice that he can actually complete some houses, because the Minister for Families, Housing, Community Services and Indigenous Affairs is incapable of completing houses in the Northern Territory. But these houses will be finished by the end of 2010 to save us from a crisis at the end of 2008. This logic just does not work.
He boasted today that 14 major road projects will be completed by the end of June 2014. Hang on a minute. This is a crisis at the end of 2008 and he is saving us from the crisis at the end of 2008 by finishing roads in 2014. Go figure. This is someone who plainly does not understand economics. He has embarked on the greatest spending spree in Australia’s history and he has dressed it up as a recession-buster. What he has really done in embarking on this spending spree is reveal the real nature of contemporary Labor: they are addicted to spending and they are addicted taxes.

Having spent the surplus that John Howard and Peter Costello so painstakingly accumulated, he now needs a new pot of gold from which to spend on further handouts. That is why he needs his emissions trading scheme. He needs it to raise $120 billion in 10 years. He needs this pot of gold, this cash cow, so he can then engage in politically motivated handouts to the groups he wants to reward and win re-election.

Just for the benefit of the Prime Minister and those who might have been taken in by his statement today, only two per cent of projects under the Primary Schools for the 21st Century program are completed. Only one per cent of projects under the Science and Language Centres for 21st Century Secondary Schools program are completed. Only two per cent of new social housing is currently completed. None of the national road projects are finished and none of the infrastructure program strategic projects are completed.

All of these things that have not been done are supposed to have saved us from a recession. Who does the Prime Minister think he is fooling? Certainly, he has not fooled some—indeed, most—of the economic commentators whose business it is to inquire into these things. Scott Haslem from UBS said late last year:

By the government’s own account, growth—
in 2011—would be at 4.5 per cent, so why are we still stimulating the economy?

Professor Sinclair Davidson of the Royal Melbourne Institute of Technology said in evidence to the Senate in September last year:

…if people want to argue that the Australian stimulus package has prevented the Australian economy from going into recession, they would also need to explain why those other economies with similar sized … packages to ours have … gone into recession.

This is the problem that he faces. If the stimulus package is what saved Australia, why has the same package not saved other countries? It was not the stimulus package or the spending that saved Australia; it was the reforms that saved Australia—reforms that this government cannot contemplate and in fact are winding back.

I could go through specific elements of this package and talk about how money has been wasted, how money could have been better spent and the inevitable problems in trying to spend in an enormous hurry—money which should have been spent in a much more considered way. I do not have time to do that, but I will go to one point from the Prime Minister’s speech. The Prime Minister, I presume, is trying to put the best possible gloss on his economic record. He told us in his speech that his $42 billion spending package had saved 112,000 jobs. I understand every job is precious. I care about jobs. I was part of a government which created more than two million jobs. I know what it is like to create jobs. Doing the arithmetic on the Prime Minister’s statement, each one of those 112,000 jobs cost about $400,000 to create. I am all in favour of cre-
ating, preserving and protecting jobs, but each job should not cost $400,000 to create. A government which can only save jobs at a cost of $400,000 a pop is a government that does not know how to govern. It is a government that cannot manage an economy.

The Prime Minister tried to tell us today that he is Australia’s saviour, in a way that certainly no-one from the opposition could possibly be. He tried to tell us what an effective Prime Minister he has been. The only thing that this Prime Minister has been effective at is spending money and running down the surplus. Creating $200 billion and more in net debt is precisely this Prime Minister’s monument thus far. Two years in government and this is really the only substantial achievement, if that is the word, that he can point to. A Prime Minister who has proven to be much better at spending money than at raising it and much better at running down the economy than at reforming it is not a Prime Minister who has a long-term future at the helm of this country.

MATTERS OF PUBLIC IMPORTANCE

Taxation

The SPEAKER—I have received a letter from the honourable member for North Sydney proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The Government’s intention to introduce a new tax when families are under significant cost of living pressures

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 HOCKEY (North Sydney (4.40 pm)—I am having to follow the Leader of the Opposition—what very large shoes to fill when it come to these issues. I seek very humbly to step into those very large shoes and identify some of the issues that the Prime Minister chose to deliberately omit, ignore or mislead us on, or engage in slippery conduct about, during the course of question time. Firstly, I remind the Australian people of the Prime Minister’s words in 2008 when he said he would ‘assist working families in dealing with housing affordability and other matters which helped the family budget’.

Yesterday in this place we had the unseemly sight of a rather slippery Treasurer claiming that I had misled the Australian people about the Australian Bureau of Statistics data in relation to the prices of everyday goods. I challenge the Treasurer to come into this place and, for once, have the courage to debate me. We had a debate on Q&A just a few days after my appointment and since that time the Treasurer has refused to debate me. It will come as a surprise to my colleagues that the Treasurer, Mr Wayne Swan, runs away from an economic debate, runs away from confrontation that may at the end of the day illustrate that he is an empty vessel! We know that Dr Henry is the Treasurer. I can see all the Treasurer’s colleagues across this table leaping to his defence right now. They are all screaming and interjecting, defending the Treasurer’s honour as I slur him in this MPI.

Mr Shorten—Madam Deputy Speaker, I rise on a point of order. The member for North Sydney just conceded that he is slurring the Treasurer. He should withdraw.

The DEPUTY SPEAKER—The parliament secretary has a point. I was actually going to observe that. The parliamentary secretary and Minister Emerson are observing the standing orders by not interjecting during the member’s speech. I ask the member to withdraw.
Mr HOCKEY—Belatedly but honourably, I withdraw. We will give you a promo should we ever get the opportunity to do so, Bill—do not worry. For everyday Australians, the latest ABS data is extremely revealing. It reveals that electricity prices were up 15.7 per cent on average last year, December on December. This was without an emissions trading scheme. It was the result of state organised price increases—overwhelmingly state Labor price increases. Water and sewerage rose 14.1 per cent on average last year. These are not discretionary items. Electricity is not a discretionary item for an everyday household. It is not a discretionary item for a small business—a coffee shop or a restaurant. It is not a discretionary item for the building industry. They need these inputs.

Last year electricity went up 15.7 per cent, water and sewerage went up 14.1 per cent, gas went up nine per cent and, for families, there were parts of education that were up 7½ per cent, particularly preschool and primary education. The fundamental point here is that it was discretionary items, such as audiovisual components—plasma TVs and so on—which fell. They fell 12.4 per cent. Because of the very strong Australian dollar, overseas holidays also fell 4.4 per cent.

What we found was that, whilst the headline inflation rate, which the Treasurer chose to focus on, was a little over two per cent, the real impact on Australian households was far, far greater. This is because the things that go into the everyday mix of the household budget rose enormously—none greater than the nearly 16 per cent rise in electricity last year. These are essential items for Australian families.

In question time, the Prime Minister was confused and befuddled about what the real impact on electricity prices of his own ETS would be. For reasons that everyone is very familiar with, the Prime Minister has not been under pressure for the last 12 months on the detailed items in his emissions trading scheme.

Government members interjecting—

Mr HOCKEY—I say to the parliamentary secretary and the minister here that times have changed. Times have changed so much that now the Treasurer and the Prime Minister need to be honest with the Australian people about the everyday costs of the emissions trading scheme. More than that, they cannot simply refer to an 820-page document, claiming that is the authoritative text that everyday Australians should access to find out about the impact of the emissions trading scheme, and think they can get away with it—an 820-page document which, even under the parliamentary computer network with all of its failings, takes a hell of a long time to print. Most Australian families would not even have 820 pages in their printer, but this is a user-friendly document from your friendly Rudd government. You will find out, via this 820-page document, exactly what the impact of Kevin Rudd’s ETS is.

The sad thing is that the document refers to an 18 per cent increase in electricity prices. Oops—the Prime Minister talked about a Treasury document citing a seven per cent increase in electricity prices. I say to the Prime Minister that that document might be floating around somewhere in that ocean of paper that comes out of the public service on a daily basis. Somewhere there might be that document. Somewhere it might actually say that electricity prices are going up seven per cent, but where?

We challenged the Prime Minister to release the document and he refused. He said it was secret and confidential. If it is so freely available to the Australian people, why is it confidential here in the people’s house? If it is so freely available and Australians are so
aware of the impact of the Labor Party’s Carbon Pollution Reduction Scheme on electricity prices, why don’t Australians have ready access to that information? This smacks of obfuscation; it smacks of cover-up; it smacks of attempts to not tell the truth about the real impact on people’s lives of the emissions trading scheme.

I will go one step further. The Reserve Bank in a statement yesterday clearly outlined that one of the main reasons it did not increase interest rates yesterday was that the banks themselves had increased interest rates by more than the cash rate increase of the Reserve Bank. You know what? Somehow the Treasurer came in here—the Treasurer who refused to debate me—and gloated about the fact that the RBA did not jack up the cash rate but clearly omitted to mention that the banks had defied his own words and the words of the Prime Minister and had increased interest rates by a greater margin than the cash rate.

What does this big-talking, highfalutin government do when their words of warning to the banks are not only ignored but are treated with total contempt? Nothing. I will tell you what happens to the Australian consumer, to those people with mortgages and credit cards: their costs go up. And now that the markets are clearly factoring in two to three increases in interest rates before November this year, you will hear more of the chortling delight from the Treasurer and Prime Minister that somehow that is a lesser burden than what they inherited when the Rudd government was elected in 2007.

But you know what? We did not have 16 per cent increases in electricity prices in just one year and we did not have 14 per cent increases in water and sewerage in just one year with, in each case, overlayed on top of it, a new cost burden on Australian families. By the way, under the coalition real wages increased by more than 20 per cent and unemployment hit record lows and the economy doubled in size and we had record levels of spending on infrastructure. Not only did we double the GDP of the nation and therefore double the infrastructure spend but also, as a percentage of GDP, there was actually an increase in infrastructure spending.

All of this and the government spends more money. The government is spending more money. How absurd is it? It is as if I have been in a parallel universe for the last few months, listening to the comments of the Prime Minister today and hearing the Minister for Finance and Deregulation, Mr Tanner, saying, ‘Well you can’t spend money if you haven’t got the income.’ How bizarre! What planet is that man on? I say this because here is a finance minister that has made an art form of spending money that he does not have in the bank. The government is borrowing record levels of money, as my shadow finance minister has outlined on numerous occasions including, very eloquently, at the National Press Club today.

I remind Australians of these words from Kevin Rudd:

There is a case, a strong economic case for budget belt-tightening by the national Government if we want to do our bit in budget policy to make the job of the Reserve Bank easier … to keep interest rates as low as possible.

Here we have a government that is spending record levels of money, putting huge upward pressure on interest rates and putting pressure on the Reserve Bank and the banks themselves. This mob is competing for the same money that is meant to be driving up to $160 billion of potential new investments over the next 12 months.

Even then, as our small business constituency would say: ‘Why is the government borrowing money in competition with us? Why is the government competing with us?'
How can I as a small business person afford to borrow money when the 800-pound gorilla with the AAA rating is in the same market, borrowing the money that I used to be able to borrow at an affordable rate? The net result of this is that small business has been done over by the Rudd government on a scale that Australians have not seen before. Big business has been able to raise money on the capital markets—even using the government guarantee that the banks have been provided to do so—but small business cannot raise money on the stock market. Small business cannot do that. A small business person has to take it out of their family home. A small business person, if they are going to pay down the debt that the bank demands, has to try to find the money somewhere. Yet they have got a government increasing their electricity prices by 16 per cent, increasing water prices by 14 per cent and increasing gas prices by nine per cent. They have got interest rates going up, they are about to have a new tax courtesy of the Rudd government, and somehow, gloatingly, Kevin Rudd comes into this place and pretends that Australians have never had it so good. It is absolutely shameful. Now we know that, thanks to Ken Henry, Australians are going to have to pay more taxes over the next few years to pay for the spending program of the government.

I was very interested in the Intergenerational report, and I will have more to say about this in the future. Kevin Rudd, on a seven-day escape around the nation, thought that he could do what God could not do in seven days—and that is to create a new earth. On Rudd Earth, essentially there is a world that is dominated by productivity improvements. The problem was that the Prime Minister did not explain it. The three key principles of an intergenerational report are participation, population and productivity, but yesterday, miraculously, the Prime Minister dropped population, after he discovered that it was unpopular to have a much larger Australia with a lesser quality of life. More will be said about this over time, but I do provide this warning to the government: if your hubris has taken over after only 2½ years, the Australian people will punish you. You need to be open and honest with the Australian people about your policies and their impacts on their daily lives. No longer can Kevin Rudd run away from the argument. (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) (4.55 pm)—In an otherwise unenlightening speech, the shadow Treasurer did make one enlightening statement, and it was along these lines: in the last 12 months, the Prime Minister and the Treasurer have been under no pressure. What that means is that the shadow Treasurer is dumping on his former leader, the member for Wentworth, alleging that he put no pressure on the Prime Minister and the Treasurer, but I ask rhetorically: who was the shadow Treasurer over the last 12 months? By my count, it was the member for North Sydney, the speaker at the dispatch box, who came into this parliament and confessed that he put no pressure on the Prime Minister or the Treasurer in the last 12 months. That is a pretty stark and honest confession that he has been completely ineffectual in discharging the responsibilities of a shadow Treasurer and an opposition in this parliament. It also reveals that the leadership splits that have riven the coalition in the last two years have only been papered over. I think it is in poor taste to come in here and dump on the former Leader of the Opposition in the way that he did.

This matter of public importance is ostensibly about climate change policy and any
impacts that it might have on living costs. But I do not recall the shadow Treasurer mentioning the words ‘climate change’. He might have squeaked them in once, maybe twice, but certainly there was no sustained reference to the issue of climate change, and we need to ask why. They released a policy yesterday, and already it is passe, it is in the past, because it is such an embarrassing con job. The reason that the shadow Treasurer did not mention climate change is because his new leader regards climate change as ‘absolute crap’. Indeed, we had Senator Minchin, the numbers man in the coalition, saying that a majority of the coalition party room believe that climate change is not real—that it is crap. They have described it as a communist conspiracy.

Some of the observations of coalition members about climate change have to be seen to be believed. The member for Hughes described carbon in these terms: ‘Carbon is not a pollutant. It is a potent fertiliser and up until now a free fertiliser at that.’ So the member for Hughes would like lots more carbon in the atmosphere, because it is a free fertiliser. Then we have Senator Eric Abetz, one of the coalition heavyweights in the Senate, who has said that there is no doubt that weeds pose a challenge that is much greater, more present and possibly more serious than climate change. So what we really need is a global agreement on weed control. That is what Senator Abetz is going on about. We have the space cadet of the House of Representatives, and that is the member for Tangney, who says this about global warming in a dissenting parliamentary report:

Another problem with the view that it is anthropogenic greenhouse gases that have caused warming is that warming has also been observed on Mars, Jupiter, Triton, Pluto, Neptune and others.

In other words, he was saying, ‘Why would you worry about climate change on planet Earth when we know that there is climate change on Mars and there is some climate change going on on Jupiter and on Triton, Pluto and Neptune?’ It is hard to believe. And, you know, he was in there in that very leadership tussle undermining the member for Wentworth in support of the new Leader of the Opposition, who was also undermining the member for Wentworth, and then he got all sooky because he did not get a frontbench position. This guy is a space cadet. He says: ‘Where is my frontbench position? I made the very clever observation that climate change is occurring on Triton, Pluto and Neptune and therefore we do not need to worry about it on Earth.’

Then we have the member for McEwen, who has a wonderful solution to the problem of climate change and its impact on the Great Barrier Reef—that is, to support shadecloth over the Great Barrier Reef. That is the debate we are experiencing here in this country with an opposition who, one day after releasing its con job, which ostensibly is supposed to do with climate change, has abandoned it. Why? Because they believe climate change is crap and can be dealt with by putting shadecloth on the Great Barrier Reef.

This policy that was released yesterday is a climate con job. There is no cap on emissions and it slugs taxpayers rather than the big polluters. I think most Australians understand the notion of the polluter pays principle—the polluter should pay. But, no, not according to the opposition. It is ordinary taxpayers who should pay for their policy—their $10 billion policy. And how is that going to be funded? We found out last night. We found out last night because Senator Barnaby Joyce, in yet another moment of candour, on Lateline, was asked this very question. He referred to the Henry tax review and said, ‘That is the whole mechanism of where we get the money from.’ That is, he is saying the Henry tax review is where they are getting the money from. By definition, the
Henry tax review is about tax. Senator Joyce, the shadow finance minister, has said, ‘We are going for $10 billion to fund our climate change con, from taxpayers.’

On the weekend, the opposition leader was asked about this when there was speculation that the opposition might fund its $10 billion policy out of increased cigarette taxes and he said, ‘No, that is not going to happen; there will be no new tax increases, no new taxes to fund this policy.’ But the shadow finance minister in his moment of honesty on Lateline last night said that was the whole mechanism of where they would get the money from—that is, taxing ordinary Australians. So when the opposition feigns concern about the living standards of ordinary Australians out of one side of their mouth, out of the other side of their mouth they are saying they will fund their great climate change con job by increasing taxes on ordinary Australians. Indeed, no doubt they would have rung him last night and said, ‘Barnaby, Barnaby, you have done it again, mate—we have to clean up the mess.’ But, no, Barnaby stood his ground. On the AM program he was asked to rule out tax increases to fund the climate change con job. They asked whether there would be any tax increase, and he said: It’s a very hard question to … answer …

In other words, he is saying, ‘I am not going to do what the opposition leader’s office wants me to do and clean up my mess; I am going to be honest and I will not rule out increases in taxes or new taxes to fund this $10 million climate con job.’

We heard before the beginning of this MPI debate the Leader of the Opposition pouring scorn and derision on the economic stimulus plan, 70 percent of which is investment in the infrastructure of this country. You would think in a debate about living standards there would be some consideration for the two million small businesses and tradies who are benefiting from the economic stimulus package, which, in respect of the Building the Education Revolution, has been described by the Leader of the Opposition as ‘a very low-grade spend.’ So we know now exactly what they would do if they were to win the election this year—that is, they would abandon the economic stimulus spending upon which they poured scorn and derision today. That would be the end of the school modernisation program. They feign concern for small business but they would ensure that small businesses and tradies would lose their jobs—those tradies who are engaged in the greatest school modernisation program in Australia’s history. How can you say that you are concerned with the living standards of average Australians when you are prepared to cut the throats of up to two million small business men and women in this country by abandoning the economic stimulus, by scrapping the school modernisation program that is employing productively so many of our tradespeople and small businesses in this country? Indeed, the Leader of the Opposition absolutely confirmed in his contribution today that that is what he would do. He said, ‘It is not the stimulus that has saved us.’ They have done nothing but criticise it, they have voted against it and it is absolutely as plain as day that if they were to win the election out would go the entire school modernisation program and they would betray those small business owners and those independent contractors that they arrogantly claim as their own, as a part of their natural constituency. Small businessmen and independent contractors understand that it is a Labor government that is supporting them and that the opposition would just throw them out of work like the 200,000 jobs that would have been lost if not for the stimulus package. That is the estimate of the Treasury, and the opposition leader says, no, it is not the stimulus package. He said:
The crisis is over but the spending is continuing. That is another clear signal that if they were elected the spending would stop, there would be no further investment in nation-building infrastructure, in our schools, in our local council works. The fact of the matter is this: there is an agenda on the part of the coalition. There is a new opposition leader and he holds extreme views. His first extreme view is the one that I have repeated here today—that is, he says climate change is absolute crap. His second extreme view is in relation to Work Choices. Make no mistake: if the coalition were elected, they would bring back Work Choices. They are rebuilding Work Choices brick by brick. In the first interview of the opposition leader after he was elected as opposition leader he was asked, ‘But is Work Choices dead?’ He said:
The phrase ‘Work Choices’ is dead. No-one will ever mention it again.

What he is saying is that they are going to bring back Work Choices: it is only the phrase that has gone. They will have another name for it. And we have got the architects in the parliament. We have got the member for Mayo. He has been promoted and they love him over there because he is an architect of Work Choices. We have got the member for Menzies back on the front bench, an architect of Work Choices. Of course he would be on the front bench; of course he would be elevated under the Leader of the Opposition. I will tell you why. It is because the now opposition leader said in parliament on 13 August last year:

Let me begin my contribution to this debate by reminding members that workplace reform was one of the greatest achievements of the Howard government.

In the contribution that he made today in responding to the Prime Minister’s first anniversary remarks on the stimulus plan, he said, ‘And the government is winding back the reforms of the Howard government.’

What he means is that the government is winding back Work Choices. In fact, we have killed it. If this government is re-elected, Work Choices remains dead and buried. But I can tell you that if the opposition leader were to be elected Prime Minister of this country, Work Choices would be revived, and right now they are rebuilding it brick by brick.

The fact is that this opposition leader holds extreme views and he is a very big risk. He is a very big risk because he has already been shown up in an area of great importance to Australians, to living standards of Australians, and I refer to health care. What did he do? As the health minister he ripped $1 billion out of public hospitals. So when he is looking around for money to fund his great carbon con job, watch out if you have got any interest in public hospitals. They are going to increase taxes. He has already ripped $1 billion out of public hospitals because he does not believe in the public hospital system. He opposes the stimulus; he would bring back Work Choices. The fact of the matter is that if you want a political party in government that supports average Australians, the jobs of Australians, supports the living standards of Australians and the small businesspeople and the tradies of this country, you can go no further than the Australian Labor Party, because we will stand behind them every step of the way. *(Time expired)*

Mr BILLSON (Dunkley) (5.11 pm)—What is interesting today and what every small business owner and operator will pick up from the member for Rankin’s contribution as the minister for small business is how little he actually has to say about small businesses. Today we are supposed to be discussing the government’s intention to introduce the Rudd great big tax on everything, its failed, friendless and flawed ETS, when families are under significant cost-of-living pressures. That was the topic for today, but
instead the small business minister went and had a talk about the solar system. Well, the solar system he should be interested in is to talk about the constellation of small business operators and employees right around the country that are very concerned about the Rudd government’s ETS, great big tax on everything. Why are they concerned? In the Hansard of the Australian parliament you will not find the small business minister, as he scurries out of this place, speak one word in defence of this flawed and friendless ETS system. You will not find him speak one word about the nonexistent compensation for the small businesses affected by this great big tax on everything. It is appropriate that the small business minister leaves the chamber, again turning his back on the concerns of the small business community, who have time and time again asked Dr Emerson to give a hoot about the small business community and the punishing impact on energy prices and on input costs that will land on every small business around this country.

There is a memo for the Labor government here: small businesses are operated by families. They are getting cost pressures everywhere they turn from the Rudd Labor government. Small businesses operated by families, employing people with families, are worried about their economic future, about their personal financial security, about the viability of the small business enterprise that they are a part of and about their prospects to provide jobs—more than four million jobs in the 2½ million small businesses. That is what the small business community is worried about, but the small business minister has nothing to say about that. He talks about the solar system but there is a constellation of very concerned small businesses right around Australia just concerned that the ETS—the great big tax on everything—that the Rudd Labor government is intent on forcing through is going to undermine their business viability and their prospects for profitability into the future. Let us remember, though this might be news to the Labor Party, that a profitable small business is one that can employ people, that can engage in continuing to be a small business. There is a story in the small business community about what Labor’s approach to small businesses is. They have a plan: you take a big business and you wait for it to be crushed to be a small business. That is Labor’s support for small business. That is how they support small businesses.

So here today when we had an opportunity for Dr Emerson, the small business minister, to for once turn his mind to the concerns that are being raised over and over again by the small business community about the lack of compensation for the increase in energy costs and the compounding input cost increases that they going to be faced with, we hear nothing, absolutely nothing. The small business community has been pleading with the minister to stand up for them. Is it because he is out of cabinet that he has no influence, or is he indifferent or incapable of making the argument for the small business community?

I can assure the small business community that the opposition has made the argument for them. Our alternative direct action plan has been designed with small business interests front and centre so that they are relieved of the punishing increase in energy costs and input costs for every small business in Australia from Kevin Rudd’s great big tax on everything but that there are opportunities for them to benefit from the strategies and the plan that the coalition has put in place.

Why would Dr Emerson, the Minister for Small Business, Independent Contractors and the Service Economy, not want to talk about the impact of the CPRS on small business? Is it because he does not know because no ana-
lytical work has been undertaken on this? It could be. He has not spoken about any or provided any evidence of the impact, yet we have seen business group after business group and electricity industry experts provide an analysis, and it is grim. Is it because he has not even lifted a finger to make a case for the small business community? Quite possibly—at least he is consistent. Even in the most recent days, when he was trying to compare and contrast, he could not bring himself to talk about the absence of compensation for the small businesses that are going to be punished by Rudd’s ETS tax on everything that will push up energy prices and input costs.

For that very limited number of smaller businesses that may be entitled to get some temporary transitional assistance, do you know that they need to consume 300 megawatt hours of electricity to qualify and then they need to be in very narrowly defined sectors? Also, it is only for a couple of years at best if the budget provides for it, when a typical small business consumes about half that energy. It is designed to damage small business. I do not know how those geniuses in the Rudd Labor government could have done a better job of nobbling small businesses through some kind of action on climate change than by coming up with its flawed and friendless ETS, a tax on everything.

We can look at some of the examples, even of households. We have Peter Garrett, the Minister for the Environment, Heritage and the Arts, saying that 90 per cent of low-income households will receive certain amounts of compensation. They quote a number of 2.9 million households. According to the Electricity Supply Association of Australia, there are 9.4 million electricity resident account holders—householders that receive electricity. How do you get these numbers? How do you get these warm words of comfort about the number of people who will receive compensation and the specific number of households when 2.9 million leaves a whole lot of households out of the 9.4 million that actually have residential connections? Do the rest of them, 6½ million people, cop it in the neck? Is that what the Minister for Climate Change and Water, Penny Wong, and Minister Garrett are saying? It may well be, but they cannot explain that.

They also cannot explain why, despite concerns identified in the recent COSBOA and Telstra small business survey, 71 per cent of respondents said they were either very concerned or somewhat concerned about the Rudd government’s great big tax on everything. You can see why they are pleading for action by the Rudd government to address small business concerns. I have touched on how elusive compensation for these price inflationary impacts on energy costs and input costs can be, how you need to be in a very exclusive group to get anywhere near it if you happen to be a small business. Even in that measure they do not mention small business—it is about narrow sectors of the economy with certain amounts of electricity consumption. They have not turned their minds to the experience of the small business community. Today my friend and colleague Mr Hartsuyker asked the Minister for Small Business, Independent Contractors and the Service Economy about a very specific case in his electorate, a meat operation which is already experiencing considerable price pressures from electricity and about how further electricity price increases, as a result of Kevin Rudd’s great big tax, will cause this proprietor, Russell’s Prime Quality Meats of Coffs Harbour, to ‘cause me to shed staff and drive up the cost of meat’. He was making the point that he is already copping price increases for his electricity and that is causing great problems for his business. He
then made the case that if it goes up any further there will be job implications, viability implications for his business, and there will be impacts on the cost of consumer goods for everybody else.

What response did we get from that? The derisory response from the small business minister was to tell my friend and colleague Mr Hartsuyker that he was asking ‘a stupid question’. It is not stupid to the people who strive to try and make a go of these businesses, something that the Rudd government seems not to understand. You could look at industry associations like the Australian Retailers Association pleading with the government to calculate what the genuine impact of its great big tax on everything will be on a basket of groceries. Here is an example where a meat producer is drawing a very direct connection, yet the government cannot explain the impact of its great big tax on everything will be on a basket of groceries. The ARA makes the case that claims that it is only going to be a 1.1 per cent increase are ‘misleading and ignore the increased costs of groceries’. It makes the point that this is a cascading tax on everything. It is not like the GST where if you pay tax on something you take it off and then it is applied to the final sale price. No, it is not like that—it just keeps building; it is a tax that just keeps giving to the government so they can churn money around and dole it out to their favoured sons and daughters in the Australian public for electoral purposes and purely motivated by electoral interests of the Labor government.

Who have they missed out? They have missed out the small business community. The small business community rightly condemns the Rudd Labor government. They want a small business minister that stands up for their interests, as occurred today in the Senate. I am pleased to advise this House that the Senate has agreed to the coalition’s proposal for an inquiry into small business—

Mr Shorten—I rise on a point of order, Madam Deputy Speaker. The member for Dunkley has been constantly impugning the minister for small business and neglecting the fact that his shadow minister did not ask a question for 500 days.

The DEPUTY SPEAKER (Ms JA Saffin)—There is no point of order, and the honourable member’s time has expired by six seconds.

Mr Shorten (Maribyrnong—Parliamentary Secretary for Disabilities and Children’s Services and Parliamentary Secretary for Victorian Bushfire Reconstruction) (5.21 pm)—The Leader of the Opposition thinks that climate change is crap and he confirmed that again yesterday. I suggest today the Leader of the Opposition’s climate change policy is nothing more than a climate con job. I acknowledge every debate has its pros and cons, but the Leader of the Opposition’s scheme, I am sad to say, is just one big con. It costs more, it does less and it will mean higher taxes. There are three problems with the opposition leader’s climate con job: it does not work because it does not require anything of polluters, there is no cap on pollution, it slugs taxpayers instead of the big polluters and, unfunded, it will mean higher taxes. I think the challenge for today, which has not been established in the matter of public importance, is for the Leader of the Opposition and Senator Joyce to explain how they are actually going to fund their scheme.

On this issue, I would suggest to you that the Leader of the Opposition is not a man with a plan but he is a ham with a scam. Opposition policy is half baked, solving a problem he does not believe is a problem. It is all motivated, by his own admission, by politics. Australians expect their leaders to say what they mean and to mean what they say. Yet
this alternative Prime Minister will not do this. This alternative Prime Minister will not come clean with the truth of his policies. I draw the House’s attention to what the Leader of the Opposition said on ABC radio today: Lyndal Curtis asked the question:

It is an old question, but a good one, where’s the money coming from … for your scheme?

The Leader of the Opposition:

It’ll come from the budget and people will know in good time before the election exactly how we are going to fund all our promises.

Wrong answer. There is no government program yet invented that does not cost taxpayers money, either directly or through a mandate. ‘It’ll come from the budget’ is the kind of answer you would expect to hear from someone who has been in Canberra too long. ‘It’ll come from the budget’ is the answer you would expect to hear from someone who has spent just one year too many listening to bureaucrats and other spenders of taxpayers’ money. The Leader of the Opposition continued: ‘Look, I’m just not going to speculate on where we’re going to find the money.’ What a low-rent answer. Every taxpayer knows the real answer that the opposition leader is avoiding: we will all pay.

The Leader of the Opposition arrived here as a staffer in 1990 and was in parliament a few years later. When you think money for government programs comes from an anonymous budget and not from the hard-working men and women who keep this country prospering, then you have been here 20 years too long. I would suggest that the Leader of the Opposition has been taken hostage by conservative Canberranomics—too frequently shirtless and completely hostage, I would suggest. He has been taken hostage and takes us all as naive. He must have been a dream when he was a minister. ‘Where’s the money coming from?’ he would ask. ‘Oh, Minister, it’s coming from the budget.’ ‘That’s all right then. Give me another cup of tea.’ Give us a break!

Taxpayers will pay for the opposition’s uncosted, dubious policies in the event the opposition is elected. The nation will pay if we have an opposition unwilling to do the hard work required to provide a credible alternative. The environment will pay if we do not address humanity’s impact on the natural world in every way we can. There are alternative beliefs about climate change, and let’s have an honest debate about that. But, if you are not true to your own views, how can you honestly add anything of value to public debate and political life in this country? The opposition’s stance on climate change is as fake as a Godwin Grech email. For those with attention to history, it is painfully reminiscent of the stumbling on issues that we saw from the coalition when they were in opposition in the 1980s. They were too busy fighting amongst themselves to get their act together. I would suggest that the Abbott coalition is like the 1980s coalition: they never miss an opportunity to miss an opportunity.

Talking about masters of missed opportunities, one cannot travel past the contribution of the shadow Treasurer, the real nowhere man of Australian politics. He has no idea if he wants the leadership or indeed a quiet life. He hasn’t a clue where his next idea is coming from, his next policy or indeed his next belief system. He is both Tweedledum and Tweedledee in the same jacket, auditioning for Hamlet in that crumbling vaudeville theatre called the Liberal Party, howling, ‘To be or not to be, to lead or not to lead, to tax carbon pollution or not to tax carbon pollution, to leave it to the market or not to leave it to the market, to leave it to a conscience vote of my colleagues or not to leave it to a conscience vote of my colleagues?’ No wonder people doubt his ticker. Unfortunately, the shadow Treasurer in his contribution today
was a real nowhere man, sitting in his nowhere land, making all his nowhere plans for nobody, doesn’t have a point of view, doesn’t know where he’s going to. This is familiar stuff. Nowhere man, don’t worry. Take your time. Don’t hurry. Leave it till someone else lends you a hand.

Despite the scare campaigns of the opposition about the $100 legs of lamb or skyrocketing milk prices, Treasury estimates that the price rises arising from the CPRS will be 1.1 per cent in 2013. From day one the CPRS has contained measures to compensate people. At the heart of the Rudd government’s actions is the principle that the money raised from selling permits to pollute goes straight into the pockets of families. Treasury’s figures estimate that for 2.9 million low-income households there will be an average price impact of $420 but average annual assistance of $610. For middle-income earners, numbering 3.7 million households, there will be an annual average price impact of $650 and average annual assistance of $700, with a net outcome of $50. The figures estimate that 8.1 million households out of 8.8 million households in Australia will receive assistance. This is one difference between us and the opposition. We start our policies by thinking about the effect on ordinary families.

What I find most surprising about the opposition’s mock concern for families under cost-of-living pressures is that this is the same opposition that continually blocked and denigrated our efforts to support those families through the global financial crisis. Is this the same opposition that condemned the stimulus package which preserved hundreds of thousands of jobs? Please remember that by 2008 virtually every advanced economy was either in or about to enter recession. In the week leading up to the decisions that we took, we had seen the Australian share market in its biggest weekly fall since the 1987 stock market crash. We acted promptly to guarantee the banks and stabilise our financial system.

Firstly, there was direct support to households, supporting consumption and housing investment. Secondly, we had investment in shovel-ready infrastructure, providing critical and timely support to construction sensitive industries. Thirdly, we had investment in critical long-term economic infrastructure. We set clear criteria that the stimulus be timely, temporary and targeted, and we met them. Treasury estimates that 200,000 people are working today due to the package that we put in place. Unemployment in Australia has stabilised at six per cent, whilst that in America has risen to above 10 per cent. I believe that the actions of the Rudd government were one of the key factors in making sure that the Australian economy came through the worst set of economic circumstances we have seen since the Great Depression.

But, after all, the opposition, when they were in rational mode last year, said they actually believed in the market. We negotiated with them in good faith. We came up with an approach that protected agriculture, that offered permits for those industries that were exposed to overseas competition so that we did not simply export our emissions overseas. However, I am sad to report that since then the once great Liberal Party has been captured by the extremists, who will not listen to the science on climate change. They are now opposing for the sake of it. The Leader of the Opposition, torn between the factions of his own party, has come up with a policy that promises a five per cent cut in emissions by 2020 but with no penalties for polluters. There are no targets. There is just a vague hope that somehow the five per cent reduction will be achieved. There are no incentives for the new coal fired power stations to invest in alternative technologies. It is just business as usual.
The only proposal to cut carbon pollution is a vague $2.5 billion slush fund to reward businesses who the opposition deem to be doing their bit to cut emissions—a slush fund which will no doubt be similar to the notorious Howard government’s regional rorts program and which will have to be paid for by ordinary families. In the Leader of the Opposition’s own candid words, he is a ‘weather vane’ on this issue. He takes the easiest course and hopes that the problem will go away. In fact after his athletic contortions on climate change it is clear to me that the honourable Leader of the Opposition’s role model is King Kong. I can imagine him now, hairy and roaring at the top of the Empire State Building, holding perhaps the member for Curtin in one claw—or is it the member for Mackellar in that claw?—and fighting off and swatting away the tiger moths of Liberal Party progressivism. But, like his role model, he will find that he cannot fend off the future for very long. And what a fall it will be—the growling dissent of the extremist political primate views and the smash of the muscular policies on the sidewalk of Australian politics.

The problem with the current opposition junta is that they do not look at the problem, just the politics of the problem. How can they keep the Nationals on the reservation—indeed a problem—even if its costs the planet? How can they keep Senator Joyce smiling and nodding and not throwing toys out of the cot? The opposition leader does not know the science and he is not interested in learning it. Last year he could live with it. This year he cannot. Bizarrely the opposition have lost their faith in the free market and their faith in the ability of Australian business to make changes to cut greenhouse emissions and reduce their own costs. They have lost faith in the ingenuity of Australian business. We have a policy that rewards innovation and that rewards businesses that save energy, that pollute less and that work out cleaner ways to operate. It rewards businesses for doing the right thing for the future of Australia. We do not mandate how the cuts will be made and we do not try and pick the winners; we leave it up to the mighty engine room of Australian business.

Mr HARTSUYKER (Cowper) (5.31 pm)—Today in question time I raised the concerns of Russell Greenwood of Russell’s Prime Quality Meats from Coffs Harbour. Russell is a small business man who works hard in his business. He works seven days a week. He and his wife Debbie make sure that they provide great products for their customers and they always go the extra mile. Russell is the sort of person who keeps this country going. Yet in this House today the minister for small business could not be bothered to give him an answer to a question. He did not even bother to try to answer the question, probably because he could not. He did not bother to listen and he just does not care.

There will be thousands of businesspeople around this country just like Russell who will see the lack of concern by this government for the small business sector. It takes the small business sector to keep employing people. It takes the small business sector to provide many of the services out there in the economy. And yet this government could not care less. What does this government do to support small business? It imposes a great big new tax—a massive tax that is going to drive up their costs, that is going to put people out of work and that is going to drive up prices for the customers who they serve in our community.

What does it mean for people like the Greenwoods when their electricity bill is going to go up by 60 per cent as a result of the tag team of state Labor and federal Labor. State Labor and federal Labor are com-
bining to bring you a 60 per cent increase in electricity costs. These are costs that small businesses cannot afford to bear. These are costs that are going to take this country backwards. These are costs that are not going to provide a better environmental outcome. This ETS is nothing but a great big new tax and the people out there—the average Australians—are rapidly coming to know this as a fact.

The thing that Kevin Rudd does not want you to know about his big new tax is the fact that it will cost jobs. He does not want you to know that it is going to drive up the prices of everything you buy. We have had endless promises from this Prime Minister, a Prime Minister who has a reputation for being all talk and no action. This is the Prime Minister who promised that low-income earners will be fully compensated. But I would say to those people who are relying on this promise by the Prime Minister: best of luck. Because here we have a Prime Minister who promised to take over our hospitals if they were not up to scratch by 30 June 2009. He promised to put downward pressure on fuel and grocery prices. He promised to save the whales. And now this Prime Minister is promising to impose a great big new tax but to hand it all back. It is absolutely nonsensical and the Australian people just are not going to buy it; just as the small business community are not going to buy it. They are going to be taxed out of existence with little or no compensation. It is not good enough that we have a small business minister in this House who will not provide answers to questions when they are asked in this chamber.

When we look at the impact of this tax on families, we see nothing but government spin. We see the Prime Minister unable to articulate what these costs are going to mean for families. We see a Prime Minister who cannot work out what the increase in the price of bread will be, what the increase in the price of milk will be or what the increase in the price of a whole manner of staples will be. He simply goes to the easy-reference Treasury document that he can keep secret so that he does not have to put on the public record the true workings of this massive new tax. He is certainly not being upfront with the Australian people. He is trying to conceal the facts from the Australian people.

The Australian people have some very clear choices in this debate. They have a choice between the opposition's plan for direct action on climate change, which is going to deliver real environmental benefits and real outcomes on the ground, and they have the government’s alternative—a massive new tax that is going to do nothing for the environment, a massive new tax that is going to drive up the cost of everything that Australians buy, a massive new tax that most Australians do not want or need. As the days go by, the people of Australia are rapidly coming to realise that Mr Rudd is all talk and no action and nothing more than a con artist.

Ms RISHWORTH (Kingston) (5.36 pm)—I am very pleased to be speaking on this matter of public importance. We do know why this MPI has been proposed today: it is because it is all part of the opposition’s con job when it comes to climate change. What we have seen in the last two days since the opposition released its policy on climate change is the Leader of the Opposition and the frontbench really ducking and weaving on the truth about their climate change policy. What we have seen when it gets down to it is that there is a stark contrast between the government’s CPRS and the opposition’s con job when it comes to climate change policy.

That contrast is simple. The government’s CPRS is all about charging the big polluters and encouraging them to reduce their pollution. The opposition’s scheme is putting the
The opposition really has to face up to how they are going to fund their climate change policy. As I said, Senator Joyce indicated that they may increase taxes. I think the member for North Sydney was probably misplaced when he brought the matter of public importance to the House today about the intention to increase taxes. He probably should have taken this MPI to the joint party room of the Liberal and National Party on Tuesday because he has not been clear. He, like the rest of Australia, would want to know how the opposition is going to fund this $10 billion proposal.

This proposal is three times more expensive than the government’s proposal. It has not even been shown that it will reduce carbon emissions. This is a particular problem that the opposition really has to come clean with. The government has been very clear that it will not only charge the big polluters; it will also compensate families. In fact, 90 per cent of families will be fully compensated for the modest increases in the cost of living. The opposition has not done this. Rather, they have refused to say where the money is going to come from. They might increase taxes or, logically, they might reduce services.

We do know that the Leader of the Opposition has a history of cutting services. In fact, he cut $1 billion out of our hospitals. We do know that he does have a track record on this. While Senator Joyce might be advocating an increase in taxes to pay for the opposition’s plan, the Leader of the Opposition is likely to cut services. I know that my electors in the seat of Kingston do not want another billion dollars cut out of hospitals. This is especially because they have approved what our government has been doing in increasing funding to hospitals. My electors should be very concerned that Tony Abbott may cut $1 billion from hospitals to spend on his climate change plan.

One thing about this con job that did catch my ear was the idea that there will be a fund set up for the government to divvy out money to reward people and reward businesses. My mind did turn to the proposal by the member for Wentworth, who was very keen to get $10 million for cloud-seeding operations. He was not able to get that money because the government changed. If the Leader of the Opposition’s program does come into effect then maybe the member for Wentworth can talk to the right people and get his cloud-seeding program funded through this big fund.

It is a very concerning climate change policy because it directly takes aim at the taxpayers of Australia but not at the big polluters.

The DEPUTY SPEAKER (Ms S Bird)—Order! The discussion is now concluded.

MINISTERIAL STATEMENTS

National Road Safety Council

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (5.41 pm)—This morning I addressed the inaugural meeting of the National Road Safety Council that has occurred today in Parliament House. The council was established in 2009 by the Australian Transport Council to act as an advisory body on road safety matters and to support the implementation of key road safety measures set out in the National Road Safety Strategy, action plans and other ATC agreed initiatives.
The Commonwealth and every one of our state and territory governments is committed to improving road safety, a fact demonstrated through the unanimous support of all jurisdictions for the establishment of this council and agreement to jointly fund it through a national partnership agreement.

The council and its ambassadors will have a key role in spreading the road safety message to our community. Road trauma is one of the major public health problems facing this country. The harsh reality was brought home in news headlines and TV footage throughout December and January after crashes involving young people, heavy vehicles and hit-and-run accidents.

It is important to recognise that much good work has been achieved over the last 40 years to make our roads safer. Two new reports by the Bureau of Infrastructure, Transport and Regional Economics released today confirm this. According to the first report—*Roads deaths in Australia 1925-2008*—annual road deaths have dropped from a peak of 3,798 in 1970 to an average of 1,641 between 2000 and 2008, even though the number of vehicles on the road has increased more than threefold.

The second report—*Cost of Road Crashes in Australia*—calculated that the annual social cost of road crashes declined by about $1.5 billion in real terms between 1996 and 2006. Despite this 7.5 per cent reduction in a decade, the total cost in 2006 still remained significant at $17.85 billion—equivalent to 1.7 per cent of GDP.

Tougher laws, better policing, improved driver training, better road design, extensive education campaigns and new vehicle technologies have all contributed to a large reduction in the frequency, severity and economic cost of road crashes over recent decades. But there is more to do. The 1,509 people who died on our roads in 2009 represent loss, grief and heartache for families and communities across our nation.

Of course, the number of deaths on our roads is only the tip of the iceberg. The latest hospitalisation figures published by the Australian Institute of Health and Welfare show that nearly 33,000 people were seriously injured in crashes during 2006-07. Many of these people are now living with severe, lifelong injuries. Sadly, these figures have been trending upwards for several years.

Road trauma disproportionately affects young, healthy Australians. About 30 per cent of those killed and 37 per cent of those hospitalised in road crashes are under 25 years old. As a society, we nurture these young people, we educate them and we invest our hopes in them, only to see those hopes dashed. We see the images in our papers and TV screens and at roadside memorials. We may know friends and family who have lost loved ones. We must do more.

