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FORTY-THIRD PARLIAMENT
FIRST SESSION—SECOND 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— Hon. Peter Neil Slipper MP
Second Deputy Speaker—Hon. Bruce Craig Scott MP
Members of the Speaker's Panel—Ms Anna Elizabeth Burke MP, Hon. Dick Godfrey Harry Adams MP, Ms Sharon Leah Bird MP, Mrs Yvette Maree D’Ath MP, Mr Steven Georganas MP, Kirsten Fiona Livermore MP, Mr John Paul Murphy MP, Mr Peter Sid Sidebottom MP, Mr Kelvin John Thomson MP, Ms Maria Vanvakinou 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. Julia Eileen Gillard MP
Deputy Leader—Hon. Wayne Maxwell Swan MP
Chief Government Whip—Hon. Joel Andrew Fitzgibbon 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. Warren George Entsch MP
Opposition Whips—Mr Patrick Damien Secker MP and Ms Nola Bethwyn Marino MP

The Nationals
Leader—Hon. Warren Errol Truss MP
Chief Whip—Mr Mark Maclean Coulton MP
Whip—Mr Paul Christopher Neville MP

Printed by authority of the House of Representatives
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PARTY ABBREVIATIONS
ALP—Australian Labor Party; LP—Liberal Party of Australia; LNP—Liberal National Party; CLP—Country Liberal Party; Nats—The Nationals; NWA—The Nationals WA; Ind—Independent; AG—Australian Greens

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
GILLARD MINISTRY

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<td>Hon. Wayne Swan MP</td>
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<td>Hon. Simon Crean MP</td>
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<td>Senator Hon. Chris Evans</td>
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<td>Hon. Peter Garrett AM, MP</td>
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<td>Hon. Stephen Smith MP</td>
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<td>Hon. Anthony Albanese MP</td>
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<td>Minister for Health and Ageing</td>
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<td>Senator Hon. Kim Carr</td>
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<td>Hon. Robert McClelland MP</td>
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<td>Minister for Agriculture, Fisheries and Forestry and Manager of Government Business in the Senate</td>
<td>Senator Hon. Joe Ludwig</td>
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<td>Hon. Martin Ferguson AM, MP</td>
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[The above ministers constitute the cabinet]
GILLARD MINISTRY—continued

Minister for the Arts
Hon. Simon Crean MP
Minister for Social Inclusion
Hon. Tanya Plibersek MP
Minister for Privacy and Freedom of Information
Hon. Brendan O’Connor MP
Minister for Sport
Senator Hon. Mark Arbib
Special Minister of State for the Public Service and Integrity
Hon. Gary Gray AO, MP
Assistant Minister to the Treasurer and Minister for Financial
Services and Superannuation
Hon. Bill Shorten MP
Minister for Employment Participation and Childcare
Hon. Kate Ellis MP
Minister for Indigenous Employment and Economic Development
Senator Hon. Mark Arbib
Minister for Veterans’ Affairs and Minister for Defence Science and Personnel
Hon. Warren Snowdon MP
Minister for Defence Materiel
Hon. Jason Clare MP
Minister for Indigenous Health
Hon. Warren Snowdon MP
Minister for Mental Health and Ageing
Hon. Mark Butler MP
Minister for the Status of Women
Hon. Kate Ellis MP
Minister for Social Housing and Homelessness
Senator Hon. Mark Arbib
Special Minister of State
Hon. Gary Gray AO, MP
Minister for Small Business
Senator Hon. Nick Sherry
Minister for Home Affairs and Minister for Justice
Hon. Brendan O’Connor MP
Minister for Human Services
Hon. Tanya Plibersek MP
Cabinet Secretary
Hon. Mark Dreyfus QC, MP
Parliamentary Secretary to the Prime Minister
Senator Hon. Kate Lundy
Parliamentary Secretary to the Treasurer
Hon. David Bradbury MP
Parliamentary Secretary for School Education and Workplace Relations
Senator Hon. Jacinta Collins
Minister Assisting the Prime Minister on Digital Productivity
Senator Hon. Stephen Conroy
Parliamentary Secretary for Trade
Hon. Justine Elliot MP
Parliamentary Secretary for Pacific Island Affairs
Hon. Richard Marles MP
Parliamentary Secretary for Defence
Senator Hon. David Feeney
Parliamentary Secretary for Immigration and Multicultural Affairs
Senator Hon. Kate Lundy
Parliamentary Secretary for Infrastructure and Transport and Parliamentary Secretary for Health and Ageing
Hon. Catherine King MP
Parliamentary Secretary for Disabilities and Carers
Senator Hon. Jan McLucas
Parliamentary Secretary for Community Services
Hon. Julie Collins MP
Parliamentary Secretary for Sustainability and Urban Water
Senator Hon. Don Farrell
Minister Assisting on Deregulation and Public Sector Superannuation
Senator Hon. Nick Sherry
Minister Assisting the Attorney-General on Queensland Floods Recovery
Senator Hon. Joe Ludwig
Parliamentary Secretary for Agriculture, Fisheries and Forestry
Hon. Dr Mike Kelly AM, MP
Minister Assisting the Minister for Tourism
Senator Hon. Nick Sherry
Parliamentary Secretary for Climate Change and Energy Efficiency
Hon. Mark Dreyfus QC, MP
SHADOW MINISTRY

Leader of the Opposition
Deputy Leader of the Opposition and Shadow Minister for Foreign Affairs and Shadow Minister for Trade
Leader of the Nationals and Shadow Minister for Infrastructure and Transport
Leader of the Opposition in the Senate and Shadow Minister for Employment and Workplace Relations
Deputy Leader of the Opposition in the Senate and Shadow Attorney-General and Shadow Minister for the Arts
Shadow Treasurer
Shadow Minister for Education, Apprenticeships and Training and Manager of Opposition Business in the House
Shadow Minister for Indigenous Affairs and Deputy Leader of the Nationals
Shadow Minister for Regional Development, Local Government and Water and Leader of the Nationals in the Senate
Shadow Minister for Finance, Deregulation and Debt Reduction and Chairman, Coalition Policy Development Committee
Shadow Minister for Energy and Resources
Shadow Minister for Defence
Shadow Minister for Communications and Broadband
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 Productivity and Population and Shadow Minister for Immigration and Citizenship
Shadow Minister for Innovation, Industry and Science
Shadow Minister for Agriculture and Food Security
Shadow Minister for Small Business, Competition Policy and Consumer Affairs

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

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

Shadow Minister for Employment Participation
Hon. Sussan Ley MP

Shadow Minister for Justice, Customs and Border Protection
Mr Michael Keenan MP

Shadow Assistant Treasurer and Shadow Minister for Financial Services and Superannuation
Senator Mathias Cormann

Shadow Minister for Childcare and Early Childhood Learning
Hon. Sussan Ley MP

Shadow Minister for Universities and Research
Senator Hon. Brett Mason

Shadow Minister for Youth and Sport and Deputy Manager of Opposition Business in the House
Mr Luke Hartsuyker MP

Shadow Minister for Indigenous Development and Employment
Senator Marise Payne

Shadow Minister for Regional Development
Hon. Bob Baldwin MP

Shadow Special Minister of State
Hon. Bronwyn Bishop MP

Shadow Minister for COAG
Senator Marise Payne

Shadow Minister for Tourism
Hon. Bob Baldwin MP

Shadow Minister for Defence Science, Technology and Personnel
Mr Stuart Robert MP

Shadow Minister for Veterans’ Affairs
Senator Hon. Michael Ronaldson

Shadow Minister for Regional Communications
Mr Luke Hartsuyker MP

Shadow Minister for Ageing and Shadow Minister for Mental Health
Senator Concetta Fierravanti-Wells

Shadow Minister for Seniors
Hon. Bronwyn Bishop MP

Shadow Minister for Disabilities, Carers and the Voluntary Sector and Manager of Opposition Business in the Senate
Senator Mitch Fifield

Shadow Minister for Housing
Senator Marise Payne

Chairman, Scrutiny of Government Waste Committee
Mr Jamie Briggs MP

Shadow Cabinet Secretary
Hon. Philip Ruddock MP

Shadow Parliamentary Secretary Assisting the Leader of the Opposition
Senator Cory Bernardi

Shadow Parliamentary Secretary for International Development Assistance
Hon. Teresa Gambaro MP

Shadow Parliamentary Secretary for Roads and Regional Transport
Mr Darren Chester MP

Shadow Parliamentary Secretary to the Shadow Attorney-General
Senator Gary Humphries

Shadow Parliamentary Secretary for Tax Reform and Deputy Chairman, Coalition Policy Development Committee
Hon. Tony Smith MP

Shadow Parliamentary Secretary for Regional Education
Senator Fiona Nash

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

Shadow Parliamentary Secretary for Local Government
Mr Don Randall MP

Shadow Parliamentary Secretary for the Murray-Darling Basin
Senator Simon Birmingham

Shadow Parliamentary Secretary for Defence Materiel
Senator Gary Humphries

Shadow Parliamentary Secretary for the Defence Force and Defence Support
Senator Hon. Ian Macdonald

Shadow Parliamentary Secretary for Primary Healthcare
Dr Andrew Southcott MP
SHADOW MINISTRY—continued

Shadow Parliamentary Secretary for Regional Health Services and Indigenous Health  Mr Andrew Laming MP
Shadow Parliamentary Secretary for Supporting Families  Senator Cory Bernardi
Shadow Parliamentary Secretary for the Status of Women  Senator Michaelia Cash
Shadow Parliamentary Secretary for Environment  Senator Simon Birmingham
Shadow Parliamentary Secretary for Citizenship and Settlement  Hon. Teresa Gambaro MP
Shadow Parliamentary Secretary for Immigration  Senator Michaelia Cash
Shadow Parliamentary Secretary for Innovation, Industry, and Science  Senator Hon. Richard Colbeck
Shadow Parliamentary Secretary for Fisheries and Forestry  Senator Hon. Richard Colbeck
Shadow Parliamentary Secretary for Small Business and Fair Competition  Senator Scott Ryan
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Thursday, 24 February 2011

The SPEAKER (Mr Harry Jenkins) took the chair at 9 am, made an acknowledgement of country and read prayers.

BROADCASTING LEGISLATION AMENDMENT (DIGITAL DIVIDEND AND OTHER MEASURES) BILL 2011

First Reading

Bill and explanatory memorandum presented by Mr Albanese.

Bill read a first time.

Second Reading

Mr ALBANESE (Grayndler—Minister for Infrastructure and Transport) (9.01 am)—I move:

That this bill be now read a second time.

The Broadcasting Legislation Amendment (Digital Dividend and Other Measures) Bill 2011 introduces amendments to the Broadcasting Services Act 1992, the Radiocommunications Act 1992, the Australian Communications and Media Authority Act 2005 and the Copyright Act 1968. These amendments introduce measures to effectively implement a reorganisation of digital television channels to realise the digital dividend, and to improve the regulatory framework for free-to-air digital television services provided on the VAST satellite service and the switchover to digital-only television.

On 24 June 2010, the government announced that 126 megahertz of broadcasting spectrum would be released as a digital dividend. The digital dividend will be released as a contiguous block of spectrum in the upper ultra high frequency, or UHF band, in the frequency range 694 to 820 megahertz inclusive.

This spectrum will become available as a result of the switch to digital-only television and the release of spectrum currently used for analog television. Digital switchover will be completed in Australia by 31 December 2013.

UHF spectrum currently used for broadcasting services is highly valued for delivering wireless communications services, including super-fast mobile broadband. The government aims to auction the digital dividend spectrum in the second half of 2012, allowing successful bidders ample time to plan and deploy the next generation networks that are likely to use the spectrum.

In order to release this highly valued spectrum, broadcasting services will need to be relocated out of the identified digital dividend spectrum and organised more efficiently within the remaining broadcasting spectrum. This process is known as ‘restacking’.

On 9 July 2010, the Minister for Broadband, Communications and the Digital Economy made the Australian Communications and Media Authority (Realising the Digital Dividend) Direction 2010. The purpose of the direction was to provide the Australian Communications and Media Authority (ACMA) with policy guidance on the Australian government’s digital dividend objectives.

To assist the ACMA to plan and implement the restack of broadcasting services as efficiently as possible, the government proposes amendments to the Broadcasting Services Act and the Radiocommunications Act to modify the existing planning process for television broadcasting services. The amendments will provide the ACMA with greater regulatory flexibility during the restack process and also enhance the ACMA’s enforcement powers in relation to television broadcasting planning.

The ACMA will also be given the power to make new planning instruments, called television licence area plans, for television
broadcasting services. During the restack process, the flexible planning powers in these new instruments will allow the ACMA to plan a sequential restack timetable in a licence area. They will also allow temporary digital simulcasts, which may be necessary in metropolitan and larger population centres where a significant number of television antennas may need to be reconfigured over a period of time.

There will be a legislated deadline of 31 December 2014, to be known as the ‘designated restack day’, for restack to be implemented in a licence area. This is one year after the completion of digital television switchover nationally. Provision will be made for the minister to extend the designated restack day in a particular licence area beyond 31 December 2014, but only where this is necessary for unavoidable technical or engineering reasons.

From the date of the commencement of these amendments and until the designated restack day, the amount of consultation the ACMA has to undertake in respect of television broadcasting services will be reduced. This will allow the ACMA to focus its consultations on the criteria relevant to the restack and with those stakeholders directly affected by it. After the restack is complete, the broad planning and consultation requirements that apply in relation to all other services operating in the broadcasting services bands, would apply again to the planning of television services.

The amendments would also give the minister the power to direct the ACMA, by legislative instrument, about the exercise of its powers to make or vary a television licence area plan. This power would enable the minister to give further policy direction and clarification to the ACMA in relation to restack, if required. This specific directions power will cease to have effect on the designated restack day for a licence area.

The bill also introduces a number of amendments to the legislative framework for the new VAST satellite services licensed under section 38C of the Broadcasting Services Act.

Proposed amendments to the conditional access scheme governing access to the VAST service in remote Western Australia will mean that viewers who reside in the larger television markets can only apply to access the VAST service if their reception of local terrestrial commercial digital television services, once provided, is inadequate. This provides the remote commercial broadcasters in Western Australia with the opportunity to roll out their terrestrial digital television infrastructure and means that viewers in these areas would not need to purchase satellite reception equipment unnecessarily. But at the same time, the VAST service remains available for people in digital television black spots, ensuring they are able to receive the full suite of digital television channels.

The bill also inserts provisions for determining whether digital terrestrial television services in a particular area of Australia are deficient. The ACMA will be able to declare an area ‘service deficient’ if, after a specified time after switchover, the number of terrestrial commercial digital television services, including digital multichannels, is less than those required to be provided on the VAST service. Viewers in declared service-deficient areas will then be able to access the VAST service to receive the full suite of digital television channels if they choose to do so.

The bill would also introduce measures to make sure that viewers who have already purchased and installed satellite reception equipment and legitimately obtained access to the VAST service in a particular location because of digital television signal defi-
ciency, cannot subsequently lose that access at a later date if terrestrial digital television reception is extended to their location. The bill also introduces other minor amendments intended to improve the ACMA's oversight and administration of the conditional access scheme.

The bill makes a minor amendment to the Copyright Act to clarify that, where a section 38C licensee re-transmits a broadcasting service other than the services the licensee is required to provide, that re-transmission would be subject to the general broadcast re-transmission provisions of Part VC of the Copyright Act.

The bill makes a number of minor amendments in relation to the provision of digital television services and the digital switchover process. These new measures include assisting remote commercial broadcasters to provide the full range of free-to-air digital television services, including digital multichannels such as GO!, GEM, 7TWO, 7MATE, ONE and ELEVEN.

In recognition of the significant costs of terrestrial transmission in remote markets, the new measures are intended to allow remote broadcasters to provide all of their digital multichannels in standard definition before the end of switchover although they may still elect to provide high-definition services. After digital switchover, commercial television broadcasters in these markets, like all other commercial television broadcasters, will have the option of providing any combination of standard and high-definition channels within their allocated spectrum.

There may be circumstances where it is not feasible for some broadcaster transmission sites to be converted to digital. This will especially be the case where sites only serve very small communities or do not, or will not, transmit all of the commercial and national broadcasters’ services in digital. The bill proposes amendments to the Broadcasting Services Act under which commercial or national broadcasters may apply to the Minister for Broadband, Communications and the Digital Economy for exemption from converting these transmission sites to digital. Before granting the exemption, the minister would consult with the ACMA and would need to be satisfied that viewers currently served by these analog transmission sites would have access to alternative digital television options, such as the VAST satellite service. Broadcasters would not be permitted to make an application in relation to digital terrestrial services that have already commenced transmission.

In addition to these exemption provisions, the bill inserts new criteria the minister must consider when deciding to approve or reject an implementation plan to establish a new digital television service, when a plan is submitted by a national broadcaster. The minister would be required to consider whether there are other means by which people in the area can view an adequate and extensive range of national broadcasting services, including by satellite, and whether other broadcasters operating in the area have or will be converting their terrestrial services to digital.

The bill would make amendments to address regulatory issues that may arise where, for broadcast planning or other technical reasons, specific analog transmitters may need to be switched off earlier than the switchover date in a licence area. The current power that enables the minister to determine digital-only local market areas does not have the flexibility to allow a commercial or national broadcaster to stop analog transmissions in small geographical areas without technically breaching its digital conversion obligations under the Broadcasting Services Act.

The bill would repeal provisions in the Broadcasting Services Act and the Radio-
communications Act that require the commercial television conversion scheme to deal with the regulation of digital transmissions by commercial television broadcasting licensees from former analog self-help re-transmission sites. The issuing of licences for the transmission of digital services from former analog self-help re-transmission sites can be achieved through other regulatory mechanisms available to the ACMA, making these provisions redundant.

Finally, the amendments in the bill would address an inconsistency between the Radio Communications Act and the Broadcasting Services Act in relation to licences for the transmission of commercial and national television broadcasting services after the end of the simulcast period in a licence area.

The amendments to the broadcasting legislation introduced by this bill will progress the government’s digital television switch-over program and the restack of digital television channels to realise the digital dividend.

The amendments will give further scope for the rollout of all digital television multichannel services to all Australians, bringing truly equal television services to viewers in regional and remote areas for the first time and will give the ACMA the tools necessary to successfully plan and implement the digital channel restack in cooperation with the broadcasting industry. I commend this bill to the House.

Debate (on motion by Mr Anthony Smith) adjourned.

Second Reading

Mr BOWEN (McMahon—Minister for Immigration and Citizenship) (9.16 am)—I move:

That this bill be now read a second time.

The Migration Amendment (Complementary Protection) Bill 2011 amends the Migration Act to eliminate a significant administrative hole in our protection visa application process.

Under the Migration Act, as it currently stands, only those people fleeing persecution for one of the five reasons outlined in the Convention Relating to the Status of Refugees—race, religion, nationality, social group or political opinion—are eligible to receive a protection visa through the usual process.

Applicants who fall outside these categories are not considered refugees and, consequently, their applications must be rejected by the Department of Immigration and Citizenship and also by the Refugee Review Tribunal.

But some of these people are fleeing significant harm—be they women fleeing so-called ‘honour killings’ or, in some certain circumstances depending on the nation, people fleeing persecution on the basis of their sexual preference.

These people can fall outside the categories recognised by our current protection visa process.

So their applications will be rejected at first instance—and again at review—even where Australia’s non-refoulement obligations and other international treaties ensure that we cannot and will not send them back to their countries of origin.

These treaties are the International Covenant on Civil and Political Rights (ICCPR), the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or
Punishment (CAT) and the Convention on the Rights of the Child (CROC).

Protection from return in situations that engage our non-refoulement obligations under these treaties is known as ‘complementary protection’, in the sense that it is complementary to the protection given under the refugees convention.

Under the current system, these people, who have often fled their countries in fear of their lives, must go through our administrative processes knowing they are going to be rejected.

But at present we make them go through a process of applying, failing, seeking review and failing again, just so they are then able to apply to the minister for personal intervention.

As things stand, the decision to grant a visa in such cases may only be made by the minister personally. The minister cannot be compelled to exercise this power; there is no requirement to provide reasons if the minister does not exercise the power; and there is no merits review of the minister’s decisions.

As a result, as you can understand, the current lengthy process is very time consuming and extremely stressful.

So what this bill does is align our protection visa process with our existing international obligations and practices.

In 2009, a previous bill, the Migration Amendment (Complementary Protection) Bill 2009, was introduced into parliament and was considered by the Senate Legal and Constitutional Affairs Committee. That bill lapsed when parliament was prorogued for the 2010 election.

The present bill is based on the 2009 bill and incorporates certain changes to address matters raised in the report by the Senate Legal and Constitutional Affairs Committee.

The introduction of complementary protection into Australia’s protection visa process is supported by domestic and international stakeholders. It has been recommended by the Australian Human Rights Commission and several parliamentary committees.

The 2009 bill received positive feedback from external stakeholders including the United Nations High Commissioner for Refugees (UNHCR), the Refugee Council of Australia and leading academics.

The bill also brings Australia into line with many like-minded countries, including New Zealand, Canada, the United States of America and many European countries.

Let me briefly run through some key aspects of the bill.

Protection visa applicants will continue to have their claims first considered against the refugees convention related criteria set out in Australia’s migration legislation.

Applicants who are found not to be refugees under the refugees convention will have their claims considered under the new complementary protection criteria.

This approach recognises the primacy of the refugees convention as an international protection instrument and is supported by the UNHCR.

The bill establishes new criteria for the grant of a protection visa in circumstances that engage Australia’s non-refoulement obligations under human rights treaties other than the refugees convention.

Australia will not return a person to a place where there is a real risk that a person will suffer particular types of significant harm contained in the relevant human rights treaties, namely:

- the arbitrary deprivation of life;
- having the death penalty carried out;
• being subjected to torture;
• being subjected to cruel or inhuman treatment or punishment; or
• being subjected to degrading treatment or punishment.

The prohibitions of these types of harm are found in articles 6 and 7 of the ICCPR and in the Second Optional Protocol to the ICCPR.

Non-refoulement obligations may also be implied under the CROC, to the extent that the CROC contains obligations in the same terms as the ICCPR. In addition, an express non-refoulement obligation in relation to torture is contained in article 3 of the CAT.

The bill defines many of these concepts to assist assessing officers to interpret and implement these international obligations.

These definitions will enable Australia to meet its non-refoulement obligations, without expanding the relevant concepts in a way that goes beyond current international interpretations.

Non-refoulement obligations are not engaged in every case in which a person claims that they will suffer some type of harm if returned to another country.

In each case, there must be substantial grounds for believing that, as a necessary and foreseeable consequence of being returned, there is a real risk that a person will suffer significant harm.

The risk of significant harm must go beyond mere theory or suspicion to give rise to a non-refoulement obligation.

A real risk of significant harm has been found in instances where there is a personal or direct risk to the specific person. This is as opposed to a general risk faced by the population of the country that is not faced personally by the person claiming protection. A personal or direct risk can be found in instances where the significant harm is faced by a broad group, so long as that harm is personally faced by the person seeking protection.

The risk must also be a real one that the person would face throughout the country. If a person can reasonably be expected to relocate within their own country to access protection, then international protection is not required.

Similarly, Australia’s protection will not be necessary if the person can safely relocate to another country where they have a right of entry and residence.

This legal threshold for Australia’s non-refoulement obligations to be engaged is reflected in the bill.

The bill contains provisions to ensure that only applicants who are in need of Australia’s protection will be eligible for a protection visa on complementary protection grounds.

Unlike obligations under the refugees convention, Australia’s non-refoulement obligations under the ICCPR, the CAT and the CROC are absolute and cannot be derogated from.

While Australia accepts that this is the position under international law, the government is committed to maintaining strong arrangements for protecting the Australian community. The bill is specifically designed to ensure Australia does not become a safe haven for persons who have committed war crimes or others of serious character concern.

For this reason, specific provisions have been included in the bill to refuse the grant of a protection visa:
where there are grounds for considering that the applicant has committed war
crimes, crimes against humanity, serious
non-political crimes or other particularly
serious crimes; or
where there are grounds for considering
that the applicant is a danger to Australia’s security or to the Australian
community.

These provisions mirror the existing exclu-
sion provisions under articles 1F and 33(2)
of the refugees convention which apply to
refugee claims.

By incorporating these exclusion provi-
sions into the Migration Act, Australia will
be following general international practice,
particularly in the European Union, where
similar clauses have been incorporated into
most countries’ respective legislative ver-
sions of complementary protection.

International law does not impose an obli-
gation on Australia to grant a particular type
of visa to those people to whom non-
refoulement obligations are owed.

In the small number of instances where
non-refoulement obligations would arise for
persons who are excluded on security or se-
rious character grounds, determinations as to
post-decision case management will remain
with the minister personally.

In all circumstances, Australia is commit-
ted to meeting its non-refoulement obliga-
tions in a way that best protects the Aus-
tralian community.