This is not an issue that can be solved solely by governments—it is an issue that affects everyone in the community and we all have to do something about it. Better roads are part of the solution, as is the use of improved vehicle technology, such as electronic stability control. But driver attitudes also need to change. I recently released a Survey of Community Attitudes to Road Safety, an annual survey, of 1,615 Australians. It found that while most are well informed about road safety matters and support the efforts of police to catch and punish those that break the law, the personal conduct of most leaves a lot to be desired. According to the survey:

- 61 per cent of respondents said they use their mobile phone while driving;
- 25 per cent consider it acceptable to speed ‘if you are driving safely’;

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16 per cent of respondents had fallen asleep at the wheel, with 43 per cent having done so more than once;

and 6 per cent of respondents—and 11 per cent of those younger than 25—'always, nearly always or mostly' drive at least 10 kilometres per hour over the speed limit.

It really isn't good enough. We need to get that message through loud and clear, and we have to reinforce it with each other. We need to be doing much, much more as a nation to prevent deaths and serious injuries on our roads. And that is precisely why the council has been formed.

Ten years ago, transport ministers established the current National Road Safety Strategy, 2001-2010. The strategy set a target to reduce the rate of road deaths by 40 per cent, from 9.3 to 5.6 deaths per 100,000 people. To date we have achieved a 26 per cent reduction, but it is very unlikely that we will meet the 40 per cent target in the final year of the strategy.

The National Road Safety Council has an important role to play in ensuring that the very best road safety measures and practices are taken up and implemented in all Australian states and territories. The membership of the council has been determined on the basis of their effectiveness as key opinion makers and community leaders. We look to the council to help us engage the wider community and help us put road safety even more on the social agenda.

The council draws on many sectors that have an interest in advancing road safety: the chair, Roger Cook, chairs the Motor Accident Commission of South Australia, for which road safety is core business. We also have some leading experts in road safety research and policy. Dr Soames Job is an experienced road safety researcher who has been able to put his knowledge into practice as Director of the New South Wales Centre for Road Safety in the New South Wales Roads and Traffic Authority. Professor Ian Johnston, a former director of the Monash University Accident Research Centre, had a key role in a national TV campaign demonstrating how small reductions in travel speed can have a major effect on accidents. He is now applying his knowledge as a Deputy Chairman of the National Transport Commission. Freda Crucitti is President of the Australian Automobile Association, representing millions of Australian motorists, with a keen interest in vehicle safety ratings and safer roads. Professor MaryAnn Bin-Sallick has strong links with Indigenous communities, for whom road safety is a major concern, and a big contributor to the gap in Indigenous health outcomes, which we are trying to close. Wayne Gardner, a former world motorcycle and motor racing champion, is committed to making a difference on road safety and brings an ability to cut through with this message to the public. Ann Bunnell has strong links with the planning community, which has a key role in building road safety into our urban environments.

In addition, our National Road Safety Ambassadors include business leaders, role models and media personalities with the potential to help us engage and mobilise the broader community in advancing road safety. Melissa Doyle is one of the anchors on the Channel 7 Sunrise program and is keen to promote road safety to families around Australia. Lindsay Fox heads up one of Australia’s largest road transport companies and is a passionate advocate of road safety, particularly that affecting the trucking industry. Chief Superintendent John Hartley is from the NSW Police Force. It is particularly important that those who are responsible for law enforcement and who also have the very difficult job of attending road accidents, when they occur, are represented as ambas-
sadors, and I am pleased that the Chief Superintendent has agreed to participate. Neil Mitchell AO has used his position as talkback host on Melbourne’s Radio 3AW to promote solutions on road safety over many years. Mr David Wirrpanda, a former champion AFL footballer and West Australian Young Australian of the Year, is a strong role model for Indigenous Australians and for young Australians.

One of the first challenges for the council will be to assist governments with the development of the next National Road Safety Strategy for 2011-2020. Transport ministers from across the country have already agreed that the new strategy will set an ambitious vision and targets. There are many other stakeholders with an interest in advancing road safety and I expect that the council will focus on opportunities to build productive relationships and maximise the support of relevant stakeholders. The National Road Safety Council has the support of all transport ministers across the nation. It is the first time that the Australian and state and territory governments have established a body to drive a truly national approach to road safety. I am sure, and I would encourage and expect, that there will be broad support across this parliament for this initiative.

I ask leave of the House to move a motion to enable the member for Wide Bay to speak for 10 minutes.

Leave granted.

Mr ALBANESE—I move:

That so much of the standing orders be suspended as would prevent the member for Wide Bay speaking for a period not exceeding 10 minutes.

Question agreed to.

Mr TRUSS (Wide Bay—Leader of the Nationals) (5.51 pm)—I thank the minister for this statement. At the time he announced the establishment of the National Road Safety Council I issued a statement supporting it, and I do so to this day. Road safety is an important national issue. The tragedy of road deaths has affected almost every family in the country. When a life is cut short, mothers and fathers are left without children or children are left without parents. Other people are maimed and therefore not able to contribute as they would wish to their community. Opportunities are lost and the shock of an unexpected road accident certainly reverberates through a whole community.

As the Minister for Infrastructure, Transport, Regional Development and Local Government mentioned in his comments, there have been some particularly tragic accidents over recent times which have touched the hearts of all Australians, and so any action that any government or community can take to try and reduce the road toll is indeed commendable and worthy of support. There is no magic cure. Everyone has a desire to see things done better. Improvements to roads make a difference. Improvements to training make a difference. But I think ultimately there needs to be a culture of safety and awareness on the road and a desire amongst motorists to give priority to arriving safely, even if that means a compromise to a schedule or some inconvenience from time to time.

As the minister said, significant progress has actually been made. In spite of the publicity that we receive on television and radio, the road toll is actually in decline in Australia, and that is very welcome. The minister referred to the targets set 10 years ago by transport ministers around Australia to cut the national road toll by 40 per cent. I suspect when that target was set that it was considered to be ambitious, maybe even unachievable. But we actually did very well, and midway through the period, in fact as recently as 2008, there was the expectation and hope that we might actually reach that
40 per cent target. The road toll had fallen in almost every year and people were getting optimistic that the target might in fact be achievable. But sadly 2009 has been a bad year, the biggest increase in the road toll in a decade, and that has set back any realistic hope that we might get to a 40 per cent reduction by the end of this calendar year.

Nonetheless we can be thankful that some progress has been made. We need to look at whether there are any particular factors that have resulted in an increase in the road toll in 2009 and we must seek to address them. There are statistical bumps and anomalies from time to time and this could be one of them, but in reality we need to always be diligent in looking at ways in which we can act responsibly to try and reduce the road toll. The public have a desire to see stronger policing on the roads and I think that is important. On the other hand there is also often criticism that policing is used by the various state instrumentalities to raise money for the state budget rather than to really attack the areas of greatest concern. If we have a law, and that law is properly prepared and presented and has the potential to save lives or to reduce injuries, then it ought to be enforced. So long as police and the authorities act reasonably then I have no objection to, and indeed strongly support, an active and visible campaign by police on the road to try and ensure that road safety is at the highest possible level.

There are a lot of statistics, and the minister referred to the new studies that have apparently been released today. I have not seen those studies but I have looked at some of the figures over recent times and there is an enormous range in the accident rate between the Australian states. Maybe that also provides us with some questions that need to be answered. In the ACT, for instance, there are only 0.58 deaths per 10,000 registered motor vehicles in a year. That is too many, but it is only 0.58. In Victoria it is 0.77, in Queensland it is 1.03, and other states also fall within that range of 0.77 up to the Western Australia figure of 1.2. On the other hand, in the Northern Territory the rate is 6.1—six times the national average. A lot of attention is sometimes drawn to the different speed laws in the Northern Territory, although I am not sure that they are the major factor. We often talk about Aboriginal disadvantage in this country. There are many statistics about the health levels of Australian Aborigines and about underachievement in education and in a whole range of other areas, but one of the greatest tragedies is that the death rate in road accidents among Aborigines is many times the national average. So there also needs to be a real effort to address road safety as a culture within the Aboriginal community. I think that ought to be a priority area of action as we look towards trying to find new areas where we can help to improve road safety in Australia.

There are a number of other initiatives that could be taken which may well be constructive. Every state and federal government has been active in supporting various driver training programs, but it is doubtful whether any of those programs has identified itself as being outstandingly successful above others. Indeed there is the issue of the message of the training program lasting not much longer after it is left. People forget the good habits that they have learned and in practice their standards of driving decline. So we need to look very closely at new driver training programs. Young drivers, inevitably, are inexperienced and therefore less able to handle a difficult situation. But sometimes young people also make bad decisions and get themselves into positions where they ought not to be, and so training programs will always be important.

I think we should move to a situation where all new cars sold in Australia in vol-
ume carry an ANCAP star safety rating. That system is not applied universally. Many cars do have the safety rating and it is a tribute to the Australian manufacturing industry over recent times that we are now getting some vehicles at the top end of that star safety rating, but it would be a great encouragement if we insisted that all vehicles sold in Australia, particularly any sold in numbers, have such a rating. You destroy a car in the process, so clearly you cannot do it for one-off imports or for very small levels of imports, but I think it is something we ought to look at for the major volume sales in this country.

We need to work hard on constructing new roadside stops for truck drivers. There are new rules that have been put in place in relation to requiring them to have rest stops, but we do not have the rest stops in place—they are not constructed. That is true on the national highway, but it is particularly true on the state roads. A truck driver is obliged to stop. There is no defence in some states for the fact that there is no road stop available; they are still expected to stop. But, if there is no safe place for them to have their rest break, those laws seem to be a bit unreasonable. In reality, what we have to do is put in the capital to make sure that the rest stops are built so that the regular rest breaks that truck drivers are expected to have can in fact occur. We need something like 500 new roadside stops for truck drivers to meet the standards and there needs to be a significant and continuing program to get those truck stops built.

The Australian Road Assessment Program measures the safety level of highways and is generally supported by the states. Some states have been less enthusiastic than others, but it has been a good program for identifying the roads that need particular attention. We should extend that program to some of the major secondary freight routes, which are sometimes under state control, again so we can be aware of the danger spots and concentrate expenditure in those areas.

I welcome the establishment of this safety council. I hope it will take a leadership role in identifying areas where more things can be done. Governments will need to then back those areas with the financial resources to undertake appropriate programs. But there needs to be a national commitment to take very seriously the issue of road safety. The United Nations is proposing a decade of road safety from 2011, and Australia should participate in that program, particularly following our own decade of safety activities.

(Time expired)

NATIONAL BROADCASTING LEGISLATION AMENDMENT BILL 2009
Second Reading
Debate resumed.

Mr BRIGGS (Mayo) (6.01 pm)—In following the shadow minister for transport, who was speaking on the ministerial statement about the National Road Safety Council, I welcome that announcement by the government as well. There have been 18 deaths since New Year on the roads in my electorate, including a mother and two daughters in Mount Barker, where I live, and three young guys, 17- and 18-year-olds, in Mount Compass last week on, of all days, Australia Day. It is just a horrific waste of life. Anything we can do in this and another place to reduce that waste of life is to be commended. Thank you for your indulgence in allowing me to speak on that matter, Madam Deputy Speaker.

Before question time interrupted my remarks about the National Broadcasting Legislation Amendment Bill 2009 I was commenting that the opposition has proposed sensible amendments to this bill. The need for reform of the ABC Board could be described as questionable and seems to be
largely driven by political biases, rather than any great desire for reform. The ABC under the leadership of Mark Scott, the managing director, is doing an outstanding job. At this point in its history it is clearly delivering better services than it ever has before. It now has three TV stations, one of which is watched quite regularly in my home and delivers children’s TV, something in a previous role I was very supportive of being developed, against the wishes of others who did not want such a service established with government money—but we won that in the end! It is a very good service and is being delivered because the leadership being shown by Mark Scott is outstanding. He is doing a very good job as the Managing Director of the ABC.

It would be very difficult to argue that the ABC has ever been stronger. I am sure there are areas where people will always be critical, but there are not the great complaints about overt bias that we had in the past. The coverage of news and current affairs on the ABC now is as good as it has ever been. Of course there are pockets and patches where people will disagree, and that is always a difficult balancing act for the board of the ABC and, in particular, the managing director. I think the current state of the ABC comes down very much to the direction set by Mark Scott and his team at the ABC, and they are doing a very good job. In South Australia the ABC leads the ratings in the morning slot with the Matt and Dave show. Probably the most difficult political interview that any politician could go through is with Matt Abraham and David Bevan. A great indication of the job they are doing is that both sides of politics allege that they are biased to the other, which is probably a reasonable indication that they are difficult for both sides.

The premise of my contribution to the debate on this bill is that the ABC is not desperately in need of reform at the board level. The bill before the parliament is more about historic battles and the culture wars than it is about a genuine need for reform. That particularly relates to the position of the staff elected director, which is clearly and utterly a conflictive position, as was found by the Uhrig review. Since it was removed in 2006, members on the other side have commented that there was great outrage in the community, that it was a disgraceful move and that it was made because of the great bias of the Howard government. The ABC has never been stronger. There has been no great reduction in services. In fact it has gone the other way—the services have increased. You can get the ABC in more places today, with more specialist new services. The online news delivery by the ABC leads all other news organisations. The news services through digital TV are outstanding. They are about to launch a 24-hour news service. Yes, there is contention amongst other media organisations about that—what a big surprise!

The ABC is leading the way, so what is the great need to reintroduce the staff appointed director to the board again? There is no great need, and it is being driven by the ideological approach taken to this issue by Senator Conroy, which is disappointing from Senator Conroy, who does not usually strike me as someone all that interested in fighting ideological battles. He is more interested in getting himself involved in other, internal battles in the Labor Party than those based on ideology. But on this one he is wrong-footed. It was a bad decision of his to pursue this agenda but it is a very Labor bill, in that it is rewarding supporters and friends of the Labor Party. It is a mistake.

The ABC board is working well; it does not need a staff elected director introduced back onto it. That is why this side of the House has proposed quite reasonable amendments and we hope that the govern-
ment during this debate is able to come to its senses on this issue and recognise that the ABC has never been stronger. It is stronger, I think, because of decisions and reforms taken over the last 10 or 15 years. It was not all that long ago that we had constant battles about the ABC being biased with respect to one side or the other. We had leaks from the board; we had upheavals with the directors and with the leadership of the ABC. That has not happened recently. We have a good managing director there doing a good job in a well-structured organisation that is—he will disagree with me on this point—well funded. They will always argue that they should get more funding I am sure, but they are doing a good job. That indicates that there has been no great desire or need by the ABC itself to have this reform, instead we are seeing a move from those on the other side for a bit of ideological pleasure.

Secondly, this bill deals with merit-based appointments to the board which sounds, when talking about board appointments whether it be to the ABC, to any other government board or in fact to a public company board, as though you would want people appointed to a board who are of merit. We commonly hear from those on the other side, we have heard it in this debate, references made to Janet Albrechtsen and Keith Wind schuttle being appointed to the board of the ABC as if there were some outrageous bias and they were appointed because they are so-called right-wing warriors or whatever else. Always when it comes to these appointments and these debates no matter who is in government and from which side of the perspective it is viewed, bias is in the eye of the beholder. I am sure there are appointments that have been made to the ABC board already and which will occur in the future where members on this side of the House and on our side of politics will allege that they have been made because they are great Labor supporters or, dare I say it, former union officials.

When it comes to a merit based approach to board appointments, it is all very well to put provisions in the act; however, I think governments do make merit based appointments to board positions. They do so because if they do not, they end up with bad boards which become a political embarrassment to them and cause them all sorts of problems. I do not see again a great need for this to be implemented other than giving some cover for appointments that the Labor Party may want to make in the future.

This leads to the final issue in this bill which relates to the banning of former political staff and MPs which seems like a very strange piece of legislation given that there is on other boards, as I understand it, an 18-month cooling-off period applied, which has some merit. There has been debate in the past about former members of this place, particularly where they have had some responsibility, being appointed to boards whether they be government boards or public boards. In fact, the former member for Higgins has recently been appointed to the Future Fund board, which is a great appointment because no-one would know more about the Future Fund than the man who set it up. There are some, I understand, in the Labor caucus who are so not happy about it, but it makes sense that the former Treasurer, the man who came up with the idea for the Future Fund, implemented the Future Fund and believes very strongly in the Future Fund has been appointed to the board. We all welcome that sort of expertise.

Equally for people who participate in public policy in their job for a period of time, I would have thought that after a cooling-off period there was some merit in former members of parliament or, in fact, former senior staff members being appointed to the ABC
board to add their experience if that were the decision of the government of the day. The government would of course face criticism if it were someone from their political persuasion and they would probably face criticism from their own if it were someone from the other political persuasion. Banning these appointments seems to be an attempt to get some pats on the back for little purpose. In fact, I think there is a danger of reducing the quality of people who can serve on the board. It would make no sense at all. Where do you stop? You could stop former public servants who have worked closely on media policy from being appointed to the board as well. I am sure some people would not want that sort of restriction on them either.

I do not understand the purpose or the necessity for this decision or the background to it in this country. It seems a strange decision by the government to pursue this line in this legislation and therefore it is a good amendment that has been proposed by this side again to change this provision and make it consistent with the 18-month cooling-off period. I think people who serve in the parliament of this country and move on, as some members have decided to at the next election, have obviously got skills and they should not be disregarded. Too often we jump; as a group, we panic at criticism. In Australia no-one loves anything better than belting into their local MPs, former ministers or prime ministers; it is a great Australian sport. We should be very reluctant as members of this place to encourage that by providing legislative proof that we do not think we are actually worthwhile enough to serve on these sorts of boards. It is a mistake to do that; it adds to the perception that there is some great problem with being a politician. This piece of legislative amendment is a mistake.

With those few remarks I will conclude by again commenting on the strength of our media sector in this country and, certainly, the ABC plays an important part in that. There are those on our side and on the other side of politics who criticise the ABC and criticise particular individuals from time to time. That will forever be thus. The ABC plays a very important role in our media landscape and it does a good job. I am sure many members in this place would be up most Sunday mornings at 9 am watching the show that is probably watched only by people who work in this place, but it provides an important service to our country. I do not see the great need for reform to its board or to its structure. I think this probably highlights that in this case the bill is more about ticking a couple of boxes for election deals done than it is about any great forward thinking by the government.

Ms REA (Bonner) (6.15 pm)—I rise with pleasure to speak to the National Broadcasting Legislation Amendment Bill 2009 and emphasise that I think it is a very important piece of legislation. The fact that the Minister for Broadband, Communications and the Digital Economy has finally brought this legislation before the House demonstrates not just that we as a government are honouring some very important election commitments but reflects very much on the differences between the government and the opposition towards many of our public institutions, in particular, the national broadcaster.

The speech just given by the member for Mayo probably very succinctly outlines the fundamental differences between the view we have on this side that the public broadcaster is an independent media source for providing free and accurate information to the Australian community and for contributing significantly to the development of arts and entertainment in this country by being able to provide more cutting-edge, challenging cultural views and perspectives through television and radio as opposed to the view...
that was very clearly pronounced by the member for Mayo that the public broadcaster is some sort of benign institution that has been part of the fabric dating back some 78 years, and that the board is one of those suites of opportunities that provide the spoils of office where it is okay to be biased as long as the bias is balanced and that it goes with government that it is accepted and is okay.

Instead the government have a very different view and that is why this piece of legislation is one of the most important pieces of legislation that we have debated in the last couple of days. I do not say that lightly, having contributed to the debate on climate change and to the debate on private health insurance, with both issues being prominently in the media at the moment. This legislation is essential because it restores independence to the board of the public broadcaster. It allows an independent process to produce board members who not only are independent of government and of media barons and private ownership but who are actually selected based on merit and who will provide a broad range of expertise, skills and experience that will bring the ABC into the media world that we live in now which is very, very different.

We cannot ignore or dismiss that the way we gain access to information has changed. The digital era, more significantly the online era, has created a whole new world in which we get information. No longer is it controlled by editors, or media barons or those that own the presses. With the internet the information is now everywhere. Anyone can produce a video, anyone can create a website, anybody can start blogging. It is important that we as a government acknowledge that our public broadcaster, which is such an essential part of communications in this country, is aware and understands the challenge that whole new regime produces for us. It must have the skills and expertise to take important information that the ABC wants to deliver to the community into that online environment in a modern and effective way. This is not just about saying that you want to do this because you did not like the people who were put on the ABC board. I think that is a fairly futile and frivolous argument and does not address the core principles on which this legislation is based.

It is also very important that we acknowledge the process that the minister has put in place for this legislation and that there are quite significant changes. We will have a merit based selection process. An independent panel will interview and make assessments about individual nominations based on merit. It also means that anybody can nominate to be on the ABC board. Taxpayers who fund this very important institution will now have an opportunity to be a significant part of it. If they, like anyone else, have the skills and expertise that are required to make the board work then, of course, they will have an opportunity to be a part of it. It means that no longer does the minister via the Governor-General appoint who they want. If the minister does not like the recommendations put by the independent panel then they have to justify that to the parliament. That is a significant change.

I think it is important that we realise the significance of this legislation and I think it is important that we realise the role that the ABC has played throughout Australian history. I think we should acknowledge the role it has played in contributing to our identity as Australians, the cultural gains that have been made and the careers that have been launched by the public broadcaster.

But, as I said, most importantly in this day and age, in the way that information is changing and the way that it is gathered and disseminated, it is so important that we have an independent communications broadcaster
that is there to provide accurate, objective and independent information in an era when
we are bombarded. We are bombarded with opinion. We are bombarded with a whole
range of views and perspectives. We are bombarded with instantaneous news that
changes every five minutes. In that sense, what we need is our good old ‘Aunty’ to be
there to provide that level of independence, accuracy and expertise in communications
that we have always relied on.

Of course, that begins with the board. We
cannot have an independent broadcaster or
an effective communications medium that
does not have a board that is driving the
changes that are needed to meet those chal-
lenges and is providing leadership, direction,
expertise and skills that will see the ABC
move into the future—into this new digital
and online age.

I want to address a little bit some of the
comments that were made by the opposition
and the member for Mayo—in particular this
almost paranoid fear of the reinstatement of a
staff-elected director and this view that put-
ting in someone who actually works in an
organisation as one of the people who will
make decisions about the future management
and direction of that organisation can only be
purely some sort of ideological slap on the
back to your political mates. I find it as-
tounding that people who would pretend to
be an alternative government do not ac-
knowledge that workers in this country will
make decisions about the future management
and direction of that organisation can only be
purely some sort of ideological slap on the
back to your political mates. I find it as-
tounding that people who would pretend to
be an alternative government do not ac-
knowledge that workers in this country and sees
them just as hands, as has been said by other
members of his party. On this side of the par-
liament we actually value the contribution of
people who work in this country. We do not
just value what they do to produce goods; we
actually value the skills and expertise that
they gain. I cannot think of a better institu-
tion to have the contribution of staff on its
board. As I said, I am quite surprised by their
level of opposition to this.

I am also surprised by the fact that they
have some concern about ex-politicians and
ex-senior political staff not being able to be
on this board. As I said, it sounds to me more
as if they see the ABC as a nice old institu-
tion where you can give a few mates the
spoils of office rather than seeing it as a vital
part of not just the democratic institutions of
this country but the cultural and artistic iden-
tity of this country. It is actually an organisa-
tion that plays a very, very significant role, and as a result you want the best people on
the board.
There are many ways in which ex-politicians and people involved in the political process in the past can be involved in public policy in this country. There are many boards; there are many organisations; there are many ways. All of us know of people who have made very successful contributions to public life and public policy in this country after they have moved out of the parliament. It does not seem to me that the ABC board therefore has to be one of those places where you can put people. It does not seem to me that we are losing the skills and experience of people who move out of this place just because we have decided that there is one institution that we will not put them in.

I think it is a fairly spurious argument to oppose a significant piece of legislation that will contribute wonderful advances to the culture and communications industry in this country to simply say, ‘We’re not supporting it because you won’t be able to put ex-politicians on it.’ Again, I think it is a frivolous attitude to the ABC. I think it is a shame that they have that frivolous attitude, because the ABC, as I said, is a key part of the fourth estate. It is the independent public broadcaster. It maintains free content. It is not subject to profits. It is not subject to biases from advertising or other sponsors. It is truly an independent communications body that we have all relied on all our lives to give us accurate, up-to-date and objective information.

I would really just like to reinforce my support for this legislation and to commend the minister. As I said, I do not think that bills like this get the prominence that they deserve, because I guess it is not attractive enough for the media to pick up on the reforms that are contained in this legislation. Nevertheless, for the democratic processes and cultural advancement of this country and for us as a community to embrace the opportunities of the online environment in a way that provides people with an alternative, independent and objective source of information, it is a fundamental change in the way that we are constructing our broadcaster and it will contribute greatly to the future of this country and its prosperity.

In closing, I would like to refer that wonderful organisation who put in a submission to the inquiry that was conducted in 2006, the Friends of the ABC. I know that, whilst they may operate in the background many a time, when they want to get motivated they can. They have made a very important contribution to maintaining the integrity of the ABC over so many years. In response to the opposition in 2006, when the structure was being changed, they said:

The existence of a democratically elected staff member on the ABC Board contributes to good governance. The present system by which government appointments are made to the Board runs counter to good governance - both in the appointment process and its outcome. It does not ensure that across the Board there exists the range of skills, interests and perspectives needed to govern a national public broadcaster. It has resulted in a number of appointees who fulfil neither the criteria of merit nor independence, let alone both.

The method and outcome of Government appointments to the ABC Board are resulting in a lack of public confidence in the competence, integrity and independence of the ABC Board. As the politicisation of an important public body occurs, public trust in our institutions generally declines. Respect for the politicians who make the appointments, people perceived to be political appointees, and the institutions which they direct is eroded. If not addressed, this practice could ultimately threaten the public’s belief in the legitimacy of government.

I think that sums up my argument better than I did, and I hope that the opposition will reconsider their position.

Mr BALDWIN (Paterson) (6.31 pm)—I rise today to address the National Broadcast-
This legislation will allow for a chairperson to be elected based on merit to the boards of the ABC and the SBS. This will occur through an independent panel which will make its recommendations based on a list of key criteria and recommend candidates to the Prime Minister or minister. These criteria include financial and technical expertise, experience in the provision of broadcasting services, and cultural interests. Criteria which set out the need for technical expertise are particularly relevant in the current environment, as both the ABC and SBS work to roll out digital television services. Currently, more than 96 per cent of Australia’s population can access the analog signals of both the ABC and SBS. Unfortunately, however, as full digital transmission is still a work in progress, many of these same people cannot access clear, reliable digital television.

Currently many thousands of constituents in Paterson have either purchased a television with full digital capability or have otherwise bought a set top box. Unfortunately, the reception they receive through these technologies is often fuzzy, substandard or even nonexistent. Therefore, what we need is a focus on the technical ability: people who understand the intricacies of digital technology and can ensure it to be of a high standard and widely accessible. Audiences and families across Australia should all have access to television regardless of whether they live in the city or the country, on a hill or in a valley.

I am aware that the ABC has started to broadcast a high definition digital service as well as a second digital channel on ABC2 and a third, ABC3. Similarly, SBS provides standard definition and high definition services as well as SBS2. All of these channels are already being broadcast. However, they are not accessible to some in my electorate, because they cannot receive either a digital signal or clear digital signals. Since the ABC and SBS are largely funded through federal government, this means a portion of the Australian audience is missing out on the services provided and paid for with their taxpayer dollars. So clearly the Rudd Labor government needs to focus on the technical aspects of digital transmission so that all taxpayers can access all channels. This should include regional channels, such as Prime, 7TWO, Ten, ONE HD, GO! and NBN.

As I clearly stated, it is my belief that all people should have access to uninterrupted television. In this country free-to-air TV is used not only for entertainment purposes but also to give people vital information such as bushfire and storm warnings and to keep them up to date with local and national news and events. In my electorate of Paterson there are a number of community owned television transmission towers. These include the one at Gan Gan in Port Stephens, which is a digital transmitter. There are transmitters at Forster, Smiths Lake, Blueys Beach, Elizabeth Beach, Booral and Stroud, and these are analog transmitters. With this in mind it is particularly concerning that the Rudd Labor government has decided to switch off the analog signal. In Paterson this is due to happen between 1 July and 31 December 2012. Currently those of my constituents who cannot access clear digital transmission can switch back to analog. However, within the next three years there will no longer be an option, and I am extremely concerned that many could be left with blank screens.

My constituents deserve a guarantee from the Prime Minister and Minister Conroy that digital TV will be ready by 2012—ready to deliver clear and uninterrupted transmission to every household in Paterson. For this to be achieved the government needs to invest in technology upgrades across my electorate. As federal member for Paterson I fought
hard and delivered digital upgrades at Gan Gan when the technology became available. Unfortunately, since the change of leadership the Rudd Labor government has not pushed ahead with such upgrades, and most towers across Paterson remain analog.

What the Prime Minister and his ministers have invested in is spin. For the past few weeks it has seemed that every time I have sat down in front of a television or turned through the pages of a newspaper I have been confronted with taxpayer funded advertisements telling me ‘It’s time to get ready’ for digital. I can do this by going out and spending hundreds, often thousands, of dollars on a new television or by purchasing a set top box. Yet when I get home I am without clear digital reception. Instead of wasting money on advertising asking people to get ready for a network which is not ready, the government should be investing in the technology upgrades.

Unfortunately, it has become evident that two things that the Prime Minister is very good at are talking the talk and spending money. For example, the Prime Minister proudly promoted the GROCERYchoice website and Fuelwatch, both of which cost millions of dollars, with promises of cheaper food and petrol. However, these were both monumental failures, and we had to watch food and petrol prices rise rather than decline. To avoid making the same mistake this time round the Prime Minister needs to follow through on his promise and make real, practical, lasting changes to improve television reception.

There are a number of trouble spots across Paterson that need to be addressed urgently. I have received hundreds of complaints via mail, phone and internet, as well as two separate petitions with hundreds of signatures, calling for actions to improve digital television. I have also heard many dozens more complaining during my travels around the electorate, because it is an issue which inevitably arises during most conversations. Those areas affected include Dungog, a large portion of Port Stephens and the Great Lakes region. Residents in these areas often receive fuzzy transmission or cannot get any signal at all. Hot sunny days seem to be the worst. Allow me to illustrate some of these problems by reading a selection of the letters I have received on this issue. Maria from Lemon Tree Passage in Port Stephens wrote to me, saying:

I would like to endorse any action you are able to take to have digital TV reception rectified. In Lemon Tree Passage over the past 3 nights I have not been able to pick up ANY of the TV stations, and on some of the new entertainment systems, analogue is not an option. It is unacceptable that we are encouraged to adopt the technology which is clearly not proven - at least not outside the capital cities.

Another letter, this time from Warren and Jan, reads:

We have all the latest technology but experience significant variation in the quality of our digital television reception much the same as reported in the news report tonight.

We would appreciate any assistance you can bring to upgrade the transmission to allow us to enjoy the wide variety of programs available.

Ron of Soldiers Point wrote to the Newcastle Herald, as published on 27 January:

The reported statistics on digital audiences don’t reflect my preferences, because I rarely receive the signals ABC, Nine and SBS, and the new channels just disappear on a regular basis. Prime and Ten are mostly available.

What’s the matter with our digital engineers? Why can’t they fix the transmissions? Who can explain why digital signals are interrupted when the sun is strong, but mostly OK when it’s raining and overcast?

And when analogue closes down, who do I sue for loss of amenity? The retailer who sold me the fancy big-screen TV that does everything except
receive signals, or the stations that can’t provide the transmissions?

As these examples show, the quality of digital television across many parts of Paterson can only be described as poor. This is not only because of reception but also because many local residents cannot receive the same digital channels as those in the city. To address this issue, I wrote on behalf of my constituents to the Minister for Broadband, Communications and the Digital Economy, Senator the Hon. Stephen Conroy. His reply was vague at best. Minister Conroy assured me a new satellite service will be available to viewers who live in digital television black spots ‘well before’ the licence areas in which they reside switch over to digital-only television. Despite this assurance, Minister Conroy has failed to detail when and at what cost services in Paterson will be upgraded. He has also failed to describe which channels will be provided to my constituents under the Rudd Labor government’s plan and whether or not this selection will be downgraded under digital. This is far from the solid guarantee that residents deserve.

In some areas of my electorate of Paterson there are no nearby digital transmitters whatsoever, and this has placed digital television totally out of reach for constituents such as Phil, who is from the Great Lakes area. Allow me to read the email that he sent to me:

Twelve months ago I moved to Smiths Lake from Ulladulla on the South Coast.

Ulladulla is a smaller township than Forster and roughly the same distance from Wollongong as Newcastle is to me now.

I purchased a $3000 full HD digital TV while in Ulladulla and I received digital TV reception without any difficulty 99% of the time.

In Smiths Lake where I am now I get no digital reception at all.

I do not pretend to be an expert on TV, but I have listened to enough complaints from constituents to know that there are real problems with digital television transmission in Paterson, and it is my job as an elected member to make sure it is known here in the parliament. It is my job to fight for the needs of my constituents, and that is what I am doing here today—applying the pressure to the Rudd Labor government, which needs to put the focus on expert ability rather than spin and deliver these vital technologies.

The Australian Communications and Media Authority also needs to play a key part in this digital rollout. According to its website, ACMA is responsible for the regulation of broadcasting and aims to foster an environment in which electronic media respect community standards and respond to the needs of our audiences. It also wants to be a forward-looking and efficient organisation which supports and encourages a vibrant communications sector. Surely, then, television reception which is high quality and far reaching should be a key goal for this organisation and, ultimately, the government which is responsible for it. So I call on the minister to commit to this issue and take tangible actions to improve the signals in my electorate.

Already, many of those residents experiencing problems with the television reception across Paterson have called ACMA to register a complaint. In reply, they have been sent a survey form to complete and send back. Then they have to repeat all the complaints they have already explained over the phone without any guarantee of further action. Their second option is to dig deep into their own pockets and pay hundreds of dollars for a technician to come out and inspect their homes for individual problems which may be preventing them from receiving a clear signal. This is yet another strain for families who are already struggling with rising costs and interest rates. I can understand why this individual application process works in isolated cases, but if ACMA is taking dozens, if not hundreds, of phone calls,
surveys and letters from the same area then the government has a responsibility to act to address the problem.

This government has a responsibility to deliver to the residents of my electorate the services it is promoting through advertising. It has a responsibility to spend the money necessary to provide clear digital reception, especially since it is asking families to spend money on new TVs and set top boxes. Lack of action from the government on this issue has been continually highlighted at my office. Recently, it was also highlighted in the Newcastle Herald newspaper, which reported on 28 January this year:

GROWING problems with digital television reception in Port Stephens have been blamed on errant signals from the Illawarra “knocking out” a major signal station on Gan Gan.

I note this ‘major signal station’ is the same one I secured more than half a million dollars in digital upgrades for in 2004 and which the Rudd Labor government has failed to keep up. I fought hard for these services, and it is extremely disappointing to watch them dwindle under the current minister. The article goes on to explain:

Businesswoman Marian Sampson, one of the many people to complain about the problem, said it seemed to be weather-related but there was no rhyme or reason to the failures.

“It stops so often and for so long sometimes that it’s impossible to watch,” Mrs Sampson said.

NBN digital services manager Steve Brown said that in some weather conditions digital signals from Wollongong were reaching the Gan Gan translator station, causing it to stop transmitting.

He said strong signals from Newcastle created similar problems in Wollongong, and the various authorities were trying to find a solution.

“We have told the Australian Communications and Media Authority about it but nothing much seems to have happened,” Mr Brown said.

Here we see a broadcasting professional noting that the Rudd Labor government seems to have done little to address the reception problems across Paterson. Sadly, I have found the same to be true in my experience. The Hunter is certainly not a remote area; it is one of Australia’s largest regional centres and Paterson alone is home to approximately 90,000 people. It seems even more ridiculous, then, that television services should be so abysmal. If the Prime Minister and his ministers cannot deliver clear reception to such a central region less than 200 kilometres from Sydney, I wonder how they can possibly hope to do so in a country with more isolated communities.

The DEPUTY SPEAKER (Ms AE Burke)—The member for Paterson has had a fairly good go on a wide ranging issue that has what I would think fairly little related to the bill in front of me. I would like him to come to the bill in front of us.

Mr BALDWIN—With all due respect, Madam Deputy Speaker, when I started speaking, I talked about the need for the director to have technical abilities as outlined in the bill to understand the new and emerging technologies such as digital transmission, and it is the lack of ABC transmission and SBS transmission under digital in the areas which I am referring to. So I will continue.

One particular reason areas in Paterson, in particular Port Stephens and the Great Lakes, are such large centres is tourism. Beautifully situated on the coast, these regions rely on tourists to help make businesses of all sizes a success. This in turn has created employment opportunities which support a great majority of my constituents and provide the means for them to raise healthy families. As I have already mentioned, Port Stephens is just a couple of hours drive from Sydney, so a large portion of this tourist market is directed towards city residents who are keen to escape for a break that is not too far from home. Imagine their surprise when these city resi-
dents arrive at their destination only to dis-
cover they cannot keep up to date with what
is happening by watching the news and they
cannot relax and enjoy the seasonal finals of
the tennis or cricket. These same people are
normally accustomed to watching not only
the major free-to-air channels but also the
supplementary digital services such as ABC2
and ABC3 which are now available.

The areas along the Hunter coast offer
everything from beautiful beaches and fan-
tastic surf and fishing to some of the best
food and wine to be found anywhere in the
world. The cherry on top of this award-
winning pie surely, then, should be fantastic
 technological access—clear, uninterrupted,
wide-ranging television services which are
available to tourists and residents alike. This
government owes it to tourism operators who
support jobs, support our way of life and
bring millions of dollars into our economy
each year.

What this really boils down to is the basic
responsibility the government has to provide
television access, including local information
and entertainment. It was not enough for the
Prime Minister to promise an upgraded digi-
tal network. No, instead he announced a
revolution in television—the shutdown of the
analog transmission many of my constituents
rely on. It is now time for the Prime Minister
to put his words into action and make the
digital network truly ready as he continually
asks my constituents to do through advertis-
ing.

I have made this as easy as possible for
the Prime Minister and Minister Conroy. Since
complaints have started to filter into
my office, I have kept track of where each
complaint is from and I have identified a
number of specific black spots. I am only too
happy to provide this list to the minister so
that the rollout of new technology can be as
swift and accurate as possible. I would also
be more than willing to meet with the minis-
ter to explain the particular issues in my
electorate. My only concern is ensuring local
constituents get the television reception they
deserve and they pay for. It certainly does
not seem like too much to ask for a major
regional centre.

It is now up to the government to take ac-
tion on behalf of Australian residents, and on
behalf of all those people who live and work
in Paterson. Action, though, is not the Prime
Minister’s strong point. This has been dem-
onstrated a number of times, such as when
our proud Prime Minister wasted $800 mil-
ion on a blow-out of the digital education
revolution—with a promise to deliver a lap-
top to every senior high school student. The
majority are still waiting. I sincerely and
desperately hope I will not be saying the
same thing about digital television services.

In the latest fact sheet I received from the
Department of Broadband, Communications
and the Digital Economy, the minister prom-
ises that for most people the switch from
analog to digital TV will be relatively
straightforward and will deliver a number of
benefits. So far, the switch has been anything
but straightforward, and I fear it could leave
many people actually worse off than they
currently are. In this case, I wait eagerly to
be proven wrong.

In summary, with any appointment to the
board of the ABC or SBS, there needs to be a
broad mix of people. There need to be people
who understand the technological challenges
not just of Sydney or Melbourne but also of
the people who rely so heavily on these ser-
vices, and those are the people in rural and
regional communities. I have been very con-
cerned with the way this bill has been put
forward, and look forward to the amend-
ments to be put forward by the shadow min-
ister.
Mr MURPHY (Lowe) (6.48 pm)—I rise this evening to speak in support of the National Broadcasting Legislation Amendment Bill 2009. Since I was elected to this place in 1998 I have spoken many times about the important role the media plays in our democracy. I have also spoken many times about the important role the ABC and SBS play in Australia’s democracy.

For nine years—from 1998 to 2007—I watched from opposition as the Howard government repeatedly attacked the heart of our democracy through a series of concerted and disgraceful measures that were simply designed to undermine the strength of our national broadcasters, the ABC and SBS, and at the same time sell out our precious democracy and hand more power and influence to the media moguls. At the last federal election, the Labor Party promised to redress this damage. For example, we promised to implement legislation to create a process of appointing non-executive directors to the ABC board on the basis of merit rather than political allegiance. We also promised to strengthen the ABC board by reinstating the position of a staff-elected director, a position that was cruelly cut by the Howard government in 2006. By amending the Australian Broadcasting Act 1983 and the SBS Broadcasting Act 1991, this bill ensures that we are meeting the promises that we took to the people of Australia at the last federal election.

One can never understate the role played by the media in democracies such as Australia, particularly when commercial media ownership is so concentrated in our country. Commercial media companies have a serious responsibility to act in the national interest by providing balanced and fair reporting rather than simply creating sensational news for the purpose of maintaining an audience and ensuring that advertising revenues continue to flow to those companies. We have seen on far too many occasions that media moguls will prioritise a strong balance sheet over a strong democracy.

That is why independent, national broadcasters are so vital to the health of Australia’s democracy. It is their duty to ensure that Australians are well informed and able to access balanced reporting. Governments have a duty to ensure that the national broadcaster meets this obligation. We need to ensure that public broadcasters, such as the ABC and SBS, are led by suitably qualified, independent and experienced individuals. The best way to ensure that this happens is to develop a selection process underpinned by the principle of merit.

Typically, the Howard government showed a total disregard for this principle. Time and again the Howard government stacked the ABC and SBS boards with its political mates. The former government appointed people who had little broadcasting experience but were very well qualified in supporting John Howard and the Liberal Party. I think it is important to consider some of the appointments made by the Howard government to the boards of the ABC and SBS. One of the first decisions taken by the Howard government was to appoint Mr Howard’s very close friend Mr Donald McDonald as chairman of the ABC. In 1998, well-known Victorian Liberal Party stalwart, Mr Michael Kroger, was appointed by the former government to the ABC board. It seemed to me that, in order to be appointed to the ABC board by the Howard government you needed to be a very close friend of Mr Howard or the former Treasurer, Mr Peter Costello.

From 2003 to 2006, the independence of the ABC was further undermined when the Howard government appointed a number of conservative supporters to the board—namely, Ms Janet Albrechtsen, Mr Ron
Brunton and Mr Keith Windschuttle. In 2007, Mr Morris Newman, another very close friend of Mr John Howard, was appointed to the board. SBS was also a victim of the former government’s political interference. The former Prime Minister’s speech writer, Mr Christopher Pearson, was appointed to the SBS board as a non-executive director. I ask: how was appointing openly partisan individuals to the boards of the ABC and SBS providing the independence required of our national broadcasters? How was that good for our democracy?

This bill puts an end to this disgraceful practice employed by the Howard government when it came to ABC and SBS board appointments. The legislation ensures that all non-executive director vacancies on the ABC and SBS boards will be advertised, which means that all Australians have the opportunity to apply. Significantly, an independent nomination panel will proceed to shortlist suitable candidates, ensuring that applicants are subject to proper scrutiny. I very much doubt that this independent panel will make the same partisan appointments as those made by the Howard government. In other words, had a process of merit selection existed during the life of the Howard government, Liberal sympathisers would not have been on the ABC board. The ABC and SBS would not have been subjected to the unprecedented level of political interference that took place during the Howard years.

In stark contrast to the Howard government, the first series of ABC and SBS appointments made by the Rudd government highlight the strength of a merit selection process. The Rudd government appointed two individuals to the ABC board and two individuals to the SBS board from a short list of several names selected by an independent panel after more than 300 people applied. Dr Julianne Schultz and Mr Michael Lynch were appointed to the ABC board. Dr Schultz was a senior executive in charge of strategy at the ABC, whilst Mr Lynch is a former head of the Australia Council and was chief executive of the Opera House. These people are outstanding appointments to the ABC board and reflect the importance of a merit selection process for board appointments. As Senator Conroy, the Minister for Broadband, Communications and the Digital Economy, said at the time:

Dr Schultz has made a valuable contribution to the conversation about Australia’s future.

and—

Mr Lynch’s experience in arts administration … will be invaluable to the ABC …

The Rudd government also appointed Ms Elleni Bereded-Samuel, a former presenter on Ethiopian TV and chair of the SBS Community Advisory Committee, and Mr Joseph Skrzynski, a Sydney Film School’s board member, to the SBS board for five-year terms. Again, these appointees are highly qualified for their positions on the SBS board.

Some could argue that these outstanding appointments mean that there is no need to legislate a process of merit selection because the Rudd government will follow this process anyway. However, should the coalition one day form government, this legislation will help prevent a repeat of the dark clouds which gathered over our democracy during the life of the Howard government. This legislation seeks to secure the independence of the ABC and SBS and protect them from political interference by any future coalition government. Moreover, this legislation will help protect the strength of our democracy from future Liberal Party attacks.

I now wish to turn my attention to the second element of this legislation—the reinstatement of the staff-elected director to the ABC board. The position of staff-elected director makes a very important contribution...
to the ABC’s independence by its unique insight into ABC operations. Indeed, the staff-elected director is in a very good position, if not the best position, to critically examine the advice coming to the board from the ABC’s executive, because of that person’s considerable knowledge of the broadcaster’s operations. When Quentin Dempster occupied that position, he carried out his duties with distinction and always in the public interest.

The Howard government, in a disgraceful act of democratic vandalism, abolished this position in 2006. This decision merely served to further undermine the independence of the ABC, as it removed an influential and often dissenting voice from the board. There can be no doubt that the staff-elected director, who was the only board member with the expertise to cross-examine advice coming from the ABC executive, was a colossal thorn in the side of the Howard government. In the face of budget cuts and constant moves to commercially exploit the ABC, the staff-elected director acted as an important safeguard. The loyalty of the staff-elected director was not to any political party or political ideology but to the staff of the ABC and the ABC’s audience.

The Howard government justified its decision to abolish this position by arguing that the staff-elected director would act in the interests of ABC staff rather than in the interests of the ABC. In making its decision, the former government referred to a review of the corporate governance of statutory authorities and officeholders conducted by Mr John Uhrig, AC. I note that many members of the opposition have also referred to this review in this debate. The Uhrig review stated, inter alia:

The Review does not support representational appointments to governing boards as representational appointments can fail to produce independent and objective views. There is the potential for these appointments to be primarily concerned with the interests of those they represent …

An inquiry into the Australian Broadcasting Corporation Amendment Bill 2006 by the Senate Environment, Communications, Information Technology and the Arts Legislation Committee proved this to be anything but the case. The Senate committee heard numerous examples of where a staff-elected director opposed measures that may have benefited staff in order to maintain the independence and integrity of the ABC. This is perhaps best seen with a staff-elected director’s exposure of the backdoor sponsorship of infotainment programs on ABC TV in the 1990s, in breach of the ABC act. This is further supported by the last elected director, whom I have referred to, Quentin Dempster, who said on that occasion, ‘The staff director is not the shop steward for the unions’. Well done, Quentin. In other words, the staff-elected director will serve the interests of the ABC, free from political and other forms of interference. This can only be a good thing for the independence of the ABC and this can only be good for our democracy.

The measures contained in this legislation before us tonight will strengthen the quality not only of the broadcasting by the ABC and SBS but also of our democracy. The merits selection process will ensure board members are appropriately qualified, whilst the reinstatement of the staff-elected director to the ABC board will add further knowledge and broadcasting expertise. The Howard government made no attempt to appoint board members on the basis of merit. Rather than appoint individuals with an appropriate mix of skills for running a national broadcaster, the Liberals appointed, as I have mentioned, Peter Costello’s best mate. They also appointed a man who denies the Stolen Generation ever took place and, further, appointed John Howard’s former speechwriter.
We are not the only ones to have expressed concerns regarding the current process of appointing directors. A former Liberal Party chairman of the Senate Select Committee on ABC Management and Operations, Richard Alston, once said:

The current ABC is required to make decisions with long-term implications in a time of overwhelmingly rapid transformation of broadcasting technology. The Board’s task may have been made more difficult by the fact that many of its members have little specialist knowledge of either the broadcasting industry or the new technologies…. The Committee believes that the Board as a whole lacks the range of depth of skills and experience which would be necessary to provide adequate leadership for the ABC.

In opposition, Senator Alston believed the ABC board ‘lacked the skills and experience to provide adequate leadership for the ABC’. Unfortunately, when Senator Alston later became the minister for communications, his decisions only made this situation worse. I am pleased to say tonight that this bill acts on the concerns raised by former Senator Alston.

I cannot understand why the Liberal Party would want to amend this legislation to enable former politicians and staff to be appointed to the ABC and SBS boards following an 18 month cooling-off period. We cannot afford to politicise something as vital to our democracy as our public broadcaster. When politicians, past or present, interfere with the operations of the ABC its independence is undermined and Australia’s democracy is weakened. The importance of this legislation cannot be overstated. This is a bill that strengthens the ABC and SBS by enhancing their independence. In so doing, this bill enhances the strength of our democracy.

It is my hope that the debate about media policy continues throughout the life of this parliament and into the future. It is an important debate. It is a debate not only about traditional media and new media but also about the strength of Australia’s democracy. There is still much that needs to be done to reform our media industry: firstly, to repair the damage done by the Howard government and, secondly, to respond to the challenges and opportunities of the emerging digital and online environment. I applaud the ABC Managing Director, Mark Scott, for his pursuit of a 24-hour television news service. Such a television news service will provide greater diversity of news and information, not to mention competition to the commercial networks. This is good for our democracy and our country.

In concluding, I would like to suggest that we have a debate about extending the role of the public broadcaster to produce newspapers. Australia is mature enough to discuss the prospect of an Australian media environment which includes competitive government-owned newspapers where the journalists decide the editorial line, free from political and corporate influence. Whilst I do not foresee this is becoming a reality in the immediate future, it is surely worthy of debate, particularly in our country where, as I have said so often, commercial media ownership is far too concentrated.

In closing, I would like to quote the News and Views newsletter of the Friends of the ABC. It says:

This bill is the outcome of Friends of the ABC’s efforts over many years.

NOW is a critical time to let politicians know that we expect each and every one of them to demonstrate their respect for the independence of Australia’s foremost cultural institution by supporting the legislation.

I could not put it better. I commend the bill to the House.
out of three ain’t bad, for the National Broadcasting Legislation Amendment Bill 2009 I will say four out of five ain’t bad in regard to my support for this legislation.

Dr Emerson—Like a bat out of hell.

Mr OAKESHOTT—That is right. The first point is about increased transparency of the appointment process. I think and I hope it is a no-brainer for everyone in this place to support getting greater involvement from the diverse community that makes up Australia today. That transparency of the appointment process is a critical part of improving the institutions of both the ABC and the SBS network. Likewise, establishing a new arm’s length nomination panel for the new merit based application process is what I would describe as a no-brainer and hopefully it is generally supported by everyone in this place in improving the two institutions in question. Likewise, reinstating the staff-elected director position on the ABC board. I do pick up on what the previous speaker said. I do think previous staff-elected directors have shown a knowledge and an understanding and a respect for directorship, not necessarily playing the role of the shop steward and trying to be the staff union rep in their activity as a staff-elected director on the ABC board. So I think that is a sensible reinstatement and again is one I would consider a no-brainer in building a better ABC for the future.

The fourth point that I would hope is broadly supported is that all of that is done without going too far against the concept of ministerial responsibility and ministerial authority. Again, I hope most people in this place would respect the role of a minister in looking after and protecting the various institutions under their portfolio and the need for that ultimate authority. Therefore the three other changes that I see in this legislation I think are all appreciated and welcomed in improving transparency and accountability and in future-proofing the ABC and SBS boards, but done so without stepping over that line and that principle of ministerial responsibility. They are the four that I certainly think are welcome and important changes attached to this legislation.

The one that I do not support and the one that I can see the merit in the coalition position on is the knocking out of politicians and political staffers from having a role in any future board of either the ABC or the SBS. Personally I do not covet a position and we all speak carefully when we speak about the role that politicians play. But I do think we are a reflection of a representative democracy process and that our 8c a day should buy us no more but no less than any other 8c a day out of any other pocket in Australia. In the role that I play as an independent member of this place, I do not buy the logic that all members of parliament are necessarily tarnished by impacting the independence of these organisations by potentially being involved in these organisations. I would defy that argument to be put on the unaligned members of this chamber in some sort of illogical argument that we may be threatening the independent processes of the ABC and SBS boards. On people being members of political parties, I sympathise heavily with those who have been involved as political staffers not necessarily being knocked out of a role and an involvement in what should be a reflection of the full diversity of Australia, and that should not only involve people who avoid politics but those who are attracted to politics as well. So it is that part of this legislation that I do not agree with.

I can see some sense in the coalition amendment on the 18-month cooling-off period falling in line with executive codes of conduct on ministerial behaviour. I would hope that there is some reflection by the government on that and this is not just an exercise of bashing up each side on whose mates
get appointed to various boards and why they may get appointed. If we are being truly reflective of the full Australia through the ability to have a transparent process and a merit based process in the appointment then I would hope that includes all comers and that includes those involved in the political process as well. So, as I say, four out of five ain’t bad for this legislation. I will be looking to see how the amendment is written to see whether it is possible to support half the coalition amendments in regard to the political involvement on the boards while certainly not supporting the position of trying to kill a staff-elected director position. I hope it is not in the same amendment.

Finally, I want to give some general raps for the role the ABC and SBS boards and channels play in society and culture today. On the mid-North Coast of New South Wales the ABC network, particularly the radio network, plays a foundation role in general daily life. It is the social network site that existed before Facebook. It is the emergency site for fires and floods—and we have had four of those over the last 12 months where the ABC mid-North Coast has given basically a 24-hour emergency service with those journalists staying up all through the night to keep people informed and aware of the full emergency and to reassure people through some difficult circumstances that things will be okay. It is also one of the main outlets for news and current affairs within our area. It also engages at a community level, which often is not talked about when looking at the roles that the ABC mid-North Coast office plays. For our Australia Day celebrations the manager of the local station dressed up as Governor Macquarie in the 200th year celebration of the town of Port Macquarie. He gave up his day to play that role, be part of that community event and truly be part of the community. Quite often we hear from people that they want to be part of the community, but I think that example shows that the ABC is serious about that and willing to do it. Likewise, as the previous speaker mentioned, there is a connection with the Friends of the ABC. We have a very active friends network on the mid-North Coast and that has a role all of its own in social gatherings and also in the promotion and protection of the ABC’s product. I hope they are generally pretty pleased about this legislation going through today.

While the mid-North Coast of New South Wales does not have the world’s biggest ethnic community, I have noticed over the last couple of years more and more people engaging in SBS for a number of reasons. The main reason is quality product, such as *East West 101* and *The Circuit*. Such programs are cutting through to become weekly viewing for mainstream Australia. I say hats off to SBS for the way they have done that. I think they probably have not been given the credit for bringing *The World Game* to Australia over the last decade and really cracking that nut. They should be congratulated for a whole number of different strategies that they have used. They are now delivering a quality product that I think we can all be proud of. This product rivals other channels and networks not only for ethnic Australians but also for mainstream and the broader Australia as well. I think that is pretty exciting for the future of SBS television and radio.

I certainly endorse this legislation. My general feeling is it is a no-brainer. I would love the aspect of knocking out a certain type of Australian from being involved in ABC boards and SBS boards of the future to be reconsidered. I hope there is some sympathy for the coalition amendment, not just an adversarial head bashing for its having come from the coalition benches. I think there is some sense and merit in that amendment. If it is to go through—and, hopefully, with some consideration of the future role that
Mr Perrett (Moreton) (7.19 pm)—I rise to give my strong support to the National Broadcasting Legislation Amendment Bill 2009. I commend the member for Lyne for his contribution. It is always worth while, both in the chamber and on the football field. He said that four out of five ain’t bad. In the hope of making that five out of five, I take him to his suggestion that the government embrace the opposition’s amendment that people such as politicians and the like are ruled out. I think the intent of that piece of legislation is like a sign or symbol in showing how important the impartiality of the ABC is. Even though it might seem like, ‘Why aren’t we treated in the same way as people outside this chamber?’ it is important that we show that the ABC is totally independent—I am not just saying this for the sake of the member for Kennedy, the member for New England or the member for Lyne—and is freed from political influence, because the ABC plays such a pivotal role. It is not just a case of justice being done. Justice must be seen to be done by totally removing politicians’ influence from the ABC. That is, unfortunately, necessary because of the political interference that occurred over the last few years under the Howard government. I thank the member for Lyne for his contribution because I am confident that this bill will put an end to governments on all sides using the ABC and SBS boards to reward mates and push their own agenda. Hopefully, that will move you to five out of five rather than four out of five.

Mr Perrett—Glen moved on very quickly to bigger and brighter things. It is through the ABC’s coverage of local, national and world events—important events and not just whether Brad and Angelina have broken up—that news is brought to the Australian public. People like Fran Kelly would not know me from Adam, but they are like friends in my house. In Brisbane, people such as Spencer Howson, Madonna King, Richard Fidler, Kelly Higgins-Devine and Steve Austin consistently present news in an impartial way. When I worked in the state government, before the federal government, they shone a light that sometimes I was a bit uncomfortable with, and I was sometimes uncomfortable with the heat that came with that light, but I totally defend their right to do so and the good things that flow for democracy because of what they do.

I have known and trusted the ABC since before I could even say ‘A-B-C’. Back when I was a kid, I grew up in a country town where there was only one TV station, and that was the ABC. There was only one radio station, and that was the ABC. In fact, we did not even have a TV then. But when we did get a TV, I think in grade 4, I grew up on Sesame Street and Play School. As for so many people, they played a part in my education. Now, with young kids, I have gone back to Sesame Street 40 years later. The word on the street is that Sesame Street is still fantastic. Sesame Street and Play School still deliver great information for young kids. I commend the managing director, Mark Scott, for his innovations throughout the ABC: the 24-hour news initiative, ABC2 and
ABC3—especially ABC3. With two young children, Stanley and Leo, ABC3 helps preserve my sanity and probably that of many parents throughout Australia.

Generally speaking, those on the other side love to bash the ABC because they think it is part of a cosmic conspiracy to keep them out of office. That is true of no-one more so than the former member for Higgins, Peter Costello. In August last year he wrote in the Age:

With the ABC the line of questioning is always predictable. It always comes from the Labor/Green perspective.

I am not now at the mercy of the media so I can afford to say what everyone on the conservative side of politics knows—the ABC is hostile territory.

Former Prime Minister John Howard was also critical of the ABC. He told the University of Melbourne’s Centre for Advanced Journalism last year that the ABC’s reporting of issues relating to climate change and the republic was biased. But it was not just the ABC in the former Prime Minister’s sights. This is what he had to say about the media in general:

… I think it is fair to say that … a fairly clear majority of working journalists do tend to be of a centre-left disposition.

The reality is that all governments of all persuasions—and all oppositions, for that matter—come under the scrutiny of the media and we are all the better for that scrutiny. As a member of the government, as I said, I do not always appreciate the heat, but we are a stronger democracy for the light. The ABC, whether it is television, radio or online, has a long tradition of balanced, insightful reporting on a whole range of issues, but especially politics—it is scrupulously so. They count the minutes even, especially during election campaigns. They count the comments and they are infuriatingly balanced. I do not just mean that they have a chip on both shoulders, like the member for Dickson. They are properly balanced.

Nevertheless, for 11 years the Liberal Howard government used the ABC as a political plaything, making political appointment after political appointment to the ABC board. The result was a board completely stacked with Liberal stooges. They included Donald McDonald, Howard’s mate, who served as chair from 1996 to 2006; renowned conservative commentator Janet Albrechtsen; Keith Windschuttle, the right-wing historian; Liberal powerbroker Michael Kroger, who was replaced by Liberal Party member and conservative ideologue Dr Ron Brunton; conservative economist Professor Judith Sloan; chairman of the Stock Exchange and close personal friend of John Howard, Maurice Newman; and former Liberal politician Ross McLean. You would agree, Mr Speaker, that this list reads like a Liberal Party who’s who, or a list of Tony Abbott’s Facebook friends. The way the Howard government used the supposedly neutral ABC board to advance their ideologies is an absolute shameful disgrace. Even though they claimed almost every board member, the Liberals continued to conspire against our national broadcaster, claiming bias at every turn.

Contrast this with the way the Rudd government goes about business. In April last year the Minister for Broadband, Communications and the Digital Economy, Stephen Conroy, made two new appointments to the board. They were South Australian academic and founding editor of the *Griffith Review*, Julianne Schultz, and the former chief executive of the Sydney Opera House, Michael Lynch. This might be hard for those opposite to understand, but they did not need to produce an ALP membership card to get the job. The Rudd government appointees had to rise...
to the top of a merit based selection process. They were selected from more than 300 candidates and interviewed by an independent panel. Darce Cassidy, from Friends of the ABC’s South Australian branch, thinks this is the way to go. He said of Minister Conroy’s appointments:

… certainly the Government’s method and the transparency of it makes those appointments much more open to scrutiny than they were in the past.

Look at those scary words: ‘independent panel’, ‘transparency’, ‘open to scrutiny’. They are probably not words those opposite are familiar with, especially when we compare this to the Howard way. The Rudd government does not believe that the ABC board should be stacked with mates and political appointees. Rather, we believe in the greater good. This transcends short-term political expediency. We support an independent approach. We also believe that ABC staff should be represented on the board.

This bill establishes a new, transparent, merit based appointment process for ABC and SBS non-executive directors. To be appointed to the ABC or SBS boards, you no longer need to be a former Liberal politician. You do not need to be a former Liberal staffer or powerbroker. You do not even need to have worked for a conservative think tank or be mates with John Howard—which would rule out Peter Costello, I suppose. I know this is pretty heavy stuff for those opposite to digest, and I honestly do not want to shatter their world view, but under this new process you do not even need to vote Liberal or National to be appointed to the board. In fact, under this bill any Australian will be able to nominate for a position on the ABC or SBS board. The ABC and SBS boards of the future will not be groups set up in an attempt to control some political agenda. Rather, they will be there to empower the independent national broadcasters to develop fresh Aussie content and innovative top shelf news and current affairs, and also to push ahead with new and emerging digital communication technologies.

The process established through this bill will ensure that appointments to the ABC and SBS boards will, as much as possible, be free from political interference. Non-executive director vacancies on the ABC and SBS boards will be advertised. An independent nomination panel will short-list suitable candidates. There will be clear merit based selection criteria for non-executive director positions, and where the government does not appoint a short-listed candidate it will have to provide reasons to the parliament. The Prime Minister must consult with the Leader of the Opposition prior to recommending to the Governor-General the person to be appointed as the ABC chairperson, and the appointment of current or former politicians and senior political staff will be prohibited. The ultimate responsibility for board appointments remains with the minister, and this is totally appropriate. But the process that leads to the appointment must be open, transparent and based on merit to ensure we have quality people driving SBS and our ABC.

As I said, this bill also reinstates a staff-elected director to the ABC board. Because everybody on the conservative side of politics knows that the ABC is hostile towards them, Howard also abolished the staff-elected director position from the ABC board in 2006. You would not want some staff-elected leftie journalist getting in the way of the Liberal Party agenda! We all know that ‘Red Kerry O’Brien’ is planning to raise a people’s army and overthrow the state. And don’t get me started on Comrade Barry Cassidy’s evil schemes! Any right-minded Australian knows that a board without a window into the practical and day-to-day
realities of ABC operations will not have the full picture.

ADJOURNMENT

The SPEAKER—Order! It being 7.30 pm, I propose the question:

That the House do now adjourn.

Pearce Electorate: Bushfires

Mrs MOYLAN (Pearce) (7.30 pm)—I am sorry that I do not have sufficient time tonight but I did want to acknowledge the fires that ravaged the town of Toodyay in the electorate of Pearce and those who were responsible for fighting that fire and saving lives. As we prepared to ring in the New Year, the residents of Toodyay, which is 80 kilometres east of Perth, were fighting a catastrophic fire that risked lives; threatened firefighters; burned down 38 homes; took a terrible toll on farm animals, pets and local fauna; and burnt out 3,000 hectares of land in its malevolent path. The landscape will for many years bear the scars of this fire, as will the vibrant and close-knit community of Toodyay.

The ordeal will long be remembered. Stories abound of heroic deeds and close escapes. We are all very grateful that no human lives were lost. Tonight I would like to acknowledge the incredible work of the Fire and Emergency Services Authority of Western Australia, FESA, and the volunteer bushfire brigade under the direction of Murray McBride, the Chief Bushfire Control Officer, and Alan Knapp, the Deputy Chief Bushfire Control Officer. As well as being deputy chief, Alan is the ranger for the shire and was the first person on the scene. I went out with Alan to visit the worst affected areas. I was grateful for his excellent briefing and his obvious dedication to his job. I was very grateful for the constant updates and I thank the deputy director of FESA, Frank Pasquale, for assisting me.

There was literally an army of people assisting the community: the local police; the Shire of Toodyay Chief Executive Officer, Graham Merrick; and the President of the Shire, Chris Firns. I have to mention the recovery team, which was led by Charlie Wroth. They did a mighty job in the professional way the team worked, from the daily briefings in the memorial hall to the practical coordination of assistance to individuals. The Red Cross, the CWA and the Salvation Army were there; as were Marlene Andrich, the Sinclairs and the entire volunteer team in the kitchen which kept up the supply of food and drink to volunteers and anybody else who needed it. In 40-degree heat I found Melanie Pree, John Minchinson and their team of volunteers. They set up a coordinating post at the local showground doing out and receiving donated goods.

I know that the local people appreciated the quick action and personal visits of Premier Colin Barnett and the state and federal government agencies that quickly swung into action. The member for Brand briefed me on federal government assistance being offered and I thank him for the timely briefing that he provided to me. In particular I would like to thank Peter Clarke, the WA manager of Centrelink, and his team for the excellent work they did working over the whole New Year weekend and well beyond to provide the services they did to the community. I am sure that those on both sides of this House would want to join me in wishing the people of Toodyay a speedy recovery. Personally I feel very proud of the spirited way that the town has faced this catastrophe. I have been inspired by the acts of friendship and generosity that I witnessed over those days following the fire.

There were many others who assisted, and I am sorry to those I have not been able to acknowledge here tonight either through lack of detail and information or the short time...
allowed for this adjournment debate. But I would like to thank the member for Greenway and the member for Ryan for moving aside this evening and allowing me time to speak in this debate. As I said, in the aftermath of the fire there have been so many acts of generosity. We have had people from Victoria who lost their homes come to Toodyay to help others who they obviously have great sympathy for. We also had the tireless efforts of people who fundraised to assist. I know that on Saturday night there was the ‘Hope from Ashes’ concert, which was organised by Heather Ham. I hope that also added to that fund to assist people to rebuild their lives.

It is tragic especially to see young families who lost everything in that fire. It is bad enough to lose things of monetary value but we know that there are many things that people lose in these catastrophic events that have greater than monetary value. So I join with other members of the House to wish the community of Toodyay well in this reconstruction phase and in rebuilding the facilities and restoring the personal possessions that they have lost.

The SPEAKER—I am sure that honourable members would allow me to associate them with the remarks of the member for Pearce and pass on our hopes and aspirations for those within her electorate.

Malaysia

Mr DANBY (Melbourne Ports) (7.35 pm)—I want to speak out tonight on behalf of fellow democrats around Asia who are flabbergasted at events unfolding in Kuala Lumpur. I refer to the trial which began yesterday of the Malaysian opposition leader Dato Seri Anwar Ibrahim. For the second time, the leader of the Malaysian opposition, Anwar Ibrahim, is on trial for what is called in ancient, grating English ‘sodomy’. For the second time, the Malaysian legal system is being manipulated by supporters of the incumbent government to drive Malaysia’s best-known leader out of national politics. For the second time, documents are being forged, witnesses are being coerced and evidence is being fabricated.

This trial, like the first trial of Anwar Ibrahim, is a disgrace to Malaysia—a country that aspires to democratic norms where parties change power peacefully and political opponents are not persecuted by organs of the state. Perverting the legal system for political ends by charging Anwar with sexual offences is an affront to human rights. In the first place, the offences with which Anwar has been charged should not be on the statute book. Australia abolished laws punishing consenting adults decades ago. It is long past time that Malaysia also repealed these laws, which many Malaysians have reminded me are a vestige of British colonialism. If these laws did not exist, they could not be used for political purposes as we are currently seeing.

In the second place, everyone in Malaysia and everyone in the international legal community knows that Anwar is innocent of these charges. This week the Wall Street Journal published a devastating firsthand account of how the Malaysian Special Branch fabricated charges that led to Anwar’s first trial in 1998. Munawar Anees recalled movingly how he had been starved and beaten into signing a false confession to implicate Anwar. Now it is happening again. These are the lengths to which elements in the Malaysian ruling party are willing to frame Anwar and remove his threat to power.

Malaysia is a long-time friend and ally of Australia. Over the past 40 years Malaysia has become an increasingly prosperous and successful multicultural society. We continue our friendly and mutually beneficial relationship with Malaysia, which has deep economic, strategic and cultural ties with our country. Malaysia is also a country of 28
million people who have lived ever since their independence, more than 50 years ago, under the rule of the one party, the United Malays National Organisation—UMNO. UMNO has stayed in power by playing on the Malay fears of Chinese and Indian minorities. So long as Malaysian politics are polarised, even subtly, by racial fears, and so long as Malays voted loyally for UMNO, then the self-perpetuating UMNO oligarchy was able to grow rich through long years of power and through their cosy links between business that would keep them all safe.

That is why Anwar Ibrahim is such a threat to them. For the first time, Malaysia has a charismatic Malay opposition leader who is able to appeal to Malay voters and to minorities, such as the Chinese, Indians and Christians within Malaysia. He poses a real threat to UMNO’s hold on power. At the 2008 election, Anwar’s People’s Justice Party and its allies won 60 seats from UMNO and its allies, creating a viable two-party system for the first time by denying the ruling party an automatic majority in parliament. As a result, Abdullah Badawi was deposed as Prime Minister and replaced by Najib Razak, but the threat from Anwar’s coalition continues to grow for them.

I recently had the privilege of meeting Anwar Ibrahim when he was in Melbourne for the Parliament of the World’s Religions in December. I have met him many times before, as have many Australian leaders. He is an intelligent, articulate and passionate democrat. He is committed to a thorough reform of the Malaysian government, to ridding it of cronynism, corruption and authoritarian tendencies. He is a great, although not uncritical, friend of Australia. If he were to become Malaysia’s Prime Minister, our relationship with Malaysia would become even stronger.

There are claims that Anwar Ibrahim’s chief accuser met with the wife of the Prime Minister of Malaysia just before this person went to the police with his charges. Under all systems of ethics, those who bear false witness are regarded with great contempt. I hope Prime Minister Najib and his ministers are not involved; they have been subpoenaed. The best way for them to prove that they are not involved is to intervene and see these disgraceful charges withdrawn. Malaysia is a great country and an emerging power in our region. It can do without the embarrassment that these disgraceful proceedings have caused that country, undermining its newly won democratic credibility. I call on the government of Malaysia and appeal to the Malaysian High Commissioner here in Australia to free Anwar Ibrahim and to drop these charges against him.

Ryan Electorate: Telstra

Mr JOHNSON (Ryan) (7.40 pm)—We all know that there are some things in life worth fighting for. Of course, all of us will fight for our families, all of us will fight for the values we believe in and all of us will fight for the principles that we think our community or our country should stand by. In the parliament today I want to stand up and very strongly commend a group of constituents in the Ryan electorate who are doing just that, who are fighting for something they believe in.

I want to pay tribute to the people of the suburbs of Rainworth and Bardon in particular, and to those in the wider pocket of those suburbs, because they are standing up and fighting for their family security, for the value of their home and, above all, for the future security of their families and their children’s health. I refer to the David and Goliath battle that is taking place between the local community of Bardon and Rain-
worth against a giant Australian corporation, Telstra.

In the last six months the community of Bardon and Rainworth has been activated, motivated and indeed inspired to defend themselves, to defend their little community, to defend the potential health hazards for their children by standing up against Telstra. I make it very clear that I do not know whether telecommunications technology and mobile phone technology is such that it absolutely has a detrimental impact on the health of young people and elderly people and, indeed, people generally. But, having spoken to a handful of neurosurgeons, specialists and other medical professionals and being persuaded by their eloquence and by their knowledge, I do know that it is better to be safe than sorry. In this context, as the member for Ryan, I stand shoulder to shoulder with all the families of Bardon and Rainworth. It is in their interests that I do so and I think that is what a good local federal MP should do.

Such has been the dedication, the commitment and the steel in this community that they have raised tens of thousands of dollars to legally defend themselves, to legally take on this multibillion dollar company, Telstra, in their fight. They believe they have right on their side. Certainly, as a witness to how Telstra has gone about the process of consulting—or indeed not consulting and not engaging—with the local community in a fashion whereby they ought to be proud of the way they conduct themselves as a great Australian company, I have observed from my position as the federal member for Ryan that the local community has right on their side. I am very much a friend of Telstra. I am very much aware of the significance of Telstra to our corporate architecture, of the tens of thousands of people that they employ and of the great philanthropic and charitable work they do. But that does not give them the right to just come into the local community without legitimate, proper process, without consulting local communities, without engaging with local, state and federal representatives, and without the due process of discussion and dialogue. It does not give them the right to come in and trample all over the interests of local communities.

I want to pay tribute to Channel 7 and the Sunrise program because this morning they gave the local community the opportunity, through the local reporter in Brisbane, Michelle Tapper, of going national to talk about the importance of this issue. I might say that this is potentially not only an issue for my local community but also an issue for communities throughout this country. It is important that communities are aware of both their rights and their obligations as well as, of course, what big corporations can do.

I pay tribute to these people and particularly to Sandra Boland, who very eloquently went on national TV. She is a mum and a lady who is very active and very committed in doing the right thing by her community. Of course, what they are trying to do is prevent the installation of the mobile phone tower in Gerler Street, Bardon, where there are other options, and that has to be stressed.

This is all about being reasonable and doing things in a spirit of goodwill. No-one denies the importance of mobile phones in our community and in our modern-day society, but that does not mean that any company can come in and trample over due process and over the interests of local communities and suburbs where Australians have the right to go about their lifestyle in a way that is safe for their children. (Time expired)

Blair Electorate

Mr NEUMANN (Blair) (7.45 pm)—Tonight I want to welcome the people of the Somerset Regional Council into the seat of Blair. With Queensland picking up the new
seat of Wright, people of the Lockyer Valley and the Fassifern Valley from the seat of Blair have gone into that new seat. The seat of Blair has picked up about 2,000 electors in the vicinity of Springfield and Collingwood Park, and I am very pleased also to welcome the people of the Somerset Regional Council area into the seat of Blair. Somerset Regional Council is an amalgamated council of about 2,500 electors from the old Kilcoy shire from the federal seat of Fisher and about 11,000 electors from the seat of Dickson in the Brisbane Valley.

I want to talk tonight about what the Rudd government is doing for the schools in the Somerset regional area. The Rudd government is injecting $20.8 million into 18 local schools in the Somerset region. I am pleased to say that I have travelled around and visited a number of those schools. Last Thursday I was at Fernvale State School, which is the biggest school in the Somerset regional area, and spoke to Mr Raine—as he was called repeatedly by the local children—the principal. David Raine has been there for 10 years. I visited the school and had a look at the multipurpose hall and the new resource centre which have been built in the very fast growing area of Fernvale. There has been $3 million injected into that area to support local jobs and to build vital infrastructure that will give the young people of the Fernvale area a modern school, which, quite honestly, is in need of a lot of funding. It is the case that our young people in that area need more infrastructure and more opportunity. Whether they live in Fernvale or Sydney or Melbourne, they should be given the same opportunity in life.

I am pleased that the Rudd government is putting this money in as part of the Primary Schools for the 21st Century program. There is also another $200,000 going into Fernvale State School as part of the National School Pride Program. That school in particular has grown enormously in the last few years. It is a school of over 500 young people in one of the fastest growing areas in South-East Queensland. Recently the Somerset Regional Council approved another 1,100 lots. It is a very, very rapidly growing area. The Rudd government is supporting local jobs in the area by providing world-class educational facilities. To see the enthusiasm of the young people and of the teachers and staff there, by reason of this wonderful investment in infrastructure and refurbishment, is simply a great pleasure. The BER, Building the Education Revolution, funding is a key element in the government’s nation-building economic stimulus plan of $42 billion.

There are 68 school projects funded in the Somerset Regional Council area to support local jobs, stimulate the local economy and invest in vital infrastructure for the future. To see the number of constructions that are going on, to see the school buildings, to talk to the local principals—I was in Kilcoy last Thursday speaking to the principals at the primary and high schools—and to see the real once-in-a-lifetime opportunity, as they would put it, for those young people in those areas was a great pleasure for me. These bricks and mortar constructions are not just about building edifices but about giving young people that chance in life and that library which they need so as to compete with their fellow Australians in the major capital cities.

Investment in schools in the Somerset region is long overdue. It has gone a long way to supporting local jobs during the global recession. Whether that project involves the refurbishment of a classroom—and I saw a number of those—or the construction of an outdoor learning area, a new library or science centre, as is going to happen in the Kilcoy State High School, it is very important. It is about social justice, improving our learning environment for our young people and
giving them the quality of education which they and their parents expect and deserve and which all Australians aspire to for their children.

Cook Electorate: Australia Day Awards
The Hon. Bruce Baird

Mr MORRISON (Cook) (7.50 pm)—I rise to congratulate shire residents acknowledged in this year’s Australia Day honours list: Marcus Baker, Les Bursill, Ron Gibson, Tom Iceton, Terry Smith, Alison Thompson and Pieter van Breda. Particularly tonight I am sure members would join me in congratulating my predecessor as the member for Cook in this place, the Hon. Bruce Baird, for his award as a Member of the Order of Australia for services to the Parliament of Australia and to the community of New South Wales through a range of business, tourism and welfare organisations. Congratulations, Bruce. Bruce served in the House of Representatives as the member of Cook for services to the Parliament of Australia and to the community of New South Wales through a range of business, tourism and welfare organisations. Congratulations, Bruce. Bruce served in the House of Representatives as the member of Cook for three terms from his election as a member of the Liberal Party on 3 October 1998 until his retirement from this place at the last election in November 2007.

Prior to entering federal politics, Bruce was a member of the New South Wales Legislative Assembly from March 1984 until April 1995. During this period he served as the Minister for Transport for more than seven years—indeed, he was our finest ever Minister for Transport in New South Wales—as well as serving for periods as Minister for Roads, Minister for Tourism and Minister Assisting the Premier and Minister Assisting the Treasurer. I would say that Bruce would be the greatest Premier New South Wales never had.

Bruce played a significant role in the New South Wales Fahey government’s Olympic bid as the minister responsible, serving in that capacity between 1990 and 1993. And while much attention was focused on many others at the time of winning the bid, the true architect and the true driver over many years, working closely with Rod McGeoch, was Bruce Baird.

After leaving state politics, Bruce continued his involvement with the tourism and transport sector though his time as Managing Director of the Tourism Council of Australia, where I worked with Bruce for a period of time, and as chair of the National Rail Council.

As a member of the House of Representatives in this parliament, he had a very active record of participation in committees, serving as Chairman of both the Parliamentary Joint Committee on the Australian Crime Commission and the Joint Select Committee on the Retailing Sector and, most significantly, as the Chair of the House Standing Committee on Economics, Finance and Public Administration. Bruce participated in many parliamentary delegations and was privileged to be given the opportunity to be a parliamentary adviser at the United Nations General Assembly in New York between September and December 2006.

As Member for Cook, Bruce made a very special contribution to our community but none was greater than his efforts to heal the wounds caused by the disturbances in Cronulla in December 2005. Bruce initiated contact with community leaders from both the Sutherland Shire and the Sydney Lebanese community in the south-west. This group became known as the inter-community dialogue and worked to avoid further violent disturbances between these communities and to promote understanding and mutual respect between each of these different groups.

The Living in Harmony project that was launched by Bruce sought to bring young Australians from diverse backgrounds together through the surf-lifesaving movement. This initiative was supported by our Prime
Minister at the time, John Howard, and the Minister for Citizenship and Multicultural Affairs, John Cobb. The effects of that hard work and effort carries on today and has flowed on into the spirit of cooperation across this chamber, evident last year when I joined with my friend the member for Blaxland to track Kokoda with these same groups of young people from our two communities.

Since retiring from the parliament, Bruce’s abilities have not gone to waste. He is currently serving as the Chairman of the Tourism and Transport Forum advisory board. In addition to this work, the Rudd government recently appointed Bruce as Chair of the Refugee Resettlement Advisory Council. This role certainly fits in with Bruce’s well-known and longstanding interest in the area of refugee and humanitarian resettlement policy issues and the respect that all sides of politics have for his fine work on this very sensitive but important area of public policy.

Further demonstration of the high regard that many people in Australian public life have for Bruce has been clear from his recent invitation from the Deputy Prime Minister to undertake a review into international education in Australia. Bruce has been charged with the responsibility to review education services for overseas students and to report to the government and I am confident, knowing Bruce, that he will undertake the job in a fine and fearless manner. We look forward to his report.

As I said in my maiden speech in this place, Bruce is a man of compassion, faith and integrity. I congratulate him sincerely this evening on what is very due recognition and I particularly extend my thanks to his wife Judy and his family, who are wonderful people. I thank them for the extraordinary contribution they have made to enable Bruce to be of such great service to our great country.

Ms VAMVAKINOU (Calwell) (7.55 pm)—I rise tonight to speak about our community’s recent celebration of Australia Day. I was pleased to attend another Australia Day citizenship ceremony in my electorate of Calwell. All our monthly citizenship ceremonies are important and I always enjoy attending whenever possible, but the Australia Day ceremony is always very special.

In celebrating our Australian story, we always pay respect to the traditional owners of the land on which this modern nation was formed. We pay respect to their elders past and present and we acknowledge that Australia Day is not necessarily a day of celebration for many in our community.

Sixty-one years ago, a new chapter was composed in the Australian story which would change the face of Australia’s social, economic and cultural landscape. Thanks to the vision of Arthur Calwell, Australia’s first minister for immigration, the concept of a distinct Australian identity, embodied in the value of citizenship, was born. I stand here this evening proudly representing my constituents of the electorate aptly named after Arthur Calwell, and I am proud that it is an electorate largely composed of a very large migrant constituency. This constituency—and I am sure your neighbouring electorate, Mr Speaker, has a very similar demographic—has helped build the modern Australia that has ushered in this nation’s fortunes in the 21st century.

In 1948, the introduction of the Nationality and Citizenship Act created, for the first time in this nation’s history, the concept of Australian citizenship. This was introduced on the back of the Displaced Persons Scheme of 1947, which marked one of the first tenta-
tive steps towards this country’s departure from the White Australia policy. When the first citizenship ceremony took place on 26 January 1949, it was the then Prime Minister of Australia, Ben Chifley, who received the first citizenship certificate from the Minister for Immigration, the Hon. Arthur Calwell.

Thanks to the foresight of past leaders such as Arthur Calwell, migration has since become a core feature of the modern Australia and is the foundation upon which this country’s social and economic prosperity is built. People from all over the world, from a mosaic of cultural backgrounds and ethnicities, have come to adopt a common Australian citizenship. I myself am part of this Australian story and am therefore always proud to be present when an average of 100 people per month become Australia citizens in my electorate of Calwell. We have a very high uptake of citizenship in my electorate and I want to particularly welcome the emerging communities from Iraq, as well as migrants from as far as Denmark, Hong Kong, Turkey, Ireland, Eritrea, Lebanon, China, and the list goes on. In its 61 years the Australian citizenship story has been a resounding success and unique in the world.

This year’s Hume City Council’s Australia Day celebrations awarded the Hume Citizen, Hume Young Citizen and Hume Community Event of the Year at the Broadmeadows Town Hall to their deserving recipients. As such, I would like to put on the record our community’s recognition of our Citizen of the Year, Gwen Wilson; our Young Citizens of the Year, jointly shared this year by Elizabeth Marr and Romina Martiniello; as well as the community’s recognition of Refugee Week as our Community Event of the Year.

While Elizabeth and Romina work tirelessly within our community for young people and are a shining example of this country’s future leadership prospects, it is Gwen Wilson to whom I would like to pay special tribute this evening. Knowing Gwen quite well, I can say with confidence that this 71-year-old dynamo of a woman has worked tirelessly for our local community for the last five decades. Gwen not only raised a family but also helped raise a community. In her humble acceptance speech for the award—read on her behalf by daughter Kaylene—Gwen described how starting off with small things would empower her, fire her up and keep her going.

Among her many contributions, Gwen started Westmeadows’ first kindergarten; was the first Westmeadows District Commissioner of the Girl Guides; headed up the Mayoress Charity Committee; sat on the first school council at Erinbank Secondary College; and worked on the Neighbourhood Watch group. Gwen’s contribution to our community stands tall even to this day. As the current treasurer of the Terminate Tulla Toxic Dump Action Group, she now helps oversee the area’s rehabilitation, remaining focused on safety for our local residents and for our environment. Gwen faces the greatest challenge ever as she battles lymphoma and bone cancer but her spirit is strong and I know that her contributions will one day fill the pages of our community’s officially documented history. She is truly a deserving recipient. I want to congratulate Gwen Wilson and I want to thank her on behalf of our community for her contribution.

The SPEAKER—Order! It being 8 pm the debate is interrupted.

Dr Emerson—Mr Speaker, I require that the debate be extended.

The SPEAKER—The debate may continue.
Pearce Electorate: Bushfires

The Hon. Bruce Baird

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) (8.00 pm)—I wish to associate government members with the remarks made during the adjournment debate by the member for Pearce in relation to the bushfire victims in her electorate. I would also like to associate myself with the remarks made by the member for Cook in relation to Bruce Baird.

Question agreed to.

House adjourned at 8.00 pm

NOTICES

The following notices were given:

Mr Clare to present a Bill for an Act to amend the Indigenous Education (Targeted Assistance) Act 2000, and for related purposes.

Mr Clare to present a Bill for an Act to amend the Australian Research Council Act 2001, and for related purposes.

Mr Clare to present a Bill for an Act to amend the Higher Education Support Act 2003, and for related purposes.

Mr Tanner to present a Bill for an Act to create a single body to administer Australian Government superannuation schemes, and for related purposes.

Mr Tanner to present a Bill for an Act to deal with consequential and transitional matters arising from the enactment of the Governance of Australian Government Superannuation Schemes Act 2010 and the ComSuper Act 2010, and for other purposes.

Mr Tanner to present a Bill for an Act to establish ComSuper, and for related purposes.

Mr Brendan O’Connor to present a Bill for an Act to amend the criminal law, and for related purposes.

Dr Kelly to move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Fit-out of new leased premises for the Australian Tax Office at 735 Collins St, Melbourne, Victoria.

Ms Saffin to move:

That the House:

(1) notes the:
(a) theme for World Wetlands Day 2010 is Wetlands, Biodiversity and Climate Change;
(b) threat to wetlands from climate change and human activity and the role of wetlands in climate change mitigation and adaptation; and
(c) valuable work of WetlandCare Australia and other non-government organisations in supporting communities to protect and repair wetlands;

(2) acknowledges that wetlands and healthy rivers are a priority under the Government’s Caring for Our Country program and the 10 year Water for the Future plan; and

(3) requests the Government to consider, on a case by case basis, initiatives such as those adopted by the Lismore City Council and Richmond Council in Page, to develop wastewater treatment facilities that process sewerage and wastewater and create healthy wetlands.
The DEPUTY SPEAKER (Ms AE Burke) took the chair at 9.30 am.

CONSTITUENCY STATEMENTS

Human Rights: Vietnam

Mr SIMPKINS (Cowan) (9.30 am)—On 29 January 2010, Vietnamese freelance journalist Pham Thanh Nghien was jailed for three years following a trial in Haiphong, convicted of spreading anti-state propaganda. I take this opportunity to express my disappointment in the direction that the Communist Party is taking in Vietnam. Increasing incidence of suppression of free speech, democracy and religious freedoms is becoming more concerning for the Vietnamese-Australian community in this country.

The government of the Socialist Republic of Vietnam describes these people as dissidents. I think that it would be more accurate to describe these people as patriots. So much of the activity that they protest about concerns their defence of their national interest—in particular the deal to surrender Vietnamese claims for islands within the Spratly and Paracel groups and the environmentally damaging deals with China for bauxite mines in the highlands of Vietnam. To question these deals and to inquire about what benefits were achieved and who benefited personally is interpreted as spreading anti-state propaganda. Clearly, Vietnam has a long way to go regarding freedoms and, as is usual within these alleged communist/socialist systems, small elites seem to live very well while those who work hardest never benefit from their efforts. I have said it in the past and I will say it again: in Australia people of Vietnamese heritage thrive and their hard work is rewarded. Their families and friends who remain in Vietnam also work hard but live a much more difficult life under the yoke of a government which is also known as the Communist Party. While the people struggle, the party officials benefit under special deals. The failure of the people to benefit whilst living under communism and socialism is repeated in Vietnam as it has been repeated since 1917 in every case where such flawed systems of government have been established.

On Friday, 5 February the trial of Tran Khai Thanh Thuy will take place. She is a novelist, a journalist, a member of Bloc 8406 and, above all, a human rights activist who is on trial for assault. The case depends on a photograph that has been altered. It is alleged by the prosecutors that on 8 October she and her husband assaulted a neighbour. I am informed that while they were defending themselves against plain-clothes police Tran Khai Thanh Thuy was hit on the head with a brick. The prosecution’s case in the assault depends on photographs that were taken in 2005. They have been altered and a date of 9 October placed on them. Sadly, this is the way that Vietnamese dissidents—or Vietnamese patriots, as I call them—are dealt with. The government and the authorities in Vietnam are very good at suppressing freedom of speech. They are very good at not allowing democracy and they repress religious freedom as well. These things are holding that country back. It is a land of great opportunity, and things should change. (Time expired)

Apprentice Kickstart Initiative

Mr SYMON (Deakin) (9.33 am)—Last October the Rudd government launched the $100 million Apprentice Kickstart initiative as part of our response to the Keep Australia working report, which showed that people starting trade apprenticeships have dropped by more than 20
per cent compared to the same time only one year ago. That drop was overwhelmingly due to
the effects of the global financial crisis, but it has been a long-term drop as well. Since I
started my own apprenticeship in the electrical trades in 1982 there has been a steady decline
in the number of apprentices starting in traditional trades.