Where a person’s protection visa applica-
tion has been refused, including on the new
complementary protection grounds, that per-
son will be able to seek independent merits
review of the decision within the existing
merits review framework.

There are a range of consequential
amendments throughout the Migration Act
that are to be inserted by the bill.

Amendments to the Migration Regulations
1994 will also be required to complete im-
plementation of complementary protection in
the protection visa subclass.

Moreover, once this bill comes into effect,
assessments under the protection obligations
determination process for offshore entry per-
sons will also take into account complemen-
tary protection.

The Gillard government is proud to intro-
duce this bill, which will provide a protec-
tion visa decision-making process that is
more efficient, transparent and accountable.

It does so by enabling claims raising Aus-
tralia’s protection obligations under the refu-
gees convention, and claims raising Austra-
lia’s non-refoulement obligations under the
ICCPR, the CAT or the CROC, to be consid-
ered under a single integrated and timely
protection visa process.

Australia has a long and proud tradition as
a protector of human rights and this bill pre-
sents us with the opportunity to continue in
this tradition.

I urge everyone in this place to support it.

Debate (on motion by Mr Pyne) ad-
journed.

OFFSHORE PETROLEUM AND
GREENHOUSE GAS STORAGE
REGULATORY LEVIES LEGISLATION
AMENDMENT (2011 MEASURES No. 1)
BILL 2011

First Reading

Bill and explanatory memorandum pre-
sented by Mr Martin Ferguson.

Bill read a first time.

Second Reading

Mr MARTIN FERGUSON (Batman—
Minister for Resources and Energy and Min-
ister for Tourism) (9.27 am)—I move:

That this bill be now read a second time.
This bill amends the Offshore Petroleum and Greenhouse Gas Storage (Safety Levies) Act 2003 (the Safety Levies Act) to impose levies on offshore petroleum titleholders to enable the National Offshore Petroleum Safety Authority (NOPSA) to recover the costs associated with undertaking the regulatory functions in relation to the integrity and safety of wells and well operations conferred on NOPSA by a combination of amendments to the Offshore Petroleum and Greenhouse Gas Storage Act 2006 (the OPGGS Act), which came into force in November 2010, and regulations made under the act.

Honourable members will recall that last year parliament passed legislation augmenting NOPSA's functions to include the functions conferred by the Offshore Petroleum and Greenhouse Gas Storage Act and its associated regulations with respect to non-occupational health and safety structural integrity for facilities, wells and well-related equipment. The amendments gave NOPSA regulatory responsibility for all aspects of structural integrity of petroleum facilities, wells and well-related equipment. The amendments also clarified that an occupational health and safety duty of care applies to titleholders in relation to wells and well-related equipment. NOPSA has responsibility for monitoring and enforcing this titleholder duty of care.

Following on from the legislative changes to NOPSA's functions and responsibilities, part 5 of the Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Regulations will give full effect to these changes by transferring regulatory functions and powers relating to management of well integrity and well operations to NOPSA.

NOPSA is funded on a full cost-recovery basis with levies raised from the offshore petroleum industry. It is crucial that NOPSA is resourced adequately to undertake its functions. The uncontrolled release of hydrocarbons from the Montara platform in August 2009 demonstrated that the regulator of offshore wells and well operations must have sufficiently skilled and experienced staff available to effectively and diligently discharge their regulatory responsibility wherever well operations are taking place.

The levies that are currently imposed by the safety levies act are facility based, payable by the facility operator and confined to occupational health and safety. These levies do not extend to funding NOPSA's regulation of wells and well operations of titleholders under the Offshore Petroleum and Greenhouse Gas Storage Act and part 5 of the resource management and administration regulations.

These new levies imposed by this bill will ensure that NOPSA is able to recover costs associated with undertaking the extension of its regulatory functions.

Three new well related levies, an annual well levy, a well activity levy and a well investigation levy are imposed by this bill.

- The annual well levy will recover NOPSA's general regulatory costs associated with undertaking its functions in relation to the integrity of wells and well related equipment. It will also cover NOPSA's general costs associated with monitoring and enforcing compliance with the titleholder occupational health and safety duty of care in relation to wells.
- The well activity levy will recover NOPSA's costs associated with the assessment and approval of specific well activities under part 5 of the resource management and administration regulations.
The well investigation levy will cover excessive regulatory costs reasonably incurred by NOPSA in investigating well related incidents. It will only apply where NOPSA's costs, when conducting an inspection in relation to a breach or suspected breach of the titleholder duty of care in relation to wells, exceeds $30,000.

In light of the issues arising from the Montara incident, the Australian government is committed to ensuring that NOPSA has sufficient powers and capability to effectively regulate all aspects of well integrity and well operations, pending the establishment of a single national offshore petroleum regulator. Collection of these levies from titleholders who carry out well operations will ensure that NOPSA is adequately resourced to fulfil its well related responsibilities under the Offshore Petroleum and Greenhouse Gas Storage Act and associated regulations.

The title of the safety levies act will change to the Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Act 2003, to reflect the expansion of its content to include levies relating to wells. I commend the bill to the House.

Debate (on motion by Mr Pyne) adjourned.
TAX LAWS AMENDMENT (2011 MEASURES No. 1) BILL 2011

First Reading

Bill and explanatory memorandum presented by Mr Shorten.

Bill read a first time.

Second Reading

Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (9.35 am)—I move:

That this bill be now read a second time.

This bill amends various taxation laws to implement recent disaster related initiatives and improvements to Australia’s tax laws.

Schedule 1 makes exempt from income tax, the disaster income recovery subsidy payments made to victims of the recent floods and Cyclone Yasi.

The payments provided much needed financial assistance to employees, small business owners and farmers who experienced a loss of income as a direct consequence of the flooding that commenced on or after 29 November 2010 and which affected Queensland, New South Wales, Western Australia, Victoria and South Australia, as well as Cyclone Yasi, which recently devastated Queensland.

Schedule 1 also exempts from income tax the ex gratia payments to New Zealand special category visa holders who were affected by a disaster in 2010-11, but due to their visa status were ineligible for a tax-exempt Australian Government Disaster Recovery Payment. These ex gratia payments are made for disasters where the Australian Government Disaster Recovery Payment has been activated, and are of an equivalent amount.

By exempting these disaster relief payments from income tax, the maximum amount of assistance is provided to affected individuals. A tax exemption for these payments is also consistent with the exemption provided for equivalent payments made in response to other disasters, such as the devastating Black Saturday Victorian bushfires.

Schedule 2 provides an exemption from income tax for category C payments made to flood-affected small businesses and primary producers under the Natural Disaster Relief and Recovery Arrangements. This measure recognises the hardship suffered by small businesses and primary producers in affected areas, and provides certainty for recipients in terms of tax treatment at a time when they should not have to worry about these tax matters.

Schedule 3 increases the flexibility of first home saver accounts. Money in a first home saver account will be able to be paid into a genuine mortgage after the end of a minimum qualifying period, should the account holder purchase a home prior to the release conditions being satisfied.

Currently, if a first home is purchased before certain minimum release conditions are met, the first home saver account must be closed, and the money in the account must be paid to the individual account holder’s superannuation or retirement savings account.

First home saver accounts are designed to encourage individuals, through tax concessions and government contributions, to save for their first home over the medium to long term, and have been available since October 2008.

The new law will allow the money in a first home saver account to be paid to a genuine mortgage after the end of a minimum qualifying period, should the account holder purchase a dwelling in the interim.

This change will further assist aspiring home buyers by increasing flexibility through allowing people to purchase a home earlier than planned and still be able to put...
the money towards their new home, should their circumstances change.

This measure will apply for houses purchased after royal assent.

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

Debate (on motion by Mr Pyne) adjourned.

THERAPEUTIC GOODS LEGISLATION AMENDMENT (COPYRIGHT) BILL 2011

First Reading

Bill and explanatory memorandum presented by Ms King.

Bill read a first time.

Second Reading

Ms KING (Ballarat—Parliamentary Secretary for Health and Ageing and Parliamentary Secretary for Infrastructure and Transport) (9.39 am)—I move:

That this bill be now read a second time.

When prescription and other higher risk medicines are approved for marketing in Australia by the Therapeutic Goods Administration, a document known as ‘product information’ is approved for the use of health professionals. This bill amends the Copyright Act 1968 to ensure the long-standing practice of the TGA of approving product information that is in a similar form for all brands of a registered medicine can continue.

These amendments reflect the government’s concern that the important public health objectives of accurate, consistent information for prescribers and consumers might be jeopardised if some pharmaceutical companies claim infringement of copyright in the approved product information of their registered medicines in an attempt to delay market entry of their competitors’ generic versions of those medicines.

While this is only a recently emerging phenomenon, the use of copyright for this purpose has been identified as an issue that needs to be addressed.

Product information contains technical information about the medicine such as the characteristics of the active ingredient, its indications and contraindications, a description of clinical trials that support the indications, precautions, possible adverse reactions, dosages and storage, and other information relating to the medicine’s safe and effective use. Its purpose is to assist medical practitioners, pharmacists and other health professionals to prescribe or dispense the medicine appropriately and safely, and to assist them to provide patient education about the medicine in support of high quality and safe clinical care.

It is critical that doctors and pharmacists receive the same information when prescribing and dispensing all brands of the same medicine. It is, therefore, the Therapeutic Goods Administration’s practice to approve a text for the product information of a generic medicine that is in a similar form to that approved for the product information of the original medicine. This avoids any perception that differences in the text of the approved product information for the different brands of a medicine reflect clinical or pharmacological variations in the medicine itself.

Brand substitution policy was introduced in Australia in 1994 to encourage the use of generic medicines. The policy makes it possible to substitute, where appropriate, the prescribed drug brand at the time of dispensing in the pharmacy. This practice is a vital component of pharmaceutical policy in Australia as it contributes directly to improved access and affordability of pharmaceuticals to both the government and health consum-
ers. Timely availability of generic medicines is an essential feature of this policy.

Any barriers that have the effect of preventing or delaying market entry of new brands of medicines will have significant financial implications for both government and consumers by reducing the effectiveness of the further reforms to the Pharmaceutical Benefits Scheme implemented under the National Health Amendment (Pharmaceutical Benefits Scheme) Act 2010. Members will be aware that under these reforms the first listing of a generic version of a medicine now triggers a 16 per cent reduction in the price the Commonwealth pays for the medicine. The reforms will provide an estimated $1.9 billion in savings to government and an average savings over 10 years to consumers of $3 per general PBS prescription. These savings will contribute to the sustainability of the scheme and maintain access to quality medicines at a lower cost to the taxpayer.

Action by pharmaceutical companies based on a claim of copyright in product information can substantially delay savings to the government and Australian consumers because the price reduction trigger of the first listing of a generic version of a listed medicine on the PBS is absent. It can also artificially prolong any market exclusivity that the company may have had under patent law.

Recently a number of pharmaceutical companies have taken, or threatened to take, legal action alleging that the use by another company of product information approved by the TGA for a generic version of a medicine is an infringement of copyright. In 2008 an interlocutory injunction was granted by the Federal Court to a pharmaceutical company sponsor of a registered medicine partly on the basis of an argument that copyright in the approved product information for that medicine would be infringed by a competitor’s use of the approved product information for a generic version. The Federal Court hearing on this matter, scheduled for early March 2011, will consider the issue of copyright in the approved product information of a registered medicine. This consideration will be the first time by an Australian court.

In December 2010, in an apparent attempt to avoid the risk of similar litigation, the first generic version of a medicine was marketed without its approved product information being made available. While this is not in breach of any existing requirements under the Therapeutic Goods Act, it is not conducive to the quality use of medicines and is not a desirable outcome for public health. If the marketing of this medicine had been prevented by an injunction, the PBS statutory price reduction would not have been triggered.

Pharmaceutical companies currently receive appropriate patent protection for their medicines under Australian law. Apart from the market exclusivity conferred under the Patents Act, the Therapeutic Goods Act includes measures that require a person applying to register a generic medicine to certify either that they believe on reasonable grounds that a patent will not be infringed by the marketing of the medicine, or that the relevant patent holder has been notified of the application. Data protection provisions also prevent information provided to the Therapeutic Goods Administration in relation to a medicine containing a new chemical entity from being used to evaluate a generic product for a period of five years from the day on which that medicine was registered. The government believes these measures safeguard a fair return for the efforts of companies bringing medicines to market. The use of copyright injunctions to prevent generic medicines being marketed has the potential to provide the patent owners with a substantial additional period of market exclusivity.
after the patent has expired as copyright has a duration of at least 70 years from publication.

This issue is not unique to Australia. Similar issues have arisen in the United States in relation to federal drug administration’s ‘same-labelling’ requirements for medicines under the Hatch-Waxman amendments to the Federal Food, Drug and Cosmetic Act. These amendments were designed to facilitate the introduction of generic competitors once the originator’s drug patent term and exclusivity periods ended by allowing the generic producers to ‘piggyback’ upon the originator’s successful FDA application. The same labelling requirement was upheld by the Second Circuit, United States Court of Appeal in 2000 in the SmithKline Beecham consumer healthcare case in which the court commented that the purpose of the Hatch-Waxman amendments would be severely undermined if copyright concerns were to shape the FDA’s application of the requirements. The court found as a consequence that the same-labelling requirements prevailed over copyright laws.

I now turn briefly to the amendments themselves.

The bill will insert a new section 44BA into the Copyright Act 1968. The effect will be that actions under the Therapeutic Goods Act for the purposes of approving product information for prescription and other higher risk medicines, or of approving variations to approved product information will not be an infringement of copyright subsisting in any product information previously approved by the Therapeutic Goods Administration. This will ensure, for instance, that an applicant for the registration of a generic version of a registered medicine will not infringe copyright if it provides a draft product information document that contains text similar to the product information already approved for that medicine. This exemption would apply irrespective of when the product information was approved, that is, whether it was approved before or after the amendments come into effect.

Secondly, the supply, reproduction, publication, communication or adaptation of any approved product information of a registered medicine will not be an infringement of copyright in any other approved product information where such an act is done for a purpose related to the safe and effective use of the medicine concerned. This exemption would apply to such acts irrespective of when the product information was approved. It would cover, for instance, acts of the Commonwealth (including by the Therapeutic Goods Administration), pharmaceutical companies and healthcare professionals and all those involved in making product information available to health professionals.

The infringement exemption will only apply to acts done after the commencement of the amendments.

The bill includes a so-called ‘historic shipwrecks clause’ which ensures that if the amendments would result in the acquisition of property from a person otherwise than on ‘just terms’, the Commonwealth must pay ‘reasonable compensation’ to that person. This provision has been included as a precautionary measure to ensure constitutional validity and does not indicate that such a result is likely.

Exempting particular acts from infringement action under the Copyright Act is not done lightly. The proposed amendments reflect the importance the government places on ensuring the highest levels of health consumer safety through the provision of accurate information to prescribers and other health professionals about higher risk medicines. The only other exemption of this kind in the Copyright Act relates to the use of ap-
proved labels on containers for agricultural and veterinary chemical products.

The amendments go no further than is necessary to ensure that the TGA can continue to approve product information that is in a similar form for all versions of the same registered medicine.

The government believes that these amendments will restore the appropriate balance between ensuring safe and timely access to medicines for all Australians and encouraging research and development in the pharmaceutical industry through appropriate protection of intellectual property.

I commend the bill to the House.

Debate (on motion by Mr Pyne) adjourned.

BUSINESS
Suspension of Standing and Sessional Orders
Mr ALBANESE (Grayndler—Leader of the House) (9.50 am)—by leave—I move:
That so much of the standing and sessional orders be suspended as would prevent the Paid Parental Leave (Reduction of Compliance Burden for Employers) Amendment Bill 2010, private Members’ business, to be reported from the Main Committee and considered immediately.

Question agreed to.

PAID PARENTAL LEAVE (REDUCTION OF COMPLIANCE BURDEN FOR EMPLOYERS) AMENDMENT BILL 2010
Report from Main Committee
Bill returned from Main Committee for further consideration; certified copy of the bill presented.

Ordered that this bill be considered immediately.

Second Reading
Debate resumed, from 22 November 2010, on motion by Mr Billson:

That this bill will be now read a second time.

Mr BILLSON (Dunkley) (9.51 am)—in reply—In summing up the debate on the coalition’s private member’s bill, the Paid Parental Leave (Reduction of Compliance Burden for Employers) Amendment Bill 2010, I would like to acknowledge the contributions of all members to the debate. I particularly want to recognise the contributions of the members for Farrer and Forrest for their very clear articulation of the coalition’s clear desire not to in any way delay or impede eligible recipients accessing the government paid parental leave payment entitlements.

Coalition members reiterated that this bill is solely about reducing the compliance burden on employers in the processing and delivery of those payments. The member for Forrest, Ms Marino, highlighted the great demands on employers in her electorate, particularly on small business people. Ms Marino spoke about how employers already face challenges in replacing a valued staff member who is absent on maternity leave and how the last thing a workplace facing this change and adjustment needed was additional and unnecessary red tape and compliance burdens. The member for Farrar, Ms Ley, emphasised how the government’s current arrangement, which has the Family Assistance Office administering the payments in a more user-friendly process, is in fact the very administrative arrangement that has supported the government’s boast about the success of the Paid Parental Leave scheme. Ms Ley correctly identified the central role of the Family Assistance Office and how it will continue to play a role in receiving PPL applications, handling queries, resolving eligibility concerns and making payments to employers simply to have the employer on-pay what the FAO determines to be the correct amount.
The bill simply seeks to retain the Family Assistance Office as the government payment agency for the government PPL payments and not have the PPL pay clerk role and all of its associated costs, risks and compliance burden handballed from the Commonwealth to all employers from 1 July. Employer organisations, the small business community, payroll professionals, business advisers and managers are all deeply concerned about being forced to be the pay clerk for the government’s Paid Parental Leave scheme because of the costs, the red tape, the compliance burden and the risks this will impose. These unnecessary and avoidable costs and risks include the need for employers to become familiar with their obligations and responsibilities under the government’s scheme; to make necessary changes to payroll and accounting systems; to undertake staff training; to seek advice; to receive, handle, process, account for and pay instalment amounts in a timely way; to attend to the compliance, verification and reporting requirements; and to absorb the opportunity costs of all of this displaced effort and all these displaced resources that take people away from the business of running their businesses.

Despite all of these real and quantifiable impacts on employers, the government continues to defend its decision to impose this PPL pay clerk burden on employers on the basis that forcing its bureaucratic arrangements onto employers will help employees stay more connected with their workplace relationships. Amy Lyden, a respected advocacy adviser for the Australian Businesswomen’s Network, pointed out in her 16 February analysis, ‘Depositing money into one’s account doesn’t constitute a relationship.’ Only an out-of-touch Labor government would claim that forcing employers to spend their scarce time and money changing systems and passing on government funded payments that appear as an anonymous electronic transfer amount in an eligible recipient’s bank account would help women to ‘remain connected to their workplace’. In order to back its scheme, the government falsely users return-to-work data that shows a person is more likely to return to work after an addition to the family, suggesting that having employers as paymasters helps return-to-work rates. What nonsense. It is not who undertakes the keystrokes to see payments appear as an electronic payment entry on a bank statement that influences return-to-work rates. It is instead the family friendly
nature, the size and the flexibility offered overwhelmingly by the large and government employers who are fortunate to be able to offer voluntary PPL benefits that support a higher return-to-work rate.

Another argument advanced by the government for relieving the Family Assistance Office of its current payment-processing responsibility and forcing employers to take on this bureaucratic burden is that it will somehow help to ‘image’ the payments as something other than a government funded family support payment. The government has given this dubious rationale no prospect of credibility, as it spends extensive taxpayer money on its extensive government funded advertising campaign to make sure everybody knows that they are government funded PPL payments. The government can produce no evidence to support this imposition of yet another new red tape burden on employers and simply dismisses legitimate costs and compliance concerns as unimportant. This is yet another example of Labor’s indifference to the legitimate concerns and interests of the small business community. According to the most recent ABS figures, this indifference has seen 300,000 jobs lost in small business since the election of the Rudd-Gillard Labor government.

I have heard some commentators simply parrot on about the Productivity Commission as justification for imposing the PPL pay clerk burden on employers. For those time-poor crossbenchers—none of whom are here today—who have many issues on their plates and who are subject to government briefings designed solely to advance the government’s interests and agenda, I recap some of the issues the Productivity Commission actually considered. Interestingly, the ACTU on page 33 of its Productivity Commission submission of May 2008 stated:

The simplest administration system would seem to be that the government provides the safety net component to all new mothers via the existing welfare system, as it already does with the baby bonus. Employers would provide any additional top up payment to employees as per their usual methods.

That seems to back the coalition’s position. In its final report, the Productivity Commission recognised that the ‘staying close’ and ‘signalling benefits’ arguments that the government is offering are hotly contested by employer groups. On page 8.34 of the commission’s final report, it is very cautious and very qualified in concluding:

Benefits from assigning payment responsibility to employers are sufficient to favour the approach over direct government payment in most cases.

The commission recognised that small businesses would be burdened most by the imposition of the PPL pay clerk role but comforted itself by suggesting that there is only a small percentage of small businesses that might have an employee eligible for PPL and that that somehow made it less of a concern.

This does not negate the need to prepare for this PPL pay clerk role. A significant proportion of potentially eligible PPL recipients work in sectors where the majority of employers are in fact smaller businesses. This issue and the government’s ‘it won’t happen much’ argument have been strongly challenged, even in Centrelink’s own implementation consultation processes, where the data they relied upon has been challenged time and time again. If a very contested, qualified, cautious and on-balance view from the Productivity Commission is thought to be persuasive on how crossbenchers might vote on this issue, then an adamant, forcefully put view by the commission must be a knockout and give all members the opportunity to vote in favour of this bill. Guess what? The commission has offered that knockout conclusion that I draw the crossbenchers’ attention to.

We know the government has failed to provide any—
Mr Albanese interjecting—

Mr BILLSON—The manager of government business quite rightly notes that there is no crossbencher here. We have sought to inform them about these things and will wait to see if it has been persuasive. The government has failed to provide any persuasive justification or considered account of the likely benefits, yet there are clear and uncontested costs and risks in its approach. There is not a single credible reason to impose this pay clerk burden. When the Senate originally amended the Paid Parental Leave Bill to embrace the measures contained in this private member’s bill, the shrill and over-the-top government response gave us something to think about. The government said that, if the Senate insisted on protecting cash-strapped and time-poor businesses and guarding against further risk of discrimination against women of reproductive age in the workforce, it would delay the entire introduction of the Paid Parental Leave scheme. By correcting this bureaucratic nonsense from the government, the government threatened to delay the entire Paid Parental Leave scheme.

I cautioned at the time that there must be more to this than the government was prepared to reveal, given the shrillness and insistence. At the time, I argued there was another motive. The government had failed to rule out that the PPL pay clerk burden was the enabling machinery to change what is currently an encouragement for employers to top up Labor’s deficient scheme, fitting them up with the tools needed to oblige them to top up the taxpayer funded minimum wage payment, and it has emerged that I was right. This government’s imposed PPL pay clerk burden is just the start—the thin edge of the wedge—of the costs and obligations employers will face under Labor’s deficient and flawed Paid Parental Leave scheme.

A secret internal union circular reveals the true reason behind the coordinated Labor and union attack on this common-sense private member’s bill that the coalition has proposed that would see the Family Assistance Office continue to implement the government’s scheme. The circular said: ‘We must oppose Billson’s bill.’ It went on to say it would ‘restrict unions’ capacity to improve and enforce PPL in the workplaces’. It is now clear that the government’s motive for imposing the Paid Parental Leave pay clerk responsibilities on employers is to assist a union campaign to force employer co-payments, to top up the deficient government scheme to full replacement wage levels plus superannuation. This is confirmed by a subsequent ACTU release. The release said: ‘It’s time to unite against plans to undermine the Paid Parental Leave scheme.’ That is what my bill is supposed to be doing, apparently. It attacked my bill, but the union movement conceded that its agenda is indeed to campaign ‘to achieve full income replacement’, adding:

Many enlightened employers are already topping up the scheme to full income replacement, but where they do not, unions will actively campaign through collective bargaining to achieve that goal.

Co-payments are the purpose behind fitting up employers. For the cross-members who are not here today, so persuaded by the most ambivalent, inconclusive, on-balance, cautious, hesitant conclusion of the Productivity Commission, I invite them to consider this. The Productivity Commission has warned:

…the biggest dangers of employer co-funding of paid parental leave is discrimination against women of reproductive ages and, in the shorter term, the financial pressures on cash-strapped employers …

Nothing could be clearer. The Productivity Commission is absolutely clear on that as a concern. That alone should be enough for all members in this House who are concerned
about small business viability and concerned about women’s work opportunities to vote in support of the coalition’s bill, but what we see is the Gillard Labor government and union pact—a self-serving pact—about helping along an industrial campaign to force employer co-payments on and up, despite the clear warnings from the Productivity Commission that this will harm cash-strapped small businesses and workplace opportunities for women.