It is intended that the Apprentice Kickstart program will sign up 21,000 new apprentices
by the end of February this year, and the initiative has tripled the bonus for employers
who take on a 15- to 19-year-old apprentice, with an increase in subsidy from $1,500 to
$4,850. Employers receive $2,350 when they employ an apprentice in an eligible trade and
they receive a further $2,500 after the apprentice completes nine months in that trade. With
good money to be earned and excellent job prospects, there has never been a better time to
consider a career path in the traditional trades.

I commend this program to every employer, and I would like to refer to a local employer
whom I met with last week and who believes in taking new apprentices to grow his local
business. Paul Junginger is the owner of PM Marine Manufacturing, which is located on the
old fibre makers’ site in Bayswater North. Up until the early 1980s more than 2,000 people
were employed in textile production on the site, but those days are now long past and there
are very small businesses operating from the many buildings of what is now known as the
fibre makers’ business park. Paul established his business seven years ago in Canterbury
Road, Bayswater North, and his company produces an excellent range of recreational boats of
fibreglass construction. I saw firsthand the skill and attention to detail that was applied to each
and every task in the factory, and the quality of the finished product is superb. Paul employs
10 staff and, under the Apprentice Kickstart initiative, has taken on two new apprentices,
Mitchell Bertachinni and Ryan Wassink. Paul’s business slogan is ‘innovate not imitate’, and
for the last two years he has won the national trailer boat of the year award for the four- to
seven-metre section. I congratulate Paul for employing two new apprentices and I wish the
apprentices, Mitchell and Ryan, a long and prosperous career in the exciting field of boat-
building.

The Rudd government has shown a great commitment to the trades, investing funds to
bring on more apprenticeships, building trade colleges and increasing opportunities for preap-
prentices—and certainly helping when it comes to local businesses, where a bit of help from
the government brings local people into areas that are growing. You would not actually think
that there would be an industry in boatbuilding in the electorate of Deakin, being a long way
from the sea, but there is and it has been around that area for many years. It is good to see that
it is continuing, and I commend the Apprentice Kickstart program to the House.

Australia Day: Citizenship and Awards

Mr BALDWIN (Paterson) (9.36 am)—Australia Day is a time to remember our proud his-
tory and to reflect on all that we are grateful for in our very fortunate nation. In honour of
Australia Day I had the privilege of congratulating individuals within my electorate who have
taken the very significant steps to become Australian citizens during the citizenship ceremony
at Forster-Tuncurry. The decision to become an Australian citizen would have required a great
deal of careful thought and consideration. I hope it is a decision which leads these individuals
to continually develop an appreciation and understanding of our heritage and traditions and a
great sense of pride and satisfaction. To all those who took part in the official ceremonies to
become Australian citizens, please accept my most heartfelt congratulations. I applaud you for
the commitment that you have made to become part of our common future and officially welcome you to our Australian family.

In addition, I would like to acknowledge two of my constituents who were awarded the most prestigious Order of Australia Medal on Australia Day: Mr Charles Warwick Pope, from Morpeth, for an outstanding contribution of service to the industry of non-destructive testing; and Ms Maureen Ann Kelly for her service to the community of North Arm Cove. I have known Maureen for about 15 years and I can attest that she is a motivator and an achiever for the North Arm Cove community. I can say that without her individual and team efforts the community would not be as cohesive or have the community assets and infrastructure that it has. I wish to extend my warm congratulations to both on their achievements.

I am also very proud to formally recognise those citizens who were named Citizen of the Year for their respective local government areas. Firstly, I would like to recognise Mr Dick Barry, Great Lakes Citizen of the Year, who has dedicated his life to empowering others. A former schoolteacher, Mr Barry spent 39 years in public education. Secondly, I would like to recognise Ms Fran Corner, Port Stephens Citizen of the Year, who has spent 35 years helping to make the Tilligerry Peninsula a better place to live through a host of community groups including Tidy Town; the Tanilba Bay Parks, Reserves and Halls Committee; and the Rural Fire Service. Thirdly, I would like to recognise Mr Chris Fibbens, Dungog Citizen of the Year, who, as a volunteer with Dungog and District Retirement Living Inc., regularly visits those living with dementia. Fourthly, I would like to recognise Ms Sharon Rosenblatt, Gloucester Citizen of the Year, who has been active in the local community through the local high school P&C, has been involved with the Gloucester Mountain Man Tri Challenge and is on the committee for Gloucester’s Shakespeare Festival. To all these fine Australians, I know that their satisfaction and reward comes from serving their community, but it is important to recognise these people, without whom our communities would be a much poorer place.

To all those individuals who took part in official ceremonies, please accept my most heartfelt congratulations. I remind you that I am always here to listen to your concerns and to make sure they are heard here in the federal parliament.

Page Electorate: Mrs Carole Sherry and Mr Joseph Sherry
Page Electorate: Storm Damage
Page Electorate: Our Life Blood/Exhibition

Ms SAFFIN (Page) (9.39 am)—In my seat of Page there were lots of events and activities over the Christmas-New Year period and in January. Some of them were sad and tragic, while others were full of joy and were positive. I will speak of two events that happened recently.

Some members would have heard about the tragic drowning of Joe and Carole Sherry at South Ballina. They drowned while they were trying to rescue their two children who were in the surf and were caught in a rip. The children, Elise and Nicholas, thankfully, made it back to shore. But their parents, tragically, drowned. On behalf of all the people of Page I would like to extend my condolences and sympathy to the family, to the grandmother, and I am sure that all the members in this place would join me in that. But I would also like to say, ‘Well done,’ to the local police, from the Richmond command area particularly, who just set to and started to raise money for the family. They have raised quite an enormous amount of money for the
children and their futures. So I say, ‘Really well done,’ to everybody who was involved and rallied around.

The other thing that happened was that on 27 January we had a fierce storm which ripped through Casino, Kyogle and Lismore and then went further afield to Murwillumbah, Mullumbimby and the Tweed area. It is estimated that it did about $5 million worth of damage. I was actually following behind it. I am often out, driving around the electorate, and I was going over to Casino. It ripped through there, down the Summerland Way, and I saw some of that damage. A few roofs came off. One belonged to someone I know quite well, Kay McGrath in Kyogle. That has been repaired. Nobody was hurt, thank God. And well done to the Richmond Tweed SES who hopped to—I think they had 71 jobs that came out of that storm—and to the Rural Fire Service and the fire brigade.

I will talk of one other thing. The other day I opened the Our Life Blood exhibition. It contains memorabilia from Red Cross and the Voluntary Aid Detachments, as they then were; they started as ‘blue aides’, I think, back in World War I. The exhibition showed all of their activities in the Richmond River area. It was hosted by the Alstonville Plateau Historical Society, whose president is Ian Kirkland, and there were present Helen Wynd, who gave the Red Cross 71 years continuous service; Pat Steeles, who gave 73 years continuous service; and Elsie Johnston, who gave 71 years continuous service to the Red Cross. Those are remarkable achievements. And thank you to Kerrie Gray and Claire Dwyer of the local Red Cross who put the exhibition together.

Swan Electorate: Australia Day

Mr IRONS (Swan) (9.42 am)—Last week we celebrated Australia Day and I rise to talk about a disgraceful act that occurred in my electorate of Swan during the Australia Day week. On Wednesday, my office received a call from Ms Sherryl Pattison of Carlisle, who had noticed that the Australian flag had been stolen from the pole in front of her garden, obviously on Australia Day. She dismissed the incident as youthful exuberance and larrikinism in celebrating our national day. It could be said that they wanted a flag because they were proud of our flag and desperately wanted one. When Sherryl came into my office the following morning, I was pleased to be able to provide her with a replacement under the Constituents Request Program.

However, on Thursday I received another call from Ms Pattison who was somewhat more distressed. This time, not only had her flag been stolen but her entire flagpole as well. The flagpole, which was found up the road in three separate pieces, had been torn from its substantial concrete base during the night. Police suggested to Sherryl that substantial tools would have had to be used to cut down the flagpole. I visited Sherryl in the afternoon and can only confirm that it must have taken some effort to drag down the pole and cut it up. This pole had had fond memories for Sherryl because it was raised by her late father, and she was distressed at the fact that it had been stolen. Neighbours later reported that a car pulled up into Ms Pattison’s drive in the middle of the night with extra tools to drag that pole down after the thieves could not pull it down on their own.

It is disappointing that people would do this anywhere in my electorate, but particularly in Carlisle, where there is a respected community of war veterans. I contacted Bill Gaynor, the president of the WA state branch of the RSL to alert them to this act—an act I would describe as an insult to all Australians who fought and died under our flag to protect the freedoms that
we so treasure in Australia and Western Australia. I think it is outrageous that there are people who would go to this length to prevent someone from flying the Australian flag. I repeat: the flag is a symbol of our nation and I consider this act to be an insult to those who cherish our flag.

This is our nation’s flag. A recent ninemsn online survey found that 78 per cent of those who responded said that they wanted to keep the flag and not change it. I know there are some people in our society who do want to change it, but to steal someone’s flag and their flagpole, just so that they cannot fly our national symbol, seems a bit desperate to me. But the good news is that my office will be ringing Sherryl today to tell her that, with the assistance of Senator Chris Back, who is also outraged by this act, we will donate to her a new flagpole and a flag. Hopefully, by the middle of next week she will have a new flagpole.

On a more positive note, despite this act of vandalism, the majority of Western Australians had a great Australia Day. We in Perth tend to celebrate Australia Day with more fervour than the rest of the country. Hundreds of thousands of people descended on the South Perth, Victoria Park and Belmont foreshores in my electorate to watch the spectacular Skyworks. I would also like to particularly congratulate Mrs Jean Kelly of Victoria Park for winning a community award from the Town of Victoria Park.

Australia Day

Mr SIDEBOTTOM (Braddon) (9.45 am)—I spent Australia Day travelling down to the beautiful west coast of Tasmania. I went to the Strahan picnic, which my esteemed colleague from the electorate of Lyons and I shared last year as we celebrated the handover of the west coast from the electorate of Braddon to the electorate of Lyons. Whilst I was down there—and I know the member for Lyons will be really pleased to hear this, because he still visits there—it was great to see that the shared pathway at Strahan is well and truly underway. Although unauthorised use is not allowed, everyone was on it, as they are on most shared pathways. I also noticed that the one at Tullah is just about completed. So that is great news for the west coast, which I also visited a little bit later in the week to announce funding of $300,000 that we contributed to the airport at Queenstown for emergency services. I was very happy to be there with the mayor and the local community. They now also have a new paramedic, with his wife, who has moved down from Queensland. She is now working in the Queenstown Hospital. That is great news and it is terrific that the Rudd government was able to make and will continue to make an important contribution to the beautiful west coast.

Earlier I was up in the beautiful far north-west of Tasmania in Circular Head at Smithton where I was very honoured to open, in partnership with the local council, a shared pathway at Smithton. The government contributed almost $300,000 to that and the local community contributed $130,000. It was a beautiful day, as it generally is when I am in Circular Head. Many people are using these shared pathways. The quicker we actually join up most of our centres in Australia with shared pathways the better. I cannot think of a better investment for both community capital and for health and wellbeing. It is fantastic. Congratulations to the Circular Head Council.

Whilst there I was also able to announce funding of $4.5 million for a combined trades training centre. The Circular Head Christian School received $1.5 million to develop a trades training centre on their site looking at, in particular agriculture, aquaculture and horticulture, and the polytechnic at Circular Head, along with the Smithton High School, received $3 mil-
lion. In particular, that will be concentrating on automotive studies, general construction and electrical and metal studies. Finally, on another related matter which affects Tasmania, I want to congratulate Minister Garrett on sorting out the mess in relation to the mako fishery. This came about because of legislation passed by the former government. We were bound by that and are now honouring that, but we will bring in legislation to fix it. (Time expired)

Indi Electorate: Climate Change

Mrs MIRABELLA (Indi) (9.48 am)—I rise to speak on the positive impact that the coalition policy for direct action on climate change will have on the local environment in my electorate of Indi, north-east Victoria. It is a very important slice of Australia, particularly with regard to the environment and its significant contribution of water to the Murray-Darling Basin. People in my electorate have been crying out not to be punished but to be rewarded, to have incentives to continue to contribute to improving the environment and reducing carbon emissions. I am very pleased to say that the coalition’s policy of direct action has a key role for rural and regional areas to reduce carbon emissions and to help the environment. From the additional $1,000 grant for solar power and hot water to the Solar Towns and Schools initiative, locals will be encouraged to take up the incentives and to do their bit.

Green groups in my electorate were horrified at the government’s proposal not only because it was a significant tax but because, importantly, it would do nothing to reward them for the efforts they were making in reducing carbon emissions. That caused significant distress in my electorate.

Our direct action plan is not only practical, which is what country people are, but also much cheaper. Our plan is $3.2 billion, as opposed to a $40.6 billion tax-and-churn system full of bureaucracy and inefficiency that would even allow the purchase of abatement from overseas to offset emission increases in Australia. We do not believe that Australian businesses and consumers should be slugged with a new tax. We have seen the cost of living increase in the last two years, to the distress of many families whether they are paying mortgages or not, and we do not believe that they can afford this brand new tax.

With the coalition’s plan, we have a once-in-a-generation opportunity to replenish a very valuable natural resource that we have—that is, our soils. I look forward to working together with many local organisations, individuals, farmers and businesses to see how north-east Victoria, my electorate of Indi, can benefit from the incentives in the coalition’s action plan for direct action.

Forestry Industry

Pulp and Paper Industries

Mr ADAMS (Lyons) (9.51 am)—I would like to say a few words about the future of the forestry and the pulp and paper industries. There have been a number of discussions lately, including within the federal government’s Pulp and Industry Strategy Group. This was the first time stakeholder leaders of this sector had met to review and discuss the issues facing the industry and to develop a strategic plan for the future with the support of government.

The CFMEU FFDP was the essential driver behind the formation of the strategy group and was a key participant in the process. When the national secretary of the CFMEU, Michael O’Connor, addressed the Forest Futures Conference last October, he saw the group as a turning point for the industry. I agree with him. He pointed out that the key to developing a world-
class industry is by boosting investment and innovation through research and development. This was echoed by the Minister for Innovation, Industry, Science and Research, Kim Carr, who said that industry and government need to work together to create operating environments where it makes good business sense for international firms to invest in Australia. It is important to overcome the challenges facing the industry, and this depends on the stakeholders continuing to unite for the long term to achieve this goal.

Another innovation was developed through a positive relationship between the CFMEU and the Minister for Agriculture, Fisheries and Forestry, Tony Burke, who has convinced the Green Building Council of Australia to adopt a certification scheme that will allow the Australian timber industry to compete for ‘green rated’ building projects. We need to ensure that there is job security for workers in this industry, which will necessitate ongoing scrutiny of the Green Building Council to ensure its accountability to the Australian community.

This government is also very keen to prevent illegal logging and the importation of illegal timber in the form of wooden furniture, paper and paper board, wood based panels, saw wood, doors and mouldings—all of which, when they come from unsustainable forest practices in other parts of the world, harm workers’ jobs in the Australian forest industry. So there are many good changes going on in the industry, and I am proud that this government is part of the innovative ways that the industry is beginning to adopt in order to be socially, environmentally and economically sustainable.

Tangney Electorate: Healthy Lifestyle Program

Dr JENSEN (Tangney) (9.54 am)—I would like to draw the attention of the Minister for Health and Ageing to an excellent health program currently available to constituents of Tangney and surrounding areas in Perth. It is called Healthy Lifestyle and it is for people with type 2 diabetes or multiple risk factors for heart disease. It is run by the Canning Division of General Practice, and I am proud to say that the diabetes educator, Beverley Mackay, is a constituent of mine. I am also pleased that this program, a very farsighted and well targeted program, was introduced during the Howard government.

Beverley Mackay and her colleagues, including dietician Andrea Ryder and coordinator Amanda Crook, provide a brilliant service, especially in the areas of diabetes support and education. They provide an eight-hour course for two hours per week, giving advice on exercise, diet, stress reduction and other diabetes related issues. The course is free. The feedback from participants is overwhelmingly positive.

Unfortunately, I understand that it is currently only open to people referred by their doctors—that is, those who have a current medical condition or who are at imminent risk. If we are genuinely serious about preventative medicine, we should now be looking to expand these courses and make them available to people who really want to have a healthier lifestyle but do not know where to start. The government should investigate the possibility of charging a relatively small fee for nonpatients to participate and even perhaps refunding part of the cost if the goals set—weight loss, for example—are achieved.

Many participants also said they would be happy to pay a small fee to be able to buy a copy of a DVD of the exercise regime, were one to be made, to assist them to continue effective exercise regimes once the program had finished. This suggestion would seem to be tailor
made for a collaborative project by university students in health and media, which would have great benefits for my constituents and others and also help fund the program.

Speaking of funding the program, as this is such a successful and effective program with the potential to do so much more, I would like an assurance from this government that funding will continue, if not until 2050—which seems to be the Prime Minister’s favourite year to quote—then at least for another decade. Will the minister continue to fund this program? I look forward to the minister’s response.

**Bennelong Electorate: Ms Caroline Yi Xu**

Ms McKEW (Bennelong—Parliamentary Secretary for Infrastructure, Transport, Regional Development and Local Government) (9.57 am)—On Australia Day this year, 16,000 new citizens from over 130 countries were welcomed as part of the expanding Australian family. It is also a day, of course, when we recognise particular individuals for their energy, their creativity and the vibrancy of their contribution to Australian society. I want to pay particular tribute to one of my constituents, Caroline Yi Xu, who this year was awarded the title of the City of Ryde Citizen of the Year.

Caroline is a more than worthy recipient of this award. She arrived here from Shanghai in 1989 and became a citizen in 1998. She is an outstanding educator, a bridge builder and someone who is constantly giving to the community she serves. I first met Caroline during the 2007 election campaign in Bennelong. As the principal of the Feng Hua Chinese School, she invited me to drop in on her Saturday morning Chinese classes for the youngsters of Eastwood and surrounds. I have to say that if you have not heard young preschoolers sing *Edelweiss* in Chinese then you have not experienced true multiculturalism! It was a joy.

Caroline is the driving force behind the great success of the Feng Hua school. It was established in 1998 and teaches written and spoken Chinese and Chinese culture to children of all ages. Feng Hua is a member of the Ethnic Schools Federation of New South Wales and is sponsored by the New South Wales education department’s community school language education program. It is really Caroline’s energy and vision that has seen the school grow to the point where 25 teachers and now 400 students, including students from non-Chinese backgrounds, all contribute to a very lively learning environment.

I have made many trips to Eastwood Public School, where the classes are held on a Saturday morning, and have seen firsthand what it is that Caroline has fostered: a love of learning and a harmonious cross-cultural experience that speaks to the ambitions of parents, children and teachers. That is why I say that Caroline Yi Xu is a great bridge builder. She believes that China has much to learn from Australia and that in turn Australia, as well, can learn from China. That is why for many years she has successfully organised high school and primary school principals from Sydney’s northern district to visit China as part of a cross-cultural exchange program. I know from talking to the principal of Epping Boys’ High School, Peter Garrard, that he has been particularly impressed with how he has seen the Chinese approach the teaching of maths and science. The principals in my area believe, as I do, that education is a fundamental component of creating and maintaining a successful nation. Caroline Yi Xu, a great educator, and the Feng Hua school are committed to this task, and I congratulate Caroline on her achievement as the 2010 City of Ryde Citizen of the Year.
The DEPUTY SPEAKER (Ms AE Burke)—In accordance with standing order 193, the time for members’ constituency statements has concluded.

APPROPRIATION BILL (No. 3) 2009-2010

Cognate bill:

APPROPRIATION BILL (No. 4) 2009-2010

Second Reading

Debate resumed from 26 November, on motion by Dr Emerson:

Ms LEY (Farrer) (10.00 am)—I am pleased to use this opportunity, during the debate on the Appropriation Bill (No. 3) 2009-2010 and the Appropriation Bill (No. 4) 2009-2010, to reflect on some of the issues in my electorate of Farrer and particularly the rally—the protest that we saw in Canberra yesterday—which a great many people from the New South Wales Murray attended. They came up in buses, many of them leaving the day before or very early yesterday morning in order to make the point to a government which seemed reluctant to listen that, through the actions of this government, their rights to farm and to be part of a productive agricultural economy are being gradually eroded and taken away from them.

I would like to go back to last week, when I attended a meeting organised by the Natural Resources Commission, an advisory body of the New South Wales state government. The commission met with the community in Deniliquin in New South Wales to explain and describe the recommendations that it had recently made concerning the ongoing forestry activities, particularly in the Millewa area of the New South Wales central Murray and also extending to much of the red gum forests along the Murray, Murrumbidgee and Lower Darling rivers. This issue has captured and terrified—I do not think that is too strong a word—our local communities for many months now. We have seen an appalling series of blunders and mismanagement by New South Wales—not helped, I have to say, by a sudden switching of premiers late last year.

On the last day that he was Premier, Nathan Rees made the announcement that the Millewa State Forest, the Gunbower-Koondrook-Perricoota forest and the Werai State Forest would come under the supervision of the National Parks and Wildlife Service, New South Wales. So I guess he jumped the gun on a debate that was unfolding. I am not sure why he did that—I think perhaps it was to punish his enemies in New South Wales Labor, and that was certainly the word on the street—but in any case he pre-empted a report that was underway, that he had commissioned and that was being led by Dr John Williams, an ex-CSIRO scientist. He made that announcement, so that threw our communities into total confusion. As you can imagine, they did not know what the future of their industries would be and they were enormously concerned about this. However, the report process continued and took its course, and the Natural Resources Commission finally handed down that report towards the end of last year.

The meeting in Deniliquin yesterday was for the commissioners to explain what that meant to the local community. I have to say that they were not there because they wanted to be there; they were there because they were told to be there. They were uncomfortable and realised that what they were saying was very unpopular. They did not do a very good job of explaining their recommendations. There were 16 recommendations. The problem that I have with those recommendations is that many of them cannot actually be implemented by New South Wales
at all. So what business is it of a New South Wales advisory body to make recommendations and hand them to the Premier of New South Wales, in the full realisation that they can only be implemented by the federal government?

The overwhelming take on these recommendations is that our sustainable red gum forestry operations in the New South Wales Central Murray can no longer continue, that the carefully controlled, monitored and, I have to say, very environmentally sustainable red gum harvesting can no longer continue. This is not just some gung-ho activity where people go out into the bush and harvest the timber they want, when they want and how they want. The care and consideration that is given to the sustainability of these forests is quite remarkable. It is all done under the close supervision of New South Wales state forests, because it is on state forest land. So the attendant bureaucracy, care and consideration that is given has really made this a great success in the past—so much so that the area has been listed as Ramsar, which is a recognition that it is an international, world-class wetland that is managed for sustainable production. So when we say ‘logging in the Central Murray’ or ‘logging the red gum’, it is very important to understand that that is an activity that is carefully controlled.

However, the New South Wales Natural Resources Commission has recommended that this end, effectively, and that total control of these forests be placed in the hands of the New South Wales National Parks and Wildlife Service. I think it is fair to say, without putting too fine a point on it, that the people in western New South Wales have very little respect for the National Parks and Wildlife Service. I do not mean that as a criticism of the individuals who work within the organisation, because I have met many of them and they are very good people. But it is horrendously underfunded, and every year it appears that it has to manage a declining budget and more and more geographic area of national park, because there is this hunger, this frenzy, within New South Wales—driven very much by the green movement in the New South Wales upper house—to buy up more and more farmland and turn it over to national park. With that purchase comes promises to the local community that are never, ever met.

I use the example of Yanga Station near Balranald, further west in my electorate. Bob Carr made the announcement that New South Wales was going to go $30 million further into debt in, I think, 2005—a few years ago—and purchase Yanga Station, which was a prime station producing cattle and wool and which had a sustainable timber industry as well. The purchase of Yanga Station was conducted swiftly and in haste, with no proper procedure. But the community, as I said, were promised much. They were told that the workforce would come from the local community, that Indigenous employment would be given a focus and that 50,000 tourists a year would come to Yanga. About four tourists a day at the very most come to Yanga, so that might add up to just over a thousand a year. None of the local Indigenous young people have been given a job. We have been trying, and there is a great group, Balranald Inc., which was here yesterday talking to the minister to try and encourage some sort of Indigenous participation so that those young boys and girls can get jobs at Yanga. The station is not even managed from the local community; it is managed from the nearby town of Hay. So none of these promises came true, but the same set of promises is being rolled out for the proposed purchase—and I note that it has not finally been approved—of the Barmah-Millewa Forest on the New South Wales side of the river.
I come back to the meeting where the Natural Resources Commission was trying to explain its 16 recommendations. The mood in the room was furious because people did not want a group that they believed had no real connection with or understanding of their way of life and their industries telling them that their forests were overlogged, that their communities could adjust perfectly well with tourism, that 50,000 tourists a year would come and that camping areas, picnic areas and fire trails would all be maintained. We come to the issue of fire trails. It is topical in a country that burns the way Australia does. The people who maintain the fire trails in the forests now are those that work in the forest. So they are the contractors, the private industries and the state forest personnel themselves that actually maintain that network of fire trails in the forest. If they are removed from the management of and involvement in the future of the forest then they are certainly not going to be doing that.

The other thing is that when small fires have broken out there in the past it has been the timber industry that has had its equipment on the spot and that has risked its equipment and in some cases its people to get in there, where possible, and put the fires out. If you kill off the timber industry then you will not have the equipment there to move through the forest. We have seen this in so many areas: soon the system and network of fire trails deteriorates and it is almost impossible to get it back. The real criticism I have with the recommendations about the future of the Milawa forests is that they were pie in the sky—an impossible dream. Governments were being asked to provide some sort of pot of gold at the end of this rainbow that the commissioners were describing to us. So they gave a set of recommendations that have no basis in realistic funding. They simply said, ‘Government’s should fund,’ and went into a range of things that governments should fund, including proper social and economic studies about the future of this proposal and taking away the forestry option. We know that just to fund those studies alone would cost hundreds of thousands of dollars—let alone the ongoing package. People are sick of being told about packages that will help them adjust, because they know it is all complete nonsense.

If you are a young person growing up in a town like Deniliquin, Barham, Mathoura or Balranald then the activities of Canberra or Sydney are a million miles away for you. I think these country kids deserve a job when they leave school. Maybe it is in the timber mill. Maybe it is in the rice mill. Maybe it is in the shearing shed. Maybe it is as an apprentice in town. All of these options are being closed off to them. They are being told about tourism—about an interconnected global economy and financial services and IT. It is just another world away. We saw writ large in the Deniliquin RSL in the middle of last week an outlook, a theory and a set of recommendations that just made no sense. When the members of the community spoke to me after that meeting the one thing that I sensed, apart from their anger, was their bewilderment, because they knew that the underpinnings for this whole discussion were unreal in the first place.

I suspect that the Premier of New South Wales will get these recommendations and she will say, ‘Well, many of them are federal government recommendations so I can’t do anything about them. But there’s a couple here that I can do something about and they involve the creation of another national park in New South Wales. So I will sign off on that and then I will have fulfilled my obligations. It would be really good if the federal government could fulfil theirs, but of course that’s not my problem.’ We will be left with the worst of all possible worlds because we will have the recommendations that create a national park without the rec-
ommendations that consider the social and economic impacts of a future with no timber industry and the associated support.

I do not agree with any of the recommendations, but if we are going to have a national park then we need the rest of the recommendations. We heard the commissioners say that they were men of integrity and men of science. I do not question that for a moment—even though I disagree with their recommendations. I said to Dr John Williams, ‘I would ask you to add an additional recommendation to these 16—that is, that if governments cannot accept all 16 recommendations then they should accept none.’ That was clearly approved by most of the people in the room at that meeting. They recognised that we need not have this second-best solution. I renew that call. I maintain that call to Dr John Williams. As he said to us there at that meeting, these recommendations belong together. He used the term a ‘suite’. He called them a package. If you pull one or two out then they will not work. Then he was asked, ‘Do you think governments will accept them all?’ He said, ‘Well, it is unlikely.’ He has been around the game. He knows it is unlikely. So, please, Dr Williams, you do not have to undo anything that you have done but just say to the Premier, ‘Unless the 16 recommendations are accepted together none of them should be.’ It is really our only hope.

We have struggled in these towns with the drought and with low water allocations. The way a lot of people look at it, and the way I look at it too, is that if we are doing these things for the benefit of all Australians, if we are resuming environmental flows in the river and if we are saying that certain forests cannot be logged—I do not agree with that because they were being logged sustainably, but if we are making that our value and we are creating that policy—then it is not fair that one sector of the Australian population should always be the ones that have to pay.

If you drive through inner Sydney you will see signs saying, ‘Save the red gum forests in New South Wales’. I do not know how many of the residents of Surry Hills, Paddington or Darlinghurst have been to look, learned and understood the industry for themselves—I suspect not many—but it sounds good: ‘Oh gosh, there are people out there knocking over timber and we’ve got to keep these forests. We’re losing them forever,’ et cetera. Such is the nonsense that is spoken by the Australian Conservation Foundation and the Wilderness Society on this matter. Those people are not being asked to give up anything at all, but they are being asked to support a campaign. They may make donations. They are being asked to support a campaign that has seen protesters tie themselves to logging equipment in the tops of trees and a police force powerless to get them down. And then, when the poor local contractor who has a family business—and he was here yesterday taking time out of his business to protest on the lawns of Parliament House—tries to get some prosecution for this outrageous attack on his equipment, his lifestyle and his family into the court system, out come all of the high-flying barristers and legal people that can hired by the conservation movement and the green movement. They just crush him, because what else would they do? And the contractor gets nowhere. He has lost weeks of production from protests. He has no recourse to the law. He has no recourse to government. He has a set of recommendations from people who understand nothing about the industry he is in or the importance of that industry to the community of which he is a part. As I said, he came to Canberra yesterday to voice his protest on the lawns of Parliament House. He was due to speak at the rally—I am not sure whether he did. His
wife and family were there to support him. I certainly was there to support him as well as many of the other farmers there.

I do not approve of the action that Mr Peter Spencer took by climbing up his pole and threatening his own life. I do not approve of it at all. I make no apologies or excuse for it. I do not know Mr Spencer. But what I responded to yesterday by attending the rally, and why the government members should have been out there attending the rally, are the sentiments, the feeling, the frustration, the anger and the disappointment. These reached a point that I have not seen in eight years of representing those communities.

I do hope that, with the prominence that that protest received and the ongoing efforts of those involved, we will see the government start to pay attention. There are a couple of things they could do. They could demonstrate their care. The Minister for Agriculture, Fisheries and Forestry could demonstrate his care and compassion for farmers by announcing that exceptional circumstances support, which is due to run out on 31 March, will be extended for at least another six months—12 months would be better. At the moment people are in limbo land. They do not know what is happening. They know that the exceptional circumstances support runs out on that date, but they have been told nothing.

The other thing that the government could do is that the Minister for Climate Change and Water, Senator Penny Wong, could purchase water from our communities according to a plan. I do not agree with the way that this water is being resumed for the environment, but I particularly do not agree with the fact that it is being resumed with no plan. So we have, as we well know, the swiss cheese effect, where a bit of water comes from this area and a bit of water comes from that area. The interconnected irrigation equipment is left to deteriorate between those two areas, or the company is forced to supply a small amount of water at the end of a long channel where everybody has sold their water, completely without a plan. The government could resume exactly the amount of water it seems to want—and it has an insatiable appetite for it—without actually approaching it in this way, by just consulting with the local communities and the irrigation corporations, and coming up with a plan that closes off one section of an irrigation area and leaves another open so that we can maintain that efficiency with the small amount of water that we are being left with.

Mr HAYES (Werriwa) (10.19 am)—In the face of the greatest economic threat to prosperity that has occurred in our lifetime, I think most people would agree the measures introduced by the Rudd government just over a year ago that provided for a range of stimulus measures for families, including one-off payments, the installation of energy efficiency measures in homes, investment in schools for their children, and investment in major as well as local government based infrastructure—all these things—have combined to make a real difference in each of our local communities. Because we acted early and were decisive in our approach, our economy was cushioned, and we are certainly in a much stronger position than most other countries. Our economic stimulus has meant that Australia avoided a technical recession. Our economy is going forward while most other major economies have gone backwards. We have the strongest growth, the second-lowest unemployment, the lowest debt and the lowest deficit of all major economies of the OECD.

It should be said from the outset that these same measures, responsible as they were, were voted against on each and every occasion by members of the opposition. They voted against our economic and infrastructure stimulus package despite this being a most serious threat to
our economy. It was a global recession of a magnitude that had not been seen in the last 75 years. This attack by the opposition on these credible economic strategies just highlights how out of touch the members of the opposition were—or maybe they just did not care about the consequences and preferred to play politics. If the opposition had had its way and blocked the stimulus packages—all those measures which I have mentioned and others—Australia would have joined other major economies and been in recession, and tens of thousands more Australians would have been out of work.

While the government has been getting on with the job, the Liberal and National parties have been fighting amongst themselves. It is a divided coalition. Their record speaks for itself: they have had four leaders in just over two years. It is hardly a united bunch. I do not want to dwell on this but I have got to say, and I think it has to be conceded in this House, that the current Leader of the Opposition is prone to having the odd extreme view. There are just a couple I would like to draw to the House’s attention which certainly impact on local communities and communities that I represent.

Mr Abbott wants to bring back the worst aspects of Work Choices. He wants to reintroduce statutory individual contracts which cut the wages and conditions of working families. In the past I have taken a lot of the time of this House in citing plenty of examples in my own electorate of the negative impacts that Work Choices had on working families. After the last election Mr Abbott said this:

The Howard government’s industrial legislation was good for wages, it was good for jobs and it was good for workers and let’s never forget that.

That left Mr Abbott in stark contrast with the current shadow Treasurer, Joe Hockey, and the then Leader of the Opposition, Mr Turnbull, who all wanted to jettison as fast as possible any notion that they had had any affiliation with Work Choices. But he is not prone to be weak hearted on these things. We have seen him as the health minister in the former government also presiding over a $1 billion cut from public hospitals, freezing the number of GP training places and ignoring the need for more nurses despite a record 6,000-nurse shortage across the country. Now he has taken over the reins of the Liberal Party he says that he if he has his way he will stop the school building program. It is a vital aspect of our infrastructure proposals that is certainly making a difference in every school. I will put my hand up and say that it is certainly making a difference to schools in my electorate. Every member, whether they be Labor, Liberal, National or calithumpian, acknowledges that every school is benefiting from that. Not only is it providing opportunities for kids into the future, it is also supporting jobs, particularly in regions which are affected by a growth in unemployment, such as mine, where this has made a very significant difference.

The Leader of the Opposition also refuses to support serious action to protect our environment. This is the same man who has had seven different positions so far on the environment. At the outset of the Rudd government he was one of those who had developed the view that the opposition should vote for the CPRS. He was of the view that they should get it off the table and get it out of the way. He was advocating that as a senior member of the opposition, but now when he takes the reins he wants to oppose it. People who sit on that side of the House have got to realise that you cannot just have these sudden flights of fancy when it comes to policy. It is either solid policy or it is not. You cannot go from one position of saying, ‘Let’s sign it and get it off the table; let’s get on with it,’ to a position of opposition to the
CPRS and of saying, ‘We are going to fight it on the beaches, tooth and nail.’ In that I think it actually says a lot about the people who would follow this current Leader of the Opposition.

We should also remember that he was a senior minister in a government that presided over this country for 12 years but which neglected to invest in hospitals, schools or infrastructure. That is just a matter of record. As I said earlier, over the past two years in government we have been working hard to build this country’s future. We have done this while keeping Australia’s finances strong and whilst also retaining a AAA credit rating. That is something that has been achieved not simply through the workings of a federal government. We have worked with our state and territory local governments as well, and that is regardless of their political persuasions.

Just to recap some of the highlights that we have delivered in the last two years of the Rudd government: there were the tax cuts we delivered to working families, acting decisively to support jobs and small business during a global recession which was the worst in 75 years; the abolition of Work Choices and restoring of fairness to the workplace; our investment in new cancer research treatment centres, including the one at Liverpool just down the road from me—$46.9 million delivered into the Ingham Health Research Institute at Liverpool Hospital; and our supporting record investments in solar and wind to protect our environment for future generations.

More locally, I am happy to say that work has commenced on the final stage of the F5 freeway—the widening project—which is a vital piece of transport infrastructure. It is a road corridor that is essential in connecting the outer metropolitan areas of Sydney, particularly in the south-west. Work is also well on the way, with $8 million for the refurbishment of Campbelltown Stadium, which is scheduled to be finalised shortly for the commencement of the 2010 rugby league season. As I know from my Chinese community, this is the year of the tiger. I have a hunch that this might be prophetic for the West Tigers as they play in their new stadium in the 2010 season.

In schools, the largest school building program ever seen in this country is in full swing. Members opposite are only too happy to have their local papers take their photos as they open school hall after school hall, classroom after classroom et cetera—notwithstanding the fact they voted against all those projects, I might add. These schools are not only providing opportunities for our kids as they progress; they are also providing opportunities for local tradesmen and local apprentices and doing something about localised issues of employment. This is a successful position.

The opposition want to stop stimulus. They actually want to turn it back. They want to turn it off. If the opposition got their way and withdrew the stimulus packages, they would be kneecapping our recovery, undermining confidence and threatening small business and, importantly, the thousands of jobs that are supported by small business. Clearly, it is the Rudd government that is preparing this country for the challenges of the future. We can continue to do that, and we will continue to do that, with the cooperation of state, territory and local governments.

I would like to talk briefly on another issue which is close to my heart, and justifiably is a priority of this government—national security. The security of the nation is the highest priority of this government. The Prime Minister in his national security statement in December 2008 assured Australia that we would act on that, and that it would be a priority which we
would develop. The government have done that. Since being in government we have introduced a number of initiatives that I believe have gone a long way to protecting the community, particularly at our most vulnerable times. The Prime Minister has spoken about being fortunate in having highly capable police services which can respond to a spectrum of challenges, from threats to public safety through to attacks of terrorism. He has also gone on to say that being tough on crime is effectively what we are going to do, and we will do that by supporting those people on the thin blue line; those people who protect our society. We will give them the tools they need to get on and do their job more efficiently.

As people in this House know, I rarely let go by an opportunity to personally acknowledge the contribution of the men and women of our police forces who are in the fight against crime on our behalf. I appreciate the tremendous work that our police do, and I genuinely value the difficult and often dangerous jobs that police officers have. Policing is a dangerous occupation, and it is with sadness that I inform the House that on 3 January this year Northern Territory Police Sergeant Brett Meredith paid the ultimate sacrifice as he was tragically killed in the execution of his duties. I take the opportunity to offer my deepest condolences to his family, particularly his wife Aimee, their young children, their friends and colleagues, and members of the Northern Territory Police Association as well.

As a member of the parliamentary joint committee that oversees the Australian Crime Commission, I have had the opportunity to review legislative arrangements effectively dealing with elements of serious and organised crime, both domestically and internationally. As a result of this review I am very pleased to see that the Attorney-General introduced legislation, late last year, designed to combat serious and organised crime. We are developing measures to empower our police with the tools and the legislative support they need to act on our behalf in protecting our communities. For instance, as I stated in a speech last year, the 2009 organised crime bill, which has the support of state and territory governments as well, will now set the benchmark in terms of attacking organised crime by using unexplained wealth as a means to address this serious scourge of our society.

In October I also had the opportunity to travel to the United States as part of a parliamentary delegation. I took the opportunity while there to visit various police jurisdictions which are currently responsible for advancing the practices of community oriented policing services, or COPS. The COPS program is run through the US Department of Justice and brings together communities and police in ways that address local crime problems that challenge many communities. It is a partnership approach, but it always involves professional police on the ground in local communities because they know the key issues at particular localities. Rather than simply responding to crime once it has been committed, community policing concentrates on preventing crime and eliminating the atmosphere of fear that crime induces. During the course of these meetings I found a significant number of jurisdictions participating in the COPS program, and they hailed it as one of the most successful anti-crime programs available to them.

By way of background, the federally funded program was initiated in 1994 under President Clinton. As I understand it, the COPS office is administered through the Department of Justice. It distributes funds through a wide range of programs, both grants and cooperative arrangements, to state, local and territory law enforcement agencies. All jurisdictions I visited pointed out that the federal funding received was essential for implementing successful pro-
grams in community policing and, more importantly, for crime prevention and reduction strategies. They reported that the projects were most effective when targeted at trouble spots identified by the community and undertaken not in isolation, as they generally involve multi-agency approaches.

On the election of the Obama government in 2008, particularly with the close support of Vice President Biden, the federal financial support for the COPS program was increased and it was therefore given a re-established priority by the Obama administration. The basis of the COPS program initially was to support local law enforcement agencies in their ability to secure police for designated projects, provided that such projects were pursued in partnership with local communities. While I was in Washington, I met with the officers of COPS and particularly with Deputy Director Webb of the Office of COPS. I learnt that, whilst law and order in the US has certainly been the responsibility of state and territory jurisdictions, it is considered imperative for the federal government to become involved, primarily through funding, to assist the development of community based policing models. In addition to providing financial assistance for community based policing projects, the Office of COPS has developed a wide range of recognised research aids and establishments to support best-practice policing throughout the United States.

One police department gave me a detailed brief of the crime prevention strategies that they had developed, particularly in relation to gang related violence. They identified a crime hot spot in a relatively small area. As a matter of fact, it was contained within a few blocks—about six blocks, I think it was. It accounted for the major crime, including shootings. The police indicated that it was characterised as a low socioeconomic area with a high proportion of welfare based single parents as well as a transient male population. Drug distribution was common. Gun related violence was prevalent, particularly amongst young street offenders. Through the financial assistance provided by the federal government through the COPS program, local police developed a safe streets program in partnership with the local community. Significantly, as a direct result of the federal government’s funding, they saw an overall decrease in crime across the safe streets team sites. Specifically, they saw a 12 per cent reduction in violent crime and in some areas a decrease of as much as 54 per cent. Also, the police through their project established a better relationship with the community and particularly the young people of the area. This was all possible through federal financial assistance in law enforcement. The police were very clearly of the view that engaging the local community in preventative strategies provided a significant measure of empowerment to the local community in helping to shape their future.

We know that the public do not differentiate between state, territory and federal governments when it comes to taking responsible action for law enforcement. What police saw there was that the communities wished to become involved, and that gave them the mechanism to achieve it. I believe that there needs to be a greater degree of acceptance that all levels of government have a responsibility for law enforcement, not just at local levels, and that also extends to community safety and crime prevention. This sits with what I said in the first speech that I gave to this place, back in 2005, where I said:

For too long, policing has been seen simply as an issue for state governments. There is no doubt that local, state and federal government policies all have an impact on crime and, therefore, there is a need
for greater integration of policy responsibility in respect of policing, law and order, and crime prevention.

I believe that there is a considerable benefit for the federal government in considering direct assistance being made available to state and territory policing, with the ultimate benefits being derived by local communities in developing safer communities. I therefore encourage governments to look at this as a proposal and similarly build upon the connections that I have indicated. (Time expired)

Mr MORRISON (Cook) (10.40 am)—I am happy to speak to Appropriation Bill (No. 3) 2009-2010 and Appropriation Bill (No. 4) 2009-2010 because my examination of these bills reveals some very interesting things in terms of the expenditure which has been incurred in the area of offshore asylum management by this government.

Before I do that, I would just associate the coalition with the comments of the member for Werriwa in relation to the family of the policeman who was killed in the line of duty. My father was a policeman and served his entire working life as a policeman. So I am very pleased to associate the coalition with those comments.

Returning to the matter of the bills before the Committee: within Appropriation Bill (No. 3) 2009-2010 there are changes to the appropriations set out in the additional estimates which were released with MYEFO late last year. They contain two major changes. In the area of the Immigration and Citizenship portfolio, there is a change to outcome 4 of the appropriation for that department which deals essentially with offshore arrangements for the processing of asylum seekers. That involves an increase of $86,264,000. Also, in Appropriation Bill (No. 4) 2009-2010, there is an increase in expenditure of $34 million for capital works at Christmas Island. They are large increases which the government is asking for—$86 million and a further $34 million. But when we break it down and look at how the government actually planned for this year’s budget and what they expected to happen, and when we look particularly at the area of outcome 4—and, in particular, under 4.3 for administrative expenses and departmental expenses relating to 4.3.1 and 4.3.2—the story gets even more concerning.

We have had, in the area of additional estimates, for offshore processing, an additional $132 million overall for that outcome under 4.3. That is an increase that this government is asking this parliament for of 106 per cent—a 106 per cent increase in expenditure in this area, over and above the budget. What that actually means in terms of how much the government will be spending this year compared to last year is an increase of $144 million—or an increase of 126 per cent over what was spent on these matters in 2008-09. Just to put that in total terms, the government is now asking to spend $257,429,000 this year on the issue of offshore processing, compared to an actual figure for 2008-09 of $113,778,000. This is the cost in financial terms of the government’s failed border protection policies. This is what happens when you create a highway on the sea to Christmas Island, which has become a visa factory under this government.

But let us go even further and look underneath. Let us look at some of the other increases, and look at what has happened in terms of departmental expenses. I was on Christmas Island last week and I had the opportunity of talking to a large number of people—those in the department and those working on the island—and I thank the minister for finally agreeing to allow me to go to Christmas Island and for facilitating that visit, having denied my predecessor on many occasions the same opportunity. But when I was there I became very aware of
the impact on the broader Christmas Island community of the island’s carrying capacity for
the detention population. It is not just how many beds are in the centres—it is how many other
beds there are on the island to accommodate the absolute army of officials, assessors, health
and other workers, and all of the attendant things that are necessary to provide a professional
and humanitarian detention service on Christmas Island, which is necessary. But with the ab-
solute avalanche of arrivals that we have experienced under the term of this government,
these costs are now, just like the government’s border protection policies, completely out of
control.