Labor seemed to be alert to this when they were in opposition. They sought to provide some comfort to people who were legitimately concerned about this. On 13 July 2007 there was a joint media release titled ‘Maternity leave’, with Jenny Macklin, Tanya Plibersek and Julia Gillard stating:

Labor will not support a system that imposes additional financial burdens or administrative complexity on small businesses or in any way acts as a discouragement to the employment of women.

Labor are doing exactly what they promised they would not do. The Queensland state Labor government has written to the Gillard government stating:

… mandating employers to take over the paymaster function after the … six month period is a costly and time consuming administrative issue for employers, particularly those who are operators of small businesses.

The Queensland government urged the Gillard government to change its ways. Every member in this House should be voting for the coalition private member’s bill. If they have listened to the small business community, if they respect the wishes of the Queensland government and if they want to help the Prime Minister, Minister Macklin and Minister Plibersek keep their promises, they need to look after the interests of the small business community. All members should be supporting this private member’s bill in the House. I commend the bill to the House and I am confident right-minded people will vote for it. (Time expired)

Question put:
That this bill be now read a second time.
The House divided. [10.11 am]
(The Speaker—Mr Harry Jenkins)

Ayes............ 69
Noes............ 70
Majority........  1

AYES

COMMITTEES

Privileges and Members’ Interests Committee

Report

The DEPUTY SPEAKER (Ms AE Burke)—On behalf of the Standing Committee of Privileges and Members’ Interests I present the committee’s report entitled Report concerning the registration and declaration of members’ interests during 2010.

Ordered that the report be made a parliamentary paper.

Public Works Committee

Reference

Mr GRAY (Brand—Special Minister of State and Special Minister of State for the Public Service and Integrity) (10.18 am)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Proposed fit-out of new leased premises for the Attorney-General’s Department at 4 National Circuit, Barton, Australian Capital Territory.

The Attorney-General’s Department proposes to undertake a fit-out of new leased premises at 4 National Circuit, Barton, Australian Capital Territory at an estimated turnaround cost of $18 million plus GST. The national office of the department is located in the recently completed building at 3-5 National Circuit, Barton. The department still occupies five leased properties, three of which are over 20 years old and require major refurbishment to meet Commonwealth environmental efficiency and space utilisation standards.

The new building will be constructed on the southern portion of the former Robert Garran offices site. The patents office building, which is located on the northern portion
of the site, is heritage listed and has been recently refurbished. The development will provide approximately 29,800 square metres of high-quality office space, of which the Attorney-General’s Department will occupy approximately 8,000 square metres.

In its report, the PWC recommended that these works proceed, subject to parliamentary approval and to the satisfactory pricing of the tender trade packages. The fit-out will be undertaken concurrently with the base building construction, which commenced in September 2010, and is scheduled for practical completion in June 2012. Occupancy is expected to occur in July 2012. Current leases have been structured to expire no earlier than mid-2012, to avoid the risk of penalties associated with short-term holding leases. On behalf of the government I would like to thank the committee for its support and I commend the motion to the House.

Question agreed to.

Public Works Committee
Reference

Mr Gray (Brand—Special Minister of State and Special Minister of State for the Public Service and Integrity) (10.20 am)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Proposed fit-out of new leased premises for divisions of the Department of Innovation, Industry, Science and Research at Buildings 2 and 3, Precinct Corporate Centre, 105 Delhi Road, Riverside Corporate Park, North Ryde, New South Wales.

The Department of Innovation, Industry, Science and Research proposes to undertake an integrated fit-out of a new leased facility at North Ryde, Sydney, to accommodate fully-serviced laboratories, testing and analytical facilities and support office space. The fit-out will ensure the building is appropriately tailored to the scientific and operational needs of the department and will allow three leased Sydney properties to be replaced with a single, new fit-for-purpose facility.

The proposed development will conform to all relevant building and laboratory codes, including compliance with laboratory occupational health and safety requirements. The facility will accommodate about 240 staff when complete. The building will have 10,270 square metres of floor space, including offices, laboratories and sample receipt areas. The total estimated cost of the proposal is $25.66 million plus GST. It is proposed that the building be fitted out to accommodate the activities of the National Measurement Institute, the Australian Astronomical Observatory and an Enterprise Connect manufacturing centre.

It is subject to parliamentary approval. Fit-out customised to the department’s specific needs will continue as the building construction progresses. Occupancy of the building is scheduled in two stages with stage 1 commencing late May 2012 and stage 2 in August 2012. In its report the Public Works Committee has recommended that these works proceed. On behalf of the government I would like to thank the committee for its support and I commend the motion to the House.

Question agreed to.

TAX LAWS AMENDMENT (TEMPORARY FLOOD RECONSTRUCTION LEVY) BILL 2011

Cognate bill:

INCOME TAX RATES AMENDMENT (TEMPORARY FLOOD RECONSTRUCTION LEVY) BILL 2011

Second Reading

Debate resumed from 23 February, on motion by Ms Gillard:
That this bill be now read a second time.

Mr TURNBULL (Wentworth) (10.23 am)—This measure is presented as an effort in friendship—in mateship, as the Prime Minister has described it—but what it represents is nothing more than an admission of the failure of this government to exercise the necessary and appropriate fiscal discipline that confronting a natural disaster like this requires. It is perfectly plain that the government has more than enough capacity to rearrange its priorities so as to be able to fund the entirety of the forecast $5.6 billion of reconstruction funding without the need to impose this additional tax. Indeed, it is for that reason that there is not to my knowledge one economist, financial commentator or expert in public finance that has not condemned the flood levy.

We understand of course why the government has sought to impose this levy. It does not need to financially—it can find other savings, and I will come back to those in a moment. It has done so for a purely political purpose. It has done so for the purpose of enabling the Prime Minister to say, ‘Look, I took a tough decision, an unpopular decision about public finances. I was prepared to impose an unpopular tax on the Australian public in order to defend the budget.’ That is the brownie point, the fiscal gold star of good public finance governance that she is seeking to establish for herself. But all of us recognise that this levy is about politics and image; it has got absolutely nothing to do with good public finance or the responsible management of Australian taxpayers’ funds.

The government focuses on the budgetary outcome, and indeed everybody does. But in the real world, the world of the private sector, while companies and accountants naturally focus on accounting profit and loss, the equivalent of what the budget outcomes are here, good managers are most focused on cash flow, on how much free cash is available to a business and what the cash requirements on a business are. And whether they are for operating expenses or for capital, they all require funding and resourcing.

The very substantial cost of the construction of the National Broadband Network is presently not going through the budget. It is not going through as expenditure because we are presented with the myth that this is simply taking one asset—cash—which of course is funded by borrowings, and turning it into an asset which, so the myth goes, is worth the same amount that is being spent on it.

At some point in time, and hopefully not too long, the Australian National Audit Office will have a close look at this and will conclude that the asset that has been created in the NBN for tens of billions of dollars is not worth anything like that which has been spent on it and an appropriate write-down will have to be taken. But for the time being, this expenditure funded by borrowings on the NBN is not being recognised in the budget as expenditure and therefore it is not contributing to the deficit.

However it is all cash, and the truth is that if the government were minded to live up to its own principles and its own rhetoric, and if it were minded to undertake a cost-benefit analysis on the whole issue of providing universal affordable broadband, the billions of dollars it would save as a consequence of that exercise would be a multiple many times of the $1.8 billion proposed to be raised by the flood levy. My recollection is that the combination of the NBN’s capital expenditure and operating losses over the next two years is in the order of $6.5 billion or $7 billion. A slight rescheduling of that even if, for example, a Productivity Commission cost-benefit analysis study were undertaken and if only a small adjustment to that expenditure were made, you can readily see that we
would be able to find the $1.8 billion in sav-
ings. So there is ample scope to fund this
flood levy.

The recourse to taxation is of course a re-
flex of this government. We are facing at the
moment the prospect of the mining tax, the
design of which appears to be even more
inert than its predecessor, the resources su-
per profits tax. This is a government that is
addicted to taxation and unable to exercise
the fiscal discipline that is required of an
Australian government. Apart from national
security, which of course is the highest re-
sponsibility of any government, there is no
more important responsibility of any Austra-
lian government than managing the public
finances of the nation. We are a remarkably
fortunate country in the sense that we were
able to come through the global financial
crisis with relatively little negative impact on
employment and economic activity com-
pared to other countries. We had a couple of
bad quarters, but overall we came through it
very well.

The universal conclusion of why that was
so is basically down to three factors. The
first one was that we went into the crisis with
no government debt at the central govern-
ment level. In fact, we had cash at the bank.
That was entirely due to the fiscal discipline
and the sound financial management of the
coalition under the leadership of John How-
ard. The second factor was that our banks
were not imperilled by imprudent lending.
There was no subprime phenomenon in Australia. They did not invest, as
European banks did, in the high-risk sub-
prime securities issued out of the United
States. They were well regulated. Even at the
depths of the crisis, housing mortgage de-
faults in Australia remained at very low lev-
els. I take nothing away from the good man-
agement of the banks and the bankers them-
selves. They steered their institutions through
difficult times very well. But nonetheless the
regulatory framework that ensured that the
risky activities seen in the United States and
Europe did not occur here was one that was
set up under the coalition under the supervi-
sion of our then Treasurer Peter Costello. So
there are two of the three factors—I will
come to the third in a moment—that were,
on any view, entirely a consequence of re-
sponsible economic management by the pre-
vious government.

The third factor, which is very important,
is that China continued to grow strongly and
continued to provide strong and growing
demand for our natural resources, in particu-
lar iron ore and metallurgical coal. The
China relationship is one that the previous
government put a great deal of effort into,
and it certainly was never warmer or stronger
than it was under the leadership of John
Howard. But I do not seek to take for our
side of politics all or, indeed, most of the
credit for the good terms of trade prompted
by the China boom; that is largely an exter-
nal factor. But nonetheless two of the three
reasons why we came through the GFC so
well are fundamentally the responsibility and
the consequence of sound economic man-
agement by the previous government.

By contrast, when this government came
into office it immediately began to recklessly
spend and dissipate the bounty that it had
received from the Howard government. The
cash handouts were an example of reckless
spending. The Building the Education Revo-
lution—the Julia Gillard memorial school
hall program—is now a byword for reckless-
ness. The tragically incompetently managed
pink batt program that the member for
Kingsford-Smith opposite presided over not
only cost young lives but cost billions and
billions of dollars. We have to say the rectifi-
cation of those problems is going to cost
more billions and will take many years.
These measures have all contributed to the level of public debt that we now have and to the financial recklessness of this government, which stands in contrast to that of its predecessor, so it is no wonder that Australians are appalled by the flood levy. Australians are very generous, and hundreds of millions of dollars have been given voluntarily to support the victims of the floods in Queensland, New South Wales and Victoria. I commend the generosity of those Australians who have done that and the aid agencies—the Red Cross, the Salvation Army and so many others—that are working so constructively in those communities using those funds. But when they see this government that has been so reckless and wasteful in its expenditure in the past refusing to exercise any financial discipline at all and going off and raising another tax, they say, ‘Here is a lazy, wasteful government that has never been prepared—not in the first term or now in the second term—to exercise financial discipline.’

They look at the National Broadband Network and, like us, agree that all Australians, wherever they live, should have access to fast broadband and at an affordable price. We all say amen to that, but common sense says, common prudence says, that having made that political commitment to universal affordable fast broadband there should be a study to ascertain the most cost-effective way of delivering it, the fastest way of delivering it and the way of delivering it that imposes the least cost on the taxpayer.

That is common sense and, indeed, it is common sense that was not lost on the former Prime Minister, Mr Rudd. When he came into government he said not one major infrastructure project would be established or initiated without a rigorous cost-benefit analysis. That was a penetrating glimpse of the obvious, you might think, but one that has been completely ignored in respect of the largest infrastructure project in our country’s history. Australians’ hearts are filled with compassion and generosity towards those in need—and, of course, we will be generous again to our New Zealand brothers and sisters who have suffered so grievously in Christchurch. But we look at this government and we say, ‘Why can’t you keep your house in order? Why can’t you manage your finances prudently? Yes, we want to help, but you have to do your part. You have to manage the public finances of Australia.’ (Time expired)

Mr WINDSOR (New England) (10.38 am)—It was a great pleasure to be in the chamber to hear the member for Wentworth speak so eloquently. Thank you, Mr Deputy Speaker, for the opportunity to speak on the Tax Laws Amendment (Temporary Flood Reconstruction Levy) Bill 2011 and cognate bill. In my maiden speech—and I think I was standing in this very spot—I made the point that Australia should have a national natural disaster scheme of some sort. I think one of the lasting legacies of this debate and the recent spate of disasters and the fact that we are even talking about constructing a levy to assist in paying for overcoming the disasters—particularly in Queensland but also in Victoria—will be that the preparation for disasters has not been adequate.

I do not lay the blame on the incumbent government. I think governments generally have relied on these things not happening too often and having the wherewithal to accommodate them when they do. The floods occurred and there was recognition that large expenditure was required. Then the cyclone arrived and a revisiting of that expenditure was required. Other events will occur and a revisiting of that expenditure will be required. This indicates to me that any prudent government, particularly in light of the prospect of more extreme events unfolding according to the climate scientists’ views of the
world, should have some sort of sovereign fund or an arrangement in place that could involve reinsurance at a state level. I think that is one of the question marks that particularly lingers over Queensland but does not impact as greatly on other states. However, we do require some sort of long-term arrangement whereby disasters of this magnitude are catered for and not at the whim of the political cycle. Funds to cover the expenditure need to be available at the time of the disaster.

As sure as the 1974 Brisbane flood occurred and the 2011 flood occurred, there will be another Brisbane flood. Although there is debate about building a dam of that size, as good as it is, and its worth, human beings will never get it completely right. Human beings allowed those people in Brisbane particularly to build in an area where there had been decimation and disaster before. I think some of the people involved in that sort of planning process need to revisit some of their decisions. It is pointless spending $6 billion or whatever the number is going to be, a large proportion of which will potentially be spent in the Brisbane area, on reconstruction and then the event happening again in two years and we do it all again. We have to learn from this. There may be other mitigation issues to be addressed, particularly in some of the smaller towns. To have allowed the proliferation of homes in the Brisbane valley in the full knowledge that a disaster of that magnitude could occur again—as it had historically—needs to be questioned.

Prior to my maiden speech—which I made 10 years ago now—in this parliament I often raised in the state parliament of New South Wales the need for some sort of national scheme so that any events that occurred were not assisted on the back of the political cycle according to the seat in which they occurred and the budgetary considerations of the government of the day. I listened with interest to the member for Wentworth because of the issues he raised about the budgetary cycle and there has to be a recognition that something needs to be put in place for the long term. The planning processes, as I mentioned, need to be reviewed. The way in which Queensland insures itself or does not insure itself needs to be reviewed. I think the government is moving down a pathway to examine some of those reinsurance and cost issues. The massive costs that have been incurred will come from the taxpayer in one form or another. The flood levy may or may not be part of that funding arrangement, but irrespective of whether it is or it is not the money will be found somewhere.

I suggest that it is time that governments and oppositions got off this horse that the only way you can be considered an economically efficient manager of the nation’s money is to run a surplus budget. This issue has been raised over and over again. The member for Wentworth referred to it again, trawling back through the current government’s response to the global financial crisis. I support Ken Henry in the design of the stimulus package, although its administration does leave question marks. It is easy in hindsight to look back and say that we could have done it for about $20 billion less or $15 billion less. The fact is that we got through that crisis and a lot of people can take credit for it. I do not want to take any credit for it but a lot of people can. We did get through it and we are in very good shape.

As an economy, we are the envy of most economies in the world, which leads me to this issue that we are debating today. I cannot see why one of the best economies in the world has to strike a levy to find funds to assist people in a natural disaster. I will not be supporting the legislation that is before the House today, given the economy that we have got and given the way in which we
have been able to come through the global financial crisis. As everybody is putting in their bid, the member for Wentworth suggests the National Broadband Network should be obliterated and the money poured into Queensland reconstruction. I would not agree with that, as he would not agree with the baby bonus being thrown out and poured into the reconstruction, but a lot of people would. I am sure we have all got ways in which we would address any budgetary difficulties that the government may have.

The Treasurer has put himself in a difficult position with this legislation, because by his own admission—and the opposition have trapped him, in a sense, in the politics of surplus and deficit budgeting—unless he is in surplus he will be judged as a poor economic manager. That is not the correct way to look at our economy. Over the last decade we have had these machinations around surplus and deficit. For an economy of our size and scale and because of its health, there is nothing wrong with being in deficit for a short period of time. We did it to overcome a crisis. We can argue about the administration of some of those moneys, but the fact is that the whole intent of the massive amount of money that was spent was to keep the economy pumped up when the private sector had left the building for a short time, and it achieved that end. The private sector is back and the economy is running again. We did that through deficit budgeting. No-one suggested that that was the wrong thing to do at that time—there was a crisis. There has now been another crisis—a crisis in one of our states. I do not see why the same logic does not apply again.

There are a number of ways of doing this. One way the government is suggesting is to impose a levy to pick up part of the bill. If there is another disaster tomorrow, do we strike another levy to pick up part of the bill? I think not. Other ways of doing it are either to run a deficit or to pick it up in the budgetary process. I would have opted for the last two rather than the levy. Therefore, I will not be supporting the legislation before the House today. I know members of the government and various ministers are going to look at this, but I think the parliament should have a good close look at it. I do not think it is good enough to say, as some have suggested, that if you have got a healthy budget you can deal with any of these disasters. If you look back over the various disasters that have occurred, there have been different responses.

In the north of my electorate in New South Wales there is a very small valley which is right on the Queensland border. Some of the properties are on either side of the river that demarcates the Queensland border. They had 22 inches of rain in 24 hours. It was an extraordinary disaster for that particular valley. The Minister for Agriculture, Fisheries and Forestry took the time to come up and have a look. New bridges were virtually washed away and blown apart. It was a mini-Grantham, in a sense, without the loss of life that went through that area. It is the only part of my electorate and New South Wales that can really say that an extraordinary event occurred. Those people should be treated as the Queensland people are being treated in any assistance that is available.

We have farming interests and we were flooded twice. My son lost a large area of crop—probably about half a million dollars worth of income. But he lives on a flood plain and we bought the land because it is a flood plain. People live on flood plains. It is good land because it floods. We have to be very careful that we do not extend the argument that any event of nature that occurs should be treated in an extraordinary way. I am quite happy to treat exceptional events, absolute disasters, with some form of assis-
I do not argue about money being spent, but I do argue about a flood levy being struck. I argue—and some farmers would disagree with me—that every time a flood occurs on a flood plain there should not suddenly be some kind of recompense made available to those people who happen to live there. The beauty of a flood plain, as I said, is that it tends to have the best soils agriculturally and it gets wet occasionally. That is why people pay more money for it, but there are risks in being there.

The final thing I would like to say is that the people of Queensland do need assistance. The governments of Queensland and local governments, in my view, probably did not do their jobs correctly in the past in preparing for a disaster. There have been arguments about the rate at which you could insure against—particularly—cyclone damage, because that part of the world is very prone to cyclones. But I think we have to make sure when we work through this process that all of the state governments are involved, or the national government can strike a national scheme where there will be some degree of cross-subsidisation in the risk assessments of disasters in various states.

It is important that at the end of this process we are not back here next year having this same debate about whether we strike a flood levy to fund a disaster. We have to actually define what an extreme, extraordinary event is, and then have a set of guidelines that kick into gear on day one that assist with whatever it is—the reconstruction process, the assistance to individuals or whatever it is under the guidelines that are struck. But to have this ad hoc arrangement that we have had in the past is something that does need to be redressed. In conclusion, I announce again that I will not be supporting this legislation.

Mr OAKESHOTT (Lyne) (10.53 am)—I certainly support Commonwealth engagement in natural disaster relief through natural disaster relief agreements and reconstruction agreements with states, local councils and communities. I also certainly acknowledge the human tragedy of what happened throughout December, January and February in Australia and also what is happening right now to our near neighbours in New Zealand.

With regard to the Queensland floods in particular, some of the stories that made their way through to communities such as mine really did rip deep into the hearts of communities that are a long way from the affected areas. The stories of the four-year-old boy with the life jacket on who was lost at the point of rescue and the older brother asking for his younger brother to be saved first are both tragic and heroic stories at once. We in this chamber must never forget these children and others who were lost as we try and work out the short-term payment structures in reaching agreements with the states as to the best funding model and the longer term issues around how we insure properly in this country for mitigation and emergency works in the future.

Having said that, I also acknowledge that the natural disasters over the Christmas period have to be paid for in some way. But I do not support this process on the grounds that I do not think it is the right way. I do, without sounding too much like a policy wonk, believe in the budget process, and I do think the opportunity for affected groups and bodies who had a surprise thrust upon them the day after Australia Day, with significant savings cuts in a number of areas, is not the way a government should do business in Australia. I think those saving measures deserve to have engagement with the affected parties through a budget process and that the opportunity to argue the merits or otherwise of various cuts should be allowed.
The decision today, therefore, is specifically about the levy. Again, I do not think that in a modern economy like Australia we should go down the path of one-offs, and we should do as much as we can to fight one-offism in Australian public policy. From my perspective, I would have thought a more sensible and sustainable approach would be to combine it into the full context of the budget cycle, which is really only asking for six to eight weeks and for the full consideration in the full story that is the full budget. It is important for people like me to see the flood package in context with the full reform agenda for Australia.

Anyone who is watching public policy closely at the moment will know that the dance card is full. We have some significant public policy issues, whether they are Cooper and FOFA on superannuation, the Henry tax review, the future of nation-building funds and whether we should create new nation-building funds, or whether there are emergency or mitigation funds to deal with issues such as those we are talking about. We have some fascinating work in the tax field, whether it has been the tax expenditure statements that have been put out by Treasury or the offset arrangements that Ken Henry has been talking about in his final days as Treasury Secretary. All of these will be on the agenda in the next six months and all of them interrelate with the flood package in some way.

We can only go to the well of community sentiment so many times, and if someone such as me believes in a reform agenda for the long-term tax arrangements in this country, it should be seen as a negative that we are throwing one-offs into the tax debate. It is for that reason that I do not support the levy. It is not about going to the community with a levy. I am more than comfortable with that and even, if necessary, a bigger one. But I do not agree with it being outside a budget cycle, where the full context of savings measures is considered and the Australian community sees the full story of the reform agenda of government alongside both an increased income tax through the flood levy and the significant savings cuts that were proposed the day after Australia Day.

I want to raise two other things that I hope in the long term come out of this debate, regardless of whether this is successful on the floor of the House. The member for New England and many other members have talked about longer term natural disaster funds. I support that direction and hope that good work is done by the government to progress that. As I have mentioned before, it is an opportunity for nation building through either emergency or mitigation works. There is no question that, as night follows day, Australia will again be confronted by another natural disaster in some form and this parliament will be dealing with the significant costs as a consequence. We need to build a government insurance scheme against that now and start the hard work of preparing for the worst and hoping for the best.

I know this conversation is happening with the government and Senator Xenophon in the other place, but we also need to work through the issue of language and semantics and the issue of insurance, reinsurance and self-insurance. The definition of ‘flood’ needs to be resolved, and the help of government will do that. The insurance, reinsurance and self-insurance of all government entities does look to be a mess. To their credit, only the ACT and Victoria have full coverage. Every other state and the Commonwealth have chosen to go in different directions. There is some enormous inconsistency in the area of self-insurance and reinsurance. This is the opportunity for the parliament to do some long-term sustainable consistent work on that. I concur with the concerns Senator Xenophon has been raising...
and hope that the process of resolving that issue can begin as a consequence of this tragedy.

I also hope this work is about not only government infrastructure but also commercial and residential. There are other models in the world. New Zealand has a program where residential does have some coverage. There are other examples, such as through local government notices, where we could get broader coverage of residential insurance through the method we use to get people insured for their own property. Now is the time to start that conversation to see if there is a better way. If we find it, we should chase it. I certainly hope that through either the Assistant Treasurer or other ministers we do not shirk that responsibility in trying to build a better, more sustainable insurance model for the future.

In conclusion, I acknowledge the human tragedy and natural disasters that have occurred over the Christmas period. I thank those who acted responsibly through that process. I was amazed at the responsible way that communities behaved to the imminent threat of Cyclone Yasi. They deserve to be congratulated for having taken the threat seriously and for having done the right thing by all of us.

I also want to acknowledge and thank those who made personal donations to emergency relief efforts and supported the various lamington drives and tin-shaking exercises that went on around Australia. I have played in a couple of cricket matches to raise money for flood victims, but every community and I am sure every local member has been engaged in some form. This is the opportunity to say thank you to those who have organised those and to everyone who has contributed.

I hope that, if this gets through, the money is spent wisely. I think everyone in Australia will be looking for that. If it does not get through, I hope there is some reconsideration of my view that this should be combined in the budget cycle so we then get the full context of the savings measures and the tax changes alongside the full reform agenda of government.