In terms of the service contractor, Serco—and I stress that Serco is doing an outstanding
job on the island—the additional estimates being sought here by the government are a 58 per
cent increase for this year. That is a 58 per cent blow-out, and $26.5 million in additional
payments will need to be made to the contractor as a result of the explosion of the population
on Christmas Island and of this government’s failed border protection policies. But what is
more interesting is that when you look at the actuals for last year, 2008-09, and at what the
government is now asking to spend this year you will see there is an increase of 245 per cent
in payments to the contractors on Christmas Island to provide the services to meet the demand
that is clearly out of control and unable to be managed by this government.

Also, there is $34 million extra in capital works. I have seen where that money is being
spent. I have seen where the extra 400 demountables will be going in and where the accom-
modation for 212 people in demountables has just been completed. The extra 400 demount-
ables will not be online until late April or May. Who knows? A further 88 beds in the area
where it is intended to hold families in the future will not be on stream until possibly as late as
May. Christmas Island is now at full capacity. As the Minister for Immigration and Citizen-
ship confirmed yesterday in the Senate, there are around 1,800 beds and currently 1,800 peo-
ple in detention on that island. That is one boat away from an overflow. It only begs people to
ask the question: who is now determining how many people are coming to Christmas Island?
It is certainly not this government.

An extra $34 million has been spent on providing further demountable accommodation on
Christmas Island. That $34 million started flowing in December. So the government has been
basically chasing its tail on this issue in trying to get as many beds as it possibly can on this
island. That is necessary. No-one in the coalition is suggesting that people should be living in
tents. No-one in the coalition is even suggesting that people should be living in demountables
because, when we planned Christmas Island and the detention facility, we provided a capacity
after noting the potential demand that may have existed in the future. In fact, the member who
is currently the Chair of the Joint Standing Committee on Migration described the Christmas
Island detention facility as a white elephant and a grandiose waste of money. That was prior to
the facility being opened. This government did not want to open it but it was forced to do so.
Within a year its population increased more than tenfold as a result of this government’s poli-
cies.

When you look at the forward estimates you will see the government has asked for an addi-
tional $132 million, as I said, from this parliament to deal with this issue for this year alone;
next year it is forecasting that there will be a 38 per cent decline in the number of arrivals. If
you look at the forward estimates and just assume that the number of arrivals that we will
have to accommodate and deal with on Christmas Island over the next few years is just the
same as it was this year then that will cost, over those forward estimates, an additional $370 million. Add $370 million to the $130 million and that is half a billion dollars, at least, because there is no sign that, under the policies of this government, the flow of boats will be stopping any time soon.

These estimates, which are set out in these bills, paint a picture of failure of the government’s border protection policies. In terms of the dollars that are being spent, the runs are on the board, demonstrating that it is a demand driven policy that the government are operating. They have effectively opened the doors, they have changed the laws and they are in complete denial about the impact—

Mr Sullivan—Which laws would you change?

Mr MORRISON—I will come to that. I have not interrupted any of the speakers this morning, so I am sure I will get the same courtesy from those opposite.

Mr Sullivan—Very few other people have been racist.

Mr MORRISON—I would ask the member for Longman to withdraw.

The DEPUTY SPEAKER (Mr KJ Thomson)—The member for Longman has been asked to withdraw.

Mr Sullivan—I withdraw.

The DEPUTY SPEAKER—I thank the member for Longman.

Mr MORRISON—Thank you, Mr Deputy Speaker. So let us look at the issue more broadly as to what is causing these massive increases in expenditure as a result of the government’s failed policies. Firstly, is there a problem? Yesterday in the House, the Prime Minister, in addressing his part of a debate held on another matter, posed three questions: is there a problem; are you going to do something about that problem: are you committed and is your heart in the solution?

Let us apply those same three tests to the government. Is there a problem with border protection and the rate of arrivals to this country under this government? Since the government changed the rules in August 2008, 77 boats have arrived and 3,480 people have arrived on those boats illegally. I do not shirk from that statement. If you go to the UN convention you will find in there the term ‘illegal arrival’. I do not think we should mix messages with the Australian people and try to engage ourselves in cloaked language. These boats have arrived illegally.

Nine boats have arrived this year, carrying 509 people—that is, in the last month, nine boats have arrived—with the most recent cruising into Christmas Island the other evening, basically coming into the harbour at Flying Fish Cove, with 185 people. Since 1 December last year, 21 boats have arrived. I highlight 1 December last year because this is the monsoon season. This is the cyclone season. Last year four boats came over that very difficult and dangerous time. We have had 21 boats over the summer, full of people who are literally putting their lives at risk at sea. Not even the forces of nature, not even the forces of weather—cyclones and monsoons—can counteract the magnetic effect of the policies of the government when it comes to border protection. Basically, people are prepared to take the risk, and it is an extreme risk in these summer months.
If those opposite doubt it they should talk to the people living in the Afghan community in Brisbane who are still waiting for calls from 105 people who they fear are lost at sea. It is feared 105 people have perished at sea because they got on a boat and sought to come to this country. You have to ask yourself the question: why were they trying to get to Australia? They were in Indonesia. They were in a place where their lives were not under immediate threat. They had the opportunity to register with the UNHCR there and to take themselves through the process, in which Australia is one of the most generous resettlement countries in the world. But, no, they decided, I am sure at the encouragement of people smugglers, to get on a boat. Today their families are wondering where they are, and they have been waiting since October.

I do not hear moralistic shrills coming from the government about people’s lives being put at risk. I am concerned about the welfare of the people on that boat which did not get to Christmas Island. We do not know how many do not get to Christmas Island because, when asked, the government say, ‘We’re not aware of anything happening in our territorial waters.’ You have to take responsibility when you send out an invitation. The government need to ask themselves about what risk they are placing people in by encouraging them to come to Australia in this fashion.

So, moving on, the government have created a highway in the sea and it is coming to Christmas Island for one purpose, and that is to get a visa. At the moment, more than nine out of 10 people will get that permanent visa which allows them to immediately gain access to a range of other services and, in particular, to encourage their family members to join them. As I said before, there are about 1,800 beds available on Christmas Island; that population is currently unsustainable.

So we do have a problem. There is no doubt that we have a problem of significant proportions and it requires a response. But what has been the response from this government? I quote the Prime Minister’s words yesterday when he said:

We believe that we have got the balance of the policy right …

Right for whom? It is right for people smugglers who are charging people $20,000 to risk their lives at sea! It is pretty right for the people smugglers; it is very right for the people smugglers. The government are basically saying, ‘We think that everything’s fine,’ and they wave on the next boat. When you read the press releases issued by the Minister for Home Affairs you can see that they are computer generated, which is no surprise from this government. On this same issue they are computer generated: ‘Well, it’s not our fault. It’s everything happening everywhere else.’ This is just another problem which they apparently believe they have no control over or no responsibility for.

But the people of Australia feel very differently about this, because they know that they had a government which was able to do something about this issue and which was able to reduce the arrival of boats to zero on two separate occasions in two financial years. In the course of the last six years of our government we had 18 boat arrivals. The government have had 18 boat arrivals in the last eight weeks, and their response is simply to say, ‘Well, this is all out of our control.’ They sent more beds to Christmas Island; they incurred the additional expenses as set out in these bills and basically asked the Australian people to get used to it. That is their response; they will wave it through. But they have another response, because Christmas Island is full and we are one boat away from having to do what the government have already
said they would do. They said they would bring directly to the mainland those people whose claims had not yet been determined. So the offshore processing system, which has been the backbone of our border security system, will be effectively unwound—and already has been with the transfer of 30 young people prior to Christmas. This is the government’s plan: to bring them directly to Australia. I do not know what message the government thinks it is giving to people smugglers about that issue, but I certainly know what message the people smugglers will be taking: ‘We’ll get them to their waters and the Australian government, under Kevin Rudd, will take them all the way to the mainland, and they won’t even have to wait for their assessment as to whether they are a refugee to be completed.’ That is the message that they are sending.

Yesterday the minister got quite excited in the Senate when he made references to the Pacific solution of the former government. I will be very clear: what the coalition has said very clearly about what we will do at the moment—and there will be more to come before the election—is that we will do two things. We will reinstate, effectively, the system of a safe haven visa. So, if you come via this channel, you will not get immediate and permanent access to the visa arrangements that are available under a permanent visa offered by this government—which has made a rolled gold product for people smugglers under this government. The other thing we have said is that we will not compromise offshore processing. We will not. I have been very clear about that; I have been saying it for six to eight weeks. I have also said very clearly, as I said on the Ray Hadley program yesterday, that Nauru and Manus are closed, so if the government want to run around talking about Nauru and Manus that is fine but what they should be doing is looking for alternative offshore processing arrangements. Nauru and Manus are unacceptable. They have been closed, and I suspect that the opportunity to reopen them does not exist. That is not the point. The point is: is the government prepared to take tough decisions to find solutions that will put a border security system in place in this country, through our visa arrangements, that will deter the activities of people smugglers and compromise the product that they are seeking to offer people who have the money to pay to get on a boat and come here while many others do not? That is what the government has to decide: whether they have the stomach to undertake the decisions that will lead to turning this terrible situation around.

The third thing that the Prime Minister said is: ‘Are you committed?’ Let me tell you why the coalition is very heated on this issue. Those opposite like to engage in this form of moral piety, self assessing their own virtue as a response to the coalition’s position rather than actually putting forward arguments and policies that will work. The coalition is concerned about this issue for two reasons, in particular, but there are many more that I will be happy to discuss over the course of this year. But let us think about this. Five people were killed on a boat that exploded last year trying to get to Australia by this channel. I have already mentioned the 105 Afghans about whom we will never know what happened. For me, saving lives is a very good reason to take decisions to stop the boats. A further reason is that there are 140,000 Burmese refugees sitting in Thailand today. They have not been waiting 100 days on Christmas Island. They have not been waiting five years in Indonesia. These are people who were born in those camps and are now raising their own children in these camps. They have been waiting for generations for this opportunity, and what this government is saying is: ‘We will take people who pay $20,000 to a people smuggler, people who get on the highway on the sea to the visa factory on Christmas Island, and within 100 days they can come straight on in.’ But
if you are waiting in Indonesia or Thailand, and you have been waiting for generations, frankly you will just have to wait a little more under the policies of the Rudd government. So do not come to us with all your moral invective and your moral grandstanding when your own policies put people’s lives at risk by drawing them into decisions which put them on very risky voyages and deny people who have been waiting generations in camps for their opportunity for a fair go in Australia.

Mr SULLIVAN (Longman) (11.00 am)—I am not sure that I can appropriately respond to such unctuousness, but let me say this at the outset to the member for Cook: he only indicated one thing that they would do and one thing that they would not do—two things in total. The changes that the Labor government has made to the processing arrangements for illegal arrivals are those two things—plus we no longer keep children behind razor wire. The reality is that those three things alone have not opened up some dangerous maritime highway to people who are escaping from circumstances that are intolerable and see Australia as providing them with an opportunity.

If the member for Cook is going to seriously follow his portfolio responsibilities in this area, he needs to be aware of a couple of things. The first is that the rate of illegal arrivals has been increasing since the early 2000s. In 2007 there were more illegal arrivals than in 2006; in 2006 there were more than in 2005; in 2005 there were more than in 2004; in 2004 there were more than in 2003; and so it goes on. If that is the case, by his own arguments, the Howard government’s border protection policies attracted people to this country. The reality is something different completely. The reality is that just now we are experiencing a rather large increase in the number of asylum seekers as a consequence of what happened in Sri Lanka.

The reality of the situation is that every year Australia receives applications for asylum from about one per cent of asylum seekers throughout the world. A lousy one per cent of the people in this world who seek asylum want that asylum to be in Australia. I think that number is rather small, and we could somehow be inclined to take offence that so few people looking for a better life think they are going to find it in Australia.

The member for Cook indicated two actions that they would take. One is to reinstate a safe haven visa so we would tell people: ‘We are not going to keep you in detention. You can start to build a life in Australia, but some day there is a chance that a man in a suit with a hat and polished shoes is going to knock on your door, march you to the airport and put you on a plane out of here’. What we do with people who seek asylum in this country is to let them know, ‘Yes, you’re in,’ or, ‘No, I’m sorry; you don’t meet the criteria, and here’s a flight back to where you came from.’

I had not intended to speak on matters relating to border protection and the refugee and asylum seeker issue, so I would now like to talk to matters relating to the Appropriation Bill (No. 3) 2009-2010 and the Appropriation Bill (No. 4) 2009-2010 as I had planned. In particular I want to mention some issues relating to my own electorate of Longman on the northern outskirts of the greater metropolitan area now known as Brisbane.

Mr Ripoll—Probably a suburb of Ipswich.

Mr SULLIVAN—Ipswich is not in the seat of Longman, but I am sure that they look after the member very well. In particular I want to talk a little about the delivery of health services in my area and the hopes that we have locally that the health and hospital reform process will...
provide us with better services. It is a rapidly growing area, currently with about 360,000 people in the Moreton Bay Regional Council area alone, and it is the second fastest growing area in the world or the second fastest growing area in Australia, depending on who you talk to. We certainly expect rather large numbers of people to be moving into our area over the next few years.

The Minister for Health, Nicola Roxon, recently attended two events in our area that were important in relation to health services. The first of those was at North Lakes, where we had the official opening of the 12-chair dialysis unit at the North Lakes Health Precinct. This was able to be built with a $7 million funding grant from the federal government, and the state government has now opened that facility and it is serving people on the north side of Brisbane. We all understand that kidney disease is increasing, and the need for a dialysis unit in our area was becoming critical.

I also have a personal interest in the Caboolture Hospital, having been the state member of parliament many years ago responsible for getting the hospital built. Interestingly, they are now talking about a $600 million price tag to extend that hospital to have approximately twice the number of beds that it currently has. The hospital itself is now about double what it was in the first stage, and the first stage cost $19 million. The price tag for these things has certainly escalated, so we can understand the magnitude of the challenge both for the state government, who has responsibility for hospitals, and the federal government, who really is the group that funds most things that happen. I do want to mention the fact that the Queensland state health minister, Paul Lucas, paid a low key visit to the hospital late last year and spent several hours at the hospital talking to the staff and looking at the need for expansion. Notwithstanding the need to double the hospital, I still believe that the north side is very shortly going to require a further hospital to join with Caboolture, Redcliffe and Prince Charles in dealing with the needs of the community.

The other event that was attended by the health minister was not actually in my electorate but just to the south, in the electorate of Dickson. The minister opened a GP superclinic, which of course was an election commitment of our candidate at the last election, Fiona McNamara. The GP superclinic at Strathpine will serve people from the southern end of my electorate. People in the suburbs of Dakabin and Kallangur look naturally towards Strathpine for their services, and I am very grateful that that superclinic has been constructed and is now open and will serve those people. I understand an invitation went to the opposition health spokesman, the local member for Dickson, who declined to attend the opening service. This is an interesting thing because, whilst his party is opposed to this kind of establishment, it really is the parliament, through bills such as these appropriation bills, that decides that the money is going to be spent—and in this instance spent substantially for the benefit of his own constituents. I would have thought, on that basis, he ought to have been able to attend.

Education is an important issue for us, and in recent days we have heard the argy-bargy back and forth about the My School website, where there is a rating for each school based on its socioeconomic educational advantage or disadvantage. The majority of the Longman electorate is a relatively low socioeconomic area, and education is very important if our children are going to be able to improve their circumstances in the years to come. Through the Building the Education Revolution projects—which were, again, opposed by the coalition—schools in my electorate have had $109 million invested in them. Schools coming into the electorate
from the electorate of Fisher after the redistribution takes place at the next election have had a further $15 million of investment. And schools just outside my electorate which serve children of families who live in my electorate have received another $5½ million. That is roughly $130 million worth of education expenditure in the area that I represent. People are very grateful for that.

Towards the end of last year, and I do not wish to sound like a martyr but I did drag myself out of my sick bed to go, I went to a year 7 speech night at the Bribie Island State School. The reason I wanted to go to that event in particular is that it was the first activity held in my electorate in a hall that had been funded under Building the Education Revolution. It was a sports hall, but obviously a hall which could be used for other purposes. I commented at that time to the people there that anyone who believed that halls of this nature were unnecessary and of no benefit to the schools needed to spend some time at the schools and spend some time talking to parents. This hall at that school is going to make an enormous amount of difference to the way teachers are able to deliver programs to the children who are entrusted to them.

To open shortly this year is another school hall, and quite a different one. This one is at the Banksia Beach State Primary School. Banksia Beach State Primary School did not build a sports hall; they built a hall that you might call a performance venue. That primary school is quite a large school. They have built a hall with 800-seat capacity. It has acoustic panelling and a stage the size of the stages at the Queensland Performing Arts Centre. Some people might say that is a bit over the top for a primary school. But this particular primary school prides itself on its arts and simultaneously last year had a state champion primary school choir and a state champion primary school band. Part of the Building the Education Revolution is to provide community benefit as well as school benefit. In relation to this particular hall I wanted to make the point that in the Caboolture district of the Moreton Bay region that is the best performance venue available for the entire community.

In the late eighties and early nineties when my wife and I had three young children there was a children’s entertainer by the name of Peter Combe based out of Adelaide. He was very much, although a solo performer, a precursor to the modern group The Wiggles. He was very popular with young children. We sought, with his management at that time, to promote a concert of his in the Caboolture shire. We discovered that at that time there was no venue in our shire as it was then suitable for holding a children’s concert. There was no venue in our shire suitable for holding a children’s concert. And nothing had changed at all until the building that has now been completed at Banksia Beach State Primary School. As an afterthought, I notice that Peter Combe is now performing in nightclubs for the young adults who were his fans as children when he was younger and he is still doing the same songs. I guess what goes around comes around again in that sense. He is now able to make a living out of his earlier repertoire. To those young people listening today I recommend that they look out for him.

Last Sunday I was very honoured and privileged to attend St Pauls Lutheran Primary School church service at St Pauls Lutheran Church in Caboolture for the installation of Anton Prinsloo as the new principal. While I was there I was able to check on the progress of their new library building, which is indeed magnificent. I was told last year, when it was being planned, that it would be a substantial benefit to the school in enabling it to better educate the young people that our community entrusts to them. This year is the 25th anniversary of St Pauls Lutheran Primary School, a year they have been planning for. They are now moving
down the path of triple streaming their school, and the library building and associated facilities will enable them to achieve those goals a whole lot easier.

We have had some discussion in this place about the Bradley review of universities. I have mentioned a number of times that it is a desire of mine to get the ball rolling towards having a university campus on the north side. The Moreton Bay Regional Council area has some 360,000 or 380,000 residents. A small campus of the Queensland University of Technology serves the community very well; however, the courses they have on offer are limited. It would be my desire to see the university expanded or a new university created to provide our young people with a broader range of study options. As most members would have done, at the end of last year I signed more than 1,000 letters of congratulation to students who completed year 12. I am sure that the members for Dickson and Petrie, who hold neighbouring seats to my seat of Longman, signed a similar number. Three thousand students completed year 12 in our area last year, and that is a pretty good population base on which to start to develop a proper university in our area.

I want to touch briefly on some other spending the government has made in the area. The State Equestrian Centre that the Moreton Bay Regional Council is building at Caboolture is a joint project between the federal, state and local governments. It is very important to the equine industries in our area, where we have training, spelling and breeding facilities for thoroughbreds, standardbred and quarter horses and activities in dressage and western riding. This is as you would expect in an area that is on the urban-rural interface, where equine activity is rife. People will appreciate that facility once it is opened. We have also invested $36 million in new social public housing—or a lot of the $36 million, because the housing is not all built yet—and over $1 million in repairs.

The bottom line is that this government is using the money that it has raised through various means from the population of Australia in an appropriate way that is benefiting the community, particularly my community. These bills, which move towards making a few adjustments around the edge where money has been allocated, are very worthy of our support. I commend them to the House.

Mr LINDSAY (Herbert) (11.19 am)—Yesterday I had the opportunity to speak with a group of 35 young rural Australians who have come to Canberra as part of the Heywire Youth Issues Forum. These kids come from some of the most remote areas of this vast country. All have inspirational stories to tell, and we should look to the future with great optimism, as this next generation of leaders is full of promise and potential. The Heywire Issues Forum is in its 13th year.

This year, Heywire is partnered with Left Right Think-Tank to further develop the quality of the program delivered to rural Australian youth. Left Right Think-Tank is Australia’s first independent and non-partisan think tank of young minds. It was founded in late 2008 and is staffed completely by more than 60 young volunteers ranging from 15 to 24 years of age. Left Right has two key objectives. The first of these objectives is to deliver innovative policy reflecting the position of the youth of Australia across a broad range of issues. The second is for Left Right to provide opportunities for young Australians to engage in intellectual discussion and debate, enhance their knowledge and understanding of public policy, expand their networks and develop their potential as future leaders in our society.
As a measure of the quality of this purpose, the Left Right Think-Tank has attracted and continues to attract an incredibly high calibre of individuals. This is reflected not only in its staff but also in its members, its board, its patrons and its general supporters. Today I would like to welcome to the parliament two of the senior leaders of Left Right, the executive assistant, Hayley Caulfield, and the programs director, Clay O’Brien, and pay tribute to the work that they do for the youth of Australia and for the future of our country. In his absence, I want to recognise the leadership of Left Right’s CEO, Rick Newnham. Rick has taken the idea of Left Right Think-Tank and turned it into a very impressive reality. Left Right Think-Tank is now the premier youth organisation reflecting the ideas and aspirations of young Australians. Well done, Rick Newnham.

I previously mentioned the Left Right Think-Tank in this House on 4 December 2008 and today I would like to reflect for a moment on how far they have come as a youth led organisation. Yesterday a team from Left Right ran a workshop with the Heywire participants. This workshop was focused around developing their ideas into a reality. The issues that they focused on ranged from mental health and the wellbeing of rural youth to the environment and climate change to Indigenous affairs, areas that the Heywire participants have identified as issues relevant to their communities and in dire need of action. However, in a broader sense this highlights the unique position that Left Right Think-Tank occupies. It is a forum for young people to develop an idea into a well-thought-out contribution to contemporary debate.

The principal avenue through which Left Right provides these opportunities to young people is its programs, one of which is the fellowships program, which is offered to senior secondary and first-year tertiary students. Fellows have the opportunity to meet with key players in the policy process. This takes place in an informal and relaxed roundtable setting. Participation in this fellowships program develops knowledge and offers discussion on pertinent issues through a series of seminars. Left Right fellows also compete on a policy project and then submit that project to government. The fellowships program was first run in Victoria in 2009 and is now being run in Victoria, New South Wales, Queensland and Western Australia. The growth of the fellowships program is indicative of the growth of Left Right as an organisation. In little more than a year, Left Right has grown from a Victorian organisation with five staff members to a national organisation with a presence in Victoria, New South Wales, Queensland and Western Australia and a staff of over 60 volunteers. This rapid expansion highlights the yearning and desire within young people to have their voices heard in the policy debate within Australia.

While in Canberra this week the senior team of Left Right will be mentoring the Heywire participants. They will also be meeting with the minister, the shadow minister for youth and some of its patrons, including the Deputy CEO of the Business Council of Australia, Melinda Cilento, and a former Secretary of the Department of the Prime Minister and Cabinet, Peter Shergold. During their meetings they will be discussing how society will move forward whilst embracing the ideas and contributions of young people. Today we make decisions, the effect of which today’s youth will inherit. The Left Right Think-Tank is fast gaining momentum and taking steps towards its vision of a society that seeks and embraces the ideas of our young people. The work of the Left Right Think-Tank is an excellent example of what dedicated young people in this great country can achieve. It is important that we recognise the work and successes of Left Right but it is more important that we support and consider the contributions
that young people can make to public policy. This goes far beyond just youth policy. We must remember that at any given time youth are the stakeholders in all of today’s decisions. The Left Right Think-Tank is in a unique position and offers an invaluable contribution to contemporary debate in that Left Right, by its very nature, can develop forward thinking policy without the restriction and consideration of election cycles. I certainly wish Left Right every success and I know that the parliament and its members will be supporting the worthy ideals of this wonderful organisation.

I will stay on youth issues for just a moment, if I may, and recognise a fine young North Queensland Australian, Jonathan Pavetto. He is wearing a blue tie and is in the visitors gallery. Jonathan is a classic example of what young Australians are doing today. Jonathan is 18, yet at the age of 18 he has already attended the UN Commission on Sustainable Development in New York during last year. He was one of nine representatives worldwide selected to be on the committee for water at The Hague International Model United Nations Youth Assembly in Holland in 2008. He was the first member to be selected for the THIMUN Youth Assembly Water Committee from Australia. He was also the Committee Coordinator for the Human Development and Environmental Sustainability Working Group at The Hague International Model United Nations Youth Assembly in Holland in 2010.

In the community he has been the member for Hinchinbrook in the Queensland Youth Parliament Program. He has held the position of Premier in the first Youth Parliament to be held outside of the south-east corner of Queensland. He has been President of the Hinchinbrook Shire Youth Council, Vice-President and then President of the Gilroy Santa Maria Leos Club, a member of the student representative council for three years, and so it goes on. This a fellow from a cane farm in Ingham in North Queensland. His has been an amazing achievement in the world. Currently he is studying at the ANU, and this is how I got to know him, doing a Bachelor of Economics-Bachelor of Arts in international relations and, of course, he is learning Arabic—as you do. He already speaks fluent Italian; he knows some French and he does speak the odd bit of English even though he is from the wrong end of the mafia in Ingham. I mention Jonathan—and I could go on and on—because he is a great example of what young people can achieve today with their incredibly bright minds. Well done, Jonathan.

In the time available to me I would also like to talk about health issues in my electorate of Herbert, which is based on the largest tropical city in Australia, which is Townsville. It is a city that has been largely insulated from the events of last year. It is a city with an economy that has a very broad base, with lots of money being spent. The only issues whose effects we really felt during the global financial crisis were things like a bit of a downturn in the mining industry. That has since recovered and otherwise the broadly based economy has gone very well, with defence, health and education being key drivers of that. But I do express my disappointment about the government’s failed promises on health as to my electorate of Herbert.

In the 2007 election campaign, the Prime Minister announced that he would be building superclinics that would provide 24-hour health care across Australia, and we heard that talked about in the Main Committee here earlier today. The promise to build 35 GP superclinics across the nation appears to be in tatters, with only one completed centre, which was the subject of the previous member’s speech, in operation after two years of Labor government—just one. Despite the Prime Minister’s claims that six more centres are partially complete, at least two are offering little more than conventional GP services, and one centre claimed by the
health minister, Nicola Roxon, as a partially functioning GP superclinic in Darwin is in fact being fully funded by the Northern Territory government. Mr Rudd campaigned for the 2007 election promising to spend $275 million on superclinics—medical one-stop shops in areas struggling with inadequate medical services. The centres were to offer after-hours general practitioners, specialists, mental health services, chronic disease management, allied health practitioners and training for medical students and trainee specialists.

Last year, the Minister for Health and Ageing announced in my electorate that a $5 million contract to build one of the Rudd government’s superclinics had been signed. The successful tenderer was Nicholl Holdings, who have been able to provide a 24-hour GP service in the city of Cairns for some time. Last year, the company’s facility in Cairns saw about 1.5 million patients, which is 3,000 patients a week. Dr Nicholls runs absolutely superb clinics. This was a fantastic announcement for Townsville, and the minister was correct in saying that these plans for GP superclinics would take pressure off our hospitals. We certainly need that in Townsville, with problems every day at the Townsville Hospital. It goes on and on, and the Bligh government say, ‘We’re going to fix it,’ but they never do. It is just extraordinary.

Two years after the election, there is still no superclinic in Herbert, and the planned 1.5 million people a year have been really disappointed. I would have thought that three years was enough time to get an election promise in gear and operating. It certainly would have been enough time for the coalition government to deliver on such an important issue as regional health. We are not going to see the GP superclinic opened in Townsville until mid-2011. That is really poor service, and I think my colleagues would probably agree that 3½ years to develop and a GP superclinic is too long. We should all, on both sides of the parliament, be able to do better than that.

Certainly, it is disappointing for Townsville, but there was another problem—the funding for the current after-hours clinics that operate in Townsville—and I wrote to the minister expressing my deep concern about this. While the department has extended their funding, which was to be cut off in the middle of this year, the outcome is very different to what was promised at the election. The department will continue to support Twin City Doctors, located in Kirwan, up until March 2011 and the Northtown Medical Centre, located in Townsville, until June 2011. However, the after-hours GP service, which is a significant contributor to health provision in Townsville, has only been invited to apply for an extension of funding through what was described by the department as a competitive process, which we all know does not mean that the funding will necessarily be delivered.

So what is going to happen to that particular service that operates now? If it closes, how are we going to fill the gap until the new superclinic commences operations late in 2011? This is worrying. It is poor planning by the health department and the government. I guess it must be disappointing even to the Prime Minister that in its one term the Rudd government has nothing to show for its GP superclinic promise and there is no improvement in the provision of health services in my city of Townsville. While I am doing everything I can to ensure that there will be after-hours health care available for residents of my electorate, it is really difficult when you get the pushback from the department and the government in relation to timely service delivery.

During the five minutes I have left, I just want to draw the parliament’s attention to a statement from Mitch Hooke, Chief Executive Officer of the Minerals Council of Australia, a
very significant, influential, highly regarded body in this country today. And of course it is about climate change policy. Mitch said in his public release:

The Coalition’s climate change policy strikes at the real intent of pricing of carbon ...

There will be those who say, ‘You can’t believe what the Minerals Council says because they have a vested interest.’ I accept that.

Mr Ripoll—Some say that? You probably say that as well. In fact, you just did.

Mr LINDSAY—Thank you, member for Oxley. I understand that. But this is a group that represents a very significant contribution to our economy, and which could be badly damaged by what is being proposed by the government. The Minerals Council have every right to have a view, and they have certainly had that view. They have welcomed the coalition’s policy that we will be providing an incentive to reduce greenhouse gas emissions without negatively impacting on jobs, investments, export and growth. It is a wonderful outcome. The Minerals Council of Australia has welcomed the shift to a policy design to use incentives as a driver to reduce emissions rather than an approach that is preoccupied with penalising business to raise revenue.

The current proposal, the Carbon Pollution Reduction Scheme, places a $120,000 million impost on the Australian economy. It returns about $75,000 million to households and motorists in partial competition for price rises in electricity and consumer goods without a single cent being invested in the research and development of a low-emissions technology. It is a real shame.

I was in a parliamentary delegation to the United States last September and I went to the Earth Institute at Columbia University in New York. World eminent scientists said Kyoto was a failure because it did not invest in low-emission technologies. It set targets but it did not invest in how you met those targets. They warned us that if Copenhagen was to go, it had to invest in low-emission technology. Copenhagen was a failure, Kyoto was a failure, the CPRS of this government will be a failure because it does the same thing. It does not invest in low-emissions technology. But the coalition’s proposal provides incentives, money, dollars to businesses to invest in low-emissions technology, and we are going to see that. For example, there is the NBD proposal in Townsville by James Cook University. The writer of the front page of the Sydney Morning Herald today, David Marr, showed pathetic journalism. He talked about this particular project and he talked about the opposition leader saying that the project was about turning algae into cattle feed. But what Mr Marr did not say was that it also produced biodiesel from sunlight, from CO2, from emissions—a valuable process that business can make money out of, for heaven’s sake. It was not the cattle feed side of it that was important; it was the biodiesel. It was the use of sustainable green energy—sunlight—to do this. It was the wonderful outcome that you took the CO2 from a power station and turned it into something that was of value. That is happening at James Cook University, it is working now, and those are the sorts of things that the coalition will be promoting and providing incentive for because that is the way it has to go.

The [Minerals Council] remains committed to the development of a climate change policy that includes a carbon-price incentive, promotes low emissions technologies, drives a global protocol that includes all major emitters and includes a complete mix of low-emissions energy sources.

That is a worthy ideal, and it is the sort of thing you would expect from the leadership of a body such as the Minerals Council, and I thank them for that leadership. I plead with the gov-
ernment: please give up on your great big new tax on everything and have a look at how we might do this in an alternative way, with no increases in grocery prices and no increases in electricity prices.

Mr CHAMPION (Wakefield) (11.40 am)—I rise to speak on Appropriation Bill (No. 3) 2009-2010 and Appropriation Bill (No. 4) 2009-2010. Just on some of the remarks of the member for Herbert: I would also like to congratulate Jonathan and welcome him here. It sounds as if he is the son of a cane farmer out of Queensland. There are a few of them around the place. We look forward to seeing him back here at some time in the future. On the GP superclinics: I have a GP superclinic that is opening in 2011 as well. You cannot expect the current government to fix up the decade’s worth of malpractice by the previous government and the opposition leader, who pulled a billion dollars out of health and slashed GP training places. You cannot expect us to fix all of that overnight. It takes time to put in place tenders. It takes time—

Mr Lindsay—Madam Deputy Speaker, I seek to make an intervention.

The DEPUTY SPEAKER (Hon. JE Moylan)—The member for Herbert wishes to make an intervention. Does the member for Wakefield accept the intervention?

Mr CHAMPION—Sure, why not.

Mr Lindsay—I thank the member for Wakefield. I ask my colleague: is it true that the Prime Minister gave a commitment that if the health system was not fixed by June 2009 he would do something about it—take it over—but he has not done it?

Mr CHAMPION—we are fixing it, and that is one of the reasons that places like Smithfield Plains are getting a GP superclinic. We never saw any indication from the previous government that that suburb had any interest in health, and yet, in 2011, there will be a brand new GP superclinic opening in my electorate, down there on the Peachey Belt, which is an area that has cried out for medical services for a long time. The local residents appreciate, I think, the fact that we have taken some time to consult with them and talk with them about the health services they want.

I will return to the substance of my speech rather than that of the member for Herbert. This appropriation bill includes some money that was unspent in the last financial year for the Regional and Local Community Infrastructure Program. It was my great pleasure in two recent visits to the north of my electorate to cut the ribbon on a number of very important projects, the first of which was done through the District Council of Mallala. I was there with Mayor Marcus Strudwicke, a very hardworking mayor for the local area; the CEO, Charles Mansueto; and Pat Thompson, who is a very active resident of Dublin and takes great care of the Dublin Institute. In particular, the funding has been used in the Dublin Institute to upgrade the ceiling—the ceiling in the kitchen had been falling in—to upgrade the lighting in the institute and also to give the institute disability access. That gives this very small community’s institute a new lease on life. I know that Pat Thompson is particularly happy about it. She recently had a fall, which we hope she recovers from, but I think it just highlights the importance of disability access to that institute.

I also visited my old home town of Kapunda. I was there with Mayor Robert Hornsey and a number of other councillors from the Light Regional Council: Jane Alcorn; Ron Kubisch; Bill Carrick; Deane Rohrlach, who was my old principal at high school; and Lynette Reichstein,
who is a resident of Freeling. We were also there with Roland Davis, who is a council worker who manages these projects, and Rory Zilm, who also works on these projects. What we did there was reopen the memorial garden in its new waterwise capacity. The memorial garden has been there for some time. I can remember it from my youth. It is a memorial for nurses who served in various wars and also, most recently, there is a new memorial to sailors and members of the Royal Australian Navy who served. It has a unique feature fountain which was donated by Mohamed al-Fayed, would you believe, in the eighties. One of the residents of Kapunda knew Mr al-Fayed, and he was good enough to donate a fountain. That sits at the centre of the memorial garden.

We now have waterwise plantings, underground watering and a whole new layout. It is a new lease of life for these memorial gardens. It is an important part of the Dutton Park sports fields, and we certainly hope the community gets good use out of it into the future. I would particularly like to thank Roland Davis for his design work and the many hours he put into the application to get that done.

The other project that was opened in Kapunda was the Kapunda swimming pool. I can remember getting badly sunburnt at this pool. I am glad to say that it has been retiled and that disabled access has been provided. That also provides important access to aged residents as well. Obviously opening these two projects in my home town brought up many fond memories. I have got to thank the Light Regional Council and all the people on the pool committee for their hard work. I know when Kapunda Primary School have their swimming carnival—I think it is this week—they will have a lot of fun.

From there we went down to Freeling, home of the Redlegs footy club—archrivals of the Kapunda ‘Bombers’. We announced some $14,000 to keep the home of the Redlegs safe from vandals. It was $14,000 spent on CCTV and other crime prevention projects, which will allow the town to defend and protect these very important community establishments. I can remember going there as a lad to 21sts and obviously to footy games. We always lost at the footy, unfortunately, in those days, but I am sure the record has been evened up since.

We also reopened the Mattiske Park. That was the first project undertaken by Roland Davis for the council. He is a resident of Freeling, so I am sure it was a labour of love. The new design saves up to two-thirds of the water they had been using to water this park. I went out there during the construction phase and met a young contractor who had one of those Dingo diggers who had been put on for the project. So it does create important local employment. It has given this park a new lease of life and has rehabilitated a public space. Mattiske Park was named after another local resident who lived just up the road who had long guarded it from his front verandah and cared for it every morning. He went down there and made sure it was all clean. So to give this park a new lease of life, to create jobs and to give it a new public area in effect while the town is experiencing substantial population growth, particularly of young families, is a really good project to back and I was happy to be part of it and part of the construction of it.

From there we went to Hewett. I can remember when Hewett was just farmland, but it is now an expanding suburb. It was one of the first places I doorknocked when I was a candidate. It is a great place to live and to raise a family, but many residents expressed to me the real need for community infrastructure. Developers in the past had promised bike paths, walkways and other community facilities but they have never eventuated. I have got to com-
mend the Light Regional Council for putting up this community centre and for the support it received by Mayor Robert Hornsey, by all councillors and of course by the state member of parliament, Tony Piccolo, who also has a great interest in Hewett. In this new project, $4 million will provide a new meeting space, 84 car parks and a multiuse venue. It is done in partnership with the Hewett Community Church of Christ. I would like to take this opportunity to welcome the new reverend, Scott Combridge, and his family to Hewett. They have come from Victoria but they are South Australians originally. I would also like to thank the many members of the church who attended the turning of the sod ceremony for this important project. This project will be incredibly important for Hewett. I know they have waited a long time—some 10 years or so—to see these community and recreation facilities catch up to the growth in their suburb.

I want to talk a bit about Tony Piccolo, who is the state member for Light and, obviously, a Labor colleague of mine. He is well known for his advocacy on behalf of franchisees, as the House would know. Most recently, he has been instrumental in establishing and conducting an investigation into the issues that farmers have with farm machinery, warranties and legal disputes. In particular, he got the Economic and Finance Committee of the South Australian parliament to look into this area. The committee has produced a report called Consumer protection for farmers: reaping a fair harvest. This report highlights the experience of farmers with faulty and sometimes dangerous farm machinery. It examines the business costs that farmers incur when machinery breaks down while still in warranty or just out of warranty, the high cost of legal redress for many of these farmers, and the safety and liability issues involved for those farm businesses and for the distribution chain. The report raises many issues that should concern all members of this House, farming communities and, I think, the general public.

When looking at the report, you notice that confidentiality was requested for a number of submissions to the inquiry. Many who have issues in this area cannot easily tell their stories or take up their grievances. One family courageous enough to make a submission were Malcolm, Bradley, Roseanne and Andrew Lucas, who are all residents of Wakefield. A farming family, they had the courage to make a submission and give evidence, which is to be applauded. It is not an easy thing to do. I have had the great pleasure to meet with Andrew Lucas and his wife, Roseanne. They are good people and reminded me a lot of the forgotten people in Menzies’ great speech—the middle class of farmers, small business people and professionals who are not represented by unions, big business or the respective lobbies. In this case they have found a fighter in their corner. Tony Piccolo has been a vocal advocate and has given them the chance to tell their stories and put forward their point of view. This report raises a lot of serious issues concerning farming communities and we can only hope that the executives of state and federal governments have some regard to the findings of the committee.

While I am on the subject of local issues that Mr Piccolo is taking up, a Telstra tower is proposed for Hillier, which is just outside Gawler. The Gawler council have been attempting to negotiate with Telstra about the location of this tower—not whether it will exist and not whether it will be moved from this location to another but simply its location within the suburb of Hillier. It is a great pity that Telstra and their representatives have chosen to exercise their rights in the court rather than negotiate with local people. It seems to me that local landowners are prepared to negotiate in absolute good faith, and very quickly. There are a number of alternative sites which are as good, if not better, and it would not hurt for Telstra to take up
their concerns and at least enter into good-faith negotiations with them, while preserving their rights, obviously, in the courts. I notice that Mr Barry Neylon has written a letter to the editor of the local newspaper, the *Bunyip*, titled ‘Standing tall’, where he praises the council, the DAP, Mr Tony Piccolo and me, for which I thank him, for our role in helping this local community negotiate with a very big company. We just hope that Telstra does the right thing and negotiates with local landowners about this tower.

Finally, I would like to make a few comments about the state Liberal Party’s policy called ‘Northern suburbs: time for change’. If this were a positive policy, I would not seek to criticise it, but in the press release a number of allegations are made about the Rann government, and I think they reflect on my performance as well. Isobel Redmond says:

Instead of working with the community to address issues like unemployment, declining access to health services, unreliable public transport and lack of police presence, the Rann Government has continued its game of spin which doesn’t achieve anything.

I think that is a completely wrong statement about both state and federal Labor. I can reel off things off the top of my head. On 19 February we are going to have a jobs expo. We have already held a jobs expo and provided job services to the Bridgestone workers who were, sadly, made redundant as of April. When Isobel Redmond talks about health she chooses to ignore the upgrade of the Lyell McEwin Hospital. She chooses to ignore the fact that the state government is building a GP Plus centre opposite the Elizabeth city centre. She fails to acknowledge that we are building, as of 2011, a GP superclinic at the Peachey Belt. In terms of transport she fails to acknowledge the $550 million going into the Northern Expressway and the $290 million that will be spent electrifying the Gawler to Adelaide rail line. There are many areas where Ms Redmond has failed to make any positive comment at all.

Then she says that the government have not worked on law and order. I find that extraordinary. The biggest law and order problem in the northern suburbs is the issue of people riding monkey bikes and trail bikes through our parks, on our footpaths and in our recreation areas. I have spoken about this issue many times in the federal parliament. It is an important issue because, besides the amenity issue of having a bike hurtle through a park and the noise it creates, there is also the safety issue. I am terribly worried that a child, an older Australian or a family will get bowled over by one of these monkey bikes. When the state government announced they were cracking down on these bikes, they were going to crush them, Isobel Redmond responded by saying that that was a farce. She ignores the biggest law and order problem in the northern suburbs and she says the solution is a farce. That is just crazy and smacks of someone coming down from the hills into the northern suburbs and preaching to the local community. This policy is extraordinary.

Finally, this policy proposes to fund a feasibility study to run the rail line up to the Barossa Valley. On the face of it that sounds as though it is a good thing but, if you talk to anybody in the Barossa Valley, one of the great fears held in the Barossa is that its unique rural character, based on the wine industry, will be overtaken by the development of suburbs by developers. People in the Barossa Valley have been trying to hold on to this identity. It is a very important thing to the Barossa Valley. If a feasibility study is conducted it will set off alarm bells in every developer’s headquarters around the nation as signalling that this is an area which, potentially, could be developed. You will have developers swooping in and buying up land from family vineyard owners, who currently face a very tough time. We will slowly but surely see
the pressure come on to develop the Barossa Valley. I think this is a very short-sighted promise. It is glibly popular, but the reality is that it will threaten the unique character of the Barossa Valley and it will set off developers and their lobbyists and they will start cutting up the Barossa Valley and turning it into housing. It is a very short-sighted policy. It is not what local people want and certainly not what local councils want. Local councils do want to extend the rail line, but not into the Barossa Valley. I think it is a very short-sighted policy. The Barossa Valley should be very wary of it. Frankly, I am very surprised that the state Liberal Party thinks that it is a good idea, because it is a very real threat to the unique character of the Barossa Valley.

Mrs MAY (McPherson) (11.59 am)—For a large number of Australians, politics is something they do not really tune into until election time. Only when they are about to cast their vote do they start listening to what the major parties have to say. But I want to ask people today to start tuning in sooner, because it is important to understand how political decisions affect the quality of everyone’s daily life and indeed their future.

I will use the global financial crisis as an example. How many people are aware that Australia had the third largest spending package, as a percentage of GDP, of the developed countries during the crisis? Korea came in first, with a spending package of 6.1 per cent of GDP; the USA came in second, with a spend of 5.5 per cent of GDP and Australia’s spend was 5.4 per cent of GDP.

Why was such a big splurge necessary in Australia when we were far better placed than any other country in the world to weather the storm? Australia’s strict and well-regulated banking system was in a very sound position when the global meltdown occurred. Unlike other countries, Australia was not in deficit. In fact, our surplus was over $20 billion. To get to this position, it took the coalition and the Australian people many years of considerable discipline and unpopular decisions to repay Labor’s 1996 legacy of $96 billion of debt. But it did not take long for the Rudd Labor government to saddle Australia with bucketloads of debt, and the opportunity cost of this big spend is enormous.

The Rudd government is quick to point out those organisations which supported its stimulus package, none of which predicted the financial meltdown. But Labor has not mentioned the only international body to correctly predict the financial crisis. The Bank for International Settlements was the only international organisation that foreshadowed the financial meltdown. This same organisation has warned that the stimulus packages will only lead to a temporary pick-up in growth followed by protracted stagnation and will pose the risk of driving up interest rates and inflation expectations. Already, the Bank for International Settlements’ predictions are being realised, with inflationary pressures taking hold and interest rates rising. At the risk of sounding dramatic—and I do not want to scare the horses or the population—the poor quality spend of the stimulus package, coupled with the poor quality decisions made by this government, is compromising the options available to us, particularly in light of the demographic challenges ahead.

Up until recently, the PM and his ministers had said very little on the ageing of Australia’s population—the single biggest social issue facing this country. An official from the World Bank said that the impact of the financial crisis paled into insignificance compared to the demographic problems ahead. In the lead-up to Australia Day, and on Australia Day, the Prime Minister finally started talking about the then upcoming third Intergenerational report
and the ageing of our population. This is in stark contrast to the coalition, which has always placed senior Australians at the forefront of its priorities and which, many years ago, recognised the extent of the challenge that the ageing of the population would present in the future. This acknowledgement by the former Howard government saw the release of the first *Intergenerational report* in 2002-03, followed by the release of the second *Intergenerational report* a few years later in 2007. The third *Intergenerational report* has now been released.

I would not have thought that placing Australia in the red and attempting to impose a great big tax through the proposed Carbon Pollution Reduction Scheme would help meet the challenges that lie ahead. In the not too distant future there will be far fewer people working than now; therefore, revenue will fall. By 2050 the number is projected to decline to 2.7 people of working age to support every person aged 65 and over. Rather than build a stronger Australia, the Rudd government has cut programs and preventative initiatives that support senior Australians. In the 2009 May budget, the Rudd government cut the indexation on a payment paid to aged-care providers. Forty per cent of providers were operating at a loss before the cut, but the situation has deteriorated even further. But rather than helping the struggling industry, the Rudd government cut the indexation of the conditional adjustment payment. It needs to be remembered that the Commonwealth has direct responsibility for aged care, and the Rudd government’s cuts show a complete disregard for senior Australians.

There is no clearer barometer of the health of the aged care industry than the yearly aged care allocation round, when the government releases licences for low- and high-care beds. In the past these allocations were keenly anticipated by providers. Competition was stiff and healthy, and a large number of providers were disappointed because they missed out on the licences.

Under the Rudd government it is a very different story. Licences go begging. In the last allocation round there was a shortfall of 1,915 in the residential places handed out. Tasmania, Western Australia, the ACT and the Northern Territory were all undersubscribed. To make matters worse, providers have taken the unprecedented position of handing back hundreds of licences to the department in the past two years. This is a stark reflection of the capital crisis in aged care. Now, senior Australians have to wait longer and longer before a bed becomes available, which is placing increasing pressure on the hospital system. It must be remembered that the cost of a hospital bed is approximately eight times that of an aged care bed.

Baby boomers turn 65 this year, so, at a time when there is an increasing demand for services, providers are walking away from the industry. As mentioned, the Rudd government’s response to the biggest social issue facing Australians is to pull the carpet from under aged care providers and senior Australians. It is no wonder that many senior Australians say that they feel anxious and insecure under the Rudd government. I do not blame them; I am starting to feel the same myself. This insecurity and anxiety is fed by the Rudd government’s habit of doing the opposite of what it says. A good example is to talk about prevention. The former Howard government introduced a wonderful program that kept senior Australians safe in their own homes. The program was called the Assistive Technology in Community Care program. This program funded home safety devices such as mattress sensor pads to activate lights at night, medication dispensers and communications technology for reducing isolation. These devices enabled senior Australians to maintain their independence and remain safely in their homes for longer than they would otherwise have been able to. The Rudd government cut this
program in last year’s May budget—another short-sighted and costly cut, because, as we all know, injuries sustained from falls can be debilitating. Senior Australians can lose their confidence and some may even not be able to recover from the experience of a bad fall. The financial cost of falls from injuries, such as broken hips, is great. The physical and emotional cost is even greater, and yet the Rudd government has cut a program that helped senior Australians remain safe and secure in their own homes.

My electorate of McPherson has a large population of senior Australians, and the way the Rudd government is treating them has them all worried. Furthermore, the way the Rudd government manages its programs also has them worried. A good example is their Green Loans Program. Green Loans assessors are targeting senior Australians in particular, and I have had scores of calls from constituents who rang my office to check if the Green Loans scheme is actually legitimate. Many of the residents are in their 80s. They are being bullied into making an appointment to meet with an assessor and when they try to cancel they are not able to make contact with the assessor again, and this is after being told on the phone that they must have this assessment done—that it is mandatory. Then they worry about the assessor turning up at a particular time, when they do not want to see them, particularly if they live on their own. Government programs are not meant to scare people, but the way the Green Loans initiative is being run has many of my senior Australians agitated and certainly concerned.

Another worry and concern that I have is the neglect of the southern Gold Coast by all levels of government. Recently, South-East Queensland had an extension to its rail system with the completion of the track from Robina to Varsity Lakes late last year. The extension is certainly most welcome, but we now have a train that stops at Varsity Lakes, but the rest of the southern Gold Coast, including Coolangatta, where the international airport is located, misses out, and there are no plans for the immediate future. Plans to extend the track to the New South Wales border are years away. Gold Coast city is planning a rapid transit system but, again, the southern Gold Coast and international travellers have been ignored. There is no rapid transit system for the southern Gold Coast.

The Tugun bypass has now been open for over two years. It is a wonderful road, saving motorists travel time plus the frustration of waiting in lengthy traffic jams. It has taken the heavy transport out of suburban Tugun and given the local residents some peace and quiet after years and years of neglect. John Anderson and the former coalition government funded the Tugun bypass, along with the Queensland Beattie government. At the last election the coalition committed another $455 million to upgrade the Pacific Motorway from Tugun to the Gateway Motorway, and the Rudd government matched this commitment. The priority for the funding was the widening of the Tugun to Nerang section of the highway up to eight lanes. Yet to date no work has commenced on widening the M1 on the southern Gold Coast. Now we understand there are no funds left to complete this work. The state government has miscalculated and overspent. What does this mean for the M1 and what does it mean for the southern Gold Coast residents? They go on the backburner again.

The Tugun bypass cuts across both New South Wales and Queensland, and at the time of negotiation and construction was the most complex piece of infrastructure in Australia. The New South Wales government, however, did not contribute one cent to its construction. But we are now in a situation where it expects the people of Tugun to put up with a large volume of traffic yet again that will be generated from the establishment of the Cobaki Lakes Estate.
Traffic from this New South Wales development—a New South Wales development, not a Queensland development—will flow into Queensland, and residents of Boyd Street are expected to sit back quietly and accept this. Why should they? We moved the traffic out of Tu­gun. It will now be brought back in. The Tweed Shire will receive millions of dollars in developer contributions from the Cobaki Lakes Estate, which has approximately 5,300 residences, retail and commercial developments and two schools planned. Yet it is the residents living in Boyd Street, Queensland, in the electorate of McPherson, who are expected to put up with the huge volume of noise coming from an estate located in New South Wales. There is no widening of the M1 and no entrance for those residents back into New South Wales. They are all going to be brought into Queensland.

Before closing, I just want to ask the Australian people to start listening to what the Rudd government says it will do and then watching what it does not do. It is important that they start engaging. I would like to encourage the Australian people to become more engaged in our political process, because decisions being made will impact on all of them in the future. This is an important election year, and the promises that are made in the lead-up to the election are something we all should monitor in order to understand how they are going to affect our lives.

The Rudd government is talking about a massive increase in Australia’s population. I urge people to question how that will be managed. What will it mean for our food and water supplies? What will it mean for our environment generally? The Rudd government’s industrial relations laws will come at a cost to employment and prosperity. Strikes are on the increase already, and exorbitant wage claims will set inflation spiralling. It has been reported this week that a shipping company has caved in to union threats of further strike action and agreed to wage and allowance increases of up to $50,000 over three years. This type of wage hike is unsustainable by any stretch of the imagination. Question why Labor’s Fair Work laws take us back 40 years, a real concern, particularly with China and India emerging as tiger economies and Australia’s debt being something we cannot ignore.

Anyone who has tried to pay off a credit card knows just how hard it is to reduce the balance. It takes a great deal of discipline and doing without to get that credit card paid off. I believe Australians have every right to question why this government has wasted money. These concerns need to be answered by the Rudd government, which brings me to my next point.

How many Australians have noticed that the Prime Minister of this country will not answer questions directly? He makes sweeping statements but when he is quizzed further there is nothing behind the statements. People may have noticed that his ministers do the same: they avoid answering questions and say the same thing. That is, they repeat their rehearsed lines or, in political speak, they just stay on the message. I hope that more people will start watching question time. I know people in my own electorate often comment on the behaviour of politicians at question time. It is of concern, and each of us should take responsibility for our behaviour in question time. It is the opportunity during a parliamentary sitting week to bring the government to account, ask the questions that our constituents want answered and, hopefully, get some straightforward answers back from the government.

People can download the parliamentary schedule. I would encourage them to turn on question time, watch what is going on in the federal parliament and begin to understand what the leaders of this country are doing for them at an electorate level. I believe that each of us
comes here representing our electorates in the best possible way we can, whether we are members of the government or members of the opposition. As an opposition member, I am here to question and certainly bring the concerns of my constituents to the parliament. Government members certainly believe that they are doing the right thing by the people of this country.

Each of us has a role to play, and I think each of us should be mindful of our behaviour and the way we undertake our responsibilities in this parliament. It is a privilege to be here, for each and every one of us. On both sides of the parliament, I have made some wonderful friends in the years I have been here. I will be retiring at the next election, but I think I will always be watching question time, even when I am retired—I will not be able to turn the box off. It will be a lifetime interest of mine. I do share with all of my colleagues the privilege of being here representing our electorates, and I know that those on both sides of the parliament all feel exactly the same way.

Mr TREVOR (Flynn) (12.17 pm)—Today I will seek to restrict my comments to the actual contents of Appropriation Bill (No. 3) 2009-2010 and Appropriation Bill (No. 4) 2009-2010. The contents are very important not only for the people in my electorate of Flynn but also throughout Australia generally. The bills will provide vital funding for critical programs provided by my government and its agencies and for capital injections into new and expanding programs and projects.

The appropriation of these funds provided by these bills is sought for government decisions included in the Mid-Year Economic and Fiscal Outlook and decisions taken since its release. Bill No. 3 aims to provide additional money out of the consolidated revenue fund for the ordinary annual services of the government and for related purposes. The total appropriation being sought by the provision of this bill is some $1.68 billion. The key measures arising from this proposed appropriation include $0.5 million for the establishment of a key Local Government Reform Fund, $510.8 million for additional funding for the Solar Homes and Communities Plan, $290 million for additional funding for the Home Insulation Program, $45.2 million for funding for the government’s response to the H1N1 influenza virus pandemic, $40 million for additional funding for the General Employee Entitlements and Redundancy Scheme and $63 million to meet the cost of increased irregular maritime arrivals.

The proposed appropriations in this bill arise from changes in the estimates of program expenditure as a result of variations in the timing of payments and predicted increases in program participation reclassifications and from policy decisions taken by the government since the last budget. Included is an additional $510.8 million, which will be provided to the Department of the Environment, Water, Heritage and the Arts to ensure commitments under the Solar Homes and Communities Plan are met.

While this program was terminated on 9 June last year, it was replaced by the Solar Credit Scheme, which provides assistance to households, small businesses and community groups with the upfront costs of eligible small-scale renewable energy systems installed subsequent to the date that the previous plan was terminated. When considering the achievements of the Solar Homes and Communities Plan, which are quite substantial, and the predicted future of it, the appropriation of these funds is not only necessary but absolutely vital. More than 50,000 systems had been installed as at the end of September 2009 under the scheme, with another 70,000 expected to be installed under the program in the future. The funds that are
sought for this program will ensure its continued success, a success that benefits both the community of Flynn and the environment and the people of Australia.

In addition to this, the government proposed to bring $290 million forward from the 2011-12 budget for the Department of the Environment, Heritage and the Arts to meet an increase in demand for the home insulation program. As was outlined by the department, this program will cover all eligible households until 21 December 2011 or until the date when the funds allocated for the program are exhausted. As we know, due to the fact that there has been such a high take-up of the program already, the funds needed to be brought forward to meet the demand.

In my own home electorate of Flynn in Central Queensland this program has seen huge success, which is evident in the large influx of applicants for the assistance that it provides. It has been so successful in Flynn that I have received calls from a number of suppliers of insulation that cannot source product quickly enough to keep up with the demand. It is an important program, not only for the people of Central Queensland and the electorate of Flynn but also for the people of Australia. In some parts of my electorate, temperatures quite often drop to somewhere near below zero in winter and soar above 40 degrees in summer. In these parts of Flynn, insulation makes a huge difference to homes by helping to regulate the temperature in an energy efficient manner. This program makes the lives of many of my constituents easier and their support for the program is a testament to that, with many calling our office to express their gratitude for the assistance. The bringing forward of this funding is necessary to continue to meet the increasing demand for what I believe to be an excellent program.

Another important matter that this bill seeks to address is the proposal to provide the Department of Health and Ageing with some $45.2 million in response to the H1N1 influenza virus pandemic. The funding is sought to manage this pandemic and to enhance preparedness for any future pandemics by supporting activities including but not limited to the storage, compounding and distribution of antivirals and protective equipment to health workers; production, processing and distribution of immunisation consent forms; and the conduct of an immunisation awareness campaign. As at September 2009, there were 36,028 confirmed cases of H1N1 virus in Australia. While the frequency and severity of the virus was substantially lower than its originally anticipated potential, the Australian government recognises that the pandemic needs to be properly managed. As a country, we need to be prepared for any future pandemics.

As a family man and a father of five children living in a close-knit community, I am a huge supporter of this initiative to enhance preparedness for future pandemics and the management of the virus. I have personally witnessed in my own electorate fears expressed by parents of young children about the devastating potential of the virus. It is indeed reassuring for these families to know that we as their government are actively enhancing preparation to combat future pandemics. The appropriation of funds for this excellent initiative is another vital component of this bill that has my full support.

The Department of Education, Employment and Workplace Relations will be provided with some $40 million in additional funding to meet an increase in demand for assistance from the General Employee Entitlements and Redundancy Scheme due to a rise in bankruptcies and insolvencies. I find this scheme invaluable in my electorate of Flynn. There is no denying that we are at the tail end of an absolutely devastating global financial crisis and, while our coun-
try was protected from the worst of it by the exceptional initiatives implemented by my government, many bankruptcies and insolvencies have occurred and will continue to occur as we pass over the tail end of it.

As the member for Flynn, which is arguably—or will soon be—the economic powerhouse of the nation, I know that initiatives like this will provide employees and their families with an additional security should their employer’s situation turn sour. It is a safety net that serves a very important purpose, and the appropriation of additional funding for it is something I strongly support—not just for the people in my electorate of Flynn but for all Australians who may come to need this assistance.

An additional appropriation of $63 million is proposed for the Department of Immigration and Citizenship to meet the costs of increased irregular maritime arrivals. It is quite obvious that recently there has been an increase in the frequency of irregular maritime arrivals so it is undeniable that additional funding is necessary to meet the increase in these arrivals. A new clause has also been included in the bill to give effect to the government’s decision to reduce the amount of unspent and uncommitted depreciation and make good funding that agencies have accumulated since the introduction of accrual appropriations in 1999-2000.

**Appropriation Bill (No. 4) 2009-2010** aims to appropriate additional money out of the consolidated revenue fund for certain expenditure and for related purposes. Appropriation Bill (No. 4) includes amounts which have previously been provided for as follows. Some $114.9 million has been reclassified from administered expenses to make payments direct to local government for the East Kimberley development package. There has been $18.3 million reclassified from payments which were to be made under the Federal Financial Relations Act 2009 to payments direct to local government for various Nation Building Roads to Recovery projects, and $10 million, which was unspent last financial year due to delays in the negotiation of funding arrangements, is proposed for the Regional and Local Community Infrastructure Program.

The Department of Infrastructure, Transport, Regional Development and Local Government will be provided an additional $12 million with the appropriations proposed in both of these bills. This will be utilised for the establishment of a local government reform fund to help councils manage their infrastructure and to plan for their future needs. In addition to this it will provide funding under the Regional and Local Community Infrastructure Program to support investment in community infrastructure such as libraries, community centres, sports centres and environmental infrastructure. It will improve the capability of local governments to manage their assets to better provide outcomes for communities through management of assets and financial planning processes and anticipated infrastructure needs. For all councils across Australia this is a positive step in the process of helping them build a better future for their residents.

The appropriation bills provide scope for vital funding of critical programs provided by government agencies, and capital injections into new and expanding programs and projects. It is irrefutable that the purposes for which these funds are to be appropriated are very important for the future of Australia and it is undeniable that these programs and projects are tremendously positive for all Australians.

**Mr Baldwin (Paterson) (12.29 pm)**—I rise today to speak on Appropriation Bill (No. 3) 2009-2010. This bill represents a part of the standard process of the budget cycle; however,
this bill combined with Appropriation Bill (No. 4) 2009-2010 seeks appropriations to the value of over $2 billion. In anyone’s language that is a significant amount of extra taxpayer money being sought by the Rudd Labor government—the very same government that has put Australia in tens of billions of dollars worth of national debt.

It is entirely appropriate that any appropriations being sought by a government, particularly any above those already budgeted for, should be examined very carefully. In this case, the amount alone obviously warrants careful examination, but, beyond that, any appropriations sought by the Rudd Labor government require an extra level of examination.

This is a necessity born of the Rudd Labor government’s extremely poor track record in managing Australia’s budget and their complete lack of follow-through on their own intentions to ensure that financial statements are transparent. It was the Rudd Labor government’s intention to increase the transparency of budgetary information under the auspices of Operation Sunlight. It was also their intention to take over public hospitals, it was their intention to end Japanese whaling and it was their intention to single-handedly solve the problem of climate change. As we have all learned, this government has had many intentions, but, after over two years in office, they remain just that: intentions. Intentions without a program of clear and executable actions amount to pipe dreams, and this government has been in cloud-cuckoo land, dreaming, for far too long.

It is now beyond any doubt that this Labor government has no ability to deliver on any of its intentions, promises or policies. For example, the intent of Operation Sunlight was to increase transparency of budgetary estimates and improve the readability of budget papers, yet this latest appropriation bill still smacks of Labor’s light touch in regard to transparency. An increase in transparency could be described in layman’s terms as being like installing a large glass window in a brick wall, thereby allowing the outside world to peer through and see what is on the other side. However, transparency according to the gospel of Prime Minister Rudd and his Labor disciples would be more akin to installing a small cat flap in the highest corner of the wall which can only be as accessed with a ladder and opened with a key. Now, the only key that regularly opens this cat flap is wielded by the freedom of information laws, and even then the Rudd Labor government does its level best to hinder those attempting to gain access to what should be classified as public information. That is hardly what I would describe as transparency in government.

The Rudd Labor government’s interpretation of ‘transparency’ makes it incredibly difficult to analyse exactly what the additional money in this bill will be used for. But, then again, that is how the Rudd Labor government like to operate: if nobody knows where the money is going, then they assume they cannot be held accountable. How wrong they are. This government has shown that it is willing to continue its spending binge and has demonstrated that it has no appreciation for taxpayers’ money. Having highlighted that point, I will now speak on this bill as it relates specifically to the Defence portfolio.

This bill includes an additional $690 million worth of extra funding for the Department of Defence—again, a considerable amount of money in anyone’s terms. Some of this extra funding will be used to account for items that are always subject to changes in their price, and that component of extra funding is therefore unavoidable. These items generally include such things as fluctuations in fuel prices, additional funding for operations and changes in exchange rates, which are all supplemented on a no-win, no-loss basis. However, these are only
educated assumptions. There is no actual breakdown of the $690 million provided through this bill. In fact, this bill states that there is $528 million earmarked for ‘the protection and advancement of Australia’s national interests through the provision of military capability and the promotion of security and stability’. A further $108 million is to be used for ‘the advancement of Australia’s strategic interests through the conduct of military operations and other tasks directed by government’. It is plain to see that the level and amount of information substantiating the appropriation of over half a billion dollars of taxpayers’ money is, I am afraid to say, more than just a little light-on; it is downright shameful and a deliberate act of obfuscation.

Even if we were to believe the recent statements by the member for Rankin on this bill, where he casually stated that the additional funding would be recouped in future defence budgets, how could anyone assess the validity of those statements? There are no line items. There is no detail. There are only three extremely broad statements in this bill that give no indication whatsoever as to the use of this money.

It was only with further research that we were able to garner information that revealed that $87.7 million would be used to reimburse Defence for the costs of extending its military presence in Iraq to 30 June 2009. It was only then that we could ascertain that approximately $153 million would be used to meet additional costs arising from movements in the exchange rate, and only then that we could conclude that $29.4 million was to be used to cover overspends on operations. Furthermore, we were able to ascertain that, of the $690 million, almost half, $309 million, would be used to address pressures caused by the graded other ranks pay structure review, superannuation, rental allowances and higher fuel costs. Lastly, $43.4 million would be provided to the Defence Materiel Organisation for operating costs, and a commensurate sum would be taken from the Department of Defence operating budget. None of this detail was contained in the bill.

The government’s assertion that this money would be offset in future years is not credible, and it is simply not acceptable that there is such limited detail in the bill with regard to the appropriation of over half a billion dollars of taxpayers’ money. Finally, it is in complete contrast to the Rudd government’s own intention to introduce more transparent financial information under ‘Operation Sunshine’. This is to be expected of the Rudd Labor government. This is to be expected, as it has a strong track record of obfuscating, hiding, blacking out or otherwise simply not including key financial data. This is the government that released a defence white paper some 144 pages in length while only including 1½ pages of vague budget estimates. This is the government that released a white paper that, along with the defence budget papers, was labelled as ‘the least comprehensive of the past decade’. In fact, the Australian Strategic Policy Institute, ASPI, went as far as to say:

… there is a glaring absence of substantive information on funding, investment and reform.

This is the government that released the Pappas report only because it was requested under freedom of information laws. It must be remembered that the current Minister for Defence has a reputation as being a pro-accountability and pro-disclosure political practitioner, but the strength of the Rudd government’s rhetoric machine seems to drown out all attempts to reveal the truth and stops cold any attempt to gain any access to any information that may be politically damaging.
There is a very simple reason why this government would want to say that it is pro-accountability and pro-transparency: it is what it thinks the public wants to hear, and this government is all about image. I believe the Pappas report—which, for those who are unaware, is an independent audit of the defence budget commissioned by the Rudd Labor government—is a prime example of this government’s failure to embrace its own rhetoric regarding transparency and accountability of government processes. For example, the Pappas report states that, in order to deliver capability set out in the white paper, defence spending requires real annual growth of 4.2 per cent. Yet the Rudd Labor government’s 2009-10 defence budget states that real defence spending will only increase by three per cent annually out to 2018 and by 2.2 per cent from 2017-18 to 2029-30. Simply put, this means that the government cannot afford to purchase all of the capability laid out in the white paper, including its 12 new submarines, which are going to cost at least $100 billion through their life cycle. It is no wonder that this government did not want to release the Pappas review. Its conclusions simply fly in the face of its own policy intentions.

The deliberate act of obfuscation of information is the modus operandi of this government, a government that is all spin and rhetoric and no substance or policy. Perhaps that is why it believes that it can base its future acquisition policy on the central premise that the Department of Defence can find $20 billion worth of savings over the next decade. Never mind that such savings have never before been accomplished by the Department of Defence and never mind that the vast majority of commentators agree that $20 billion of so-called savings is simply an unrealistic target.

The core issue pertains to the fact that there is very little detail from which to assess the strength of this so-called savings program or to assess the strength of the government’s defence policies. As Mark Thomson from ASPI put it, ‘Very little detail is available on the program.’ He went on to say that there is approximately $5.9 billion worth of savings, identified as part of the overall program, which remains unexplained. Again, in simple terms, this means that over a quarter of the government’s quintessential Defence savings program is not budgeted for and that it certainly does not provide an adequate amount of evidence to support its central notion that the savings program is achievable. This translates into a situation whereby we cannot critique the government because we have no benchmark on which to assess the government’s policy; it is a policy vacuum. We simply have to take on faith that this government knows what it is doing—and that, my friends, really is a bridge too far.

The Rudd Labor government’s commitment to defence over the next few years is nothing more than that originally planned and less than the coalition’s guaranteed minimum three per cent annual growth. As I have stated, this government’s defence policy hinges on the premise of savings of $20 billion. Nearly the same amount that was recklessly spent on Rudd’s cash splash can be found internally within the Department of Defence, but it is still required to fund an ambitious acquisition program. The $20 billion savings over 10 years will be difficult for the Defence bureaucrats to find, if not impossible. As Geoffrey Barker from the Australian Financial Review stated after the release of the white paper in 2009:

This year’s Defence budget has retreated from transparency, accountability and reality with the speed of an Iraqi regiment fleeing into the desert. But here is the rub … nor is it possible to know how Defence will find $20 billion in savings over the decade through the strategic reform program. It was particularly galling given that last year’s Defence Portfolio Budget Statement promised that the White Paper would...
‘include the fully costed Defence capability of the future and fully costed support functions informed by a long term cost model’. It didn’t—and neither has the budget.

There you go. What is outstanding about the latest defence budget is that there is not one new dollar being spent. The budget papers state against almost every new initiative:
The cost of this measure will be met from within the existing resourcing of the Department of Defence.

If that is true, why is the government asking for more money through this appropriation bill? Why does it feel so insecure about this bill that it has failed to identify exactly what this additional funding will be used for? Perhaps more worrying is that the government is asking for over half a billion dollars more than that approved in the most recent budget, which has been described as lacking in substantive detail and costings.

There is a widely held belief in academia, and even within the Department of Defence, that there has been a complete lack of transparency with regard to defence funding now and into the forward estimates. In the 2009-10 budget, there is a commitment to increase real defence spending by a maximum of three per cent annually to 2018 and by 2.2 per cent from 2017-18 to 2029-30. However, if you read a little more closely, you notice that the numbers are not what they seem. Defence’s total funding of $26.6 billion in 2009-10 shows an increase of 14.9 per cent, largely because of the $1.4 billion commitment to support our forces in Afghanistan. However, the increase in 2010-11 is only 1.45 per cent, to $27.028 billion. After that, the funding level falls even further: to $27.001 billion in 2011-12 and to $26.337 billion in 2012-13.

No wonder the government is using this bill to ask for more money; it never had enough to begin with. It never had enough to deliver on its promises contained in the 2009 white paper. This is a government that does not care what costs it incurs. It does not even care where the money comes from. All it cares about is looking good in front of the camera.

I wish to briefly outline now one further example of this government’s failure to be honest with the Australian public. I am referring to this government’s shadowy policy on Defence Force base closures. Within the Pappas report a total of 12 pages were dedicated to the topic of, as the government likes to call it, base rationalisation. Of these 12 pages, the vast majority of this information was simply blacked out purely for political reasons. This government is deliberately obfuscating this information in order to delay a politically tough decision so that it can protect marginal Labor seats. Quite simply, if this government was as serious about achieving savings in defence as it likes to think it is, then why weren’t the blacked-out recommendations in the Pappas review adopted? Instead, yet another review was commissioned—one that conveniently will report just after the next federal election. So much for transparency and accountability. Instead, this government has demonstrated that it is more than willing to put its own interests ahead of those of the community. More than that, it has demonstrated that it is willing to engage in the deliberate obfuscation of any information that may harm its members’ chances of being re-elected. In reality, if this Rudd Labor government was serious about ruling out base closures, it would not be conducting yet another review. If it was serious about saving money, it would get its hands dirty and implement its base rationalisation strategy. Instead, it has done neither; it has just postponed a tough decision via the implementation of yet another review.

This bill again reflects the Rudd Labor government’s addiction to debt. It has run out of money and it is asking for more. This is one of the most common tenets of the Rudd Labor...
government. The other, as I have talked about today, is that it deliberately obfuscates any information that seems to be politically sensitive regardless of the public’s right to have access to that information.

At a time when Australia’s defence forces are being asked to do more heavy lifting both regionally and globally, this Rudd Labor government is stripping $20 billion from their budget. They will tell you that it has been taken from corporate overheads and that it will not affect our frontline troops. Well, that simply is not true. It is already having an effect on our troops, on our reserves most noticeably, as they too are being asked to do more with fewer and fewer resources. They are even running out of ammunition, thanks to this government’s reckless spending policies. In typical smoke and mirrors style that we have become accustomed to with the Rudd Labor government, there is no real detail as to how Defence will secure the savings it has been asked to find, and that is simply unacceptable. What is worse is that this government is hell-bent on making sure that no-one can ever access its policy and it has a deliberate motive to hide, black out and otherwise obfuscate information critical to the natural mechanisms of a healthy democracy. This is a government that talks the talk but refuses to make the hard and tough decisions.

Mr MURPHY (Lowe) (12.47 pm)—In response to my friend and colleague the member for Paterson, I ask the House what the member for Paterson would have said to his constituents were we not to have injected our two stimulus packages into the economy last year and the previous year to deal with the global financial crisis, and the consequences that would have had for small businesses in his electorate and the concomitant loss of jobs and increased unemployment in his electorate. What would have been his answer to his constituents were we not to have put those stimulus packages into the economy? That has been borne out by the judgment of other people, not only in our own country but internationally, that we survived the global financial crisis and were at the apex of successful economies in the OECD. It is very convenient for the member for Paterson to come in here and slam the government for borrowing, but good economic policy in tough times that we have just experienced dictates that the government lends a hand and supports families, supports small businesses and supports jobs.

I am very happy to rise today to support Appropriation Bill (No. 3) 2009-2010 and Appropriation Bill (No. 4) 2009-2010, otherwise termed the additional estimates appropriation bills. These bills seek additional expenditure of money from the consolidated revenue fund to meet the requirement of the government decisions included in and made since the Mid-Year Economic and Fiscal Outlook. The total additional appropriation being sought this year is approximately $1.68 billion in bill No. 3 and $522 million in bill No. 4. In total, a little over $2 billion is proposed for requirements that have arisen since the last budget. The Rudd government is investing in Australia’s future and continues to monitor the needs of our society in an ever-changing global context. It is important to reflect on the important stimulus packages the Rudd government delivered during the period of global economic uncertainty that I have referred to. There can be no doubt that the prompt and appropriate action taken by the government assisted Australia in avoiding a technical recession. I did not hear anything from the member for Paterson, as I have just said, in relation to that.
The growth in the economy and the Reserve Bank’s decision this week to maintain the current interest rate reveals that the opposition’s call for the withdrawal of fiscal stimulus is wrong and would have been disastrous for our economy. The Rudd government will continue to work in the best interests of Australia, and the Mid-Year Economic and Fiscal Outlook delivered positive news. The forecasts show low unemployment, higher growth, lower deficits and lower debt than expected at budget. The figures underscore Australia’s position as the strongest performing advanced economy in the world. The stimulus packages provided the necessary injection of funding to our economy, saving thousands of jobs and simultaneously providing long-term benefits to our local communities. Why hasn’t the member for Paterson acknowledged that?

The requirements contained in the additional estimates appropriation bills reflect the changes that arise in program expenditure estimates, reclassifications, policy decisions, program uptake forecasts and variations in the timing of payments.

A division having been called in the House of Representatives—

The DEPUTY SPEAKER (Ms AE Burke)—The member for Lowe will have leave to continue his remarks at a later stage of the debate.

Debate (on motion by Mr Craig Thomson) adjourned.

Main Committee adjourned at 12.52 pm
QUESTIONS IN WRITING

Nation Building Economic Stimulus Plan: Social Housing Initiative
(Question No. 1061)

Mr Morrison asked the Minister for Housing, in writing, on 28 October 2009.

In respect of the Social Housing Initiative under the Nation Building Economic Stimulus Plan:

1) How many of the 37 stage 1 Social Housing Construction projects in South Australia have commenced, and on what dates.

2) What milestones are associated with these housing developments for reporting purposes, (ie, when the South Australian Government is obliged to provide a report to the Australian Government).

3) Has the Government imposed any requirement on these developments to erect and display signage advertising the Nation Building Economic Stimulus Plan; if so, what was the associated total cost.

Ms Plibersek—The answer to the honourable member’s question is as follows:

(1) There are 129 Stage 1 projects that have been approved in South Australia. These will support the construction of 248 dwellings. The following 65 projects had commenced as at the end of October 2009:

<table>
<thead>
<tr>
<th>Project</th>
<th>Project Start Date</th>
<th>Dwellings</th>
</tr>
</thead>
<tbody>
<tr>
<td>SA-001</td>
<td>30/06/2009</td>
<td>16</td>
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<tr>
<td>SA-002</td>
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</tr>
<tr>
<td>SA-003</td>
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<td>SA-006</td>
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<tr>
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South Australian Project Commencements

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<tr>
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<td>26/10/2009</td>
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<td>SA-145</td>
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</tbody>
</table>

(2) Jurisdictions are required to report project progress to the Commonwealth on a monthly basis. Additionally, a more detailed qualitative report is required from each jurisdiction on a quarterly basis.

(3) No.

**Nation Building Economic Stimulus Plan: Social Housing Initiative**

*(Question No. 1062)*

**Mr Morrison** asked the Minister for Housing, in writing, on 28 October 2009.

In respect of the Social Housing Initiative under the Nation Building Economic Stimulus Plan:

(1) How many of the 12 stage 1 construction projects approved in Tasmania have commenced construction, and on what dates.
(2) How many new dwellings are involved in these projects.

(3) What is the number of existing dwellings that have been or will be demolished as a consequence of these projects.

(4) Has Government funding been allocated to the above projects; if so, what is the total sum.

(5) Has the Government imposed any requirement on these developments to erect and display signage advertising the Nation Building Economic Stimulus Plan; if so, what was the associated total cost.

Ms Plibersek—The answer to the honourable member’s question is as follows:

(1) and (2) There are 10 Stage 1 projects that have been approved for funding in Tasmania. These will support the construction of 65 dwellings. The following four projects had commenced as at the end of October 2009:

<table>
<thead>
<tr>
<th>Tasmanian Project Commencements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project</td>
</tr>
<tr>
<td>--------</td>
</tr>
<tr>
<td>TAS-007</td>
</tr>
<tr>
<td>TAS-008</td>
</tr>
<tr>
<td>TAS-009</td>
</tr>
<tr>
<td>TAS-010</td>
</tr>
</tbody>
</table>

(3) The Tasmanian Government has advised that no dwellings across the State will be demolished to enable Stage 1 projects to proceed.

(4) The total funding that has been approved for the 10 projects in Tasmania under Stage 1 is $16,131,000.

(5) No.

Defence Materiel Organisation: Mortimer Review

(Question No. 1063)

Mr Oakeshott asked the Minister for Defence Personnel, Materiel and Science, in writing, on 29 October 2009:

(1) What action has been taken to implement each of the recommendations of the Mortimer Review of the Defence Materiel Organisation.

(2) As at 28 October 2009, what sum of money had the Government spent on implementing the recommendations.

(3) From 28 October 2009, what does the Government estimate will be the remaining cost of implementing each recommendation

Mr Combet—The answer to the honourable member’s question is as follows:

(1) The 2008 Defence Procurement and Sustainment Review (the Mortimer Review) examined the entire capability life cycle for defence equipment across the Department. It was not a review of the Defence Materiel Organisation alone. The Government agreed to 42 of the 46 recommendations in full and to the partial implementation of a further three. The recommendation that DMO be made an Executive Agency was not agreed. Implementation of the Review is progressing, and a number of recommendations have already been fully implemented. These include the creation of an independent sustainment efficiency office within the DMO, the direct appropriation of service fee funding to the DMO, and the codification of arrangements for the management of the DMO workforce.

(2) and (3) Defence is unable to provide costing information for the implementation of each individual recommendation. The estimated cost for the implementation of the Mortimer Review as a whole is $28 million over the forward estimates and $69 million over the decade (2009-10 out-turned figures) of this, approximately $0.5m has been expended to date.
Mr Oakeshott asked the Minister for Defence Personnel, Materiel and Science, in writing, on 29 October 2009:

In respect of comments attributed to Dr Stephen Gumley, Chief Executive Officer, Defence Materiel Organisation (DMO) that about 20 per cent of the DMO projects go over cost, about 20 per cent of the projects come in around budget and about 60 per cent actually come in under budget, and separate figures of 239 major projects, estimated at over $20 million, being closed over the past ten years and costing on average 98 per cent of their budget (Hansard, 23 September 2008, page 8256),

(1) Can the Minister identify which DMO projects are included in the (a) over; (b) under; and (c) around, budget categories.

(2) Can the Minister identify the 239 projects and the start and closure dates for each.

(3) From 23 September 2008 to 28 October 2009, can the Minister outline what other projects were closed and what their (a) actual, and (b) budgeted, costs were.

Mr Combet—The answer to the honourable member’s question is as follows:

(1) (a), (b), (c) and (2)

The projects included in the (a) over; (b) under; and (c) around, budget categories are listed in the following Tables 1a, 1b and 1c respectively.

Table 1a lists 44 projects (18 per cent of the 239 projects), Table 1b lists 149 projects (62 per cent of the 239 projects) and Table 1c lists 46 projects (19 per cent of the 239 projects).

The data includes 16 projects for which formal closure was not finalised but which were assessed to be technically complete and for which final budget status - four over budget, five under budget and seven around budget – was determined.

The budget that was compared to actual costs for the purposes of classifying projects as over, under or around budget, is the original budget together with all adjustments for indexation, exchange and scope change.

Project start and closure dates are those at which the opening and closing events were recorded in the DMO Capital Equipment Program Financial Planning System (CEPPLAN).

### TABLE 1 (a) PROJECTS CLOSED OVER BUDGET

<table>
<thead>
<tr>
<th>Project</th>
<th>Project Name</th>
<th>Project Opened in DMO System</th>
<th>Project Closed in DMO System</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEA 1059</td>
<td>Replacement Tactical Teleprinters</td>
<td>01-Nov-81</td>
<td>24-Aug-98</td>
</tr>
<tr>
<td>AIR 5279 PH 1</td>
<td>CAMM2</td>
<td>16-Mar-89</td>
<td>02-Mar-99</td>
</tr>
<tr>
<td>JP 129 PH 0</td>
<td>Airborne Surveillance For Land Operations Phase 0</td>
<td>10-Feb-97</td>
<td>02-Mar-99</td>
</tr>
<tr>
<td>AIR 5003</td>
<td>East Sale/Tindal Radars</td>
<td>01-Nov-84</td>
<td>06-May-99</td>
</tr>
<tr>
<td>AIR 5394 PH 3</td>
<td>EW Self Protection For Transport Aircraft</td>
<td>13-Aug-96</td>
<td>20-Apr-00</td>
</tr>
<tr>
<td>JP 12 PH 6</td>
<td>Supply Systems Redevelopment (SSRP)</td>
<td>01-Aug-89</td>
<td>29-Jan-01</td>
</tr>
<tr>
<td>JP 2008 PH 3D-0</td>
<td>MILSATCOM</td>
<td>24-Jul-97</td>
<td>29-Jan-01</td>
</tr>
<tr>
<td>LAND 116 PH 2B</td>
<td>Bushranger Infantry Mobility Vehicles (IMV)</td>
<td>24-Apr-95</td>
<td>29-Jan-01</td>
</tr>
<tr>
<td>SEA 1680 PH 1</td>
<td>Project Immune</td>
<td>02-Dec-96</td>
<td>29-Jan-01</td>
</tr>
<tr>
<td>LAND 84 PH 2</td>
<td>Trucks, Tractors And Semi-Trailers</td>
<td>30-Apr-86</td>
<td>16-Aug-02</td>
</tr>
<tr>
<td>Project</td>
<td>Project Name</td>
<td>Project Opened in DMO System</td>
<td>Project Closed in DMO System</td>
</tr>
<tr>
<td>-----------</td>
<td>--------------------------------------------------</td>
<td>------------------------------</td>
<td>------------------------------</td>
</tr>
<tr>
<td>SEA 1389 PH 1</td>
<td>Fremantle Class Patrol Boat – LOTE</td>
<td>30-Nov-98</td>
<td>16-Dec-02</td>
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<tr>
<td>DEF 7013 PH 1</td>
<td>ADF Distributed Intelligence System</td>
<td>01-Sep-92</td>
<td>24-Mar-03</td>
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<tr>
<td>JP 2045 PH 1A</td>
<td>Maritime Mining Capability</td>
<td>07-Apr-97</td>
<td>23-Jul-03</td>
</tr>
<tr>
<td>DEF 7003 PH 2A</td>
<td>Kariwara</td>
<td>01-Apr-93</td>
<td>03-Sep-03</td>
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<tr>
<td>AIR 5402 PH 0</td>
<td>ADF Air Fuelling Capability</td>
<td>25-Feb-00</td>
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<td>AIR 5395 PH 3</td>
<td>AF Air Range Capability</td>
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<td>LAND 19 PH 4</td>
<td>VLLADWS Alerting And Cueing System</td>
<td>27-Nov-92</td>
<td>01-Jul-04</td>
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<td>SEA 1074 PH 1B-2</td>
<td>Australian Mining Capability</td>
<td>23-Nov-89</td>
<td>01-Sep-04</td>
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<tr>
<td>SEA 1390 PH 1</td>
<td>Guided Missile Frigate Upgrade</td>
<td>12-Jul-94</td>
<td>30-Sep-04</td>
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<td>SEA 1418 PH 1</td>
<td>Maritime Ranges</td>
<td>07-Apr-97</td>
<td>30-Sep-04</td>
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<td>SEA 1428 PH 1</td>
<td>Evolved Sea Sparrow Ph 1</td>
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<td>Anzac ASMD and AWD Studies</td>
<td>07-Apr-97</td>
<td>30-Sep-04</td>
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<td>LAND 52 PH 4</td>
<td>Medium Recovery Vehicle</td>
<td>04-Nov-92</td>
<td>06-Oct-04</td>
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<td>JP 8001 PH 1B</td>
<td>Headquarters Australian Theatre</td>
<td>01-Dec-97</td>
<td>02-Dec-04</td>
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<td>LAND 112 PH 2</td>
<td>Australian Light Armoured Vehicle (ASLAV)</td>
<td>06-Aug-91</td>
<td>18-Feb-05</td>
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<td>AIR 5232 PH 2</td>
<td>Air Navigational Trainer</td>
<td>01-Nov-93</td>
<td>16-Jun-05</td>
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<td>AIR 5401 PH 2</td>
<td>Medium Tactical Airlift Capability Simulator</td>
<td>01-Dec-97</td>
<td>16-Jun-05</td>
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<tr>
<td>SEA 1229 PH 1</td>
<td>Active Missile Decoy Ph 1</td>
<td>01-Aug-93</td>
<td>16-Jun-05</td>
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<td>Heavyweight Torpedo Studies</td>
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<td>JP 2061 PH 1</td>
<td>C31 Technology Demonstrator (Exc3ite)</td>
<td>01-Dec-97</td>
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<td>SEA 1412 PH 2</td>
<td>Maritime Warfare Training Centre</td>
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<td>MILSATCOM - Military Satellite Payload</td>
<td>01-Dec-97</td>
<td>07-Aug-08</td>
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<td>LAND 125 PH 2A</td>
<td>Soldier Combat System</td>
<td>28-May-00</td>
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<td>AIR 5376 PH 1</td>
<td>F/A-18 Hornet Upgrade</td>
<td>24-Apr-95</td>
<td>28-Oct-08</td>
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<td>JP 2049 PH 1</td>
<td>Multi-Level Information Security</td>
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<tr>
<td>SEA 1297 PH 2B</td>
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<tr>
<td>JP 5195 PH 3B</td>
<td>GPS Navstar</td>
<td>26-Apr-94</td>
<td>02-Dec-04</td>
</tr>
<tr>
<td>SEA 1230 PH</td>
<td>Modernisation Of DDGS</td>
<td>01-Dec-81</td>
<td>02-Dec-04</td>
</tr>
<tr>
<td>AIR 5225 PH 3A</td>
<td>F111 Commonality</td>
<td>02-Dec-96</td>
<td>13-May-05</td>
</tr>
<tr>
<td>AIR 5225 PH 3C</td>
<td>F111G Attrition Aircraft Buy</td>
<td>01-Jun-93</td>
<td>13-May-05</td>
</tr>
<tr>
<td>AIR 5046 PH 3C</td>
<td>Blackhawk Flight Simulator</td>
<td>26-Apr-94</td>
<td>16-Jun-05</td>
</tr>
<tr>
<td>AIR 5077 PH 2</td>
<td>AEW&amp;C Initial Design Activity</td>
<td>13-Aug-96</td>
<td>16-Jun-05</td>
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<tr>
<td>AIR 5136 PH 2B</td>
<td>F111C Ate Replacement</td>
<td>01-Nov-90</td>
<td>16-Jun-05</td>
</tr>
<tr>
<td>AIR 5225 PH 2</td>
<td>F111 Avionics Update</td>
<td>01-Aug-88</td>
<td>16-Jun-05</td>
</tr>
<tr>
<td>JP 1 PH M</td>
<td>Harpoon Missiles</td>
<td>24-Apr-95</td>
<td>16-Jun-05</td>
</tr>
<tr>
<td>LAND 53 PH 1D</td>
<td>Ninox - LTTS</td>
<td>21-Apr-98</td>
<td>16-Jun-05</td>
</tr>
<tr>
<td>SEA 1656 PH 1</td>
<td>Network Enabled Undersea Warfare Study</td>
<td>16-Jan-03</td>
<td>16-Jun-05</td>
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<tr>
<td>JP 2042 PH 1A</td>
<td>ADF Capability</td>
<td>13-Aug-96</td>
<td>31-Oct-05</td>
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<tr>
<td>JP 2070 PH 1</td>
<td>Lightweight ASW Torpedo Studies</td>
<td>03-Mar-98</td>
<td>01-Nov-05</td>
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<tr>
<td>AIR 5394 PH 1</td>
<td>Electronic Self Protection For Transport Aircraft</td>
<td>01-Sep-93</td>
<td>09-Nov-05</td>
</tr>
<tr>
<td>JP 126 PH 1</td>
<td>Joint Theatre Distribution</td>
<td>03-Jul-01</td>
<td>22-Mar-06</td>
</tr>
<tr>
<td>AIR 5276 PH 5A</td>
<td>AP-3C Fast Track FLIR Upgrade</td>
<td>18-Mar-04</td>
<td>25-May-06</td>
</tr>
<tr>
<td>JP 2077 PH 2A</td>
<td>Improvements To The Logistics Information System</td>
<td>26-Aug-03</td>
<td>25-May-06</td>
</tr>
<tr>
<td>SEA 1431 PH 1</td>
<td>S-70B-2 Fleet Support Development</td>
<td>13-Aug-96</td>
<td>23-Jun-06</td>
</tr>
<tr>
<td>JP 2090 PH 1A</td>
<td>Coalition Network Exchange (CNX) CTD</td>
<td>27-Jan-04</td>
<td>29-Aug-06</td>
</tr>
<tr>
<td>JP 2077 PH 1</td>
<td>Improvements To The Logistics Information System</td>
<td>05-Jul-01</td>
<td>14-Feb-07</td>
</tr>
<tr>
<td>LAND 19 PH 2B</td>
<td>VLLADWS Advanced Air Defence Simulator</td>
<td>24-Apr-95</td>
<td>12-Mar-07</td>
</tr>
<tr>
<td>JP 2054 PH 1</td>
<td>Defence Messaging &amp; Directory Environment</td>
<td>01-Dec-97</td>
<td>20-Mar-07</td>
</tr>
<tr>
<td>JP 2047 PH 1A</td>
<td>Defence Wide Area Communications Network - ET</td>
<td>08-Nov-99</td>
<td>31-Jul-07</td>
</tr>
<tr>
<td>LAND 53 PH 1E</td>
<td>Ninox - Ground Surveillance Radar (GSR)</td>
<td>26-Jul-99</td>
<td>30-Nov-07</td>
</tr>
<tr>
<td>AIR 15</td>
<td>F/A-18 Hornet</td>
<td>19-Oct-81</td>
<td>07-Aug-08</td>
</tr>
<tr>
<td>Project</td>
<td>Project Name</td>
<td>Project Opened in DMO System</td>
<td>Project Closed in DMO System</td>
</tr>
<tr>
<td>---------</td>
<td>--------------</td>
<td>-------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>JP 5195 PH 2</td>
<td>GPS Navstar</td>
<td>26-Apr-94</td>
<td>28-Oct-08</td>
</tr>
<tr>
<td>JP 2062 PH 1</td>
<td>Global Hawk Collaboration Technology Demonstrator</td>
<td>04-Feb-98</td>
<td>29-Jan-09</td>
</tr>
<tr>
<td>DEF 777</td>
<td>Other Central Projects</td>
<td>01-Apr-95</td>
<td></td>
</tr>
<tr>
<td>AIR 5384 PH 3</td>
<td>Peacemate</td>
<td>24-Apr-95</td>
<td></td>
</tr>
<tr>
<td>JP 1 PH N&amp;Q</td>
<td>Harpoon Missiles</td>
<td>02-Dec-96</td>
<td></td>
</tr>
<tr>
<td>SEA 1448 PH 1</td>
<td>Anzac Ship Anti-Ship Missile Defence Upgrade</td>
<td>19-Feb-01</td>
<td></td>
</tr>
</tbody>
</table>