Mr Ian Macfarlane (Groom) (11.04 am)—It has been now more than six weeks since the devastating floods of 10 January in Toowoomba, but the damage is still evident in my electorate. The creek beds still carry the scars of the force of the water; some businesses remain closed and will be for some time, and affected homeowners are working their way through the myriad issues that arise in repairing or rebuilding their homes. But over that period of time we have also witnessed the gradual but steady progress of the reconstruction. People are finally seeing their businesses or homes get back to normal. Though the construction tape and road diversions are likely to stay in place for some time yet, it is reassuring and heartening to see how far we have come in six weeks.

I would like to take this opportunity to put on the record my thanks to the volunteers and community leaders who have devoted so much time in our community over the last six weeks. Whilst the task that still confronts them in the Lockyer Valley, which is in the electorate of Wright, is enormous, their work in Toowoomba has been important and has played a major part in healing our city’s pain. My thoughts still go out to the people of the Lockyer Valley. I waited an appropriate time before driving through the area. Just a week ago I personally inspected the damage in Grantham. The task there remains enormous. The stories of tragedy are still raw, but as people are starting to put their lives back together they are showing the immense courage that we know all Australians have.

I urge all members of parliament to continue to keep the victims of this flood in the
We now move to the fact that it is unthinkable that those people who are confronting this enormous challenge to rebuild their businesses are facing the prospect of a tax being imposed by this government. On top of a carbon tax, a mining tax, soon an LPG tax, followed by an ethanol tax, a compressed natural gas tax, a liquefied natural gas tax and an increase in the price of petrol and interest rates, it seems unbelievable that we have a government that now plans to put in place a flood tax on businesses who are trying to recover from the direct or indirect effects of the floods that we have experienced in Queensland.

It is simply not correct for the Prime Minister to say these people will be exempted from the tax. These people in most cases had no damage in their homes and therefore do not qualify for the exemption clause. Their businesses may have been destroyed and they may be in the process of rebuilding them, or their business may have merely— and I say ‘merely’ with a slightly ironic perspective—been out of action for two or three weeks, but the fact remains that they have faced an enormous challenge to get their businesses back on their feet. For them to now face this tax is a complete contradiction of the Australian way. We are meant to help our mates in times of trouble, we are meant to help our mates in times of disaster. We are not meant to tax our mates as this government is planning to do with this tax.

The coalition and I remain firmly of the view that the rebuilding program should not be completed at the expense of subjecting Australians to another tax. Any suggestion that this rebuilding process will not occur without a tax is a travesty and a lie. We did not need a tax to waste $2 billion on pink batts, we did not need a tax to go $2 billion over budget on the BER schools’ hall program, we did not need a new tax to pay for the interest bill on the $45 billion National
Broadband Network and we do not need a new tax to rebuild Australia after this flood or fire or natural disaster. This is just a government that cannot miss an opportunity to apply a tax any time it sees the chance, any time it saves it from having to do the hard task of managing its budget properly. We think it is wrong to target people yet again just because the government has mismanaged its budget and failed to show any financial rigour. The Gillard government has said that it cannot manage its budget without this levy, but it has the ultimate responsibility as a government to manage its budget. To do anything else is an abdication of its responsibilities. We on this side of the House will not accept that proposition.

In this rebuilding process, as we look towards the future, we also need to ensure that we not only replace the damaged infrastructure as it was, but that we take the opportunity to improve on it. Of course the case in point in my electorate is to realise from this disaster that simply patching up the existing Toowoomba Range crossing is not a solution. We need to make sure that we take this time to reflect on the fact that Toowoomba was cut off by road for four days, that Toowoomba still has only one lane going east from it servicing the whole of western Queensland, and with the rail line out of action we are suffering from an extra 1,500 trucks a day travelling through the main street of Toowoomba. That is simply not acceptable, just as it is no longer acceptable for this government to ignore the need for a second range crossing in Toowoomba to bypass those trucks around the town. I am pleased that the Prime Minister has extended the invitation for me to meet with her on the matter relating to the Toowoomba Range crossing, and I hope I am able to do that before the parliament rises in the next couple of weeks.

As we rebuild Australia, as we take the opportunity to put the infrastructure back better than it was, we need to be mindful that we need to do it in a way that does not hurt businesses and does not hurt communities. And if we are going to do that, we need to do it without imposing a new tax. There is simply no justification for this tax. There is no justification on the basis that you should not impose a tax anyway. There is no justification when the people of Australia in these disaster affected regions are doing it so tough. There is no justification to say to people that without this tax we cannot rebuild Australia. Of course we can. We have done it before, we will do it again, and under a coalition government we would do it with lower taxes. This tax is an insidious tax, it shows the ill discipline and mismanagement of this government and I oppose it entirely.

Mr BILLSON (Dunkley) (11.14 am)—I too rise today to oppose the Tax Laws Amendment (Temporary Flood Reconstruction Levy) Bill 2011 and the cognate bill, which seek to enforce a tax that is applied indiscriminately, without justification and without a compelling case that the government has actually done the hard work expected of a government in living within its means. The tragedies that we have seen over this summer—disasters that have seen households, livelihoods and peace of mind destroyed, crops and communities flattened and terror that will last long for the people affected—emphasise just what a challenge many communities and individuals face. But I can assure them of the coalition’s support and, wherever I am able, my support in the recovery operation.

I think it would be unfair to suggest, as some on the government side have done, that the coalition’s opposition to this flood tax somehow reflects a diminished commitment to the recovery effort. That is patently wrong and completely untrue. Our issue is with the...
way in which the resources have been brought to this task. Natural disasters are challenges that nations as vast as our continent will face each and every year. The La Nina weather system has certainly contributed to a greater frequency of the tragic events that have really had an enormous impact on some communities, in some cases more than once. But this will not be the last time we have a La Nina event. We may have grown more familiar with El Nino weather patterns and the droughts that tend to accompany them, but La Nina weather cycles will be a part of our future and we will again see challenges like those that La Nina has produced for our continent this year.

My thoughts are very much with those who are now in that difficult phase of recovering from the disasters. My role in the Howard government had me as an integral part of the Indian Ocean tsunami relief and other disaster response exercises. The key learning that came out of that was the importance of people being able to constructively engage in their recovery, the re-establishment of their circumstances and the recommencement of their livelihoods as best as they are able and the importance of that as a tonic for their emotional and mental well-being. It is a constructive thing that people can do after these extraordinarily destructive natural events. Our thoughts are very much with those communities as they embark on that reconstruction and recovery exercise.

This flood levy is not needed to help that work. This flood levy is an opportunistic grab for more cash by a government that just cannot manage a budget. This flood levy has, to use the term, a transaction cost—the cost of collecting it—of 25 per cent from the deals that have already been done. Of the $1.8 billion said to be due to be collected by this natural disaster tax, 25 per cent has already been given away in wheeling and dealing to gain the support of the minor parties and the crossbenchers. There is a 25 per cent collection cost to a tax where the exemptions are broad and yet to be tested. It is hard to know quite how much money it will raise.

On the expenditure side, the government have conceded their estimates of the cost may well be out and that dealing with additional costs would represent quite a challenge but that they would find that extra money in additional savings in the budget. The coalition’s position is that they should make that effort to find those savings now and live within their means. That is a challenge the government have failed to respond to.

It is interesting as well that many Australians who may have been able to access some of the flood relief payments have reflected on their circumstances and thought that others were needier of that support. A perverse incentive is created by this bill where those who obtain benefits will get some exemption from the flood tax, while people who felt that they did not need to access that government support and that there were more deserving and worthy recipients did not take full advantage of the available assistance. They perhaps felt they were somewhat inconvenienced but were not facing the enormous challenges of others. If they are in the upper income brackets, they will now be penalised for not taking up that opportunity to access those benefits, because they will have to pay this tax. That is a perverse incentive that is a very interesting characteristic of the legislation before us.

After being somewhat disappointed and underwhelmed by a lack of support from the crossbenchers for a bill that this parliament recently considered, I ask why they are not focusing on the package that this flood levy is supposed to be supporting. Instead we have seen wheeling and dealing around certain expenditure items that were going to
part-fund the government’s disaster response and putting those expenditure items back in the books of the government, putting further pressure on the budget. We have seen that discussion; what we have not seen and what is desperately needed is a discussion about whether the government’s response is adequate. The coalition has clearly articulated that the flood levy is not needed to finance a government response and the support required for reconstruction and recovery of flood and cyclone affected communities. The discussion needs to move to the question of whether that tool kit of support is adequate.

I want to share with the chamber my personal and direct experiences in discussing that very matter with small businesses in areas that were affected by the natural disasters over summer. After the first of the floods following the storm event in western Victoria, I journeyed to Skipton. Skipton is a small community that is very dependent on a handful of businesses for livelihoods and to support the local community. The operators of Food Works are lovely people with a deep passion for their community and they receive much support from within the community. They were concerned that one of the eligibility criteria was that, if you were a business seeking recovery assistance, the business needed to be your predominant source of income and where you predominantly spent your time. Russell and Beryl Adams operate a number of Food Works businesses across that broader district and, without some kind of support, they are genuinely concerned about their ability to fully recover and get engaged in providing their supermarket services for the immediate township and those further beyond. They are concerned that the strict application of those support rules might see that vital business supporting the Skipton community not able to recover.

Surely there should be some allowance made for people such as Russell and Beryl Adams, whose enterprise, importantly, operates not only in supporting the community of Skipton but also in supporting livelihoods and the need of people not to have to travel great distances to Ballarat just to go grocery shopping. Surely examples like that should factor into the considerations of the support package. Other examples relate to tragedies that I saw in businesses in Queensland. Impulse Entertainment operates a CD music and movie distribution business, and they work very closely with retailers right across Australia. They suffered losses of about $500,000 in stock and plant, but because they have more than the maximum number of employees they are deemed ineligible for concessional loans. I would have thought the objective of those loans was to help people recover their livelihoods. About 60 to 65 people are part of that business. Most them are at the head office and warehouse facility that was inundated by two metres of water, but others are sprinkled right across Australia to support the distribution business that Impulse Entertainment operates. That business has grown very successfully through the work of a family with a very deep commitment to their workforce, yet they were told, ‘Too bad, you employ too many people.’ However, under the eligibility criteria for business recovery from Cyclone Larry, for instance, under the Howard government, they would have been able to access recovery assistance.

They are a viable business, and a concessional loan is all that would be needed for them to get back on their feet and make sure that they are not facing the risk of closure. Yet, under the funding criteria in the support package that this government has introduced, they are not eligible for a concessional loan. Had they been affected by Cyclone Larry, they would have been eligible, and these are the kinds of issues that I hope the crossbenchers who have not formed or settled on
a view might take up with the government when there is wheeling and dealing about putting back into the government’s budget other expenditure not specifically related to the disaster response. In fact, flood mitigation works and the like on the Bruce Highway—which are directly related to these disaster events—have been cut, and we have not seen those things put back in either. Maybe some of the discussion between the government and the crossbenchers could go to whether the package itself is adequate to ensure that small and medium-sized enterprises, which are crucial to the wellbeing and livelihood of affected communities and crucial to giving people a capacity to support their own recovery, get going again.

I believe the package is inadequate. It is inadequate in a number of ways, and the coalition has provided a number of very constructive, very practical suggestions about what the government can do around the GST and PAYG holidays. These very constructive proposals include waiving the penalties for PAYG variations where a business might not precisely forecast the impact on their business of natural disasters and also extending the assistance to those businesses affected but not directly impacted physically by the storm events. I urge the government to take up these proposals, and I urge the crossbenchers, as they wheel and deal and negotiate with the government, to consider putting the package itself into the mix in addition to whatever expenditure they might want to pluck out of other areas to be part of the discussion about how they will vote.

Finally, I draw attention to concerns around insurance. The Assistant Treasurer has talked a lot about the work he is doing on the definition of flood insurance. I have something else for him that he has been less forthright in talking about—that is, where businesses take out business interruption insurance. Time and time again businesses have paid handsomely to have that protection. They recognise that the loss of their opportunity to trade would significantly undermine the viability of their businesses and, therefore, they take out interruption insurance.

I was in New Farm talking to a small retailer who was told by Ergon, the Queensland energy provider, ‘We are really not sure whether we can help you.’ His interaction with Ergon occurred when the business contacted their insurer, who said: ‘You talk about floods and water inundation and the fact that you’ve got ankle deep water running through your business premise, but what really stopped the electricity was an Ergon worker. It wasn’t a natural event; it was turned off by an electricity worker.’ What kind of moronic explanation is that of a reason for not paying out on business interruption insurance? With all that went on—the protection of substations in the New Farm area and the concern about the electrification of the water and the impact on human life—the energy authority rightly shuts down the risks, and then someone says: ‘Business interruption? It was not the natural disaster or the floods or the water inundation; it was some human that turned off the electricity.’ The insurance industry needs to get serious about that. I have raised these concerns with the insurance industry, and I have been underwhelmed by their response.

Another example is CGU, a Melbourne-based company. I have rung them and canvassed these issues with them, but I have yet to receive a reply, from a business that has business interruption insurance where the eligibility criteria relates to the period of time and the inability of customers to access their work sites—all those things that would reasonably go towards determining whether a business was indeed interrupted. But no, they want to go down some other pathway and say, ‘You might have been interrupted,
but we are going to muck around with this flood definition again and somehow link the two together.’

The government needs to engage the insurance industry on this question of business interruption and recognise the other quite serious concerns about the impact of these natural disasters on small businesses—the engine room of the economy, the lifeblood of the livelihoods of so many people—and make sure small businesses get the support they need by a proper examination of the support package, a proper engagement on whether business interruption insurance is being fairly administered and also by not imposing a new tax that will further undermine consumer confidence at a time when these businesses need as much confidence in the economy as they can get. They do not need consumers being concerned and saying, ‘If this is an extra tax today, what might be next?’ because that has a direct impact on discretionary spending.

Mr SLIPPER (Fisher) (11.29 am)—I am pleased to be able to join the debate on the Tax Laws Amendment (Temporary Flood Reconstruction Levy) Bill 2011 and the Income Tax Rates Amendment (Temporary Flood Reconstruction Levy) Bill 2011. Initially, we should recognise that both sides of the parliament do support Commonwealth assistance for those people who have been devastated by the tragedies which have occurred recently in Australia. The flood reconstruction in Queensland has been estimated to cost $5.6 billion. The damage from Cyclone Yasi has been estimated at a further half a billion dollars. I just think that it is appropriate in 2011 for the Australian government, with other governments and the community, to work to make sure that these devastated towns, cities, businesses, families and individuals receive the support that they deserve. The important principle is that both sides of politics recognise that we haveustralians in dire straits and in distress—Australians who need assistance. I think that it ought to be made very clear that all sides of the parliament, all members of the parliament, support an appropriate response.

Where we differ is that we believe that the government ought to fund its commitments with respect to reconstruction from consolidated revenue, whereas the government wants to introduce a flood levy which, according to the government’s figures, will raise $1.8 billion—that is, in 2011-12 it will raise $1.560 billion, and in 2012-13 it will raise $235 million. Honourable members representing the government party have pointed out that, in their view, there is hypocrisy in the path of the opposition insofar as the Liberal-National parties in government did, over a number of years, introduce various levies for quite desirable and worthwhile purposes. The difference was outlined very clearly by the Leader of the Opposition in his speech, when he said:

… there is a world of difference between a levy imposed by a government striving to achieve and maintain a budget surplus and a levy imposed by a government which has been recklessly spending taxpayers’ money and has given Australians the biggest deficits on record. There is a world of difference between a levy imposed by a government that could be trusted with the taxpayers’ money and a government that cannot.

That very clearly puts to rest the suggestions made by honourable members of the government party that there is an inconsistency in the approach of the Liberal-National opposition.

Of course, we all know that the Building the Education Revolution program, which has been lauded by government members, has cost the community some $16.2 billion, and we have heard some quite horrendous cases of how the dollars in many situations have not been well spent. Obviously, schools welcome the facilities. As a local member, I
am always pleased to see new facilities in schools in the electorate of Fisher on the Sunshine Coast, but I do get concerned when I hear reports that the private school system has been, quite appropriately, permitted to engage with the private market. They have been able to obtain their facilities as commercial transactions, they have been able to get good deals and they have been able to enter into commercial contracts, whereas many schools in the government system have been compelled to deal with layers of bureaucracy, and in various states there have been different rules.

I understand that in some non-government schools they are able to get a building at a cost of about $1,200 a square metre, but some government schools have paid up to $5,000 a square metre, and this is effectively a fraud on the taxpayer. It is also a fraud on the government school communities because, if the same amount of money is given by the federal government to a non-government school as is given to a government school, the non-government school is getting something like three times the facility for the same amount of taxpayers money. I suspect that, if the government were ever to look at a similar program, it would be very tightly managed because, if you are going to spend taxpayers dollars on school halls and other school facilities, it is important that those dollars travel as far as they can and that they do not disappear into the pockets of people who overcharge. As a result, we see some of our more underprivileged schools receiving a third of the value for their money that non-government schools are able to achieve.

We support reconstruction, but we do not support this particular levy. I only have a limited amount of time to speak in this debate. I will come back to some more general principles. I just want to highlight what I see as an anomaly which the government, even if it is determined to pursue this levy, ought to look at. The honourable member for Macarthur, in a question in the House on 10 February, asked about a police officer who resides in his electorate. The police officer mentioned to the member for Macarthur that he would be retiring in the 2011-12 financial year and had calculated that, simply through unfortunate timing, he would be hit with a $6,500 slug on his super payout as a result of the requirements of the flood levy. I am sure that the government did not intend such a consequence and I hope that this matter is looked at very closely.

It is one thing to say that it is not going to cost the average Australian more than a cup of coffee a week, but that is a police officer who, no doubt, has served his community and New South Wales well for many years and is apparently going to be hit to the extent of $6,500. That must surely be an unintended consequence. I would hope that the Treasurer would look at that matter very closely. It is a considerable amount of money for someone who is preparing for life after the workforce. It is unlucky for him because of the timing of both his retirement and the tragedy. Realistically, he is facing a raw deal. I say again that the government really ought to look at that case. I suspect there are similar cases of people in that situation. I do not know whether the police officer has any options, but clearly one option he should look at is deferring his retirement until such time as this levy is out of the way.

As has been pointed out by many members of the opposition, this was a tragedy that engulfed our nation. We looked in horror at what was on the television. All of us were
touched in some way either personally or through family and friends or communities we knew well. So many members have assisted in every way that they can, and we have heard many extremely moving contributions from members on both sides of the House. In response to this tragedy, the people of Australia, in an unprecedented way, opened their hearts, their homes and their wallets and they made donations to assist their fellow Australians who had been so seriously disadvantaged as a result of this tragedy. And it does seem a bit rough that those people who have already contributed voluntarily will be slugged again. I know that the government would distinguish between the purposes for which the contributions have already been made by the community and the purposes for which the money raised by the flood levy is to be spent—but, ultimately, there is a double whammy. People voluntarily contributed and then they are being compulsorily required to contribute again.

There is also the issue of the criteria for eligibility to receive assistance from the government. Of course, receipt of assistance exempts a person from paying the flood levy. One has to wonder whether the terms for receiving that assistance have been entirely well thought out. We all know what those provisions are, but I have had some fairly hair-raising examples given to me of people who received the $1,000 and went off to spend it at some big event—Big Day Out or some other major event—and all the while drinking Moet and toasting the Prime Minister and the Queensland Premier. That is clearly something that the government would not have foreseen. I believe it is an indication of somewhat sloppy guidelines, and no doubt there are people who have received assistance who should not have received assistance and there are people who should have received it who indeed have not. I suppose that is always the difficulty that a government has when a program is thrown together quickly—as indeed it had to be because of the exigency of the situation. But it does tend to make a lot of people cynical and somewhat reluctant, having contributed voluntarily, to be required to now contribute compulsorily.

I spoke recently about the tragedy that Cyclone Yasi was for North Queensland and I also spoke about the situation of communities not only in Queensland but also throughout the country that have been affected by the floods. I have family who have been affected. Staff in my office have family who have been affected. One staff member, in fact, had settled on the purchase of a house and five days after the settlement was told to expect seven metres of water through his property. Happily for his sake, only about a foot of water went through the yard and the house was not affected. There have been lots of tragedies. Lots of people know people whose homes have been entirely inundated and, in many cases, entirely destroyed. The resilience of Australians is something which we can only but admire, support and applaud. I believe that we ought to focus on the need to support the Australian people and not on the fact that the government is bringing in a levy—which is not the appropriate way to go.

As I mentioned initially, the flood levy will raise only $1.8 billion and flood damage is estimated at $5.6 billion, with Cyclone Yasi’s additional damage at a further $½ billion. It is pretty clear that most of the reconstruction effort from the Commonwealth will indeed come from consolidated revenue. So you have to ask why they have chosen to bring in this flood levy, which will slug Australians who have already contributed and, in many cases, be imposed in an equitable way. If the government were a sound economic manager, we would not see the government...
bringing in this legislation to introduce a flood levy. As other members have said, there is no doubt that the Labor Party is a tax and spend government. This is not a desirable situation and it is wrong that the first, knee-jerk, reaction to a community need is that there should be a new tax. It is something to applaud that every member of this House and the other place agree that the Commonwealth needs to be involved—we are the national government. It is a pity, though, that the government have decided to impose this new tax.

In the time remaining I would like to pass on the condolences of the people of Fisher and the Sunshine Coast to all of those people who have been so adversely affected by the Christchurch earthquake. We do live in very strange times. We have had fire, flood and cyclones and now we have got earthquakes—all in this area of Australasia. I ask the government to particularly reconsider the anomaly that I have outlined.

Ms LIVERMORE (Capricornia) (11.44 am)—Today I want to put on the record my total and strong support for the Tax Laws Amendment (Temporary Flood Reconstruction Levy) Bill 2011 and the Income Tax Rates Amendment (Temporary Flood Reconstruction Levy) Bill 2011.

The last time we were here in parliament, just a couple of weeks ago, members tried to put into words our shock and sorrow for what so many communities had suffered as a result of the flooding and other disasters that wreaked havoc on our country over the summer. As local members we tried to put into words our admiration for the acts of courage and community spirit that we saw time and again throughout those weeks when ordinary Australians, emergency services workers and governments were put to the test. Through those words we tried to give comfort and reassurance to people who had lost loved ones or lost their homes or businesses or the foundations of their community life. I think we would all agree that that was an important thing for the parliament to do. But now it is time for words to give way to action, and that is what this legislation is all about. It delivers on the means to rebuild flood affected regions.

People have been out there cleaning up the mess and getting their lives back together. Councils have been assessing the damage to roads and buildings and counting the cost of the initial emergency response and the repair work to come. They need us here in this parliament to do our bit and provide certainty that the money needed to rebuild Queensland, northern New South Wales, Victoria and the other states that have been affected will be there.

That is exactly what the government has been doing. We have been making the tough decisions, finding savings in the budget—already $3.8 billion of savings to put towards the reconstruction effort—and now we are asking those Australians who can afford to do so to make a modest contribution through this flood levy towards the cost of rebuilding our country. That cost is enormous and growing by the day.

For a while there, back in January, when the floodwaters were peaking in the Fitzroy River in Rockhampton, it looked like this was a rerun of floods we had seen in recent years. Places like Emerald, Theodore and other parts of Central Queensland were facing a massive clean-up and starting to talk to state and federal governments about what was available under the Natural Disaster Relief and Recovery Arrangements. At that time, back in early January, the cost looked big but manageable under the normal arrangements between the state and federal governments that carry us through these times of natural disaster. Then Bundaberg
flooded. And then Dalby and Condamine. Then came those dramatic days when whole towns in the Lockyer Valley were washed away and tens of thousands of people had to abandon their homes in Ipswich and Brisbane. Of course that was not the end of it. It went on into New South Wales, Western Australia, Tasmania and Victoria. There were unbelievable scenes—washed out bridges, ruined roads, buckled railway lines—everywhere you looked.

The nation and this government are facing a natural disaster of unprecedented proportions, possibly the biggest in our nation’s history. The scale of damage and destruction is beyond anything that could be foreseen by government or funded out of the normal NDRRA processes. So what does one do in these circumstances? Apparently, if you are in the Liberal or National parties, you look to exploit any political opportunities that the situation might present and oppose for opposition’s sake. And we have seen that time after time as opposition members have contributed to this debate. You look to further your own party political interests ahead of the national interests and the needs of those people affected by floods, even as communities are picking up the pieces after the floods and wondering how long their future has to stay on hold. Well there are no surprises there.

But what would you do if you cared about those flood affected communities and were economically responsible and focused on what is the best for this country and those parts of it that want to get back to normal as quickly as possible? The government did what a constructive and responsible government should do. We immediately committed ourselves to the rebuilding task. You can see the commitment there in the Prime Minister’s speech on 27 January, just a day after she witnessed the damage to Toowoomba, one of the worst-affected communities. The Prime Minister said: ‘I see what needs to be done and I will do it. We will rebuild.’ Right there is the commitment, the pledge to Queenslanders and other states, that we will stand beside them while they get back to full strength, which is where our nation needs Queensland and its growing industries to be. We cannot afford for Queensland—with its agricultural industries, resource industries and tourism industries—to be held back by damaged infrastructure. That does not serve the national interest in any way.