**TABLE 1 (c) PROJECTS CLOSED “AROUND” BUDGET**

<table>
<thead>
<tr>
<th>Project</th>
<th>Project Name</th>
<th>Project Opened in DMO System</th>
<th>Project Closed in DMO System</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEA 1185 PH 1</td>
<td>Combat Systems Trainer</td>
<td>01-Nov-84</td>
<td>02-Jul-98</td>
</tr>
<tr>
<td>JP 1 PH H&amp;I</td>
<td>Harpoon Missiles</td>
<td>01-Nov-91</td>
<td>15-Jul-98</td>
</tr>
<tr>
<td>AIR 5387 PH 2</td>
<td>WSSP PDS (Weapon System Supply Facility)</td>
<td>01-Nov-92</td>
<td>24-Aug-98</td>
</tr>
<tr>
<td>LAND 123 PH 1</td>
<td>Mulgara - Light Surveillance Vehicle</td>
<td>24-Apr-95</td>
<td>24-Aug-98</td>
</tr>
<tr>
<td>SEA 1184</td>
<td>FFGS-01-04</td>
<td>07-Apr-74</td>
<td>24-Aug-98</td>
</tr>
<tr>
<td>JP 2049 PH 0</td>
<td>Multi-Level Information Security</td>
<td>06-May-96</td>
<td>02-Mar-99</td>
</tr>
<tr>
<td>JP 65 PH 0</td>
<td>Parakeet</td>
<td>11-Jun-96</td>
<td>02-Mar-99</td>
</tr>
<tr>
<td>SEA 1397 PH 1</td>
<td>Nulka</td>
<td>28-Jul-86</td>
<td>02-Mar-99</td>
</tr>
<tr>
<td>LAND 112 PH 1</td>
<td>Wheeled Armoured Fighting Vehicle (WAFV)</td>
<td>16-Jun-89</td>
<td>06-May-99</td>
</tr>
<tr>
<td>LAND 50 PH 5</td>
<td>Electronic Warfare Command/Processing Centre</td>
<td>01-Nov-86</td>
<td>16-May-00</td>
</tr>
<tr>
<td>JP 2043 PH 2A</td>
<td>HF Modernisation</td>
<td>01-Nov-93</td>
<td>29-Jan-01</td>
</tr>
<tr>
<td>LAND 121 PH 2B</td>
<td>General Service Field Vehicles</td>
<td>08-Nov-99</td>
<td>23-Jul-03</td>
</tr>
<tr>
<td>LAND 19 PH 5A</td>
<td>Point Air Defence Weapons System LOTE</td>
<td>03-Jul-01</td>
<td>23-Jul-03</td>
</tr>
<tr>
<td>SEA 1182 PH 2C</td>
<td>Minesweeper</td>
<td>24-Apr-95</td>
<td>23-Jul-03</td>
</tr>
<tr>
<td>SEA 1435 PH 1</td>
<td>LPI Sonar - CTD</td>
<td>04-Feb-98</td>
<td>23-Jul-03</td>
</tr>
<tr>
<td>SEA 1444 PH 0</td>
<td>Patrol Boat Replacement</td>
<td>19-Nov-99</td>
<td>23-Jul-03</td>
</tr>
<tr>
<td>SEA 1439 PH 1A</td>
<td>Collins Enhancement &amp; New Generation Submarines</td>
<td>04-Feb-98</td>
<td>01-Sep-04</td>
</tr>
<tr>
<td>JP 2077 PH 2</td>
<td>Improvements To The Logistics Information System</td>
<td>16-Jan-03</td>
<td>11-Feb-05</td>
</tr>
<tr>
<td>JP 8001 PH 2A</td>
<td>HQ Australian Theatre</td>
<td>27-Feb-03</td>
<td>16-Jun-05</td>
</tr>
<tr>
<td>SEA 1439 PH 2A</td>
<td>Collins Submarines Combat Systems Enhancements PDS</td>
<td>21-Apr-98</td>
<td>16-Jun-05</td>
</tr>
<tr>
<td>JP 2080 PH 2A</td>
<td>Defence Management Systems Improvement Project</td>
<td>09-Feb-04</td>
<td>31-Oct-05</td>
</tr>
</tbody>
</table>
(3) The projects that have closed in the period 23 September 2008 to 28 October 2009 are listed in the following Table 2.

Actual and budgeted costs are shown for each listed project. Budgeted Costs is the original budget together with all adjustments for indexation, exchange and scope change.

The total actual costs for the 13 projects was $388 million, 91 per cent of the total budget of $424 million.

<table>
<thead>
<tr>
<th>Project</th>
<th>Project Name</th>
<th>Project Opened in DMO System</th>
<th>Project Closed in DMO System</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEA 1390 PH 5</td>
<td>Mk 92 Radar Support Equipment - Design Study</td>
<td>30-Jun-04</td>
<td>01-Nov-05</td>
</tr>
<tr>
<td>JP 5408 PH 1B</td>
<td>GPS Enhancement - MOU</td>
<td>16-Jan-03</td>
<td>31-Jul-07</td>
</tr>
<tr>
<td>SEA 4000 PH 3.1</td>
<td>Air Warfare Destroyer Program - Aegis Combat System</td>
<td>05-Dec-05</td>
<td>30-Nov-07</td>
</tr>
<tr>
<td>JP 2060 PH 2A</td>
<td>ADF Deployable Medical Capability</td>
<td>22-Aug-03</td>
<td>27-May-08</td>
</tr>
<tr>
<td>AIR 5401 PH 1</td>
<td>Medium Tactical Airlift Capability</td>
<td>30-Nov-98</td>
<td>07-Aug-08</td>
</tr>
<tr>
<td>JP 2082 PH 1</td>
<td>Broadband Solid State High Power Amp For TWT Repla</td>
<td>03-Jul-01</td>
<td>07-Aug-08</td>
</tr>
<tr>
<td>LAND 148 PH 1</td>
<td>Acoustic Threat Localisation System</td>
<td>08-Jan-04</td>
<td>07-Aug-08</td>
</tr>
<tr>
<td>SEA 1432 PH 2</td>
<td>Acoustic Mine Imaging System</td>
<td>16-Mar-99</td>
<td>07-Aug-08</td>
</tr>
<tr>
<td>AIR 5401 PH 3A</td>
<td>Medium Tactical Airlift Capability - EWSP</td>
<td>21-Apr-98</td>
<td>28-Oct-08</td>
</tr>
<tr>
<td>JP 129 PH 1</td>
<td>Airborne Surveillance For Land Operations</td>
<td>01-Dec-97</td>
<td>28-Oct-08</td>
</tr>
<tr>
<td>SEA 1436 PH 1</td>
<td>Advanced Mine Warfare Sonar</td>
<td>01-Dec-97</td>
<td>28-Oct-08</td>
</tr>
<tr>
<td>JP 2077 PH 2C</td>
<td>Improvements To The Logistics Information Systems</td>
<td>01-Nov-05</td>
<td>28-Oct-08</td>
</tr>
<tr>
<td>AIR 7000 PH 1.1</td>
<td>North West Shelf UAV Trial</td>
<td>09-Feb-06</td>
<td>29-Jan-09</td>
</tr>
<tr>
<td>LAND 150 PH 1 CTD</td>
<td>Perimeter Surveillance Equipment</td>
<td>31-Aug-04</td>
<td>03-Jul-09</td>
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<tr>
<td>SEA 1437 PH 1</td>
<td>Enterprise</td>
<td>30-Nov-98</td>
<td>11-Aug-09</td>
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<tr>
<td>AIR 7000 PH 1B</td>
<td>Multi-Mission Unmanned Aerial System (MUAS)</td>
<td>18-Jul-06</td>
<td>11-Aug-09</td>
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<tr>
<td>JP 2057 PH 1</td>
<td>Space Based Infra-Red System (SBRS)</td>
<td>28-Mar-00</td>
<td>04-Oct-02</td>
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<tr>
<td>DEF 333 PH 2A</td>
<td>Trinity</td>
<td>16-Jan-03</td>
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<tr>
<td>SEA 4000 PH 1A</td>
<td>Air Warfare Destroyer - Non Design Related Studies</td>
<td></td>
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<tr>
<td>JP 8001 PH 3C</td>
<td>Accredited Secure Intelligence Facility</td>
<td>27-Feb-03</td>
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<tr>
<td>JP 2077 PH 2B.2</td>
<td>ADF Deployable Logistics Systems</td>
<td>05-Dec-06</td>
<td></td>
</tr>
<tr>
<td>AIR 7000 PH 2</td>
<td>Maritime Patrol And Response Aircraft System</td>
<td>29-Nov-07</td>
<td></td>
</tr>
<tr>
<td>JP 2077 PH 2D</td>
<td>Improved Logistics Information Systems</td>
<td>22-May-07</td>
<td></td>
</tr>
</tbody>
</table>
Mr Oakeshott asked the Minister for Defence Personnel, Materiel and Science, in writing, on 29 October 2009:

In respect of the dismissal of Ms Jane Wolfe from the Department of Defence in March 2009,

(1) Can the Minister outline the legislative responsibilities of the (then) Public Service Commissioner and the Chief Executive Officer (CEO) of the Defence Materiel Organisation (DMO) when reviewing the dismissal of Ms Jane Wolfe, and confirm that these legislative responsibilities and the requirements of fairness, natural justice and privacy were complied with in the review.

(2) In respect of the DMO’s Wikipedia website, can the Minister confirm (a) that it is normal practice for a Government department to maintain such a site, (b) who monitors the publication of information on this website, (c) how the integrity of the Wikipedia page is maintained given the ability of registered users to freely edit content, (d) the guidelines for the publication of information in Wikipedia and whether the DMO adheres to these guidelines, (e) that it is appropriate to publish the sacking of any employee on such a website, and (f) why there is a reference under Leadership on the website to the dismissal of one leader of DMO, but no other information regarding any other leader of DMO.

Mr Combet—The answer to the honourable member’s question is as follows

(1) The Public Service Act 1999 does not provide for reviews of termination of employment decisions. Ms Wolfe made the decision to have the matter reviewed via a judicial review in the Federal Court.

(2) (a to e) As DMO and Defence neither control, contribute to, monitor, maintain or check the integrity of Wikipedia pages, it is not appropriate to respond.
National Affordable Housing Agreement
(Question No. 1067)

Mr Morrison asked the Minister for Housing, in writing, on 29 October 2009.

In respect of the National Affordable Housing Agreement:

(1) Has any funding allocated to State and Territory governments under this agreement been made on a conditional basis; if so, what are the conditions; if not, why not.

(2) Are there any specific requirements under this agreement for State and Territory governments to release land supply for housing specifically to improve housing affordability; if so, what are the requirements; if not, why not.

Ms Plibersek—The answer to the honourable member’s question is as follows:

(1) Funding is allocated according to the requirements as set out in the National Affordable Housing Agreement (NAHA) and, like other National Agreements, needs to be viewed in conjunction with the Intergovernmental Agreement on Federal Financial Relations (IGA). A copy of the NAHA and the IGA is available on the Council of Australian Government’s (COAG) website.

(2) The NAHA commits Governments to joint action to achieve the outcome of ‘people have access to housing through an efficient and responsive housing market’. The NAHA states that outcomes will be delivered through outputs including the number of zoned lots available for residential construction. Specific agreements have been reached in relation to planning and the supply of lots, including:

- an audit of surplus land owned by State and Territory Governments;
- an increase in the proportion of code based assessments;
- State and Territory participation in the data collection of the national Housing Supply Council to collect the first accurate data on housing supply and demand in more than a decade; and
- the rollout of electronic development assessments.

Work for the Dole
(Question No. 1071)

Dr Southcott asked the Minister representing the Minister for Employment Participation, in writing, on 29 October 2009:

In respect of the 2008-09 Annual Report for the Department of Education, Employment and Workplace Relations, can the Minister advise why the number of Work for the Dole participants was 9,582 less than estimated.

Ms Gillard—The Minister for Employment Participation has provided the following answer to the honourable member’s question:

Work for the Dole represented only one Mutual Obligation option which job seekers could undertake. Other options included voluntary work, Community Work, participation in the Defence Force Reserves, Language, Literacy and Numeracy Programme and other training courses.

The decrease also reflects the strong labour market conditions and low unemployment rate present for much of the 2007/08 period, which subsequently resulted in a reduction in numbers of referrals and commencements into Work for the Dole.
Green Corps Program  
(Question No. 1072)

Dr Southcott asked the Minister representing the Minister for Employment Participation, in writing, on 29 October 2009:

In respect of the Green Corps program that operated until 30 June 2009, can the Minister advise whether this program was demand driven, or whether places were capped; if capped, how many places were available in 2008-09.

Ms Gillard—The Minister for Employment Participation has provided the following answer to the honourable member’s question:

Job Services Australia  
(Question No. 1074)

Dr Southcott asked the Minister representing the Minister for Employment Participation, in writing, on 29 October 2009:

In respect of Job Services Australia, for each stream, can the Minister indicate the: (a) numbers in the active caseload; (b) number of placements achieved in (i) July 2009, (ii) August 2009, and (iii) September 2009; and (c) amount paid to providers from 1 July to 29 October 2009.

Ms Gillard—The Minister for Employment Participation has provided the following answer to the honourable member’s question:

(a) The number of job seekers on the Job Services Australia caseload, for Fully Eligible job seekers in Streams 1 – 4, as at 29 October 2009 is shown in the table below.

<table>
<thead>
<tr>
<th>Stream*</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stream 1</td>
<td>243,183</td>
</tr>
<tr>
<td>Stream 2</td>
<td>183,392</td>
</tr>
<tr>
<td>Stream 3</td>
<td>208,193</td>
</tr>
<tr>
<td>Stream 4</td>
<td>100,487</td>
</tr>
<tr>
<td>Total</td>
<td>735,255</td>
</tr>
</tbody>
</table>

* Stream caseloads do not include job seekers yet to complete the Job Seeker Classification Instrument or Stream 1 Limited job seekers.

(b) The number of placements reported by Job Services Australia in July, August and September 2009 are shown in the table below. Reported placements are those recorded in the DEEWR IT System, generally for Job Placement fee purposes, and do not include additional placements in respect of job seekers for whom no placement fee is claimed.

<table>
<thead>
<tr>
<th>Result Entered Month</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2009</td>
<td>10,820</td>
</tr>
<tr>
<td>August 2009</td>
<td>21,770</td>
</tr>
<tr>
<td>September 2009</td>
<td>30,531</td>
</tr>
<tr>
<td>Total</td>
<td>63,121</td>
</tr>
</tbody>
</table>

(c) Job Services Australia expenditure is reported periodically as part of formal departmental reporting requirements, including in the Annual Report.
Job Services Australia
(Question No. 1078)

Dr Southcott asked the Minister representing the Minister for Employment Participation, in writing, on 29 October 2009:

In respect of Job Services Australia, can the Minister provide the breakdown of the number of job seekers who are currently enrolled in each type of (recognised) work experience activity.

Ms Gillard—The Minister for Employment Participation has provided the following answer to the honourable member’s question:

This question was asked and answered at the Education, Employment and Workplace Relations Senate Estimates hearing on Wednesday 21 October 2009.

Long-Term Unemployed
(Question No. 1079)

Dr Southcott asked the Minister representing the Minister for Employment Participation, in writing, on 29 October 2009:

As at 29 October 2009, how many job seekers were currently classified as Very Long Term Unemployed and how does this compare with the figures from the same time in 2008.

Ms Gillard—The Minister for Employment Participation has provided the following answer to the honourable member’s question:

As at 29 October 2009 there were approximately 201,200 job seekers on the Job Services Australia caseload classified as Very Long Term Unemployed. Job Services Australia commenced on 1 July 2009 and this number is not referrable to the former programs in existence at the same time in 2008.

Work Experience Placement Program
(Question No. 1080)

Dr Southcott asked the Minister representing the Minister for Employment Participation, in writing, on 29 October 2009:

Of the 1749 job seekers who undertook a Work Experience Placement in 2008–09, how many gained employment with their Work Experience host?

Ms Gillard—The Minister for Employment Participation has provided the following answer to the honourable member’s question:

The Work Experience Placement program was targeted towards the most disadvantaged job seekers commenced in Intensive Support in Job Network, or in the Disability Employment Network, or Vocational Rehabilitation Services. The program allowed eligible job seekers to take part in work experience to gain skills and experience to enhance their employment prospects and encourage more active participation in the workplace. It also aimed to develop job seekers’ abilities to work as part of a team and allowed them to demonstrate their capacity to perform productive work. In 2008–09, 248 job seekers gained employment with their Work Experience Placement host organisation.

For highly disadvantaged job seekers, gaining such real, workplace based experience with a potential employer may be challenging under normal circumstances. The fact that so many highly disadvantaged job seekers were able to participate in such a program was a positive outcome in itself. As a result of their participation, job seekers also obtained employment with organisations other than their Work Experience Placement host organisation, or moved into engagement in other areas, such as study, often after their formal placement had concluded. In addition to the 248 mentioned above, a further 78 job
seekers achieved other positive outcomes, such as moving into full or part time employment, and full or part time study.

Job Seekers
(Question No. 1081)

Dr Southcott asked the Minister representing the Minister for Employment Participation, in writing, on 29 October 2009:
As at 29 October 2009, what total number of job seekers had been referred to a Comprehensive Compliance Assessment.

Ms Gillard—The Minister for Employment Participation has provided the following answer to the honourable member’s question.
As at 29 October 2009, 298 job seekers have had a Comprehensive Compliance Assessment (CCA).

Job Seekers
(Question No. 1082)

Dr Southcott asked the Minister for Employment Participation, in writing, on 29 October 2009:
As at 29 October 2009, what total number of job seekers had a ‘No Show, No Pay’ recorded for failing to attend a (a) job interview, (b) provider appointment, and (c) mutual obligation activity.

Ms Gillard—The Minister for Employment Participation has provided the following answer to the honourable member’s question:
(a) As at 29 October 2009, 293 job seekers had an applied ‘No Show, No Pay’ failure recorded for failing to attend a job interview.
(b) N/A
(c) As at 29 October 2009, 2017 job seekers had a ‘No Show, No Pay’ recorded for failing to undertake an activity.

Work Experience
(Question No. 1084)

Dr Southcott asked the Minister representing the Minister for Employment Participation, in writing, on 29 October 2009:
Can the Minister advise what proportion of Work Experience is expected to comprise voluntary work.

Ms Gillard—The Minister for Employment Participation has provided the following answer to the honourable member’s question:
The expectation is that providers will tailor Work Experience activities to meet the individual needs of the job seeker.

Education, Employment and Workplace Relations: Audited Contracts
(Question No. 1085)

Dr Southcott asked the Minister for Education, in writing, on 29 October 2009:
In respect of her department’s contracts that were audited in the Confidentiality in Government Contracts—Senate Order for Departmental and Agency Contracts (Calendar Year 2008 Compliance), undertaken by the Australian National Audit Office: can the Minister provide these by their recorded contract number on the AusTender website.
Ms Gillard—The answer to the honourable member’s question is as follows:

The Australian National Audit Office sourced the 46 audited contracts from the Senate Order 192 listing published on the Department of Education Employment and Workplace Relations web site. These contracts were crosschecked with AusTender data. The table below lists the 46 audited contracts with their Senate Order 192 and AusTender publication details.

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Visits by Overseas Delegations
(Question No. 1086)

Ms Julie Bishop asked the Prime Minister, in writing, on 29 October 2009:

(1) What is the total number of (a) delegations, and (b) delegates of each delegation.

(2) For each delegation, what is the name of the country from which each delegate was from.

(3) What are the dates of the visits of each delegation, including the arrival and departure dates for each delegate.

(4) For each delegation, what were the names and positions of all officials, including support staff.

(5) What States and Territories did each delegate visit.

(6) What is the name of every hotel used by each delegate.

(7) For each delegate, what was the cost to the Government of:
   (a) the international and domestic airfares, including the class of travel, for each flight,
   (b) meals,
   (c) layovers in other countries,
   (d) hospitality,
   (e) internal transport,
   (f) ceremonies,
   (g) accommodation per night,
   (h) travel allowances,
   (i) gifts,
   (j) functions,
   (k) travel insurance, and
   (l) other expenses.

(8) What has been the total cost to the Government of all official delegates to Australia, including for all of the items listed in part (7).

Mr Rudd—I am advised that the answer to the honourable member’s question is as follows:

Between 3 December 2007 and 29 October 2009, there were 56 visits to Australia under the Guest of Government (GoG) Program administered by the Department of the Prime Minister and Cabinet. This
total was comprised of seven head of state visits, 15 head of government visits, 33 ministerial visits, and one royal visit.

It is considered that provision of detailed answers to all of the above questions in respect of those visits would require an unreasonable diversion of resources. However, the following general information is provided by way of background.

With head of state and head of government visits, the Australian Government accepts financial responsibility for the leader and spouse (if accompanying), and eight party members – ie a maximum of 10 people. With ministerial visits, the Australian Government accepts financial responsibility for the minister and spouse (if accompanying), and one other party member – ie a maximum of three people.

In all cases, if the spouse does not travel, that entitlement is not transferable to another party member.

In all cases, the entitlement is for a maximum of five nights/six days. Most visits are for less than the maximum.

For heads of state, heads of government and ministers, a suite is provided at the respective hotels. For other members of a party for whom we are responsible, a standard room is provided.

A RAAF VIP aircraft is provided (if available) for all air travel within Australia for heads of state and heads of government. Business class air travel on scheduled flights is provided for ministers for travel within Australia.

Ground transport for all visits is arranged through Comcar. Up to four vehicles are provided for each visit. Although the principal is always in a Comcar, the other three vehicles can be any mix of cars and/or buses.

For GoG visits, gifts are provided to the principal (and spouse if accompanying). Gifts are not provided to other members of a visiting party.

One major Australian Government hospitality occasion is provided during each GoG visit. This is usually a lunch or a dinner, but on some occasions has been a reception.

For GoG visits, no assistance is provided with international air travel, nor is any assistance provided with layovers in other countries.

Travel allowance and travel insurance are never provided to visitors under the GoG program.

All of the 56 visits referred to above were funded from the relevant annual State occasions and official visits administered item, for which budget and actual expenditure are reported in the Department’s Portfolio Budget Statements and Annual Report.

**Nation Building Economic Stimulus Plan**

(Question No. 1087)

Mr Morrison asked the Minister for Housing, in writing, on 29 October 2009.

In respect of the under the Nation Building Economic Stimulus Plan: is it a fact that the implementation plan that has been approved for Queensland under this program includes the purchase and renovation of former motel sites; if so, (a) what were the costs associated with the purchase and renovation works for (i) Rum City Motel, Bundaberg, (ii) Sun and Surf Motel, Maroochydore, (iii) Diggers Rest Motel, Maryborough, (iv) Hilltop Motel, Gympie, (v) Sugar City Motel, Mackay, and (vi) Blue Anchor Motel, Yeppoon, and (b) how many social housing dwellings have been provided in each completed development.

Ms Plibersek—The answer to the honourable member’s question is as follows:

(a) (i), (ii), (iii), (iv), (v), (vi) and (b) The Social Housing Initiative is not funding any projects on the sites specified above.
People-Smuggling
(Question Nos 1088 and 1089)

Ms Julie Bishop asked the Prime Minister and Minister for Foreign Affairs, in writing, on 16 November 2009:

(1) What advice has been sought or received by the Government about the effect on the people smuggling trade arising from the 2008 changes to Australia’s border protection laws.

(2) Was any Government department or agency asked to provide advice to the Government about the relationship between Australia’s border protection laws and people smuggling prior to the 2008 changes; if so,
   (a) what departments,
   (b) which ones provided advice, and
   (c) what was the advice.

(3) Has any
   (a) representative from an overseas country, and/or
   (b) domestic or international agency, raised with the Government or its officials, the possibility that the 2008 changes to Australia’s border protection laws have made the country a more attractive target for people smugglers.

Mr Rudd—I am advised that the answer to the honourable member’s question is as follows:

(1 & 2) Since the election of the Government, many Government departments and agencies have provided to relevant ministers, and continue to provide, a broad range of advice related to border protection and people smuggling, which includes border security advice, intelligence assessments and legal advice and may include advice prepared for purposes of Cabinet deliberations. Attempting to identify the details of all such advice, and whether any of that advice was of the nature referred to in the question, would require an unreasonable diversion of resources. This conclusion takes into account that the substance of much or all of any such advice would be expected to be subject to public interest immunity claims on grounds including adverse impacts on Cabinet processes, intelligence collection, international relations and law enforcement.

(3) Officials in Australia and at overseas posts interact with numerous individuals in regard to immigration and border security issues on a daily basis. Attempting to identify all such communications, and whether any of those communications were of the nature referred to in the question, would require an unreasonable diversion of resources. Moreover, public disclosure of any such conversations may jeopardise ongoing diplomatic relations.

Agriculture, Fisheries and Forestry: Departmental File
(Question No. 1091)

Mrs Moylan asked the Minister for Agriculture, Fisheries and Forestry, in writing, on 16 November 2009:

Further to the answer to question No. 938 (Hansard, 20 October 2009, page 75):

(1) Is there a final report of the department’s September 2002 investigation into the livestock vessel MV Al Kuwait; if so, is it available to the public; if so, what is its title and from where is it available.

(2) What were the primary and secondary reasons for selecting this topic for investigation.

(3) What were the main and secondary objectives of the investigation.

QUESTIONS IN WRITING
(4) What were the primary and secondary outcomes of this investigation.
(5) What was the total cost to the department of the investigation.
(6) Is an itemised account available to the public of how the costs in part (5) were incurred; if so, from where is it available.

Mr Burke—The answer to the honourable member’s question is as follows:

(1) – (6) I am advised that there were no circumstances relating to the voyage of the livestock vessel, MV Al Kuwait, in September 2002 that required an investigation to be conducted. Therefore, the department did not conduct an investigation into this voyage.

Landmines
(Question No. 1092)

Ms Julie Bishop asked the Minister for Foreign Affairs, in writing, on 16 November 2009:
What sum of money will the Government commit from 1 July 2011 to 30 June 2015 for the removal of landmines and survivor assistance.

Mr Stephen Smith—The answer to the honourable member’s question is as follows:


Under the strategy, Australia has pledged $100 million to mine action over the next five calendar years, 2010-2014 inclusive, to work towards a world free from landmines, cluster munitions and other explosive remnants of war. The strategy includes measures for survivor assistance.

Mr James Elder
(Question No. 1094)

Ms Julie Bishop asked the Minister for Foreign Affairs, in writing, on 16 November 2009:

(1) Has he raised any concerns with the Sri Lanka Government about Mr James Elder’s expulsion from Sri Lanka; if so, on what date(s) and at what level.
(2) Has he spoken with the High Commissioner of Sri Lanka about this matter; if so, on what date(s) and at what level.

Mr Stephen Smith—The answer to the honourable member’s question is as follows:

(1) & (2) The views of the Australian Government in relation to the expulsion of Mr James Elder, a UNICEF official, were presented to the House in the Ministerial Statement on Sri Lanka that I (Mr Smith) delivered on 14 September 2009. In the Statement, I (Mr Smith) referred to Mr Elder’s reported remarks. I added that Mr Elder had been making the point, as had the Australian Government, that we needed to see unimpeded access by international agencies to the camps for internally displaced people. On the same day, 14 September, the Statement was delivered to the Sri Lankan Foreign Minister by our High Commissioner in Colombo, and the Sri Lankan High Commission in Canberra was informed of the Statement. The Government’s views were also conveyed directly to Sri Lankan Government officials by Australia’s High Commissioner in Colombo.

Furthermore, in a tabled response to House of Representatives Question on Notice 996 from Mr Oakeshott of 10 September 2009, I (Mr Smith) said on 20 October that the matter of Mr Elder’s visa was one for the Sri Lankan Government, Mr Elder and the United Nations to resolve. Mr Elder and UN officials had indicated to Australian officials that representations by Australia to the Sri Lankan Government regarding the visa were not required.
Venezuela: Nuclear Proliferation
(Question No. 1095)

Ms Julie Bishop asked the Minister for Foreign Affairs, in writing, on 16 November 2009:
Has he raised any concerns with the Ambassador of Venezuela about nuclear proliferation; if so, on what date(s), and at what level.

Mr Stephen Smith—The answer to the honourable member’s question is as follows:
No. However, on 10 September 2009, I (Mr Smith) addressed a meeting of the nine Canberra-based Latin American Ambassadors, at which the then-Ambassador-designate for Venezuela was present. During the course of this meeting I expressed the Government’s support for cooperation between Australia and Latin American countries on a range of issues, including nuclear disarmament and non-proliferation.

In addition, the Government has consistently reaffirmed its commitment to nuclear non-proliferation and disarmament, and the need for action on both issues in international forums of which Venezuela is a member, including the United Nations General Assembly, the International Atomic Energy Agency and the Conference on Disarmament.

Afghanistan
(Question No. 1096)

Ms Julie Bishop asked the Minister for Foreign Affairs, in writing, on 16 November 2009:
Has he raised any concerns with members of the International Security Assistance Force about the legitimacy of the first Afghanistan election; if so, on what date(s), and at what level.

Mr Stephen Smith—The answer to the honourable member’s question is as follows:
The Australian Government expressed its concerns about the conduct of the Afghan elections on numerous occasions. This included public comments by the Prime Minister, myself and the Minister for Defence.

I discussed the conduct of the Afghan elections with members of the International Security Assistance Force as follows:

- I raised this issue with ministerial level and senior official counterparts from the United States and Canada in bilateral meetings in New York and Washington on 24, 28 and 29 September 2009 in the margins of the 64th United Nations General Assembly;
- I raised this issue with representatives (both ministerial level and senior officials) from Afghanistan, Canada, Denmark, France, Germany, Italy, Japan, the Netherlands, Norway, United Kingdom and the United States at the Group of Friends of Afghanistan meeting in New York on 25 September 2009;
- I raised this issue with ministerial level and senior official counterparts from Sweden and the European Union (EU) at the Australia-EU Ministerial Troika meeting in Stockholm on 8 October 2009.

Australia-China Free Trade Agreement
(Question No. 1097)

Ms Julie Bishop asked the Minister for Trade, in writing, on 16 November 2009:
On what date(s) and location(s) is the next round of negotiations scheduled for the Australia-China Free Trade Agreement.
Mr Crean—The answer to the honourable member’s question is as follows: The next round of negotiations for the Australia-China Free Trade Agreement is scheduled for the week of 22 February 2010. The negotiations will be held in Canberra.

Bilateral Treaty on the International Transfer of Prisoners

(Question No. 1098)

Ms Julie Bishop asked the Minister for Home Affairs, in writing, on 16 November 2009:

In respect of meetings between the Australian and Indonesian Governments concerning the bilateral treaty on the international transfer of prisoners: (a) how many have been held; (b) on what date(s) and location(s) were they held; (c) how many people attended; and (d) what progress has been made.

Mr Brendan O’Connor—The answer to the honourable member’s question is as follows: Conclusion of a bilateral prisoner transfer agreement with Indonesia is a high priority for the Australian Government, and discussions between Australian and Indonesian officials are ongoing. It is Australia’s long-standing policy, and internationally accepted practice, to keep the nature of international treaty negotiations and discussions confidential between the parties until a treaty is signed. Accordingly, it would not be appropriate to comment on the details of any formal discussions with the Indonesian Government on this matter.

Pakistan

(Question No. 1100)

Ms Julie Bishop asked the Minister for Foreign Affairs, in writing, on 18 November 2009:

Has he attended any meetings in 2009 to discuss the Government’s support for Pakistan in its battle against extremists; if so, (a) on what date(s); (b) who attended; (c) what was the outcome; and (d) what measures has the Government taken, and will the Government take, to provide assistance to Pakistan.

Mr Stephen Smith—The answer to the honourable member’s question is as follows: I participated in a range of meetings in 2009 to discuss international support for Pakistan in its battle against extremists, namely: the United Nations sponsored International Conference on Afghanistan in The Hague on 31 March; the Friends of Democratic Pakistan (FODP) ministerial meeting in Tokyo on 17 April; the Pakistan Donors’ Conference (PDC) in Tokyo on 17 April; and the FODP Summit in New York on 24 September, when I accompanied the Prime Minister. I also undertook a bilateral visit to Pakistan 16-18 February 2009, where I discussed Australia’s support for Pakistan’s efforts to address extremism with a number of high-level interlocutors.

The International Conference on Afghanistan in The Hague on 31 March emphasised the importance of engaging regional countries in promoting stability in Afghanistan. It was co-chaired by Afghanistan, the United Nations and The Netherlands. The conference brought together 72 countries, nineteen international organisations and 700 delegates. The following countries attended: Afghanistan; Albania; Australia; Austria; Azerbaijan; Bahrain; Bangladesh; Belarus; Belgium; Bosnia and Herzegovina; Brazil; Brunei Darussalam; Bulgaria; Canada; Chile; China; Colombia; Croatia; Cyprus; Czech Republic; Denmark; Egypt; Estonia; Finland; France; Georgia; Germany; Greece; Hungary; Iceland; India; Indonesia; Islamic Republic of Iran; Ireland; Italy; Japan; Jordan; Kazakhstan; Kuwait; Kyrgyzstan; Libyan Arab Jamahiriya; Latvia; Lithuania; Luxembourg; Former Yugoslav Republic of Macedonia; Malaysia; Malta; The Netherlands; New Zealand; Norway; Oman; Pakistan; Poland; Portugal; Qatar; Republic of Korea; Romania; Russian Federation; Saudi Arabia; Singapore; Slovakia; Slovenia; Spain; Sweden; Switzerland; Tajikistan; Turkey; Turkmenistan; Ukraine; United Arab Emirates; United Kingdom; and United States of America. The following organisations attended: Aga Khan Foundation; Asian Development Bank; European Union (EU); International Monetary Fund; North Atlantic Treaty Organization.
(NATO); Organisation of the Islamic Conference; World Bank; Islamic Development Bank; United Nations, Mr Ban Ki-moon, Secretary-General of the United Nations; and United Nations Assistance Mission in Afghanistan, UN Special Representative Mr Kai Eide. The following observers attended: ACBAR (Agency Coordinating Body for Afghan Relief); European Parliament; International Committee of the Red Cross; Organisation for Economic Co-operation and Development; Organization for Security and Co-operation in Europe; and South Asian Association for Regional Cooperation.

The statement by co-chairs reflected the outcomes agreed by participants at the International Conference on Afghanistan. The statement emphasised the importance of eliminating sanctuaries for Al Qaeda and other terrorist networks through cooperation among all countries in the region. The statement pointed to the need to develop among Afghanistan, Pakistan and NATO/International Security Assistance Force (ISAF), operating within its current mandate, a comprehensive security strategy. It also noted the need for: greater border security and integrity in the region; clearer and common priorities for infrastructure in the region; expanded regional trade and improved customs and trade and transit agreements; and regional expertise to build capacity in key economic sectors. The statement also expressed support for the FODP and PDC meetings in Tokyo on 17 April and welcomed the increased attention given to Afghanistan and the regional context by conferences in Tehran, Moscow, The Hague, Isla- mabad and Trieste as important steps in enhancing development and in fighting terrorism, drug trafficking and transboundary organised crime.

The FODP ministerial meeting in Tokyo on 17 April demonstrated wide international support for Pakistan in its efforts to address acute security, economic and development challenges. The meeting was chaired by Pakistan and hosted by Japan. The meeting was attended by FODP members and observers from Australia, Canada, China, Denmark, Finland, France, Germany, Indonesia, Islamic Republic of Iran, Italy, Japan, Kuwait, Malaysia, The Netherlands, New Zealand, Norway, Oman, Pakistan, Republic of Korea, Russian Federation, Saudi Arabia, Spain, Sweden, Switzerland, Turkey, United Arab Emirates, United Kingdom, United States of America, EU, European Commission (EC), Asian Development Bank, World Bank, Food and Agriculture Organisation, International Labour Organisation, International Monetary Fund, Islamic Development Bank, and the United Nations and its agencies: United Nations Population Fund (UNFPA), United Nations Children’s Fund (UNICEF), United Nations Development Programme (UNDP), United Nations Human Rights Council (UNHCR), United Nations Office on Drugs and Crime (UNODC) and World Food Programme (WFP).

The statement by the chair acknowledged the important role of Pakistan and the sacrifices the Pakistani people had made in confronting terrorism and extremism as well as Pakistan’s strong commitment to becoming an anchor of stability and peace in the region. The statement reflected the decision of the FODP to explore all avenues to support Pakistan in realising shared development priorities and addressing security challenges with a focus on less developed areas.

The PDC in Tokyo on 17 April highlighted Pakistan’s economic and development challenges in light of Pakistan’s role in the international community’s efforts to eradicate terrorism, and the close connection between Pakistan’s stability with the peace and stability of the surrounding region, in particular, Afghanistan. The meeting was co-chaired by Japan and the World Bank. The meeting was attended by FODP members and observers from Australia, Canada, China, Denmark, Finland, France, Germany, Indonesia, Islamic Republic of Iran, Italy, Japan, Kuwait, Malaysia, The Netherlands, New Zealand, Norway, Oman, Pakistan, Republic of Korea, Russian Federation, Saudi Arabia, Spain, Sweden, Switzerland, Turkey, United Arab Emirates, United Kingdom, United States of America, EU, EC, Asian Development Bank, World Bank, Food and Agriculture Organisation, International Labour Organisation, International Monetary Fund, Islamic Development Bank, and the United Nations and its agencies: UNFPA, UNICEF, UNDP, UNHCR, UNODC and WFP.

The statement by co-chairs conveyed strong international support to the Government of Pakistan and its development strategy. It noted concern about the security situation in Pakistan, and the impact on de-
development, the investment climate and economic growth. The most important outcome was the aid pledged of more than US$5 billion, including Australia’s contribution of A$120 million.

The FODP Summit in New York on 24 September was co-chaired by the United States of America, United Kingdom and Pakistan. The meeting was attended by FODP members, including: Australia, Canada, China, Denmark, France, Germany, Italy, Japan, The Netherlands, Norway, Pakistan, Saudi Arabia, Turkey, United Nations, Sweden, Spain, Republic of Korea, United Arab Emirates, United States, United Kingdom, EU, EC, Asian Development Bank, Islamic Development Bank and World Bank.

The statement by co-chairs conveyed a strong message of political support for Pakistan’s efforts to strengthen its democracy, combat extremism and terrorism, and enhance its development. The statement noted the establishment of a Multi-Donor Trust Fund for regions affected by terrorism, militancy and extremism. It also agreed to the FODP focusing on the reform of Pakistan’s energy sector, with the Asian Development Bank playing a role including by preparing a report on energy for the next ministerial meeting of the FODP. The statement endorsed the Pakistan Government’s Malakand strategy and reinforced the commitment of FODP members to offer further humanitarian and early recovery assistance for those in areas affected by conflict. It noted the Pakistan Government’s commitment to develop a comprehensive approach to addressing security and development in the Federally Administered Tribal Areas. Also highlighted was the need for comprehensive enhancement of Pakistan’s institutional capacity and the reinvigoration of the Pakistan Development Forum as a vehicle for substantive policy dialogue between the Government and its international partners. The statement recognised the value of the FODP as a political forum as well as a catalyst for mobilising concrete support for the Pakistani Government.

I visited Pakistan from 16-18 February 2009. During my visit, I met President Zardari, Chief of Army Staff Kayani, Prime Minister Gillani, Foreign Minister Qureshi, Advisor to the Prime Minister on Interior Affairs and Narcotics Control Malik and Minister of State for Economic Affairs Khar.

In Islamabad, I discussed the expansion of our bilateral relationship including enhanced economic links and ways in which Australia could assist Pakistan’s efforts to combat terrorism. I also discussed the importance of Pakistan’s determination to eliminate terrorist networks and overcome extremism.

The Australian Government has significantly increased its bilateral engagement with Pakistan including: doubling development assistance to $120 million over the next two years (2009-11); contributing $28 million in humanitarian assistance to Pakistan since August 2008; doubling training in Australia for the Pakistan military to 140 places, making Australia the second largest provider of overseas military training to Pakistan after the United States; and expanded law enforcement cooperation. In addition the Government has announced that it will further expand its cooperation with Pakistan by: establishing an Australia-Pakistan Development Partnership; expanding strategic dialogue; and holding regular meetings of the Australia-Pakistan Joint Trade Committee to support closer economic links.

Ambassador to the North Atlantic Treaty Organisation and/or European Union

(Question No. 1102)

Ms Julie Bishop asked the Minister for Foreign Affairs, in writing, on 18 November 2009:

(1) How many people were considered for the role of Ambassador to the North Atlantic Treaty Organization (NATO) and/or Ambassador to the European Union.

(2) How many of those considered were recommended in writing to the Prime Minister, on what date(s), and did any of these become the successful candidates.

(3) Did he sign any document recommending anyone other than Dr Brendan Nelson to the role of Ambassador to NATO and/or Ambassador to the European Union.