This debate today is now the chance for individual members to commit to that rebuilding task. By supporting this legislation, this fair and modest levy, members are saying that we get it—we get the size of the rebuilding job and we get the importance of the rebuilding job.

It is important to note, as many speakers on the government side have already noted, that this levy that we are asking taxpayers to pay is temporary. It is from July 2011 to June 2012, just that one year. It is also important to note that it is only one part of the government’s floods package that has been announced so far. The government did the hard work. People are talking about knee-jerk reactions when that is clearly not the case. The government sat down and went through the budget program by program to see where savings could be found and where priorities could be changed to get this reconstruction effort underway. As part of that $5.6 billion package, we are asking taxpayers to make a modest contribution towards it. The savings so far are $3.8 billion. That is a big slab of savings in anyone’s language and this levy on top of that is $1.8 billion.

This levy is a fair levy. We are asking people to pay according to their capacity to pay. It is a progressive levy. It is an amount of money that we are asking people to pay only where they are earning over $50,000 in
the next year, from July 2011 to June 2012. So about 60 per cent of taxpayers will be paying only $1 each week towards this reconstructive effort. In detail, it is 0.5 per cent of earnings between $50,000 and $100,000 and then one per cent applied to earnings over $100,000. Someone on the average income of $68,000 per year will pay $1.74 per week.

Members on the other side have talked quite a bit about the fact that people have spontaneously and generously given to the flood and disaster relief appeals around the country, and no-one is denying that. Every member in this House is proud of the way our fellow Australians have responded to these disasters. We are proud of the way that people have voluntarily and immediately given of themselves both in time and money to their fellow Australians who have been affected by the floods.

But the money that we are talking about here today, the money from the flood levy and the savings that the government has identified and will continue to identify to put towards the reconstruction effort, is of a completely different magnitude and will serve a completely different purpose. Those donations have, quite rightly, gone to people to rebuild or to get their households back together. It has gone to replace those very personal things that matter to a family and a household. No-one can seriously suggest that we are going to rebuild highways and railway lines and bridges and town halls and community sports centres off the back of volunteer effort and donations. That is a furphy really on the part of the opposition, just another excuse. The government has been seriously addressing the needs that our country and particularly those flood-affected communities face, and we are getting down and finding the savings and seeing how we are going to find the money in our budget to do what needs to be done. That is the task the government has been about. In the meantime, the opposition has really been all about finding excuses, putting up the furphy that somehow donations are capable of meeting this task, and putting up the usual sham savings measures. I think they ran around for three weeks saying, ‘Well, you just do it out of savings. You do not need a levy, you just to get it out of savings.’ When they actually came forward with their package, there was nothing like the genuine savings that would get this work done. So the opposition has been behaving very irresponsibly and opportunistically.

A classic example, when talking about behaving opportunistically, was the Liberal Party email that was going around asking people to donate to the Liberal Party in the midst of all this. On the one hand the opposition want to hold up the virtues of the millions of Australians who have donated in good faith to the flood appeal, but at the same time they want to milk that kind of spirit for their own purposes in getting people to donate to them in the midst of this time of great need for our nation.

As I said, it is a fair levy and a progressive levy. People will pay as they have capacity to pay. Importantly for people in my electorate, there will also be an exemption for those people who have been most directly affected by these floods. So people receiving an Australian government disaster recovery payment, and others who while not actually accepting that relief payment are nonetheless eligible on the eligibility criteria, will not have to pay this levy. That is a fair and reasonable way to do it.

I have already talked about the furphy and the excuses that the opposition have put up, and certainly in this debate so far the opposition have not been able to argue against this very fair and reasonable and responsible flood levy on the basis of any principle or
logic. We know as a fact that the opposition, the Liberal and National parties, are not opposed to levies. We saw them impose levies on the Australian people time and time and time again during the course of the Howard government. It is important to note—and I noticed in one of my colleague’s speeches that he went through it in greater detail—that there were times when those levies were imposed when the government budget was actually in surplus. We hear the opposition giving us lectures about finding savings and making tough decisions, while they in their time during the Howard government were imposing levies when the budget was in fact in surplus. So it is a classic example of them giving lectures, very opportunistic lectures, and when they were given the chance they dodged any kind of hard decision and just put it back onto taxpayers.

In contrast, here we are facing what is the biggest series of natural disasters and the biggest reconstruction task that our country has faced at a time when we are not even three years on from the global financial crisis. In the space of three or four years the government has had to steer the country through the global financial crisis, which everyone acknowledges around the world we did better than any other advanced economy, and now, less than three years later, we are being asked as a government to stand by flood-affected communities and people to rebuild this country. This legislation is asking Australian taxpayers who earn over $50,000 a year to make a modest contribution towards that. I think it is in the spirit of the Australian people to understand that and to want to be part of the reconstruction of our country in that way over the next year. So far all we have had from the opposition are excuses, sham savings and a continual seeking of political opportunity. We are serious about rebuilding. This legislation is part of that. I support it and I ask members of the opposition to go back to their electorates, particularly those members from Queensland, and explain why they do not have any answers for the reconstruction of this country.

Mr SOMLYAY (Fairfax) (11.59 am)—I acknowledge the member for Capricornia, whose electorate was devastated by the floods in Central Queensland. Many of us a little further south than her watched on television as the floods unfolded and the Fitzroy River devastated Rockhampton. That storm then moved out to sea and rejoined the coast between Wide Bay and the Sunshine Coast. It then moved on towards Toowoomba and inland again to Grantham, and we all know what happened in Brisbane.

I was lucky that my area was relatively unscathed. We had a little bit of local flooding but nothing like the devastation of Central Queensland, Grantham, Toowoomba and Brisbane. To give some indication of the seriousness of the floods, between the Sunday afternoon and the Tuesday morning at about 11 o’clock, when all this devastation was underway, the rain gauge in my backyard showed that we had had 505 millilitres of rain. That is an amazing amount of rain to have dropped on South-East Queensland.

The only reason this Tax Laws Amendment (Temporary Flood Reconstruction Levy) Bill 2011 is before the House today is the fiscal irresponsibility of the Labor government under Prime Minister Rudd and Prime Minister Gillard. In my memory, no government has imposed a special tax to finance a recovery after a natural disaster. When Cyclone Tracy destroyed Darwin on Christmas Day in 1974 the natural disaster organisations swung into action. I happened to be in Canberra at the time. I went to the NDA headquarters on Northbourne Avenue for the morning to help set up the rescue effort and I finished up getting home three days later. But even the Whitlam govern-
ment, which was in power at the time—that basket case of fiscal irresponsibility—did not introduce a new tax to fund the reconstruction of Darwin and the Darwin Reconstruction Commission.

Prime Minister Rudd inherited a healthy economy and a $20 billion surplus, and that is on top of the accumulated surpluses and proceeds of asset sales and other things that put $60 billion into the Future Fund. I can distinctly remember Peter Costello telling the House and people outside the House that it was necessary for Australia to put money away for a rainy day, hence the establishment of the Future Fund. The fund was set up for the unfunded contingent liabilities of Commonwealth Public Service superannuation and other things.

If the Queensland floods do not qualify as a ‘rainy day’ then I do not know what does. The point I want to make is that Coalition governments, traditionally, have a savings culture. We on this side of the House argue that flood reconstruction should be funded out of savings, not tax hikes. But how does a government produce savings? It is very simple: do not spend more than you earn, live within your means and do not waste the money you have earned. Other speakers have talked about the devastation of the floods and Cyclone Yasi—the physical losses and the loss of life. The coalition have clearly stated that the government should do whatever it takes for reconstruction, recovery and the rebuilding of Queensland. There is no lack of compassion on this side of the House towards those affected by the devastation.

I was the Minister for Local Government, Territories and Roads in 1998 when that huge flood devastated Katherine. I walked among the ruins of small businesses and saw the despair on the faces of small business people. I saw the difficulties encountered in restocking this remote community which relied on Adelaide for stock. The Howard government did not have a tax to rebuild Katherine. This debate is not about compassion, it is about the realities of hard-nosed economics. Before the 2007 election, Prime Minister Rudd told the world that he was an economic conservative. Sitting at his shoulder was his loyal deputy, the now Prime Minister, nodding furiously, saying, ‘Me too, I’m an economic conservative.’ It was only a matter of time before the old Labor way emerged—deficit and debt.

Prime Minister Rudd said in this House that we needed to borrow $315 billion. That figure rocked the socks off the coalition. That sort of borrowing was completely foreign to those on this side of the House. We were told that this money was required for economic stimulus so that Treasurer Swan could avoid the R-word. We opposed the spending spree that followed. I and others on this side of the House warned taxpayers that the $900 the Prime Minister was handing out to people would cost them $4,000 by the time they paid it back through taxes and interest. We saw a succession of failed government programs where there was so much waste of taxpayers’ money.

We now have government members opening school halls, as beautiful as they are, that are monuments to waste. I never miss the opportunity of saying that an 11-year-old in grade 7 will be 35 years old before the debt on the new building will be paid off, as beautiful as that building is.

With this record of careless, incompetent and wasteful government why should we agree to introduce a new tax to get the Gillard government out of the fiscal hole that it has dug for itself? The shadow Treasurer, the member for North Sydney, mentioned Kerry Packer’s appearance before a Senate committee. It was actually a House of Reps committee, not a Senate committee. I was on
that committee when a Labor member asked Kerry Packer about the extent of his personal taxation. Kerry Packer denied that he had a tax problem. He said that he paid his lawful tax—not a penny more and not a penny less. He added that, given the way Labor wastes money, no-one in their right mind would want to pay more tax than they had to.

By opposing these bills, we on this side of the House are putting a challenge to Labor: fulfil your broken promise to be an economically conservative government and live within your means. Show Australians that there will be no more waste and that your government can live within its means. Do not bring in a flood tax, but find savings to end Labor waste. I oppose this bill and the unnecessary Labor tax it imposes on Australians. The Labor government—I am sorry for the interruption; it is my mobile phone.

Mr Bradbury—That’s Top Gun, isn’t it?

Mr SOMILYAY—I do recognise the tune. If you have a look at the amount of money that the Labor government is borrowing you can see that it is $711 million per week. At that rate of borrowing, do you know how long it would take to raise the funds—the amount to be raised by the levy is $1.5 billion—under the current borrowing program? It would take 2.5 weeks. For the total reconstruction $5.5 billion is needed. At $700 million per week, that would take 7.7 weeks of borrowing.

The Prime Minister says that this new tax is needed to bring the budget back into surplus by 2012-13. Until then, the borrowing that I have mentioned continues. We are told that all our troubles will then be over; we will be back in surplus. That is right, but it is wrong that our troubles will be over. This is the great Labor spin. If Labor ever achieves a surplus, that is when they will start to pay off the debt that they have accumulated. In the meantime the interest payments continue. This is why we on this side of the House are saying that the reconstruction of Queensland after the floods should be paid for by savings by the government and not by a new tax. I oppose this bill.

Mr HUNT (Flinders) (12.09 pm)—Along with other members of the coalition, I support the reconstruction but oppose the tax which is being levied through the Appropriation Bill (No. 3) 2010-2011 and cognate bill in order to address reconstruction. Reconstruction in the face of natural disaster has always been core business for Australian governments. We have a contingency reserve. We make provision. We make savings. We do the difficult things precisely so that at the moment of need we are ready. Support or opposition to these bills does not represent support or opposition for reconstruction. It is inappropriate for anybody on the other side to misuse this debate to indicate that there is not absolute unanimity for reconstruction in the face of the terrible hardship that Queensland has faced. What debate on these bills represents, at its core, is the fundamental work to provision, to prepare, to protect and to make sure that our nation’s finances are ready for the inevitable range of natural disasters that are part and parcel of Australia’s landscape, our history and our future. That has not been done.

I want to make two simple points in this statement. Firstly, there is an increasing pattern by this government of using a good purpose as a justification for a bad means. Secondly, I want to run through a little bit of the financial history and current practice which has led to about $209½ billion of accumulated debt over the last eight Labor budgets and the next proposed Labor budget. It is not due to a one-off global financial crisis; it is a pattern over eight successive budgets, with a ninth budget to come.
I think it is very important to recognise that this is not just being unlucky; this is a systemic pattern of gross misuse of Australian finances. And all the time there is a better way, which is to be more responsible through making the difficult cuts. We have made them and, most intriguingly, the government has effectively conceded that it could also make them.

Let me run through the facts about, firstly, the increasing pattern of applying a good purpose—a moral purpose—to justify a very bad policy, which can frequently have deep human consequences. I will begin with my own portfolio area and the Home Insulation Program. We were told it was a moral imperative that we support it. Only that package could, so they alleged, save Australia and be efficient, as well as make inroads into reducing Australia’s emissions. It failed on the value-for-money test. It failed on the fraud test. It failed on the test of public safety. Then, most ironically, the emission reductions were overstated by about 300 per cent. It was a catastrophic policy but we were told it was for a good purpose and therefore it was our moral duty to support it. We opposed the Home Insulation Program. We attempted to prevent it coming into being. We foresaw the impacts it would have on the industry. We foresaw the risks to public finance and we foresaw and forewarned about the absolutely flawed structure that would inevitably lead to rorting and risk on a grand scale.

But that was not the only example. The Green Loans Program was such a misconstruction, right from the outset, that we knew that there was no way that it would be successful. In the end, over $200 million was spent to generate 1,000 loans. The processing fee per loan was more than $200,000. That is incredible. If you designed a program to get that result and took it to the public you would be laughed out of every form of government in Australia.

The Green Start program, the successor, also failed. We were also told that was a moral imperative because only it could help make the efficiency savings. We were told, similarly, that the citizens’ assembly was a moral imperative, but it had a half-life of about four weeks. We were told that cash for clunkers was a moral imperative whereas, instead, it was a fiscal insult to Australians. The same people who devised the Home Insulation Program, the Green Loans program, the Green Start program, the citizens assembly and the cash for clunkers are now telling us that it is a moral imperative to use a tax to pay for the flood reconstruction, right in the face of Australia’s history of provisioning for natural disaster relief, repair and reconstruction as core business.

Against that background, that pattern, of misusing a good purpose to justify a bad mechanism, I want to deal with the broader parameters. There is a better way of doing this than raising a tax—which will be one of three major taxes moved this financial year. The second tax is the mining tax. We now know that the figures on that are so bad that there has been a $100 billion variation in what is actually going to be delivered over the coming years compared with what was promised. That will leave an enormous gap because the government have spent all of the proceeds. They will have a much lesser proportion of receipts, whilst also creating sovereign risk in the mining sector and dampening future investment.

Today the Prime Minister has confirmed that there will be a carbon tax, which she expressly ruled out on 16 August and on 20 August, on election eve. The Treasurer called the carbon tax ‘hysterical’ and expressly ruled it out twice in the week before that. That tax will have an enormous impact on
electricity and, as of yesterday, petrol prices for Australians.

Against that background, let me make this point. I have recently gone back to the published budgetary figures and the most recent updates from the government. When you do the analysis—when you look at the spending habits and practices of the last eight Labor budgets, including the coming budget and the final five budgets of the Keating era, you will see the following. In the Keating years there were deficits of $12 billion, $18 billion, $18 billion, $14 billion and $11 billion, or an accumulated total deficit of $74 billion. Interestingly, things began to turn around immediately during the period of the Howard government, when there were accumulated budget surpluses of $95 billion. The last three surpluses were $13 billion, $15 billion and $19 billion. But with Labor back in government we have miraculously had budget deficits of $27 billion, $54 billion and $41 billion and a deficit of $12 billion is proposed for the next budget. In nine consecutive Labor budgets, including the proposed budget, we see a total of $209½ billion of debt.

It is extraordinary. We go from minus, minus, minus in the Keating era to a reduction in the debt and then plus, plus, plus through the Howard years. As soon as the Howard years finished, we get $135.5 billion of debt in the next four budgets alone. The government’s answer? ‘Bad luck. We are just unlucky. We had to spend the $74 billion of additional expenditure in debt and deficit over the last five years of the Keating government and then we had to spend the additional $135 billion of debt and deficit over the first four years of the Rudd and Gillard governments.’

So there is a systemic pattern of failure in relation to the fiscal responsibility of the Labor Party. There is a $209 billion pattern of debt over nine consecutive budgets. This is not bad luck. This is not inadvertence. This is fundamental and systemic. That is why we say that there are huge savings to be made which would be about fiscal prudence as well as the correct way to provision for the rightful reconstruction of Queensland—Brisbane, Ipswich and Toowoomba in particular.

We know that the government knows this as well. The Prime Minister was asked, ‘What if the costs are additional?’ She answered, ‘We’ll find the savings.’ When Cyclone Yasi came along, which was not expected at the time the levy was announced, she was asked, ‘What of the costs here?’ and she replied, ‘We’ll meet those through savings.’ And then we saw a third example—in order to get the bill through they had to negotiate either deferring or axing over $400 million of their savings. So they will either have to increase the tax, increasing the deficit, or find those additional savings. We are led to believe that they will find those savings. Subsequently, on three different fronts, they indicated there were more savings to be made. It is absolutely clear that there are extraordinary savings to be made. But none of these savings, of course, are real or desirable—are all opposed until the moment the government reverses position and embraces them. That is the pattern, and we see from some a misuse of morality to justify bad policy.

When you look at the last eight Labor budgets and the proposed budget for next year, you see nine consecutive deficits. All the deficits are over $11 billion per annum, with some rising as high as $54½ billion. That is not bad luck; that is bad management. It is systemic, it is real and it has resulted in a net loss of $209.5 billion to the Australian taxpayer. It is recklessness on a grand scale and we do not want to compound this recklessness by supporting this levy.
Ms BIRD (Cunningham) (12.21 pm)—I rise today to support the Tax Laws Amendment (Temporary Flood Reconstruction Levy) Bill 2011 and the Income Tax Rates Amendment (Temporary Flood Reconstruction Levy) Bill 2011. I imagine everybody in this House was both shocked and awed, as I was, by the events that occurred over the New Year period and in particular the devastating impact that those floods had on the people of Queensland. There would be very few of us who did not feel our hearts go out to the people in those very traumatic and extraordinary circumstances. Certainly it took those in my own area of the Illawarra back to the floods that we experienced in 1998, when there was significant damage to property but not the loss of life that we sadly saw in the Queensland circumstances.

These particular circumstances, of course, confront the government with a decision on how it will undertake its responsibilities in responding to those flood circumstances and, more importantly, assist with the reconstruction effort. That is why we have these bills before us today. Clearly the bills are intended to impose a temporary flood recovery levy on Australian and foreign resident individual taxpayers. It is a progressive form of taxation. It applies to those with taxable incomes of $50,001 or more in the 2011-12 income year only. The levy will be applied at the rate of 0.5 per cent of taxable income for those earning between $50,001 and $100,000 in 2011-12. Of course, being a progressive tax, it will then apply at a rate of one per cent for those earning a taxable income of $100,001 or more in 2011-12.

The bills make provision for common-sense exemptions from the levy for people who were affected by the natural disaster. This will be a legislative instrument. This instrument will provide an exemption from the levy for people who received an Australian government disaster recovery payment for a natural disaster in 2010-11 and for people who met the Australian government disaster recovery payment criteria for a disaster in an NDRRA area in 2010-11. This will mean, in effect, that about 50 per cent of all taxpayers will not be required to pay anything because they are under the limit. More than 60 per cent of people will pay less than $1 a week and about 70 per cent will pay less than $2 a week.

I had some conversations with people in my local area when this temporary flood levy was first announced. One issue people raised with me was the fact that they had made personal donations to the Premier’s Flood Appeal and also to the classic organisations that support communities in areas such as this. The important thing was to indicate to those people that when we make those personal donations—as I myself and many of us do—they go towards supporting and helping families in a crisis situation; they go towards the purchase of replacement clothing, replacement household goods and money to live on. The intention of giving that donation is that it goes directly to that sort of support, whereas the levy and the government’s responsibilities are around reconstruction efforts and putting back in place the infrastructure that allows communities to recover. When I asked charities in my electorate how best we could help, their advice to me was to encourage people to donate money, not goods. Because of the nature of the disaster the transport infrastructure is no longer in place and they said that moving items around would be a problem. It is really important that the infrastructure be rebuilt for these communities to get back to some normality. That is the role that the government takes on and that is what the levy moneys are utilised for. So it is quite a different task to that which people undertake when they make a personal donation.
These bills will have a financial impact of about $1.8 billion over the forward estimates period—2011-12 to 2014-15. This, of course, takes into account that some taxpayers are exempted from paying the levy. We recognise that the size of the recent flood events is quite unprecedented and the impacts are significantly greater than we have ever seen before. At the time of putting these bills together, the estimate was somewhere around $5.6 billion. That, of course, is a significant responsibility to be taken on in rebuilding that infrastructure. The government put a package together to address that. It is a balanced package. Every dollar the levy raises will be balanced by $2 in savings and cuts to programs more broadly. It is a balance between finding savings within the budget and also having a one-off levy. This recognises the significant and unprecedented level of these events and the responsibilities that they bring to the government. It is a one-off levy for one year. It is not an unprecedented circumstance as a levy. Certainly we have seen numerous levies. Under the Howard government we saw numerous one-off levies introduced for specific purposes. This is, I think, is a sensible way to address this particular problem.

The point should be made that, whilst the flood impact is devastating, we have to make sure that we retain an ongoing fiscal responsibility because of the importance of a balanced budget not only for our economic wellbeing but also for longer term economic growth and opportunities in our communities, including in the communities that have been affected by these events over the January period. We are obviously going to see a growing demand, particularly as the minerals industry continues to expand, for infrastructure growth in order to deal with the growth in the economy. In order to keep those pressures balanced within the economy more broadly it is important that the government continues to sustain a balanced budget approach. So, in these circumstances, the view has been taken that the best way to achieve both the immediate requirements of the government to meet its commitments for reconstruction and the longer term requirements that the budget stays in balance and inflationary pressures are kept off the economy, including those created by real future growth in some of the main areas of our economy, is to deal with costs as they arise and to manage them in the budget cycle. That is why this approach has been taken.

I think it is a sensible approach that balances the immediate responsibilities of the government with our longer term solid foundations for managed growth into the future. It is an important challenge; it is a critical challenge. Nobody can predict to any significant degree of accuracy the sorts of events that we saw unfold with the flooding disasters. I think it is incumbent upon governments to respond in as practical way but also with as long term a view as they can. That is what these bills are seeking to do. That is what this fiscal response to our responsibilities is seeking to do. The government will of course be involved in funding the infrastructure being put back in place through the reconstruction authorities, so I am confident that that will be carried out in an exemplary and efficient manner.

I want to take a few moments to also touch on a broader issue that has been raised in relation to the flood reconstruction efforts. I want to put on the record in this place that I have had some conversations with people in my community and with people more broadly who have emailed me on the issue of our overseas aid program and the view that it should in some way be curtailed, or frozen for a while, or cut—people use different terms—in order to meet our commitments to our fellow Australians in flood affected areas. I was a bit disappointed that one of my
colleagues in this House, the member for Hume, made that call publicly. I was contacted by the local ABC for a response for it. I have said to people that, at the end of the day, I think that as a nation we have no problem meeting our financial commitments to each other and our financial commitments to those most in need in the international community. They are not in competition. And I think it is unhelpful, to say the least, for people to argue that there is a competition between these things.

There has been much discussion about the importance of our overseas aid. I work with many church communities in my area around programs such as the Survive Past Five program to make sure that children in developing parts of the world actually live to the age of five. Beyond the compassion and, I would think, the common humanity of many people—and I would hope most in this House—to see support for the most desperate and needy, and particularly children, in the rest of the world, there is also a really hard-nosed pragmatic importance to what we do with our international aid program. That is about the fact, which I alluded to in my contribution in this House to the debate on the Afghanistan war effort, that there is a transformative and important role for education in making the world a more peaceful and harmonised place to live in for all people. Many of the things that we do with our aid program in targeting health and wellbeing, women and the education of children have hard-nosed economic and peace benefits for us as a nation.

In particular, it was very saddening that many of the comments targeted the program that was implemented under the Howard government of funding schools in Indonesia as an important and, if you like, ‘soft’ approach to addressing the issue of terrorism in our region. I think that initiative is a commendable one. I am sure that when the government under John Howard introduced that program they saw it not only as a compassionate move and of value in delivering education to those children but also as a hard-nosed sensible approach to addressing terrorism in our region. That has not changed. There is no doubt that, while you can legitimise it away in any debating format you want, the underlying tone of the comments was: we are giving money to Indonesians at the expense of our own people. It was whistling at the least attractive aspects of our personalities, and I think it is always very sad to see that. My view, and I said this straight to people from my local area who spoke to me, is: we can do both, we should do both and we should not be pitting one against the other. I really was particularly saddened that that aspect had come out in the debate.