QUESTIONS IN WRITING
Mr Stephen Smith—The answer to the honourable member’s question is as follows:
Consistent with long-standing practice of successive governments, it is not appropriate to elaborate on
the decision-making process for any particular appointment.

Building Australia Fund
(Question No. 1103)

Mr Morrison asked the Minister for Infrastructure, Transport, Regional Development and
Local Government, in writing, on 18 November 2009:

(1) Have any funds been debited from the Building Australia Fund (BAF) since its establishment; if so,
for what purpose.

(2) Has he made any recommendations to the Minister for Finance and Deregulation for the authorisation
of payments from the BAF; if so, for what purpose, and were any of these recommendations
accompanied by advice from Infrastructure Australia verifying that the payments satisfied the BAF
evaluation criteria.

(3) Have any amounts been debited from the BAF to a State or Territory; if so, what was the (a) pur-
pose (b) date, and (c) amount, of each payment.

Mr Albanese—The answer to the honourable member’s question is as follows:

(1) Yes. Funds debited from the BAF were for the purposes set out in the Nation Building Funds Act
2008. Projects were announced in the 2009-10 Budget (see answers below).

(2) Yes. Please refer to answer 1 for the purpose. Infrastructure Australia provided advice to Govern-
ment on the criteria.

(3) Yes. The 2009-10 Budget Paper 2; Part 2 (Expense Measures) and Part 3 (Capital Measures) sets
out the payment amounts and projects.

Building Australia Fund
(Question No. 1104)

Mr Morrison asked the Minister for Finance and Deregulation, in writing, on 18 Novem-
ber 2009:

(1) What sum of funding is held in the Building Australia Fund (BAF).

(2) What sum of funds has been debited from the BAF since its establishment, and for what purpose.

(3) Has the BAF been used for inter-fund transfers; if so, for what amounts and purposes.

(4) When was the most recent investment mandate issued for the BAF.

(5) What has been the total value of all earnings associated with the BAF since its establishment.

(6) How do the earnings in part (5) compare to the current target for fund earnings outlined in the
Building Australia Fund Investment Mandate Directions 2009.

Mr Tanner—The answer to the honourable member’s question is as follows:

(1) The value of the BAF, as at 30 September 2009, was $10,022 million.*

(2) Debits from the BAF since its establishment relate to payments for road and rail infrastructure and
the national broadband network. To 30 September 2009, payments of $1,065 million have been
made from the BAF for infrastructure and national broadband network projects. All the payments
were for projects announced in the 2009-10 Budget. Management and operational costs of $2 mil-
lion have also been paid out of the BAF since the establishment of the fund to 30 September
2009.*
(3) There has been one inter-fund transfer of $6,527.87 from the BAF to the Future Fund to cover the cost of legal services in relation to the Nation-building Funds. The costs were paid by the Future Fund and then split between each of the Nation-building Funds. The legislation permits transfers between the funds in relation to investment and operational costs that are shared between the funds. It does not allow for amounts to be transferred between the various funds for the purposes of making payments for infrastructure projects.

(4) The current BAF Investment Mandate was issued on 14 July 2009 and came into effect on 29 July 2009.

(5) Since its establishment to 30 September 2009, the BAF received earnings net of investment management fees of $149 million.*

(6) The Investment Mandate prescribes the BAF benchmark return as the Australian three month bank bill swap rate + 0.3 per cent per annum, calculated on a rolling 12 month basis (net of fees). The mandate has not yet been in place for 12 months.

*Responses to Questions 1, 2 and 5 include figures rounded to the nearest million dollars

Nation Building Economic Stimulus Plan: Social Housing Initiative

(Question No. 1105)

Mr Morrison asked the Minister for Housing and the Minister for the Status of Women, in writing, on 18 November 2009.

In respect of the Social Housing Initiative under the Nation Building Economic Stimulus Plan:

(1) Has Australian Government funding been allocated to construction project: (a) IPA No. 09/0281 H Saxon Way, Airds; (b) BG2R8 Niagara Street, Armidale; (c) BG2E1 Austin Crescent, Belfield; (d) BG2ET Nelson Avenue, Belmore; (e) BG2M9 Derria Street, Canley Heights; (f) BG2DS Tasker Avenue, Cempton Park; (g) BD2DR Lawn Avenue, Cempton Park; (h) BG0LT Arbutus Street, Canley Vale; (i) BG2R4 Stapleton Avenue, Casino; (j) BFCRK Hunter Avenue, Cessnock; (k) BFD5S Lambert St and Mills Cres, Cessnock; (l) BG2NU Worsley Rd and Park Rd, East Hills; (m) BG2W Tangerine Street, Fairfield East; (n) BG2LX Montrose Avenue, Fairfield East, BG2LY Macarthur Street, Fairfield East; (o) BG2M1 Mandarin Street, East Fairfield; (p) BG2NL Tempe Street, Greenacre; (q) BG2CS Low Street, Hurstville; (r) BFF6W Stanford Street, Kurri Kurri; (s) BG2QQ Dibbs Street, Lismore; (t) BG2R5 McKenzie Street, Lismore; (u) BG2MP Watt Street, Leumeah; (v) BG2OO Carrington Circuit, Leumeah; (w) BG2MV Wester Rd, Albert St and Marie St, Lurnea; if so, what is the total sum.

(2) Has the New South Wales Government contributed towards the funding of these projects; if so, what is the total sum.

(3) How many new dwellings are involved in each project.

(4) What is the number of existing dwellings that have been or will be demolished as a consequence of these projects.

(5) Has any construction work begun on these projects; if so, on what dates.

(6) Has the Australian Government imposed any requirement on these developments to erect and display signage advertising the Nation Building Economic Stimulus Plan; if so, what was the associated total cost.

QUESTIONS IN WRITING
Ms Plibersek—The answer to the honourable member’s question is as follows:

(1) (a)-(w) Total funding of $67.891 million has been allocated under the Social Housing Initiative to the 24 projects identified.

(2) The NSW Government is not making any cash contributions to the identified projects, however, each project is being undertaken on land contributed by the NSW Government.

In addition, the NSW Government is providing funding through a number of other programs to replace dwellings that will be in excess of the number of dwellings being demolished.

(3) The number of dwellings for each project are:

<table>
<thead>
<tr>
<th>Project</th>
<th>New Dwellings</th>
</tr>
</thead>
<tbody>
<tr>
<td>IPA No. 09/0281 H</td>
<td>30</td>
</tr>
<tr>
<td>BG2R8 Niagara Street, Armidale</td>
<td>9</td>
</tr>
<tr>
<td>BG2EI Austin Crescent, Belfield</td>
<td>10</td>
</tr>
<tr>
<td>BG2ET Nelson Avenue, Belmore</td>
<td>11</td>
</tr>
<tr>
<td>BG2M9 Derria Street, Canley Heights</td>
<td>4</td>
</tr>
<tr>
<td>BG2DS Tasker Avenue, Campsie</td>
<td>4</td>
</tr>
<tr>
<td>BG2DR Lawn Avenue, Campsie</td>
<td>4</td>
</tr>
<tr>
<td>BG0LT Arbutus Street, Canley Vale</td>
<td>7</td>
</tr>
<tr>
<td>BG2R4 Stapleton Avenue, Casino</td>
<td>8</td>
</tr>
<tr>
<td>BFCRK Hunter Avenue, Cessnock</td>
<td>6</td>
</tr>
<tr>
<td>BFD5G Lambert Street and Mills Crescent, Cessnock</td>
<td>17</td>
</tr>
<tr>
<td>BG2NU Worsley Road and Park Road, East Hills</td>
<td>13</td>
</tr>
<tr>
<td>BG2LW Tangerine Street, Fairfield East</td>
<td>12</td>
</tr>
<tr>
<td>BG2LX Montrose Avenue, Fairfield East</td>
<td>11</td>
</tr>
<tr>
<td>BG2LY Macarthur Street, Fairfield East</td>
<td>12</td>
</tr>
<tr>
<td>BG2M1 Mandarin Street, East Fairfield</td>
<td>6</td>
</tr>
<tr>
<td>BG2NL Tempe Street, Greenacre</td>
<td>12</td>
</tr>
<tr>
<td>BG2CS Low Street, Hurstville</td>
<td>10</td>
</tr>
<tr>
<td>BFF6W Stanford Street, Kurri Kurri</td>
<td>9</td>
</tr>
<tr>
<td>BG2QO Dibbs Street, Lismore</td>
<td>7</td>
</tr>
<tr>
<td>BG2R5 McKenzie Street, Lismore</td>
<td>8</td>
</tr>
<tr>
<td>BG2MP Watts Street, Leumeah</td>
<td>13</td>
</tr>
<tr>
<td>BG2OO Carrington Circuit, Leumeah</td>
<td>14</td>
</tr>
<tr>
<td>BG2MV Webster Road, Albert Street &amp; Marie Street, Lurnea</td>
<td>9</td>
</tr>
</tbody>
</table>

(4) A total of 73 dwellings will be demolished that have been assessed by the NSW Government as being at or approaching the end of their economic life.

(5) As at the 27 November 2009, construction has commenced on one project, BFCRK Hunter Avenue, Cessnock on 17 August 2009.

(6) No.

**Nation Building Economic Stimulus Plan: Social Housing Initiative**

(Question No. 1106)

Mr Morrison asked the Minister for Housing and the Minister for the Status of Women, in writing, on 18 November 2009.

In respect of the Social Housing Initiative under the Nation Building Economic Stimulus Plan:

(1) Has Australian Government funding been allocated to construction project: (a) IPA 09/0242 H Peppermint Crescent, Macquarie Fields; (b) BG2N9 Zillah Street, Merrylands; (c) BG2SP Edward

QUESTIONS IN WRITING
Street, Moree; (d) BG2SV Barwon Avenue, Moree; (e) BG2SX Wales Street, Moree; (f) BG2TI Cooee Street, Moree; (g) BG 2RG Auburn Street, Moree; (h) BG2ST Chester Street, Moree; (i) BFGBD Tindale Street, Muswellbrook; (j) BG3DL Parkinson Street, Muswellbrook; (k) BG2GS Nirimba Avenue, Narwee; (l) BG029 Argyle Street, Picton; (m) BG0EC Craig Street, Punchbowl; (n) BG2H8 Iluka Street, Riverwood; (o) BG2D7 Ears Avenue, Riverwood; (p) BG2HB Legge Street, Roselands; (q) BG2HG Leslie St and Gunyah Cres, Roselands; (r) IPA 09/0233 H Macbeth Way, Rosemeadow; (s) BG304 Churchill Cres, Rutherford; (t) BG305 Rutherford Cres, Rutherford; (u) BG3DQ Alexandra Avenue, Rutherford; (v) BG04U Gabo Crescent, Sadlier; if so, what is the total sum.

(2) Has the New South Wales Government contributed towards the funding of these projects; if so, what is the total sum.

(3) How many new dwellings are involved in each project.

(4) What is the number of existing dwellings that have been or will be demolished as a consequence of these projects.

(5) Has any construction work begun on these projects; if so, on what dates.

(6) Has the Australian Government imposed any requirement on these developments to erect and display signage advertising the Nation Building Economic Stimulus Plan; if so, what was the associated total cost.

Ms Plibersek—The answer to the honourable member’s question is as follows:

(1) (a)-(v) Total funding of $82.610 million has been allocated under the Social Housing Initiative to the 22 projects identified.

(2) The NSW Government is not making any cash contributions to the identified projects, however, each project is being undertaken on land contributed by the NSW Government. In addition, the NSW Government is providing funding through a number of other programs to replace dwellings that will be in excess of the number of dwellings being demolished.

(3) The number of dwellings for each project are:

<table>
<thead>
<tr>
<th>Project</th>
<th>New Dwellings</th>
</tr>
</thead>
<tbody>
<tr>
<td>IPA 09/0242 H, Sapium Way &amp; Fruticosa Way Macquarie Fields</td>
<td>50</td>
</tr>
<tr>
<td>BG2N9 Zillah Street, Merrylands</td>
<td>16</td>
</tr>
<tr>
<td>BG2SP Edward Street, Moree</td>
<td>14</td>
</tr>
<tr>
<td>BG2SV Barwon Avenue, Moree</td>
<td>2</td>
</tr>
<tr>
<td>BG2SX Wales Street, Moree</td>
<td>4</td>
</tr>
<tr>
<td>BG2T1 Cooee Street, Moree</td>
<td>2</td>
</tr>
<tr>
<td>BG2RG Auburn Street, Moree</td>
<td>10</td>
</tr>
<tr>
<td>BG2ST Chester Street, Moree</td>
<td>4</td>
</tr>
<tr>
<td>BFGBD Tindale Street, Muswellbrook</td>
<td>12</td>
</tr>
<tr>
<td>BG3DL Parkinson Street, Muswellbrook</td>
<td>7</td>
</tr>
<tr>
<td>BG2GS Nirimba Avenue, Narwee</td>
<td>14</td>
</tr>
<tr>
<td>BG029 Argyle Street, Picton</td>
<td>5</td>
</tr>
<tr>
<td>BG0EC Craig Street, Punchbowl</td>
<td>8</td>
</tr>
<tr>
<td>BG2H8 Iluka Street, Riverwood</td>
<td>20</td>
</tr>
<tr>
<td>BG2D7 Ears Avenue, Riverwood</td>
<td>4</td>
</tr>
<tr>
<td>BG2HB Legge Street, Roselands</td>
<td>6</td>
</tr>
<tr>
<td>BG2HG Leslie Street and Gunyah Cres, Roselands</td>
<td>9</td>
</tr>
<tr>
<td>IPA 09/0233 H Macbeth Way, Rosemeadow</td>
<td>57</td>
</tr>
<tr>
<td>BG304 Churchill Crescent, Rutherford</td>
<td>18</td>
</tr>
</tbody>
</table>
(4) A total of 79 dwellings will be demolished that have been assessed by the NSW Government as being at or approaching the end of their economic life.

(5) As at 27 November 2009, construction has not commenced on any of the identified projects.

(6) No.

Green Loans Program
(Question No. 1107)

Mr Billson asked the Minister for the Environment, Heritage and the Arts, in writing, on 18 November 2009:

As at 18 November 2009:

(1) How many applications for assistance under the Government’s Green Loans Program (GLP) have been received and provided for (a) Home Sustainability Assessments (HSA), and (b) Green Loans.

(2) What level of financial assistance has been provided for Green Loans through the GLP.

(3) How many of the successful applicants for Green Loans received the maximum sum of $10,000.

(4) When was the first HSA (a) booked, and (b) undertaken.

(5) How many assessors are employed to perform HSA.

(6) By electorate, what is the breakdown of applications for assistance received and provided under the GLP.

Mr Garrett—The answer to the honourable member’s question is as follows:

(1) (a) 88,282 Home Sustainability Assessments had been booked and 57,120 Home Sustainability Assessments completed as at 20 November 2009.

(b) 913 Green Loan applications have been submitted to financial partners and 228 had been issued as at 20 November 2009.

(2) As at 20 November, the Department has paid the financial partners $96,722 for interest subsidies on invoices submitted for 67 loans issued in September, October and November. This figure will increase as more invoices are received from the financial partners.

(3) Based on invoices received from financial partners, 41 of the 67 applicants who applied for a Green Loan in September, October and November received the maximum amount of $10,000.

(4) (a) The first Home Sustainability Assessment was booked on 1 July 2009.

(b) The first Home Sustainability Assessment was undertaken on 4 July 2009.

(5) 2,019 assessors were contracted to the Department to undertake assessments under the Green Loans Program as at 20 November 2009.

(6) This information is not available.

Rent Assistance
(Question No. 1108)

Mr Morrison asked the Minister for Housing and the Minister for the Status of Women, in writing, on 18 November 2009.

(1) As at 18 November 2009, how many Australians were receiving Rent Assistance payments and what was the total sum of these payments for 2008-09.
(2) Are the tenants of social housing owned by (a) State and Territory housing agencies, and (b) community housing providers, entitled to receive Rent Assistance.

(3) How many social housing dwellings owned by State and Territory housing agencies have been sold/transferred/gifted to community housing providers, and as a consequence, how many additional Australians will be entitled to receive Rent Assistance.

(4) Has the Government taken any action in response to State and Territory governments attempting to shift their housing costs to the Commonwealth; if not, why not; if so, what action was taken.

Ms Plibersek—The answer to the honourable member’s question is as follows:

(1) Data as at 18 November 2009 is not available. In 2008-2009, 113,575 families and individuals received Rent Assistance at a cost of $2.6 billion (2008-2009 Department of Families, Housing, Community Services and Indigenous Affairs Annual Report).

(2) (a) No, tenants of dwellings owned by State and Territory housing agencies are not entitled to claim Rent Assistance.

(b) Yes, tenants of dwellings owned by community housing providers are entitled to claim Rent Assistance, provided they meet all other eligibility requirements.

(3) This figure is not known.

(4) The Intergovernmental Agreement on Federal Financial Relations is deliberately structured to provide State and Territory Governments with flexibility to deliver services in a way that addresses housing affordability issues in their jurisdictions, including affordable rental.

Australian Bureau of Statistics: Iatrogenic Fatalities

(Question No. 1109)

Dr Jensen asked the Minister representing the Assistant Treasurer, in writing, on 19 November 2009:

In respect of the media report ‘Hospital botches kill 4500’ by Mr Mark Metherell (The Age, 27 July 2009): are these deaths included in the Australian Bureau of Statistics reports on iatrogenic fatalities; if not, why not and where are they reported.

Mr Swan—The Assistant Treasurer has provided the following answer to the honourable member’s question:

The ABS publishes statistics on iatrogenic deaths annually in Causes of Death, Australia (cat. no. 3303.0). Causes of deaths are coded using the International Classification of Diseases (ICD).

The ICD is the international standard classification for epidemiological purposes, and is designed to promote international comparability in the collection, processing, classification and presentation of cause of death statistics. The part of the ICD relating to deaths due to complications of medical and surgical care is ‘Complications of medical and surgical care (Y40-Y84)’. The 310 individual codes within this codeblock allow for a high degree of specificity when used to assign underlying or multiple causes of death.

In investigating an issue such as iatrogenic deaths, it would be appropriate to use both multiple cause and underlying cause of death data. Underlying cause of death is defined as ‘the disease or injury which initiated the train of morbid events leading directly to death, or the circumstances of the accident or violence which produced the fatal injury’. Multiple cause of death coding is defined as ‘the coding of all morbid conditions, diseases and injuries entered on the death certificate, including those involved in the morbid train of events leading to the death which were classified as either the underlying cause, the intermediate cause, or any intervening causes, and those conditions which contributed to death but were not related to the disease or condition causing death.’
For deaths registered in Australia in 2007, there were 4,015 mentions of conditions on death certificates which are listed in 'Complications of medical and surgical care (Y40-Y84)', and 246 deaths which had an underlying cause of death within this codeblock. These statistics were released in March 2009.

It should be noted that ABS cause of death data for 2007 (and later years) will be revised in future. Revised data for 2007 will be published in the 2008 Causes of Death publication due for release in March 2010, and again in the 2009 publication in 2011. The revision process will enable the use of additional information relating to coroner certified deaths as it becomes available over time, resulting in increased specificity of the previously assigned ICD codes. This has the potential to increase the number of deaths with an underlying cause of 'Complications of medical and surgical care' for 2007 compared to statistics initially released for 2007 in March 2010.

**Gold Coast Light Rail Project**

(Question No. 1110)

Mr Robert asked the Minister for Infrastructure, Transport, Regional Development and Local Government, in writing, on 23 November 2009:

In respect of the 2009-10 Budget measure to make provision for a possible equity contribution of $365 million to the Gold Coast Light Rail project:

1. How will the equity contribution work.
2. Will the Government seek and ongoing annual return on the $365 million; if so, what will be the rate of return.

Mr Albanese—The answer to the honourable member’s question is as follows:

1 and 2) Arrangements for making the equity contribution, including consideration of a return on the equity, are currently being finalised with the Queensland Government and the Gold Coast City Council.

**Murray-Darling Basin**

(Question No. 1123)

Mr Hunt asked the Minister representing the Minister for Climate Change and Water, in writing, on 23 November 2009:

How much water, in entitlements, was returned to the Murray-Darling Basin between 24 November 2007 and 23 November 2009.

Mr Garrett—The Minister for Climate Change and Water has provided the following answer to the honourable member’s question:

As at 23 November 2009, 651.0 GL of water entitlements were secured by the Department through the Restoring the Balance in the Murray-Darling Basin and the Sustainable Rural Water Use and Infrastructure programs.

Of this amount, 443.1 GL had been registered by state governments as being held by the Commonwealth and formed part of the Commonwealth’s environmental water holdings. The remainder will be registered after the contracts have been settled.

**Asian Clearing Union**

(Question No. 1127)

Mr Danby asked the Minister for Foreign Affairs, in writing, on 25 November 2009:

1. Can he confirm that the Asian Clearing Union (ACU) was established in Iran in 1974.
2. Can he indicate whether the ACU is a United Nations initiative.
(3) Is he able to confirm that the ACU members include the banks of Iran, India, Bangladesh, Bhutan, Nepal, Pakistan, Sri Lanka, the Maldives and Burma.

(4) Can he indicate whether Iran used the ACU to skirt United States and United Nations sanctions.

(5) Is he able to confirm reports that Iran (a) used the ACU to route over $13 billion overseas in 2008 and over $5.6 billion thus far in 2009; and (b) uses ACU mechanisms to convert its funds into ‘Asian Monetary Units’ in order to avoid detection by United States correspondent banks.

(6) Can he advise whether the action in part (b) contravenes United Nations sanctions.

Mr Stephen Smith—The answer to the honourable member’s question is as follows:

(1) Yes.

(2) The proposal for the establishment of the ACU was discussed at Ministerial meetings organised by the United Nations (UN) Economic and Social Commission on the Asia Pacific (ESCAP) in the 1970s. ESCAP facilitated meetings between governments that resulted in the ACU being established. The ACU is not, however, affiliated with the UN.

(3) Yes.

(4) I am not able to determine whether Iran used the ACU to skirt US and UN sanctions.

(5) (a) According to a table published in the ACU’s December 2009 Monthly Newsletter entitled “Total Transactions Routed Cumulatively through the ACU during January to December 2008-2009” published on the ACU’s website, Iran’s total transactions routed through the ACU was US$13,363,548,745.02 in 2008 and US$8,840,528,328.78 in 2009.

(b) No.

(6) Of itself, converting funds into ‘Asian Monetary Units’ in order to avoid detection by United States correspondent banks does not contravene United Nations Security Council sanctions.

**Australian Apprenticeships**

(Question No. 1129)

Dr Southcott asked the Minister for Education, in writing, on 26 November 2009:

What are the estimated figures for Australian apprenticeships in trade qualifications for (a) commencements, (b) completions, and (c) trade apprentices in training, for (i) 2009-2010, (ii) 2010-2011, (iii) 2011-2012, and (iv) 2012-2013

Ms Gillard—The answer to the honourable member’s question is as follows:

Information on trade apprentice commencements, completions and in training numbers as requested are not available for the forward years.

The most recent NCVER Apprentices and Trainees statistics are for the March quarter 2009. These statistics were released in September 2009.

For the March quarter 2009 there were 28,500 commencements, 15,200 completions and 201,000 in-training apprentices and trainees in trade qualifications (trades are defined by the NCVER as group 3 of ANZSCO).

The next release of apprentice and trainee statistics covering the June quarter of 2009 will be on 4 December 2009.
Trade Training Centres
(Question No. 1130)

Dr Southcott asked the Minister for Education, in writing, on 26 November 2009:

(1) For each Trade Training Centre, how many students were undertaking (a) Vocational Education and Training subject training, and (b) school based apprenticeships.

(2) In respect of the Trade Training Centre project, for each trade training centre, has (a) work commenced, (b) the project been completed, and (c) the project been opened.

(3) When will applications for Round 3 (a) open, and (b) close.

Ms Gillard—The answer to the honourable member’s question is as follows:

(1) Trade Training Centres will be required to provide the Department of Education, Employment and Workplace Relations with an annual report by 1 March each year. The first report is due in March 2010.

This report must contain information about the previous academic year, including the number of students who commenced and/or completed the approved qualifications or other information as requested by the Department.

(2) As at 2 December 2009:

(a) 100 projects are underway and 58 have commenced construction;
(b) 3 projects have been completed; and
(c) the first TTC will open in February 2010.

(3) Round Three applications open on 5 March 2010 and close on 4 June 2010.

Education Services for Overseas Students Assurance Fund
(Question No. 1131)

Dr Southcott asked the Minister for Education, in writing, on 26 November 2009:

In respect of the Education Services for Overseas Students (ESOS) Assurance Fund:

1. How many students were reimbursed by the fund in the (a) 2008, and (b) 2009, calendar years?

2. What sum of money was paid from the fund in the (a) 2008, and (b) 2009, calendar years?

3. What was the closing balance of the fund on (a) 31 December 2007, (b) 31 December 2008, and (c) 25 November 2009?

4. Has the Government contributed to the fund between 24 November 2007 and 26 November 2009?

5. Will ESOS providers be required to pay a greater sum of money for the fund as a result of recent claims on the fund; if so, what sum will they pay?

Ms Gillard—The answer to the honourable member’s question is as follows:

1. The table below shows the numbers of students reimbursed by the fund in 2008 and 2009 calendar years:

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of students reimbursed</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>611</td>
</tr>
<tr>
<td>2009 (as at 26/11/2009)</td>
<td>332*</td>
</tr>
</tbody>
</table>

* This number includes 313 students who could not be placed in a suitable alternative course (Refer Question 1136) and some intending students who were also entitled to a refund.

2. The table below shows the sum of money paid from the fund in 2008 and 2009 calendar years.

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount paid from the fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>$5.37 million</td>
</tr>
<tr>
<td>2009 (as at 25/11/2009)</td>
<td>$2.84 million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Closing Balance (Net position)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 31 December 2007</td>
</tr>
<tr>
<td>As at 31 December 2008</td>
</tr>
<tr>
<td>As at 25 November 2009</td>
</tr>
</tbody>
</table>

* The figures for 2007 and 2008 are audited accrual balances. The figure for 2009 is the cash position as at 25 Nov 2009. The audited accrued balance for 2009 will not be available until the end of the calendar year.

4. No.

5. The Contributions Review Panel (the Panel) with assistance from the ESOS Assurance Fund Manager determines the criteria for each provider’s annual contribution to the ESOS Assurance Fund.

The Contributions Criteria for 2010 have been adjusted so that the contributions of providers are increased to take into account the capital cost and the risk profile of the providers.

In addition the Panel has also agreed to the imposition of a Special Levy on providers which is expected to generate up to $1 million in revenue.

**Job Services Australia**

(Question No. 1132)

Dr Southcott asked the Minister representing the Minister for Employment Participation, in writing, on 26 November 2009:

In respect of Job Services Australia, in the September 2009 quarter: (a) how many (i) placements, (ii) 13 week, and (iii) 26 week, employment outcomes were recorded; and (b) what is the breakdown of employment placements and outcomes by (i) age, and (ii) stream.

Ms Gillard—The Minister for Employment Participation has provided the following answer to the honourable member’s question:

(a) In the period 1 July 2009 – 30 September 2009, Job Services Australia providers have recorded 63,059 job placements. There was insufficient time between 1 July and 30 September for 13 week or 26 week Outcomes to occur in this period.

(b) The breakdown of job placements in this period was:

<table>
<thead>
<tr>
<th>Stream 1 Ltd</th>
<th>Stream 1</th>
<th>Stream 2</th>
<th>Stream 3</th>
<th>Stream 4</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>640</td>
<td>7,008</td>
<td>30,601</td>
<td>19,983</td>
<td>4,827</td>
<td>63,059</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Under 21 years</th>
<th>21 to 24</th>
<th>25 to 49</th>
<th>50 or over</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>10,475</td>
<td>7,805</td>
<td>35,383</td>
<td>9,396</td>
<td>63,059</td>
</tr>
</tbody>
</table>

**Productivity Places Program**

(Question No. 1133)

Dr Southcott asked the Minister for Education, in writing, on 26 November 2009:

In respect of the separate agreement between the Australian and Victorian governments that will incorporate the Productivity Places Program funding into Victoria’s existing arrangements:

(1) What is the name of the agreement?
(2) On what date (a) was it finalised, and (b) does it conclude?

(3) What sum of money is the (a) Australian Government, and (b) Victorian Government, providing per financial year?

(4) By financial year, how many places will be available to (a) jobseekers, and (b) existing workers?

(5) From 1 January to 26 November 2009, (a) by each state and territory, and (b) for the program in part (1), what were the employment outcomes for jobseekers who successfully completed a Productivity Places Program course?

Ms Gillard—The answer to the honourable member’s question is as follows:

(1) The agreement is named, Additional Training Delivery in Victoria under the Productivity Places Program.

(2) The agreement was finalised on 12/01/2009 and concludes 31/12/2012.

(3) (a) The Australian Government is funding Victoria through the agreement on a calendar year basis: 2009 - $57.2 million; 2010 - $86.8 million; 2011 - $114.4 million; 2012 - $61.4 million.
   (b) The Victorian Government funding is not specified in the agreement.

(4) The agreement is calendar year based with the following course enrolments for
   (a) jobseekers: 2009 – 2266; 2010 – 8407; 2011 – 14,909; 2012 – 17,634; and

(5) Statistics from 1 January to 26 November 2009 for employment outcomes for jobseekers successfully completing a Productivity Places Program course are:
   (a) unavailable by state and territory at this time; and
   (b) unavailable in the case of the Agreement with Victoria because Productivity Places Program places under that agreement are indistinguishable from other government funded places.

Productivity Places Program

Dr Southcott asked the Minister for Education, in writing, on 26 November 2009:

In respect of the Productivity Places Program: since 1 January 2009, how many job seekers have commenced training in (a) the ACT, (b) NSW, (c) Queensland, (d) Victoria, (e) Tasmania, (f) WA, (g) SA, and (h) the NT.

Ms Gillard—The answer to the honourable member’s question is as follows:

(a) to (h) As at 26 November 2009, a total of 58,458 job seekers have commenced training across all states and territories under Australian Government administered Productivity Places Program (PPP) since 1 January 2009. The table below identifies the state and territory breakdown of this training:

<table>
<thead>
<tr>
<th>State</th>
<th>Qualification Commencements</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT</td>
<td>371</td>
</tr>
<tr>
<td>NSW</td>
<td>19,091</td>
</tr>
<tr>
<td>QLD</td>
<td>11,703</td>
</tr>
<tr>
<td>VIC</td>
<td>14,840</td>
</tr>
<tr>
<td>TAS</td>
<td>808</td>
</tr>
<tr>
<td>WA</td>
<td>3,510</td>
</tr>
<tr>
<td>SA</td>
<td>7,922</td>
</tr>
</tbody>
</table>

Table 1 Australian Government Administered PPP, job seeker qualification commencements 1 January 2009 – 26 November 2009
State and territory delivery of PPP places for job seekers has commenced during 2009. States and territories will provide audited reports of 2009 training delivery in early 2010. States and territories have been set calendar year targets for delivery under the PPP which are described in the table below:

Table 2 State and Territory Government Administered PPP, 2009 target job seeker qualification commencements

<table>
<thead>
<tr>
<th>State</th>
<th>Target Qualification Commencements</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT</td>
<td>769</td>
</tr>
<tr>
<td>NSW</td>
<td>14 565</td>
</tr>
<tr>
<td>QLD</td>
<td>8 919</td>
</tr>
<tr>
<td>TAS</td>
<td>1 022</td>
</tr>
<tr>
<td>WA</td>
<td>4 541</td>
</tr>
<tr>
<td>SA</td>
<td>3 333</td>
</tr>
<tr>
<td>NT</td>
<td>482</td>
</tr>
<tr>
<td>Total</td>
<td>33 630</td>
</tr>
</tbody>
</table>

Productivity Places Program
(Question No. 1135)

Dr Southcott asked the Minister for Education, in writing, on 26 November 2009:

As at 26 November 2009, in total and by State and Territory, how many job seekers who have successfully completed a Productivity Places Program course have found (a) full time, and (b) part time employment.

Ms Gillard—The answer to the honourable member’s question is as follows:

As at 26 November 2009, a total of 46 756 job seekers, referred by Employment Service Providers (ESPs), have successfully completed a Productivity Places Program qualifications administered by the Australian Government. In relation to question (a) 2 705 job seekers have achieved 13 week full time employment, and 874 have achieved 26 week employment; (b) 5 699 job seekers achieved 13 week part time employment, and 2 030 achieved 26 week employment (See table 1).

Table 1: Full time and part time employment outcome by state and territory (employment outcome data is from ESC3 and ESD4)

<table>
<thead>
<tr>
<th>State</th>
<th>Full time* 13 Week Outcomes</th>
<th>26 Week Outcomes</th>
<th>Part time** 13 Week Outcomes</th>
<th>26 Week Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT</td>
<td>13</td>
<td>2</td>
<td>35</td>
<td>14</td>
</tr>
<tr>
<td>NSW</td>
<td>1 028</td>
<td>368</td>
<td>2 126</td>
<td>811</td>
</tr>
<tr>
<td>NT</td>
<td>13</td>
<td>6</td>
<td>19</td>
<td>4</td>
</tr>
<tr>
<td>QLD</td>
<td>427</td>
<td>124</td>
<td>1 005</td>
<td>332</td>
</tr>
<tr>
<td>SA</td>
<td>156</td>
<td>60</td>
<td>604</td>
<td>248</td>
</tr>
<tr>
<td>TAS</td>
<td>22</td>
<td>9</td>
<td>122</td>
<td>57</td>
</tr>
<tr>
<td>VIC</td>
<td>909</td>
<td>272</td>
<td>1 598</td>
<td>524</td>
</tr>
<tr>
<td>WA</td>
<td>137</td>
<td>33</td>
<td>190</td>
<td>40</td>
</tr>
</tbody>
</table>

QUESTIONS IN WRITING
### Overseas Students

**(Question No. 1136)**

**Dr Southcott** asked the Minister for Education, in writing, on 26 November 2009:

Between 1 January and 26 November 2009, how many international students who underwent a training provider default were not able to be placed in a suitable alternative course?

**Ms Gillard**—The answer to the honourable member’s question is as follows:

The Education Services for Overseas Students (ESOS) Fund Manager has advised that 313 students were not able to be placed in a suitable alternative course between 1 January 2009 and 26 November 2009.

### Apprentices and Trainees

**(Question No. 1137)**

**Dr Southcott** asked the Minister for Education, in writing, on 26 November 2009:

In respect of the COAG agreement for 10 percent of labour hours worked on Government stimulus and infrastructure projects undertaken by apprentices or trainees: what percentage of total contract labour hours for these projects was worked by apprentices or trainees in the (a) ACT (b) NSW, (c) Queensland, (d) Victoria, (e) Tasmania, (f) WA, (g) SA and (h) the NT.

**Ms Gillard**—The answer to the honourable member’s question is as follows:

The Building the Education Revolution (BER) monthly reporting guidelines require states, territories and Block Grant Authorities to provide jobs supported estimated data on the average daily number of on-site workers for the duration of the project.

As at 31 October 2009 Education Authorities have reported for commenced projects that the estimated percentage of apprentices and trainees working on BER projects are (a) ACT 17%, (b) NSW 15%, (c) Queensland 9%, (d) VIC 10%, (e) TAS 25% (f) WA 15%, and (g) SA 10% and (h) NT 14%”.

### Disability Employment Network

**(Question No. 1138)**

**Dr Southcott** asked the Minister for Education, Employment and Workplace Relations, in writing, on 26 November 2009:

1. What percentage of job seekers under the Disability Employment Network (DEN) caseload who have a primary disability recorded as intellectual disability, have a Disability Maintenance Instrument level of (a) 1, (b) 2, (c) 3, or (d) 4?
2. How many DEN providers currently have a 3 star or higher rating?
3. How many DEN providers were offered an Invitation to Treat for Program B of the Disability Employment Services for 2010-2012?

**Ms Gillard**—The answer to the honourable member’s questions is as follows:
(1) The percentage of job seekers within each of the Disability Maintenance Instrument (DMI) levels in DEN who have a primary disability recorded as intellectual disability as at 30 September 2009 are as follows:
   • DMI 1 – 35.7%
   • DMI 2 – 17.4%
   • DMI 3 – 16.8%
   • DMI 4 – 30.1%

(2) There are 177 current DEN providers who have at least one site (capped or uncapped) with a star rating of 3 or higher. This is based upon the last public release of star ratings in June 2009.

(3) A total of 211 providers received an Invitation to Treat for Program B of the new Disability Employment Services for 2010-2012.

Commonwealth Rehabilitation Service: Vocational Rehabilitation Services
(Question No. 1139)

Dr Southcott asked the Minister representing the Minister for Employment Participation, in writing, on 26 November 2009:
As at 26 November 2009, what proportion of the Vocational Rehabilitation Services caseload does CRS Australia hold?

Ms Gillard—The Minister for Employment Participation has provided the following answer to the honourable member’s question:
A Memorandum of Understanding between CRS Australia and the Department of Education, Employment and Workplace Relations that commenced on 1 July 2008 and expires on 28 February 2010 provides for CRS Australia to deliver Vocational Rehabilitation Services on behalf of the Commonwealth. The proportion of business included in the Memorandum of Understanding is for CRS Australia to delivery 50 per cent of the uncapped (Demand Driven) service and 80 per cent of the Fixed Place service.

Job Services Australia
(Question No. 1140)

Dr Southcott asked the Minister representing the Minister for Employment Participation, in writing, on 26 November 2009:
In respect of Job Services Australia, as at 26 November 2009:
(1) How many 18 to 24 year olds were on the active caseload.
(2) What proportion of these jobseekers have been classified as (a) stream 1, (b) stream 2, (c) stream 3, and (d) stream 4.
(3) In total, and by each stream, what proportion of 18 to 24 year olds have achieved an employment (a) placement, and (b) outcome.

Ms Gillard—The Minister for Employment Participation has provided the following answer to the honourable member’s question:
As at 26 November 2009 :
Table 1 provides the number and proportion of job seekers aged 18 to 24 years in Stream Services.

<table>
<thead>
<tr>
<th>Stream</th>
<th>Number</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stream 1</td>
<td>80,340</td>
<td>39%</td>
</tr>
<tr>
<td>Stream 2</td>
<td>59,740</td>
<td>29%</td>
</tr>
</tbody>
</table>
Wednesday, 3 February 2010

<table>
<thead>
<tr>
<th>Stream</th>
<th>Number</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stream 3</td>
<td>39,140</td>
<td>19%</td>
</tr>
<tr>
<td>Stream 4</td>
<td>26,780</td>
<td>13%</td>
</tr>
<tr>
<td>Total</td>
<td>206,000</td>
<td>100%</td>
</tr>
</tbody>
</table>

Job Placements and 13 week job outcomes for 18 to 24 year old job seekers recorded in the period 1 July 2009 to 26 November 2009 are provided in Table 2. It is important to note that 13 week outcomes cannot be fully reported at this stage. Providers have up to 28 days to record these and insufficient time has elapsed to 26 November for this. Also, job seekers in Stream 1 do not yet qualify for reportable outcomes and may have joined services too recently for reportable Job Placements. This age group also includes young people who are Early School Leavers and undertaking training or study job search rather than job search. A key outcome indicator is 26 week employment outcomes, and with a program start from 1 July 2009, there has not been sufficient time to report on this indicator.

Table 2 Job Placements and 13 week Outcomes for Job Seekers Aged 18 to 24

<table>
<thead>
<tr>
<th>Stream</th>
<th>Job Placements</th>
<th>13 Week Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stream 1</td>
<td>189</td>
<td>N/A</td>
</tr>
<tr>
<td>Stream 1</td>
<td>4,997</td>
<td>N/A*</td>
</tr>
<tr>
<td>Stream 2</td>
<td>17,456</td>
<td>1,241</td>
</tr>
<tr>
<td>Stream 3</td>
<td>8,169</td>
<td>593</td>
</tr>
<tr>
<td>Stream 4</td>
<td>3,339</td>
<td>147</td>
</tr>
<tr>
<td>Total</td>
<td>34,150</td>
<td>1,981</td>
</tr>
</tbody>
</table>

*NOTE: Outcomes for Stream 1 job seekers cannot be achieved until after 1 July 2010.

**International Classification of Diseases and Related Health Problems**

(Question No. 1170)

Mr Dutton asked the Minister for Health and Ageing, in writing, on 26 November 2009:

(1) Does her department or any other Government Agency collect or have access to information that pertains to the International Statistical Classification of Diseases and Related Health Problems, Tenth Revision, Australian Modification (ICD-10AM) for in-hospital procedures; if so,

(a) does this information include principal diagnosis, any applicable secondary diagnoses, and the principal procedure for each in-hospital separation;

(b) what is the most recent 12 month period for which this information is available to the Government;

(c) what percentage of this information comes from (i) public, and (ii) private, hospitals.

(2) For the period in part (1)(b): what proportion of in-hospital separations for both:

(a) public, and

(b) private, hospitals contain ICD-10AM information for (i) principal procedure, (ii) principal diagnosis, and (iii) secondary diagnoses.

(3) For the period in part (1)(b): for:

(a) public, and

(b) private, hospitals, how many in-hospital separations reported a principal diagnosis and at least one secondary diagnosis.

(4) In respect of part (2)(b)(iii): for (a) public, and (b) private, hospitals, what is the average number of reported diagnoses for in-hospital procedures, where at least one secondary diagnosis has been reported.
(5) For (i) public, and (ii) private, hospitals, how many diagnoses in part (4) also had an ICD-10AM reported for the in-hospital procedure with an ICD-10AM code of either:
   (a) Y92.22,
   (b) Y95, or
   (c) T81.4.

(6) For the period in part (1)(b): for (i) public, and (ii) private, hospitals that have reported a principal diagnosis, and at least one secondary diagnosis, how many in-hospital separations were reported containing an ICD-10AM code of B95.6 with either (a) Z06.8, or (b) Z06.32.

Ms Roxon—The answer to the honourable member’s question is as follows:

(1) Under the extended Australian Health Care Agreements (AHCAs) 2003-09, the Australian Government Department of Health and Ageing collected Admitted Patient Care National Minimum Data Set (NMDS) information that included the International Classification of Diseases and Related Health Problems, Tenth Revision, Australian Modification (ICD-10-AM) codes for in-patient hospital procedures.
   (a) Yes, all procedure and diagnosis codes are included. However, while there are Australian standards, definitions and directives to instruct hospital inpatient coding which ensure high levels of coding consistency across jurisdictions, coding is not an exact science. There may be differences in coding practices between the sectors, jurisdictions and hospitals. Factors that would contribute to coding variation include the level of documentation supplied and established clinician/coder communication channels within hospitals.
   (b) 2007-08.
   (c) In 2007-08, 39.7% of all separations were from private hospitals; and 60.3% of all separations were from public hospitals.

(2) (a) Public hospitals:
   (i) 75.5%.
   (ii) 100%.
   (iii) 71.6%.
   (b) Private hospitals:
   (i) 93.4%.
   (ii) 99.9%.
   (iii) 59.4%.

(3) (a) Public hospitals—3,396,808.
   (b) Private hospitals—1,859,023.

(4) Note that additional diagnoses codes that contain morphology codes, external cause codes, place of occurrence codes or activity codes have been excluded from this answer.
   (a) Public hospitals—There was an average of 4.0 diagnosis codes reported per separation.
   (b) Private hospitals—There was an average of 3.3 diagnosis codes reported per separation.

(5) Please note the caveat at 1(a) and that the following information does not necessarily identify infections that have been acquired in hospitals. From July 2010, it will be possible to differentiate those conditions which arose during, or arose before, an admitted patient episode of care through the use of a condition onset flag that has been introduced in the Admitted Patient Care NMDS.
   (i) Public hospitals:
      (a) 215,046 separations recorded an ICD-10-AM code of “Y92.22”.

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(b) 3,031 separations recorded an ICD-10-AM code of “Y95”.
(c) 19,975 separations recorded an ICD-10-AM code of “T81.4”.

(ii) Private hospitals:
(a) 100,687 separations recorded an ICD-10-AM code of “Y92.22”.
(b) 221 separations recorded an ICD-10-AM code of “Y95”.
(c) 8,570 separations recorded an ICD-10-AM code of “T81.4”.

(6) (i) Public hospitals:
(a) 4,740 separations recorded an ICD-10-AM code of “Z06.8”.
(b) 8,409 separations recorded an ICD-10-AM code of “Z06.32”.

(ii) Private hospitals:
(a) 1,091 separations recorded an ICD-10-AM code of “Z06.8”.
(b) 965 separations recorded an ICD-10-AM code of “Z06.32”.

Employment Services
(Question No. 1171)

Dr Southcott asked the Minister representing the Minister for Employment Participation, in writing, on 26 November 2009:

(1) What is the cost per employment outcome for (a) Streams 1 to 3, and (b) Stream 4.

(2) For each Stream, three months following participation in Employment Services, what proportion of job seekers were (a) in employment, and (b) off-benefit.

(3) For each Stream, what proportion of job seekers were in education or training following participation in Employment Services.

Ms Gillard—The Minister for Employment Participation has provided the following answer to the honourable member’s question:

(1), (2) and (3) Stream based post-assistance performance figures are unable to be measured until sufficient time has passed. This is to enable collection of outcomes data for job seekers who do not exit employment services and to ensure estimates are robust. Results for Stream based services will be published in the Department’s 2009–10 Annual Report.