I think there is always room to argue how you fund things. There have been some contributions across the chamber in this debate which pragmatically argued about how best to fund things. That is legitimate. But I would hope that we do not see a return to the pitting of principles against each other, which is unnecessary, unhelpful and does not progress this place and its reputation at all. I just wanted to add those comments in supporting these bills before the House and indicate that I think the government has taken a sensible approach in this.

Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (12.36 pm)—I would like to thank all members who have contributed to the debate on the Tax Laws Amendment (Temporary Flood Reconstruction Levy) Bill 2011 and the Income Tax Rates Amendment (Temporary Flood Reconstruction Levy) Bill 2011. I also believe it is only right to begin the summing up of the debate by acknowledging and thanking all those members of our Australian community who have contributed and will continue to con-
tribute to the flood relief and reconstruction efforts. So many of our fellow Australians are continuing to do their utmost day after day, week after week, month after month.

There is much to be done. During the times ahead the relentless recovery workers will have their sleeves rolled up and their minds intensely focused on the physical and emotional effort of rebuilding. We include, of course, the engineers, the bridge builders, the asphalt crews and the council workers. We are talking about the electricians, the plumbers, the carpenters, the gardeners and the concrete pourers. We are talking about our modest ordinary fellow citizens who will literally pick up the pieces and put the flood and cyclone devastated parts of our country back together again.

We are talking about our farmers. Our farmers went through six major rain events between November and January. This resulted in widespread flooding to an almost unprecedented extent. Vegetable crops, grain, cotton and sorghum have all been affected. The cash flow of our farms has been hit hard. Sugar volumes, while still too early to measure, have been significantly affected, with estimated losses of three to five million tonnes. ‘Banana central’ has been hit very hard. We will not know the extent of the livestock losses until the second muster in May, June and July but we should be prepared for hard news.

What is especially frustrating is that the decimation of crops has occurred at a time of high commodity prices. Whilst I recognise that higher yields may compensate for reduced crop sizes this is tremendously disappointing for literally thousands and thousands of farmers who have experienced many years of drought and now cannot realise the boom which was on the horizon for them. At the same time, farmers are seeking to have equipment finance contracts waived, loan repayments deferred, temporary overdrafts arranged, access to financial facilities without fees and even second mortgages. Times are tough for those on the land, especially for those who were under duress before these floods and storms. Our flood affected farmers have focused on the physical—cleaning up, restoring fences and collecting stock.

At the same time the vital transport links to market have been sorely hit. Many railway line foundations were washed out. Highway services have been torn up in great slabs and literally washed off the roads. Great gutters have been gullied out underneath the foundations of our highways, arterials and country roads. In the case of key transport arterials, such as the road down the range from Toowoomba or the rail line from Toowoomba to Brisbane, we have seen the foundations literally washed away. The volume of water was unimaginable, the damage impressive. Clearly, our farmers, primary producers and commodity producers have a major issue with road and rail damage. They cannot move stock and crops; it is a big impact on their cash flow. It is reported that slaughterhouses are 85 per cent down on last year’s numbers because stock movement is curtailed. We need to line up our farmers’ confidence with commodity prices and there is real stress in the transport sector. Smaller transport operators have to take longer routes with higher costs and indeed travel on lesser roads with lower limits. The extra distances mean extra cost and delay. As I have said, the times are tough and the landscape is not like anything that we are used to, but all sorts of Australians are going to help fix this up and indeed make it better.

This piece of legislation is our government’s contribution to backing up our people. It is about ensuring the country as a whole can give to the hardworking builders of Brisbane’s future, Ipswich’s future,
Toowoomba’s future, the Lockyer Valley’s future, Tully’s future and the future of so many other places in Queensland, Victoria and northern New South Wales. These bills are about making sure the national government can give them the full funding support to get the job done and done quickly. In backing the recovery effort with this progressive and balanced levy, we unequivocally back all of our people engaged in recovery, from all walks of life. They are building Australia’s future and we thank them profoundly for what they are doing.

The natural disasters of this wretched summer have hit many Australians hard, but the worst thing has been the tragic loss of life in the most heart-wrenching, heartbreaking and difficult of circumstances. Every death resulting from the floods has saddened us all. We have seen the widespread damage, but we saw also the widespread damage after the Black Saturday Victorian bushfires. We have seen how people rebuild and we can do it again after the storms and floods. Australians are a resilient lot when times are tough and I think we have all been impressed and inspired by the sense of community and shared spirit that has been so evident in this story of natural disaster.

Tough Australians deserve a federal government that has their back, and that is what this levy legislation is about. In addition to the enormous human impact, the impact on public property and infrastructure has been massive. The total estimate for the rebuild is in the order of $5.6 billion. This is a significant promise which Australians should honour to those who have been affected. We will need to rebuild a remarkable amount of public infrastructure that has been destroyed or severely damaged by the floods. This bill will substantially help the rebuilding of our public infrastructure with the imposition of a one-year flood reconstruction levy.

It is important to distinguish this levy, which will be used to rebuild infrastructure, with the charitable donations that many Australians have already generously made. In recent weeks many Australians have donated to charitable funds to assist people affected by the floods, to help them with their personal costs. An extraordinary $220 million has been raised so far in charitable donations, a fact which speaks volumes about the generosity of ordinary Australians and the Australian spirit of helping out your friends. These funds held by charities will help individuals and families affected directly and personally by the floods to rebuild their lives, rebuild their homes and indeed replace some of their possessions.

The flood levy on the other hand will help to rebuild the essential infrastructure damaged by the floods, such as the schools, the bridges, the hospitals, the parks and the Warrego, Carnarvon, Bruce, Capricorn and Cunningham highways to list just some. As I have said the total estimated cost to the Australian government to help communities recover and rebuild infrastructure in flood affected regions is estimated to be around $5.6 billion. There were calls by some witnesses to the House of Representatives inquiry that we should take the full cost of the government’s share of reconstruction onto the budget by taking debt. This is not what we will do. We will pay as we go.

This is the right thing to do in an economy that is approaching capacity. We have a mining boom that is driving sustained terms of trade the likes of which we have not seen in many decades and a huge investment pipeline. In those circumstances it is the right thing to do to bring the budget back into surplus in 2012-13. I say again that, in an economy that is growing strongly, it is important that we pay as we go. The government will therefore fund around two-thirds of this reconstruction bill through spending cuts and
the deferral of infrastructure projects. This includes $1 billion of infrastructure deferrals that will free up not only money but workers and equipment. The remainder of the cost will be met through a one-year flood reconstruction levy and this levy will end at midnight on 30 June 2012.

The levy will be paid through the tax withheld from regular wages and salaries, like personal income tax and the Medicare levy. The levy is modest and the levy is progressive, meaning that those who can pay slightly more will do so. It is based on taxable income earned by individuals—that is, assessable income minus allowable deductions. Taxable income is what is used for the Medicare levy and taxable income is what was used for previous levies such as the gun buyback levy and the proposed East Timor levy under the coalition government. The flood levy is modest in terms of the amount required from any one individual given their income. Anyone with a taxable income in 2011-12 of $55,001 or less will not pay the flood reconstruction levy. Taxpayers with a taxable income of between $55,001 and $100,000 will pay half a per cent of their taxable income over $50,001. Taxpayers with a taxable income of over $100,000 will pay half a per cent of their taxable income between $55,001 and $100,000, and one per cent of their taxable income over $100,000.

It is modest in that a person on average wages, which is around $68,000, will be paying $1.74 per week. For a person on $80,000, it is worth $2.88 per week. That is less than the price of a cup of coffee and about a tenth of the $29.81 weekly tax cut they have received from the first three years of this government. A taxpayer with a taxable income of $100,000 will pay $250 in 2011-12, or $4.81 a week. That is just 12 per cent of the $41.35 weekly tax cut that they have received from the first three years of this government.

Importantly, taxpayers affected by the recent disasters—not just the floods but also Cyclone Yasi and the Western Australian bushfires—will not have to pay this levy if they meet certain criteria. There will be an exemption from the levy for many taxpayers. There will be an exemption for those who received an Australian government disaster recovery payment for a disaster that occurred in 2010-11. There will be an exemption for those who were ineligible for an Australian government disaster recovery payment but have been affected by a disaster declared under the National Disaster Relief and Recovery Arrangements and meet at least one of the Australian government disaster recovery payment criteria. Finally, there will be an exemption for those who are New Zealand non-protected special category visa holders who received an ex gratia payment from the government in relation to a disaster that occurred in 2010-11.

Employees who are exempt from the levy will be able to ask their employer to not have the levy withheld from their regular pay with other tax withheld. Alternatively, at the end of the year the Australian Taxation Office will assess Australian taxpayers’ tax liability, taking into account their exemption from the levy. I might add that the Australian tax office has implemented a range of support strategies for those affected by the floods. Over the last month or so, those affected by natural disaster have had more to worry about than sorting out their tax affairs. So, where necessary, the ATO has provided extra time to pay debts and lodge business activity statements. The tax office has helped reconstruct tax records where documents have been destroyed, as well as provided an emergency support information line.

The government is also supporting flood affected businesses and primary producers through assistance under the Natural Disaster Relief and Recovery Arrangements. These
arrangements provide concessional loans, clean-up and recovery grants, and freight subsidies for primary producers. In addition, the government has activated the disaster income recovery subsidy for individuals, including business owners whose income has been affected by a recent disaster event.

In recognition of the exceptional nature of Tropical Cyclone Yasi and the damage it has caused, we have activated additional assistance for businesses and primary producers in these affected areas. This includes concessional loans of up to $650,000 and a grant component of up to $50,000. Wage assistance for employers, including primary producers, has been made available to help maintain the viability of businesses and the local community. A $20 million Rural Resilience Fund has been established, jointly funded by the federal and Queensland governments, to help fund business and community support measures such as farm clean-ups, counselling and social support measures.

As part of the debate on the bill, we have heard a number of comments that demonstrate that those opposite have a long way to go before they can offer a responsible alternative. We have heard those opposite say that the levy is too big. The coalition conveniently forget that their extravagant spending promises at the last election required them to campaign on the back of a levy that was $3 billion per year and had no end date. We have heard those opposite say that they just wish the global financial crisis had never happened; it would be so much easier if revenues had not been downgraded by $110 billion, because then parliament would not have had to make a hard choice. In government we understand that the global financial crisis was real and Australia needed to respond. The fact is that the opposition opposed the measures that helped keep Australia out of recession. If they had had their way back then, we would have been in a much worse position than we are now to respond to these disasters today. They have claimed it is easy to find savings, but then they pitched up $700 million of savings that they had already counted to offset their other spending. In government we understand that a saving cannot be counted twice. It is inconceivable to me that any Queenslander in this place could line up against a bill designed to help rebuild their homeland. How can there be MPs who would rather go for some fairly unsophisticated politics over soundly developed policy? It is as strange as it is disappointing.

This levy is an important part of rebuilding after the natural disasters that we have seen over the last few months. I believe it is part of the Australian way, where everybody chips in to help a neighbour who is in distress. I believe that those citizens who are most affected by the floods want this parliament to get on and make its decisions so that they can concentrate on their recovery. I think that people in other places affected by the floods expect the people in this place to do their part to help them move through the natural disasters that they have seen in the first part of this year. Once again I would like to thank members for their contributions to the debate on this bill which is of such importance for Australia’s response to the recent devastating floods and storms.

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

The House divided. [12.55 pm]

(The Speaker—Mr Harry Jenkins)

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<td>71</td>
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AYES

Adams, D.G.H. Albanese, A.N.
Bird, S. Bowen, C.
Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (1.01 pm)—I present a supplementary explanatory memorandum to the Tax Laws Amendment (Temporary Flood Reconstruction Levy) Bill 2011 and to the Income Tax Rates Amendment (Temporary Flood Reconstruction Levy) Bill 2011. I ask leave of the House to move government amendments (1) to (12) together.

Leave granted.

Mr SHORTEN—I move government amendments (1) to (12):

(1) Clause 1, page 1 (line 6), after “Flood”, insert “and Cyclone”.

(2) Clause 2, page 2 (table item 2), after “Flood”, insert “and Cyclone”.

PAIRS

Ellis, K. Keenan, M.
Bandt, A. Schultz, A.
Symon, M. Briggs, J.E.

* denotes teller

Question agreed to.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.
(3) Clause 2, page 2 (table item 3), after “Flood”, insert “and Cyclone”.

(4) Schedule 1, item 2, page 4 (line 9), after “flood”, insert “and cyclone”.

(5) Schedule 1, item 3, page 4 (line 15), after “flood”, insert “and cyclone”.

(6) Schedule 1, item 3, page 4 (line 16), after “flood”, insert “and cyclone”.

(7) Schedule 1, item 3, page 4 (line 17), after “flood”, insert “and cyclone”.

The amendments change the name of the levy to the temporary flood and cyclone reconstruction levy. This change reflects that the levy will contribute to rebuilding across multiple disasters in multiple states. Members will be well aware of the devastating impact of Cyclone Yasi in particular. I submit this to the House.

Question agreed to.

Bill, as amended, agreed to.

Third Reading

Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (1.02 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

INCOME TAX RATES AMENDMENT (TEMPORARY FLOOD RECONSTRUCTION LEVY) BILL 2011

Second Reading

Debate resumed from 22 February, on motion by Ms Gillard:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

Consideration in Detail

Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (1.04 pm)—by leave—I move government amendments (1) to (6):

(1) Clause 1, page 1 (line 6), after “Flood”, insert “and Cyclone”.

(2) Clause 2, page 2 (table item 2), after “flood”, insert “and cyclone”.

(3) Clause 2, page 2 (table item 3), after “flood”, insert “and cyclone”.

(4) Schedule 1, item 1, page 3 (line 6), after “flood”, insert “and cyclone”.

(5) Schedule 1, item 1, page 3 (line 9), after “flood”, insert “and cyclone”.

(6) Schedule 1, item 1, page 3 (table heading), after “flood”, insert “and cyclone”.

Mr KATTER (Kennedy) (1.04 pm)—We want to say we appreciate the government’s concern and sensitivity on this issue. Thank you very much.

Question agreed to.

Bill, as amended, agreed to.

Third Reading

Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (1.02 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Third Reading

Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (1.05 pm)—by leave—I move:

That this bill be now read a third time.

Question put.
The House divided.  
(The Speaker—Mr Harry Jenkins)

Ayes……………  72
Noes……………  71
Majority………  1

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Wyatt, K.    Wyatt, A.

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* denotes teller

Question agreed to.

Bill read a third time.

SCREEN AUSTRALIA (TRANSFER OF ASSETS) BILL 2010

Report from Main Committee

Bill returned from Main Committee without amendment, appropriation message having been reported; certified copy of the bill presented.

Ordered that this bill be considered immediately.
Bill agreed to.

**Third Reading**

Mr DREYFUS (Isaacs—Cabinet Secretary and Parliamentary Secretary for Climate Change and Energy Efficiency) (1.14 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

**STATUTE LAW REVISION BILL (No. 2) 2010**

Report from Main Committee

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

Ordered that this bill be considered immediately.

Bill agreed to.

**Third Reading**

Mr DREYFUS (Isaacs—Cabinet Secretary and Parliamentary Secretary for Climate Change and Energy Efficiency) (1.15 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

**WATER EFFICIENCY LABELLING AND STANDARDS AMENDMENT BILL 2010**

Second Reading

Debate resumed from 21 February, on motion by Mr Martin Ferguson:

That this bill be now read a second time.

Dr STONE (Murray) (1.16 pm)—In continuing my contribution to the debate on the Water Efficiency Labelling and Standards Amendment Bill 2010 I will move on from supporting the move to streamline the consumer advice about water consumption of household appliances to a call for a similar rating system to apply to on-farm water use efficiency measures or, at least, for this government to understand how important it is that every irrigator has the support to introduce measures that will save water and increase productivity. It is vital that both those things occur. No farmer, who is of course a businessperson, is going to be able to invest in a reduction in water consumption if it is at the cost of his own capacity to earn an income or improve productivity.

Australian farmers, unlike most others in the developed economies, do not receive massive government subsidies to help them feed the nation. Australian farmers, along with their New Zealand counterparts, are some of the world’s most efficient and effective growers particularly of arid-zone cereals and also in horticulture, sheep and meat production, and dairy and fruit production.

Over the last 50 years there has been a revolution in the way water use efficiency has been the centre of irrigation farming thinking. There has been massive investment, particularly in my electorate in northern Victoria, in whole-farm planning: the introduction of reuse systems which capture every drop of rain as well as surface rainfall in order for it to be reused and pumped back up to the paddocks to be reused again and again; laser grading to facilitate that process; subsurface irrigation installed, particularly underrow crops; and new fast-watering techniques introduced, which require different technologies. Pressurised systems for horticulture and orchards are now commonplace. In fact, where they are not in place it is because the irrigator cannot afford to make the conversions. There is no longer an argument about the importance of pressurised systems for orchards and for some other crops such as tomatoes, for example.

The point about all of this is that at the moment the Murray-Darling Basin Authority
has before it a guide to a plan it produced over the last two years which says that the way to find further savings of water for the environment is not primarily through encouraging water use efficiency, in particular from irrigators, but to buy back water from so-called willing sellers. This so-called buyback from willing sellers is non-strategic. It comes at a time when most farmers have just survived seven years of drought. Many fell by the wayside because of the financial pressures of not having sufficient water to continue agricultural production. At the end of those seven years of drought, we have had the worst floods on record. Just at the time when the financial pressures are too much for some of them to remain viable and just at the time when they have the lowest emotional resources to carry on, the Commonwealth government has just put into the marketplace another of these non-strategic water buyback tenders.

The House of Representatives Standing Committee on Regional Australia, which is charged with the review and analysis of the Guide to the proposed basin plan, put in an interim set of recommendations 10 days or so ago. The chair of the committee, Mr Tony Windsor, has placed those recommendations before the Minister for Regional Australia, Regional Development and Local Government. The first of those recommendations was to be more strategic in water buybacks. I am personally disappointed that, while that advice appeared to have been taken seriously and supported by the minister, we have had yet another announcement that the non-strategic role-on of water buybacks from so-called willing sellers is to continue as if there had been no recommendation at all.

Non-strategic buyback of water has nothing to do with water use efficiency, unfortunately. It is about financially stressed farmers bending to the will of their lenders and putting the last of their liquid assets—a bit of an ironic term—or their most easily disposed of asset, their water, on the market so they can pay back some of their borrowings. We do not have, unfortunately, sufficient investment from this government into on-farm water use efficiency, nor do we have sufficient investment into the irrigation systems themselves, some of which such as Goulburn-Murray Water are over a hundred years old in places and need to be smartened up in their own water use efficiency.

I am very concerned at a time when our farmers most need support to get back on their feet after, first, the drought and, now, devastating floods, that this is the time for the government to announce that there will be support for farmers to be able to improve their water use and as a consequence of that improve their productivity, putting them back on their feet financially for the future. In Northern Victoria, in my part of the Murray-Darling Basin—its southern parts—we have been acknowledged as having world’s best practice in tomato growing and in dairying, to name just two of our particular industry sectors. Both of those types of agricultural production were particularly hard hit by the floods. We have virtually had our tomato crops for this year wiped out—this is manufacturing tomato growing—and, tragically, that means that our multinational manufacturers of food product are reaching to imports to replace what was before locally produced tomato ingredient.

Unfortunately, that cannot be helped this year, but we are very, very concerned that it will become the habit of these manufacturers, as they find the dollar supports them and it is easy for them to reach to the overseas market for things such as tomato paste and diced tomatoes, when our own locally grown product was world’s best in quality. Indeed, the prices they were being paid meant that there was not much fat at all in the system for the growers. So we need that on-farm
water use efficiency investment from the Commonwealth, as well as from the states. Having made that investment, I think it is more than in order to suggest that farms which can be shown to be most efficient in water use have a rating or a standard that is recognised by the consumer. We need to show that the product was produced in a way that was friendly to the environment, particularly in relation to water consumption. These sorts of improvements can be readily identified and measured.

Again, in our part of the world, farmers have themselves invested literally billions of dollars in these measures. In the past they have received some support to help do things, such as whole farm plans and reuse systems. This was in order to try successfully to manage to stop groundwater accessions, which of course led to salinity problems in the past. We are now concerned that some of this water will be lying on parts of my electorate for another 12 months, and all these floodwaters could again exacerbate the groundwater salinity levels. We need, right now, some Commonwealth investment to make sure that irrigation systems on farms are repaired as a consequence of the floods destroying them and that we have, instead of the quick and dirty buyback of water from financially stressed farmers, the government understanding of the problems of water price distortion in the markets and an understanding that water buyback does not lead to more efficient production.

Instead, the government should focus on the billions of dollars that the coalition had put in place for this investment and put at least $5 billion into on-farm water use efficiency measures. The dividends will be absolutely magnificent. The country’s food security will be improved. We will have the farmers able to continue to manage the environment as they want to. The jobs that spin off from agricultural production will be there and will be multiplied. There is a win-win in every way that you look at the investment in on-farm water use efficiency.

I commend this bill, which began by making sure that labelling of domestic appliances that are water users is as efficient and transparent as it can be and helps consumers make the right choices about purchasing things like dishwashers, washing machines and so on. But I suggest this government also look at water use efficiency standards, assessments and labelling in relation to on-farm water use efficiency measures. I think that will serve the nation very well.

Ms RISHWORTH (Kingston) (1.26 pm)—I rise today to speak in favour of the Water Efficiency Labelling and Standards Amendment Bill 2010. This bill is about conserving our most precious resource, which is water, by redefining the way we provide information to consumers about water efficiency or various plumbing products. By passing the bill, we can reduce confusion and empower consumers. We can provide greater certainty for industry and ultimately we can promote the adoption of effective water use to assist with our water conservation efforts.

The Water Efficiency Labelling and Standards Scheme, established by the Water Efficiency Labelling and Standards Act 2005, aims to promote the use of water-saving technologies by requiring specific products be labelled to indicate and assess their water efficiency. As with energy-rating labels on electrical appliances, a six-star rating system is used to demonstrate the performance of the product, with six being the most water or energy efficient. This is a simple concept designed to empower consumers to select a product on the basis of its efficiency.

Since its introduction in 2005, and since it became mandatory in July 2006, there has been significant evidence suggesting that the
scheme positively influences preferences. The Minister for Sustainability, Environment, Water, Population and Communities determines which products must comply with the scheme, and some of the products which are currently covered include showers, toilets, urinals, taps, dishwashing machines and clothes washing machines.

In addition to meeting the requirements of this scheme, these products are subject to the WaterMark certification scheme, which operates under state and territory plumbing regulations. As the WaterMark certificate is concerned with protecting the water supply by ensuring the products are fit for use, it is only required for products to be legally installed. On the contrary, the WELS registration and labelling is required before a product can be sold. This creates an anomaly, as consumers unwittingly purchase WELS plumbing products which are legally available but not legally able to be installed.

Furthermore, some consumers may mistakenly interpret the WELS label as an endorsement of the product by the government that it is fit for us. It is this situation that has led the House of Representatives Standing Committee on the Environment and Heritage to recommend, in its 2007 report, Managing the flow: regulating plumbing product quality, that the WaterMark certification be made a prerequisite of the compliance with the WELS scheme. If this bill is passed it will do just that.

The proposed amendments will introduce a general provision enabling the minister to include additional plumbing requirements, such as those established by the states and territories, and, from time to time, requirements for registration under the WELS scheme. Naturally, the minister will retain the right to remove any additional requirements should they be no longer appropriate. Once the bill is enacted, the WaterMark certification can be made a prerequisite for all WELS scheme registered plumbing products by ministerial determination.

There is strong support for the introduction of a general provision of this kind within the industry. It will create greater certainty for both consumers and plumbers and ultimately it will mean more water conservation. This government is preparing Australia for a future with less water as a result of climate change and as a result of drought. Water is one of our most precious resources. As a member from South Australia I know that acutely. We must do everything in our power to secure our supplies for future generations. We need to act now not only to protect and restore the environment but also to secure the health of our rivers so that all Australians can continue to enjoy this vital resource well into the future.

This government has been getting on with the job of conserving our water resources. Since coming to office this government has introduced significant initiatives to ensure that securing our water supplies is our top priority. It has introduced a number of initiatives aimed at restoring the balance in the Murray-Darling Basin, which has one of our most valuable river systems and our nation’s food bowl.

The government has looked at initiatives, including water buybacks. I was disappointed to hear the member for Murray criticise this so acutely in her report. We know that the opposition have been quite flippant when it comes to water buybacks. In the election period we saw the Leader of the Opposition come to South Australia and say that he would implement the Murray-Darling Basin report immediately. In fact, I think he indicated that he would implement it in full two weeks after the election. We have seen an enormous backflip from the opposition. They are now scrapping the water buybacks.
The Leader of the Opposition has clearly given every South Australian who actually believed the commitment he made when he came to South Australia a slap in the face. It is disappointing.

This government is getting on with the job by having water buybacks, investing in water-saving infrastructure, having the independent authority come up with a plan and working through the parliament to ensure we have a Murray-Darling River system for the future. The member for Murray in her statement missed the point that a river that is dying, that has salt problems and that is destroyed is of no use to anyone. It is of no use to the farmers, the environment or the people who rely on the river for water. It is of no use to anyone. I hope the member for Murray considers that when she goes around opposing water buybacks.

The government is also working in a whole range of other areas. In my electorate there has been significant investment in how we use water in a better way. I was very pleased that this government provided the Onkaparinga Council with $34.5 million for Waterproofing the South stage 1. This program looks at how we can recycle water to irrigate the McLaren Vale region, our parks and gardens and a range of different areas. This program has been going very well. We recycle the sewage water from the Christies Beach Wastewater Treatment Plant and that fresh water is used for a whole lot of different purposes, including watering gardens on private properties and the like. That has been a very successful project.

I am also pleased that this government has backed up its commitment by investing $14.97 million for stormwater harvesting in the Onkaparinga River. This is a joint project of the City of Onkaparinga, the state government and the federal government. It looks at how we can harvest stormwater and not just let it go into the sea, which causes its own problems when it comes to the local ecology. It looks at how we can capture that water and reuse it on parks, gardens and the like. This is really important because the city of Adelaide relies, especially in years of drought, on water from the River Murray. The more we conserve water, whether it is rainwater or recycled water, the less our pull will be on the River Murray.

I commend the City of Onkaparinga for doing a great job in this area. The wonderful McLaren Vale agricultural region, which provides a huge amount of wonderful wine, is starting to insure itself against drought by using recycled water and stormwater. It is a visionary project. It is preparing the city and the suburbs for less water in the future. I commend that program.

The government has also recognised significantly that individuals can play a big role in conserving water. It has been fantastic to see families and residents in my local community taking up the rebates offered by the government that subsidise the installation of water tanks and greywater systems. We recognise that these small changes to household water use can make a big difference when put together. I want to particularly commend a couple of the surf-lifesaving clubs in my area, which have successfully obtained money under the National Rainwater and Greywater Initiative: the Aldinga Bay Surf Lifesaving Club and the South Port Surf Life Saving Club. They have installed rainwater tanks and other water efficiency measures.

Surf-lifesaving might not seem to be too connected to the environment but the lifesavers who are on the beach every day see what happens when stormwater goes out into the sea and a lot of debris is washed up on the beach. The surf-lifesaving clubs are acutely aware of the impact that stormwater can have on their beaches. They have been
very keen to take up these water initiatives. I know there is a focus in surf-lifesaving clubs in my area to be very ecofriendly, so they are taking up these initiatives to make an impact.

I would also like to take this opportunity to congratulate Southport Surf Life Saving Club, which won the cleanest beach in Australia competition. They do a great job down there. They get schoolchildren coming in to help with cleaning up the beach and really making this a wonderful destination. So if you have not been to Southport Surf Lifesaving Club, or Port Noarlunga South as it is sometimes known, come on down; it is a beautiful place to come. But they are doing their bit for water efficiency.

There are a number of other initiatives in my electorate, including the Woodcroft Green Precinct at the combined library and neighbourhood centre. This is a very exciting initiative which is incorporating best practice design features in water conservation, water recycling, and a whole range of areas. But they are not just doing that for the community centre that is being used there; they are putting it on as a demonstration hub so that families and individuals can come in, have a look at what they are doing and get some ideas and take them back home. This is a very exciting project. The Commonwealth has contributed $750,000 to this. Again, the council is contributing money to it. I am looking forward to the opening of the Woodcroft Green Precinct in the coming months. I certainly think it is another exciting project.

There are a number of very exciting projects happening in my local area, all focused on conserving water and ensuring that we are as efficient as possible with this very important resource. Certainly this bill is a very important bill. It is part of the government’s agenda in ensuring that we take the issue of using our water in the most efficient possible way very seriously. I commend the bill to the House.

Mr GEORGANAS (Hindmarsh) (1.39 pm)—I rise in support of the Water Efficiency Labelling and Standards Amendment Bill 2010 and the Commonwealth’s efforts in increasing consumers’ opportunities to make informed choices about household products to help minimise the water that is used by our households.

We have had energy ratings on appliances for many years and I am sure that we all agree on the merits of such a scheme. We also have had the Water Efficiency Labelling and Standards Scheme, giving us a similar insight into the merits of one appliance over another with regard to water consumption. The bill before us simply enacts recommendations put to the government for the more efficient and effective functioning of this scheme in giving the minister the ability to make determinations on additional plumbing requirements, such as those established by the states and territories who regulate the plumbing industry.

Since the WELS scheme was introduced in 2005, there has been evidence, I understand, that consumers are taking note of the water efficiency advice contained in the product labelling and making their consumer choices with this in mind, and that is a good thing. We have seen a substantial shift over recent years in the deployment of systems that reduce the need for water. New systems have been popping up in public and private washrooms alike. Rainwater harvesting systems have made a very large impression on the public and also businesses who build their custom offices or showrooms. People have become much more water wise on a residential level, a commercial level and in other areas of our public lives. This is all, clearly, a very good thing and a motif that I hope the opposition would support.
I welcome the further development and uptake of initiatives such as the WELS scheme and our rainwater-harvesting scheme, in particular as they apply to households and other premises within South Australia. South Australian residents—residents of Adelaide and beyond—have been doing their bit for water conservation over several years, just as we continue to do today and will continue to do into the future.

Historically, Adelaide has sourced most of its potable water from the River Murray. Through the early years of this century, it was sourcing over half of the 200-plus gigalitres per year we consumed to keep the city going as it then was. In more recent years, through the drought, we have consumed much less. But the Murray has continued to be the lifeblood of Adelaide. We strive, as we have striven over the years, to reduce the volume of water we use and consume. We try to pare back our water consumption—be it by five gigalitres, 10 gigalitres, 20 gigalitres or more from our historic levels of consumption.

A city like Adelaide with a population of well over one million people has striven to cut its consumption and its drain on the River Murray by 20-odd per cent. More than one million people are cutting back to save 30 gigalitres a year—year after year after year. And I am glad that we have been able to do this because the 30 gigalitres that Adelaide residents bend over backwards to save helps sustain the river system. Sadly, our river system within South Australia needs almost 2,000 gigalitres of water more than has typically flown down the Murray in the past few years. In this context, Adelaide’s consumption of 140 gigalitres per year and our 30 gigalitres of saving might not seem like much, but the effort we make in Adelaide is very substantial as a proportion of the water we have taken in the past.

While Adelaide’s one million people and businesses use 140 odd gigalitres, the Goulburn region uses up to 1,700 gigalitres per year, the Murrumbidgee region uses up to 2,600 gigalitres per year, so the draw on the River Murray itself, upstream from Wentworth, is up to 3½ thousand gigalitres per year. Adelaide residents know what it means to save water. We know what it means to cut our consumption, to have some of our trees die, our gardens die, our parklands die. We have made these cuts in the past and we know how much it hurts. And so I find it a bit of a stretch when we read from the Basin Plan community consultation minutes that some commentators argue that the sustainability of the River Murray and the basin generally would be improved if Adelaide simply installed more rainwater tanks and took less water from the Murray. The numbers I have already given show, I believe, how marginal a volume Adelaide takes in comparison to some other regions. When people raise their voices against the prospect of there being reductions in the total water taken out of the river system for other than critical human need purposes, I suggest they remember that they are not the only regions that are affected by variability in water availability.

I also suggest they remember that any reductions in the maximum draw on water through the buy-back scheme will be totally voluntary. Only those who wish to sell and engage in the sale of their license will have their rights affected. Only those who have decided themselves to take up offers to sell their water licenses have had their water licenses affected by the increase in environmental water. This has been the case over the past few years, as it will be the case in the future. It is their choice and it is entirely up to them. The fact of the matter is—

The DEPUTY SPEAKER (Hon. BC Scott)—Order! It being 1.45 pm, the debate
is interrupted in accordance with standing order 43. The debate may be resumed at a later hour.

STATEMENTS BY MEMBERS

Fraser Electorate: Art

Dr LEIGH (Fraser) (1.45 pm)—Amidst the hurly-burly of busy lives, it is sometimes easy to forget the transcendent power of the arts. Great art can inspire us and remind us of what truly matters in our lives. It can take us to new places and evoke strong emotions. The work of Fred Williams and Arthur Boyd, Clifford Possum Tjapaltjarri and Sidney Nolan can be truly breathtaking. For artists, producing artworks can bring enormous pleasure and fulfilment.

On the north side of Lake Burley Griffin, there is a plethora of hardworking artists and small art galleries. These include Craft ACT: Craft and Design Centre, the Canberra Museum and Gallery, the ANU School of Art Gallery, the Watson Arts Centre, the Chisholm Street Gallery, the Helen Maxwell Gallery, the Canberra Contemporary Art Space, the Australian National Capital Artists, Megalo Print Studio and Gallery, the Strathnairn Homestead Gallery, the Aboriginal Dreamings Gallery, Aarwun Gallery, the Graham Charlton Studio Gallery and the Belconnen Arts Centre. And apparently there is even some good art displayed on the south side of the lake.

I am proud to have in the public gallery today my mother-in-law, Anna Marie Newman. She is here with my father-in-law, Robert Newman. Anna Marie is a talented and prolific artist, and the ‘critters’ she makes bring great joy to and admiration from others. I want to pay tribute to her and to all the artists and craftspeople whose work enriches our lives.

Perrie Shepherd, Ms Che-Nezce

Mr CHRISTENSEN (Dawson) (1.46 pm)—I rise to bring the attention of the House to the tragic death of 17-year-old Che-Nezce Perrie Shepherd, a beautiful, bright young girl who drowned at Bowling Green Bay National Park near Alligator Creek in my electorate on Sunday, 12 December last year. Che-Nezce was with friends having fun at a popular swimming hole when her foot became trapped under a rock. It was raining heavily that day and she was trapped in the rising water. Her friends tried frantically to free her foot and keep her head above the rising water for over an hour, but, sadly, Che-Nezce drowned.

What is so tragic about this story is that the friends trying to save her were also trying to use their mobile phones to call for help—but there was no mobile phone coverage. It is an absolute disgrace that in the 21st century an area just south of a major regional city like Townsville can have such poor mobile phone coverage, a basic service that people in capital cities take for granted. This sad story is an example of what can happen if the problem is not fixed.

Unfortunately, we have a government hell-bent on building this multibillion dollar National Broadband Network project, but people living in and visiting Alligator Creek need adequate mobile phone coverage first. I call on the Minister for Broadband, Communications and the Digital Economy and the government to get the basics right and fix the problem of mobile phone coverage in this community. Maybe we can prevent a tragic death like this from ever happening again.

DonateLife Walk 2011

Ms BRODTMANN (Canberra) (1.47 pm)—I would like to take this opportunity to thank the people of Canberra for coming out in their thousands—1,800, to be precise—yesterday morning to take part in the Do-
nateLife Walk 2011. The walk was launched by the Parliamentary Secretary for Health and Ageing, Catherine King. This is the fifth year of the walk, which was named in honour of Terry Connolly, a former ACT Supreme Court judge, a former ACT Attorney-General and an organ donor. Terry was a much-loved member of the Canberra community who died of a heart attack while bike riding up Red Hill. He was only 50 years old. Terry’s daughters, Lara and Maddy, were students at St Clare’s College in Canberra, and the school has always been a strong supporter of the walk.

Yesterday the girls were out in full force again, and they were the only ones to make the sun hats look glamorous and cool, much to the chagrin of everyone else! They were supported by Daramalan and Marist colleges and the boys and girls grammar schools. Teams from the Australian Electoral Commission, the Australian National University, the National Health and Medical Research Council, the Department of Health and Ageing and ACT government departments were also walking and running.

I would like to thank the members and senators who joined us for the walk yesterday morning, particularly those new members of the Parliamentary Friends of Organ and Tissue Donation that the member for Brisbane and I established a few weeks ago, in time for DonateLife Week this week. Finally, I would like to congratulate the parliamentary secretary for yesterday’s appointment of four well-known Australians as DonateLife ambassadors. The new ambassadors, Amanda Keller, Denise Drysdale, Derryn Hinch and Tania Major, join the Governor-General, who is the inaugural ambassador.

**Ryan Electorate: Glenleighden School**

Mrs PRENTICE (Ryan) (1.49 pm)—I speak today in praise of an initiative of the CH.I.L.D Association in Ryan, the Glenleighden School. The school is the only one of its kind, providing invaluable support, assistance and education for children with a serious disability. Catering for children with severe speech and language impairment, it provides a multidisciplinary program involving a range of specialist therapies within an educational setting.

The Glenleighden School works in partnership with the Let’s Talk Speech and Language Professional Centre and has recently launched a campaign to raise awareness of primary language disorder and have it recognised by the government as a disability. PLD is a developmental disorder that affects how a child thinks about, understands and uses language. The difficulties children with PLD face in dealing with the complexities of language impact drastically on their overall development, particularly their capacity to access an educational curriculum. PLD children struggle with learning and can be easily distracted, readily given to frustration and reluctant to learn new skills. In short, it is a disability that has a significant lifelong effect on a child. Not being able to communicate or to understand others and being unable to deal with the complexities of life in general is a very serious disability.

That is why the Glenleighden School was founded. The approach is to address a child’s problems individually, to provide them with an opportunity to be able to speak and use language properly, greatly improving their outlook and chance in life. Under Glenleighden’s structure, many of the students are able to transition into mainstream schools.

The work of the Glenleighden School is truly life changing. As an independent special school, the organisation must proactively seek out any support that it requires. The executive principal, Ms Vikki Rose Graydon, and the CH.I.L.D Association are currently...
seeking to have PLD included under the Better Start For Children with a Disability initiative. I commend the efforts of the Glenleighden School—(Time expired)

MINISTERIAL STATEMENTS

Libya

Mr Rudd (Griffith—Minister for Foreign Affairs) (1.51 pm)—by leave—The Australian government condemns without reservation the use of violence in Libya against its population. Reports are that about 300 lives have been lost, but some estimates are as high as 1,000 lives having been lost. Colonel Gaddafi’s threat to purge Libya, house by house and inch by inch, of the protest movement is a despicable act. The international community has a responsibility to take firm action in response. These are serious matters.

I warmly welcome the call by the UN Commissioner for Human Rights, Navi Pillay, for an international investigation into possible human rights violations. The Human Rights Commission will meet this Friday, and it is critical that the council give careful consideration to how best to respond to Libya’s crisis. I will travel to Geneva to attend a special session of the Human Rights Council early next week and will urge prompt and united action by the international community in terms of these human rights violations in Libya.

The Australian government also welcomes the Arab League’s strongly worded statement yesterday following its emergency talks and the league’s decision to suspend Libya from the Arab League. The UN Security Council met yesterday and, in its statement, called on the government of Libya to meet its responsibility to protect its civilian population. This is an alive doctrine in international law which the Libyan regime should pay close attention to in terms of its implications for the future.

I also note with concern that the Australian government has received reports that an Australian citizen may have been detained by Libyan officials on the evening of 21 February 2011 in Tripoli. The Australian consular general in Tripoli has requested confirmation of the reported detention by diplomatic note and is seeking immediate consular access. No response has been received from the Libyan authorities. A dual Australian-Libyan national was also reported to us on 6 December 2010 as being detained. Australia’s consul general has also requested by diplomatic note that Libyan authorities confirm whether this person has been detained and has requested immediate consular access. Libyan authorities have confirmed his detention but have not provided consular access.

Today I called in Libya’s ambassador to Australia. I reminded the ambassador that, under the Vienna Convention on Consular Relations, Libya has a responsibility to advise of the detention of a foreign national and, furthermore, to allow consular access to Australian consular officials. I conveyed to the Libyan ambassador Australia’s expectation that immediate consular access be granted to these men in accordance with Libya’s international obligations. We are also in close contact with these men’s families and are providing them with consular assistance.

The Australian government currently has 47 registered Australians still in Libya. Another 12 are on board a ferry waiting to depart Tripoli. Another four are on a privately organised charter ferry in Tripoli which will leave around this time. Of those still in Libya, 35 wish to depart, and we have been unable to contact 12. We call on the Libyan government to immediately facilitate visas for our Australian consular staff to enter Libya to assist with the evacuation of Australians. At present, no such visas have been issued. Our consul general, backed only by
local staff, is managing this consular crisis on his own. He is doing an excellent job on Australia’s behalf.

Ms JULIE BISHOP (Curtin) (1.55 pm)—by leave—The situation in Libya remains grim and chaotic. The final outcome remains uncertain and unpredictable. We join with the international community in fearing that the brutal response of Colonel Gaddafi may well continue. The Libyan government has forfeited its right to govern the people of Libya. In particular, Colonel Gaddafi has failed in his fundamental responsibility, as the leader of his people, to protect his people. We note that the United Nations has issued a strongly worded condemnation against the Libyan government, and we support that condemnation. It now appears, from the statement of the Minister for Foreign Affairs, that Australian citizens have been caught up in the chaos that is occurring in Libya. We support the government’s efforts to ascertain the current status of all Australian citizens. In the case of citizens who have reportedly been detained, we certainly support the government’s attempts to provide whatever consular assistance they are able to at this time. We appreciate the foreign minister’s efforts to keep us informed.

STATEMENTS BY MEMBERS

Samarasinghe, Admiral

Mr MURPHY (Reid) (1.56 pm)—On behalf of the Sri Lankan community that I represent in this place, particularly the Tamil community, I express my grave concern at the foreshadowed appointment by the Sri Lankan government of the ex-Navy commander Admiral Samarasinghe as the next High Commissioner for Sri Lanka to Australia. We are all concerned about his involvement, as the director general of naval operations towards the end of the Tamil conflict, in the indiscriminate shelling of innocent civilians. He would seem to be an entirely inappropriate person to be high commissioner of Sri Lanka to our country.

Also, I call on the government to independently investigate Dr Palitha Kohona, an Australian-Sri Lankan dual citizen and former DFAT official who participated in the surrender of the Tamil Tigers in the last days of the war. On 18 May 2009, several innocent Tamils were slaughtered while holding a white flag. Finally, I support the private member’s bill of the member for Werriwa on Monday to support the—(Time expired)

McPherson Electorate: Surfboard Industry

Mrs ANDREWS (McPherson) (1.58 pm)—The southern Gold Coast accounts for much of the manufacture of surf craft in Australia. I have spoken about this industry previously in this place, and I now have to inform the House that this industry is struggling. I have spoken at length with representatives of the industry, including Michelle Blauw, a local board manufacturer who has been instrumental in the establishment of a steering committee to set up the Australian Surf-Craft Manufacturing Industry Association.

Michelle Blauw advises that the current losses being experienced by the industry fall into three categories. Firstly, the industry is experiencing a downturn in the export market due in part to the high Australian dollar and increased competition from other manufacturers overseas. Secondly, the beginner/intermediate surfing market has been affected by imported boards primarily from China. For example, a board made with a polyurethane base and a fibreglass resin outer and imported from China retails at $350 to $450, while a similar board manufactured and shaped in Australia retails for $650 to $750. The wholesale price of the Australian manufactured board is greater than the retail cost of the imported board.
Thirdly, keen surfers who have traditionally bought Australian hand shaped boards and would normally turn them over every six months are now keeping their boards for about two years as they tighten their belts. This is a very significant industry for the Gold Coast, and we cannot afford to lose it. I pledge to support the surf craft manufacturers in any way that I can, and I call on the government to assist.

Rowville Rail Feasibility Study

Mr TUDGE (Aston) (1.59 pm)—Last Friday, a significant announcement was made in my electorate by the Victorian transport minister, and that is that the Rowville rail feasibility study would soon be underway. The Rowville rail project has been talked about for decades—

The SPEAKER—Order! It being 2 pm, members’ statements are interrupted. I think we all wait with bated breath for the other minute and 15 seconds.

Opposition members interjecting—

The SPEAKER—If I had known! For everybody who is having a birthday today, happy birthday, including the member and other very important people in this place.

QUESTIONS WITHOUT NOTICE

Emissions Trading Scheme

Mr ABBOTT (2.00 pm)—My question is to the Prime Minister. I refer the Prime Minister to her repeated promise before the last election, including on the very day before the election, ‘I rule out a carbon tax.’ How can she justify today’s betrayal?

Ms GILLARD—I thank the Leader of the Opposition for his question, because what the Leader of the Opposition may have noticed following the last election is that the Australian people have voted for change, they voted for a carbon price, and this parliament gives us the opportunity to price carbon and to deal with the issues that Australia needs to for the future.

Mr Tehan interjecting—

The SPEAKER—The member for Wannon is warned!

Ms GILLARD—Let me explain this to the Leader of the Opposition, bluntly, without the Leader of the Opposition’s characteristic spins and slogans—the characteristic use of words that we associate with the Leader of the Opposition, where he seeks to destroy and wreck and spin and mislead. Let’s be really clear about what we need to achieve here. Climate change is real—I believe that. I believe that it is caused by human activity. We need to act on climate change and build a low-pollution economy for the future. We need to do that because other parts of the world are acting. It is not in our interest to be left behind. We are a confident people. We are a people who have achieved change before and we will achieve it again. In achieving that change, we will make sure that we act fairly and have a fair carbon price.

The carbon pricing mechanism that I have announced today, arising from the discussions of the Multi-Party Climate Change Committee, is a carbon price mechanism that would start on 1 July 2012. It is a scheme
that would start with a fixed price for a fixed period, effectively like a tax. It would move to a cap and trade emissions trading scheme, following that fixed-price period of three to five years. The carbon price would exclude agriculture, though we would have our farmers able to participate in initiatives like our carbon farming initiative. We will design a carbon price that meets these requirements. In doing so, because we are a Labor government, we will make sure that we act fairly towards Australians and that they are treated fairly as they adjust to carbon pricing.

Now is the right time to act—the right time to modernise our economy into a low-pollution, clean energy economy of the future. What Australians expect from the people that they send to this place is that they will work together for positive change. I actually believe the vast majority of people in this parliament came to this place wanting to be associated with changes that are positive for Australia and will make a difference to our future prosperity and future opportunity. Unfortunately, the Leader of the Opposition came to this place hoping to make his name, stop and destroy. We will continue working through the Multi-Party Climate Change Committee to price carbon. It is the right thing to do by Australian prosperity, by Australian jobs and by a clean energy future. By doing the right thing on climate change, we will keep working to price climate change and treat Australians fairly.

Mr ABBOTT—Mr Speaker, I ask a supplementary question. I remind the Prime Minister that one member of this House—just one—was elected promising a carbon tax. One hundred and forty-nine members of this House, including every coalition member and every Labor member, were elected ruling out a tax. I ask the Prime Minister: since when does one vote trump 149 votes, unless the real Prime Minister of this country is Senator Bob Brown?

Ms GILLARD—Well, heavens above! The member for Wentworth was elected ruling out a carbon price, was he? I do not think so. Have a look behind you. Did you have a look at Lateline last night? You probably should have. Let us have a look at the coalition and its promises to the Australian people. Prime Minister Howard—whom I disagreed with across many long years—came to this place wanting to change Australia and make improvements for the future of Australia. He wanted to be remembered for the things he had created, not the things he had destroyed—unlike the Leader of the Opposition. Prime Minister Howard went to an election promising emissions trading.

Then, of course, there are the members of the frontbench who engaged in negotiations with the government and endorsed carbon pricing every step of the way. The member for Groom was there talking about the importance of carbon pricing. The member for Wentworth, who led the discussions on carbon pricing, was reinforced by people on the coalition back bench, who go to their electorates and try to clothe themselves as people who care about climate change and want to act on carbon pricing. So let us not have any of this hypocrisy. Let us not have any of the hypocrisy that was just on display by the Leader of the Opposition.

Effectively, this comes down to a decision as to whether you believe in acting and making a difference for Australia’s future, whether you believe in listening to what the Australian community is telling us—

Mr Simpkins interjecting—

The SPEAKER—The member for Cowan is warned!

Ms GILLARD—and whether you believe in using the opportunities that this parliament has given us to make a change for the future
for this country—a change that will be better for prosperity, better for jobs, better for a clean energy future, better for climate change and will be a change that is delivered fairly—or whether you decide that your politics is about destruction and you want Australia to miss the change in the global economy to a clean energy future. No new jobs and staying stuck in the past—that is what the Leader of the Opposition is advocating.

I say to the Leader of the Opposition that now is the time for him to put aside the brutal politics he has played with climate change—his weathervane politics of believing climate change is real one moment and not real the next and believing carbon should be priced one moment and not priced the next. Now is the time for the Leader of the Opposition to actually try to do something right for this country. Now is the time for the Leader of the Opposition to put away his slogans, put away his spin and put away his propensity for political destruction and actually work with the rest of the parliament to do the right thing by this country. It is time he looked inside himself and tried to see whether there are any convictions in there about the nation’s future—because I cannot identify one from his behaviour.

New Zealand Earthquake

Mr CHEESEMAN (2.10 pm)—My question is to the Prime Minister. Will the Prime Minister update the House on the recovery and rescue effort following the earthquake in Christchurch?

Ms GILLARD—I thank the member for Corangamite for his question. The member for Corangamite was actually born in Christchurch and lived there until 1988—something I did not know until talking to him about Christchurch and the earthquake in New Zealand. He has a younger brother and a grandfather there, and I am very pleased that yesterday he got the news that they were safe and well.

But, as members of the parliament would know, that news has not been brought to a lot of people. Rescue and recovery efforts are still underway in Christchurch and in the surrounding districts. We have seen on our TV screens the pictures showing this grim and difficult work. I want to pay tribute to the courage and the professionalism of the many individuals who are doing this grim and difficult work—the search and rescue teams, the police, the fire authorities, the ambulance workers and the volunteers and ordinary citizens who are there pitching in and doing everything they can in what remains the very urgent task of looking for people amongst the rubble. The death toll now stands at more than 70, and many more are missing. That obviously is bearing down very strongly upon their families as they wait for news. We know that the likelihood of survivors being found diminishes over time. Prime Minister Key has stressed that this continues to be a rescue mission, and I am sure everybody wishes that we continue to find people alive and able to be rescued in that rubble.

I have been in contact with Prime Minister Key today and he thanked me and thanked Australia for our efforts to assist New Zealand to date. We are working side by side with New Zealanders in this rescue effort. The overall number of people in the Australian effort will shortly reach 500. We have a medical assistance team, search and rescue teams and Emergency Management Australia personnel there. We have had our Defence Force involved with its aircraft and a medical field hospital. And 300 of our police officers will depart soon for New Zealand.

It is something of a miracle that so far we have only seen this impact upon one long-term Australian resident—tragic, tragic news
for that family. Given the scenes of devastation and destruction and the number of Australians we know were in the area, we are relieved that at this stage we have not seen that toll rise. But it does remain possible that that toll will rise as the work continues with search and rescue and as the work continues going through the rubble.

Appeal funds have been set up to help the people of Christchurch. I know Australians are going to be very generous in their support. In that regard, I warmly welcomed the news today from Cricket Australia that tomorrow’s Australia and New Zealand World Cup match will be broadcast live by Channel 9, Fox Sports and ABC Grandstand. Players from both teams will be showing their respect by wearing black armbands and having a moment’s silence before the match. The earthquake appeal will be promoted and there will be ways for cricket lovers to donate as they watch that match.

Inevitably there will be some very, very difficult days ahead as the search and rescue continues in Christchurch, and our thoughts are with the people of New Zealand as this happens.

DISTINGUISHED VISITORS

The SPEAKER (2.14 pm)—I inform the House that we have present in the gallery this afternoon members of a United States congressional delegation. On behalf of the House I extend a very warm welcome to our visitors.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Emissions Trading Scheme

Mr HOCKEY (2.14 pm)—My question is to the Prime Minister. Will the Prime Minister now finally concede to the Australian people that, in the first year alone, the carbon tax she ruled out in August and ruled in after the election will increase electricity prices for struggling Australian households by an additional $300 each year above any other increases?

Ms GILLARD—This is an attempt to mislead and to engage in a fear campaign. What the shadow Treasurer knows is that today the Multi-Party Climate Change Committee announced a carbon-pricing mechanism—

Honourable members interjecting—

The SPEAKER—Those on my left will come to order.

Ms GILLARD—The shadow Treasurer knows we did not announce a carbon price today—

Honourable members interjecting—

The SPEAKER—The Prime Minister will resume her seat until the House comes to order.

Mr Hunt—Prime Minister, do you have any idea what you announced today?

The SPEAKER—The member for Flinders is warned.

Ms GILLARD—The member for Flinders—there’s a man of conviction, Mr Speaker.

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

Mr Pyne—Mr Speaker, on a point of order: given that we are debating the Prime Minister’s broken promise, I ask her to withdraw that statement.

The SPEAKER—There is not point of order, but I indicate to the Prime Minister that she will ignore interjections and get directly to the question.

Ms GILLARD—What the shadow Treasurer well knows is that we announced a mechanism today; we did not announce a dollar price today. Any attempt by the shadow Treasurer to make assumptions about figures is an attempt to cause fear, an attempt
to mislead. Every Australian should recognise the opposition for what it is: an opposition with no policies or plans to make a real difference to climate change.

Let me say this to the shadow Treasurer: I understand pricing carbon will have price impacts and I want to be very upfront about that with the Australian people. Indeed, the reason you price carbon is to have price impacts, so that high-pollution commodities cost more and low-pollution commodities cost less. Then the market will adjust, people will innovate and there will be change to a clean energy future with more low-pollution solutions for our Australian economy and for the people of Australia. There will be price impacts. Because we are a Labor government, because we believe in fairness, we will ensure that this carbon price mechanism works fairly—

Mr Ewen Jones interjecting—

The SPEAKER—The member for Herbert is warned.

Ms GILLARD—Every dollar that is raised by pricing carbon will go to assist Australian households and businesses make the adjustment and go to funding programs that tackle climate change. But, if we are going to talk about impacts on Australian households, then let’s see some political honesty from the opposition for the first time. The opposition came into this parliament today and they voted against a $1.8 billion flood levy, saying that they did not think that the Australian people could afford to pay that. What they did not tell you today is that they stand for $10.5 billion of expenditure on climate change programs that will not work. That is $10.5 billion that the Leader of the Opposition, if he were Prime Minister, would be ripping out of the purses and wallets of hardworking Australian taxpayers.

Mr Pyne interjecting—

The SPEAKER—The member for Sturt is warned.

Ms GILLARD—Over on that side they stand for $10.5 billion of expenditure which would be ineffective; pollution would continue to rise and there would be no compensation. On this side of the parliament we stand for the most effective mechanism to price carbon which will transform our economy at the lowest cost. It will start on 1 July 2012, compensating Australian households so that the carbon price works fairly.

Mrs Bronwyn Bishop—Mr Speaker, on a point of order: in accordance with standing order 78, I ask that an extension of time be given to the woman of no conviction to try and answer the question.

The SPEAKER—The member for Mackellar will leave the chamber for one hour under standing order 94a.

The member for Mackellar then left the chamber.

Ms GILLARD—We will be working to deliver a price on carbon. We know those opposite have no courage, no convictions and no plans for the future, except to rip $10.5 billion off Australians to pay for their ineffective programs. We will leave them mired in their divisions as we get on with the job.

Climate Change

Ms SMYTH (2.21 pm)—My question is to the Prime Minister. Will the Prime Minister outline the importance of taking action on climate change and explain how the government’s approach to introducing a carbon price will help create a clean energy nation?

Ms GILLARD—I very much thank the member for La Trobe for her question. In answer to her question and to the members of the parliament assembled today, I would say that pricing carbon and the carbon mechanism we have put forward today
comes down to some very simple, very logical propositions. Proposition No. 1: climate change is real and caused by human activity. On this side of the House we believe that the scientific consensus shows that that side of the House is mired in division and the Leader of the Opposition has had every position on that question it is possible for a human being to have—in favour, against, in favour, against, confused, does not know, in favour, against.

Proposition No. 2: human history tells you that when there is a wave of change it pays to be on that wave. Take the Industrial Revolution, for example. The countries that prospered absorbed the change rather than lingering behind. Take the information technology revolution. The countries and people that prospered rode that wave of change. Bill Gates did not become a wealthy man today by saying, ‘I’ll sit around for 15 or 20 years to see what happens next with information technology.’ He rode the wave of change.

Our country too, as the world moves to a lower pollution future, needs to be there moving with the rest of the world. We cannot afford to be left behind. And the world is moving. Thirty-two countries have moved, 10 US states have emissions trading schemes, and as we move and as the world moves to a lower energy future we need to price carbon. We believe on this side of the parliament that market-based mechanisms work. We do not believe that the Australian economy is a soviet command and control style economy. It is a market based economy where market based mechanisms provide the most efficient ways of changing. And so economists around the world and the government believe that a market based mechanism will transform our economy at the lowest cost, and then of course it is just axiomatic that you will drive change if you price carbon. At the moment you can emit carbon pollution for free. If you price carbon, then people will innovate and people will change. At the end of the day, it all comes down to whether or not you have got the courage to face and shape the future. Yes, it does take courage to shape and face the future. It took courage when the Hawke Labor government dealt with tariff reform in this country, and when they dealt with tariff reform what they were doing was sending a price signal to industries in this country that they would have to innovate and change.

Let us look at what happened with that tariff reform. There were all sorts of fear campaigns at the time about job losses and the end of Australian industry, but as a result of that kind of reform we are prosperous and stronger today. We will send a price signal on carbon. We will hear fear campaigns from the opposition today and people should remember that those fear campaigns end up amounting to nought. We are a creative and confident people. We will get this done.

The SPEAKER—Before calling the Leader of the Nationals, the member for Mitchell might explain to the member for Herbert what a warning is a precursor to. It is a 24-hour or one-hour possibility. The member for Herbert should be careful.

Emissions Trading Scheme

Mr TRUSS (2.22 pm)—My question is also to the Prime Minister. Now that the Treasurer has refused to deny that petrol will be included in the government’s carbon tax, can the Prime Minister confirm that a $26-per-tonne carbon tax would add at least 6.5c per litre to the price of petrol?

Opposition members interjecting—

Ms GILLARD—This is an attempt to mislead the Australian people and we will hear more of it from the opposition—

Opposition members interjecting—

Mr Frydenberg interjecting—
Ms GILLARD—This is an attempt to mislead—shamelessly, an attempt to mislead.

The SPEAKER—Order! The member for Kooyong is warned.

Ms GILLARD—They believe in the politics of fear and this is how they deal with the politics of fear. Let me answer the Leader of the National Party’s question. What we have announced today—and I would ask the people on the opposite side who clearly have not read the announcement to do so—is a carbon pricing mechanism to start on 1 July 2012.

What we have also made clear today is that there is further policy work to do and we will be announcing as that further policy work is done. What the Leader of the National Party well knows is that we have not announced a carbon price today and, in making up figures, he is trying to mislead the Australian people. I will say this to the Leader of the National Party: perhaps he should be honest enough to say to the Australian people that what the government has put forward today—

Honourable members interjecting—

Ms Marino interjecting—

The SPEAKER—Order! The member for Forrest will leave the chamber for one hour under the provisions of standing order 94(a).

The member for Forrest then left the chamber.

Ms GILLARD—is a system in which every dollar raised from pricing carbon will go to assisting Australian households and Australian families with managing the change, and it will go to assisting Australian businesses with managing the change and to programs for tackling climate change. What the National Party leader wants to do, following the Leader of the Opposition, is rip $10.5 billion away from Australian taxpayers without a cent of compensation.

Honourable members interjecting—

Mr Sidebottom interjecting—

Mr Windsor interjecting—

The SPEAKER—Order! The member for Braddon is warned. The member for New England will be very careful to encourage him. The Prime Minister has the call.

Ms GILLARD—What the Leader of the National Party should also be honest enough to do is consult with the member for Groom who said very clearly before the last election that when you look at circumstances in the electricity industry, under any scenario electricity prices are going up. That is what the member for Groom said. With the government’s carbon pricing system we will be in a position to assist Australian families and to compensate them as the carbon price comes into effect. What the Leader of the National Party is proposing to do is to offer no compensation but $10.5 billion of tax for programs that are ineffective. Maybe the Leader of the National Party does not understand, but when you make a promise to spend $10.5 billion on programs that money has to come from somewhere and it would come from Australian taxpayers.

Mr Truss interjecting—

Honourable members interjecting—

Mrs Griggs interjecting—

The SPEAKER—Order! The member for Solomon is warned!

Ms GILLARD—So it is about time that the opposition, instead of using its slogans, actually went to the Australian people and told them the truth. Climate change is real. We must price carbon in order to reduce carbon pollution. We must rely on our market mechanisms to do that efficiently. We must drive innovation and change to a clean energy economy. We must get the jobs that come with that. We must be fair to Austra-
lians on the way through. That is the future; you are the past.

**PRIME MINISTER**

**Suspension of Standing and Sessional Orders**

Mr ABBOTT (Warringah—Leader of the Opposition) (2.30 pm)—I move:

That so much of the standing and sessional orders be suspended as would prevent the Member for Warringah moving immediately—that this House censures the Prime Minister for her announcement today that confirms that she will introduce a carbon tax this year breaking her solemn promise to the Australian people that ‘there will be no carbon tax under the Government I lead’ and in particular:

(1) that the Prime Minister stand condemned for:

(a) inflicting another new Labor tax on families already battling to make ends meet because of the rising cost of living;

(b) hitting pensioners and carers with another new Labor tax at a time when they are already struggling with soaring power bills and increased grocery prices;

(c) burdening small business with another new Labor tax at a time when many of them are barely surviving;

(d) adding an extra $300 to the average household power bill with her new carbon tax; and

(e) adding an extra 6.5 cents per litre to the cost of petrol with her new carbon tax; and

(2) at a time when there is no global agreement on reducing emissions and, under this new Labor tax, Australia will bear an unacceptable economic cost that won’t be shared by our international competitors.

Let us be clear on the extent of the betrayal. Before the election the Prime Minister said:

There will be no carbon tax under the government I lead.

Before the election the Prime Minister said:

I rule out a carbon tax—

on the front page of Australia’s major paper the day before the election. We even had the Treasurer and Deputy Prime Minister calling the claim that a carbon tax would be introduced post election an ‘absolutely hysterical allegation’. That hysterical allegation has turned out to be cold, hard fact. Cold, hard fact is the betrayal of this government.

Mr Speaker, I want you to listen to the words of the Prime Minister in ‘full sincerity’ mode. She said in an interview with Jon Faine:

I think when you go to an election and you give a promise to the Australian people, you should do everything in your power to honour that promise. We are determined to do that … this is a Government that prides itself on delivering election promises. We want Australians to be able to say well, they’ve said this and they did this …

They said one thing and they did another thing.

We have heard a lot about Real Julia and Fake Julia. Was it Real Julia or was it Fake Julia who said, ‘We gave our word to the Australian people’? Was it Real Julia or Fake Julia who said, ‘There will be no carbon tax under the government I lead’? I tell you what: nothing is more fake than making a promise to the Australian people before the election and breaking it after the election. I am sure that this Prime Minister, in her heart of hearts, in those quiet moments of reflection in the still, small hours of the night when she considers what she has said and done, like some latter-day Lady Macbeth would consider the statement ‘There will be no carbon tax under the government I lead’ and say ‘Out, foul spot!’ ‘Out, foul spot!’ But she said it and she will be judged by it.

There has been no greater betrayal in recent Australian history. This is the greatest breach of faith with the Australian public since the l-a-w law—fake tax cuts of another Labor Prime Minister. I say to the Australian people: if the Australian public could not
trust the Prime Minister on this, how can they ever in the future trust her on anything at all?

**Opposition members**—Just ask Kevin!

**Mr ABBOTT**—This is the truth: we have a Prime Minister who simply cannot be trusted on anything at all. I hear ‘Just ask Kevin.’ The promise not to introduce a carbon tax was actually the second most solemn pledge that this Prime Minister made in the course of the last election. The most solemn pledge, perhaps, was the pledge to the former Prime Minister: ‘I’m with you, Kevin. I back you all the way, Kevin. I even back you on your emissions trading scheme until it all gets too hard, and I’ll stab you in the back on that. I’ll stab you in the back on the leadership and I will ultimately stab the Australian people in the back with this broken promise.’ She ratted on Kevin Rudd and now she has betrayed the Australian people. Shame on this Prime Minister. And we know she does feel some shame. She would not say the word ‘tax’ in carbon tax in her press conference, but the shame is starting to get to her, because she just half admitted that it was going to be a tax. ‘In effect, a tax’ she says! In total reality, Prime Minister, a tax—a hit—on the Australian people’s standard of living.

This is a prime minister who has raised breaking promises to an art form. This is a prime minister who holds the world record for breaking promises. Today she has broken her promise not to introduce a carbon tax. Already she has broken her promise to have a citizens assembly. This was going to happen before the election. That lasted until the day—it did not even last until she was confirmed as Prime Minister—she needed the vote of one Green in this parliament. There was the East Timor detention centre that was definitely going to happen before the election but will never, ever happen after the election. There were the onshore detention centres that would never, ever have happened before the election and are now being built after the election. There was the Murray-Darling Basin Plan that she was adopting sight unseen before the election but running away from at million miles an hour after the election.

There was the hospital takeover. Remember the hospital takeover! After climate change, that was the second greatest moral challenge of our time. She was definitely doing that before the election—completely dumped after the election because she was beaten by the Liberal state premiers. She says this is the year of decision and delivery. The only decision that she has made this year is not to deliver on her election promises. This year will be the year of backflips and broken promises from this Prime Minister—this inadequate, disappointing Prime Minister—leading a government that has broken every promise that it has ever made.

What is her justification for this assault on the cost of living of every Australian, this $300 a year hit on power prices, this 6½c a litre hit on petrol prices? What is her justification? Oh! The parliament changed. There is one member of parliament right up the back there who said before the election—he is not actually here now—‘I will support a carbon tax.’ Every other member—and I accept the Prime Minister’s whispering—of this parliament went to the election ruling out a carbon tax. Every single member on this side ruled out a carbon tax. Every member on that side ruled out a carbon tax. I say to the Prime Minister: by what tortured logic, by what bizarre arithmetic, does one vote trump 149?

This is truly the weirdest justification that we have ever seen. The only explanation for the Prime Minister’s backflip is that the real Prime Minister of this country is in fact
Senator Bob Brown. This is a prime minister who now has almost no credibility left. She has never seen a tax she did not like. She has never seen a tax she would not hike. This is a prime minister who has let down the Australian people no more so than today. *(Time expired)*

**The Speaker**—Is the motion seconded?

**Mr Hunt**—I second the motion and reserve my right to speak.

**Ms Gillard** (Lalor—Prime Minister) *(2.40 pm)*—What we have seen on display from the Leader of the Opposition today is why Australians do not trust him to be Prime Minister—a performance of hysteria, a performance of the ultimately hollow man, the man who believes in nothing and does not want to do anything to benefit the nation in the future. People come to this parliament wanting to work hard, wanting to make a difference, wanting to ultimately leave this parliament saying to themselves, ‘I did that; I created that; I built that—that is only in Australia today because I was in the Australian parliament.’

The Leader of the Opposition is the only man I have ever met who came to this parliament saying, ‘I want to leave the parliament with people able to say about me, “I destroyed this, I stopped that, I ended something else.”’ What he wants to do is destroy the capacity of this nation to deal with climate change. What he wants to do is destroy the capacity of this nation to have the jobs of the future through the NBN. What he wants to do is destroy the capacity of this nation to have health reform. What he wants to do is destroy the capacity of this nation to properly manage the mining boom and to get a proper return on the mineral wealth in our ground. What he wants to do is destroy the ability of Australians to even move from one bank to another freely—he would rather have them charged unfair exit fees. What he wants to do is destroy all of these things because in his hollowness and in his bitterness he has no positive ideas for the future.

On this side we know why there is all this hysteria today—because the Leader of the Opposition has clutched to his old slogans like a drowning man to a passing piece of wood. We watched the member for Wentworth on *Lateline* last night and we could read between the lines. Yep, it was on—back to their old days of chasing each other around about the leadership, the member for Wentworth trying to distinguish himself as a man who believes in the future, who believes in positive propositions like a multicultural and tolerant Australia and who wants to leave the Leader of the Opposition like a dying man clutching onto his One Nation emails. That is what is happening in the opposition today. So, faced with that politics, the Leader of the Opposition has come in here and he has clutched to his old slogans like a dying man. But the problem with his old slogans is that every time he says them they ring less and less true, and every time he says them they have less and less force in the Australian community. He is like a boy who has cried wolf too many times. He is no longer believed by the Australian community. Let us take away the hysteria, the carry-on and the assaults that the Leader of the Opposition has on any facts in this debate and let us go through them calmly, rationally and with some reason. I know that is not the Leader of the Opposition’s strong suit, but let us just try and do it.

No. 1: do you believe in climate change? We do; we believe it is induced by human activity. What do they believe over there? They have no idea, and I can see the ones who are dropping their heads now because they are embarrassed by the position of the Leader of the Opposition. No. 2: if you believe climate change is real, then what is
happening around the world? People are moving to create clean energy economies. Should we be stranded on the sideline with a high pollution economy? Should we continue to be the biggest emitters of carbon pollution in the world or should we act as the world acts, as that wave of change for clean energy goes through the world economy? I say we should get on the right side of history and we should act now. Then once you have determined to act you bring to the task your market based principles. How can we best do this? I believe we can best do it through a market based mechanism that will give us the biggest transformation in our economy for the lowest cost.

I believe we should do this fairly by looking after Australians who are impacted by the change. We will do that. I believe we should do this by making sure businesses have certainty. We will do that too. I believe we should do this understanding that we are a confident nation, that we have made big changes before, that we have made big changes even when there have been hysterical campaigns against them and those big changes have led to the prosperity that we have today. The proud record of reform of the Hawke and Keating governments was something that transformed our economy for the future. That is what carbon pricing is about. It is the reform that we need now.

Here we see the opposition wandering around like Brown's cows because they are actually so scared of this debate, so scared of their hysteria and hollowness being on display that they are desperately hoping they can distract from their shameful failure in this debate.

Increasingly, Australians understand that the Liberal Party, under the Leader of the Opposition, is part of the past with no real policies or plans for the nation's future. What would the Leader of the Opposition have the nation do? Devote $10.5 billion of more tax to climate change programs that would not work. Any abatement through those programs would be at a higher cost than a market based mechanism. Waste on an epic scale is what the Leader of the Opposition wants to do. He wants to engage in that waste and that $10.5 billion of new tax, extra tax with no compensation for Australian families. He wants to stand by idle as power prices go up, providing no compensation to Australian families. That is the low road of more tax, of higher prices for families, higher electricity prices and no compensation. That is the low road of having a high-polluting economy where in the years to come we can no longer compete and keep our place in the global economy. We will not go down the low road. You get judged ultimately in this parliament by what you decide to do and what you deliver.

The SPEAKER—Order! The member for Cowan has been warned and he will be very careful. The Prime Minister has the call. The member for Hughes should be very careful and take his place.

Ms GILLARD—On this side of the parliament we are determined that from 1 July we will price carbon. We are determined we will have a prosperous, low-pollution economy of the future. We are determined that we will have the jobs of the future. We are determined to make a contribution to tackling climate change. We are determined to do that efficiently, fairly and with certainty for Australian business.

The Leader of the Opposition can engage in his scare campaigns, he can engage in his politics of the past and inevitably we will see him do that. The Leader of the Opposition is so little interested in climate change that he is not even paying attention to this debate. He is, as always, all about the politics and not at all about the policy. I say to the Leader
of the Opposition: we will have this debate and we will win it every day. We will contest every proposition and we will correct every attempt to mislead. We will have this debate and we will win it.

If any Australian is wondering what the Leader of the Opposition actually stands for, if they listened to this debate, if they have listened to his hysteria, if they have listened to his carrying on, if they have listened to his misleading claims, if they have read his motion with misleading claims in it, then let me summarise what the opposition is on about. Let me use the words of the member for Wentworth:

Tony himself has, in just four or five months, publicly advocated the blocking of the ETS, the passing of the ETS, the amending of the ETS and, if the amendments were satisfactory, passing it, and now the blocking of it.

His only redeeming virtue in this: his remarkable lack of conviction …

Never a truer word spoken. A hollow man out of his depth.

Mr Albanese—Mr Speaker, standing order 62 is very clear:
A Member in the Chamber must:
(a) take his or her seat promptly;
(b) … … …
(c) not remain in the aisles …

Opposition members interjecting—

Mr Albanese—We know that those opposite have turned their back on the future—

The SPEAKER—Order! The Leader of the House will resume his seat. On the point of order, that is why the member for Cowan is very lucky. It is what I was reminding the member for Hughes of. I assume, naively perhaps, this was individuals’ actions and not orchestrated, but if it was orchestrated it will be remembered and there will be action taken on the next occasion.
pitch for their support in order to form a government. It was dishonest, it was deliberate, it was deceptive, it was dishonourable and it was a betrayal of the Australian people which has reached its point at the moment today when she announced a carbon tax but did not have the courage to use the term ‘carbon tax’ because she is ashamed of her breach of promise and she is afraid that the Australian people will discover that this means higher prices for electricity and petrol.

Let us look at this question of higher prices for electricity and petrol when there is a better way available, not just in Australia but around the world. Electricity prices will rocket up. We saw that this week with the Australian Industry Group report. That report made it absolutely clear that over and above every other additional impact on electricity prices there would be an increase of $300 per family in the first year alone. And from there it goes up: $300 per family is the price of perpetuity for this Prime Minister. What we also know from the work of Professor Garnaut—not us, but Professor Garnaut—is that if a $26 per tonne price were introduced, there would be a 6½c per litre increase in petrol prices. If you are honest, if you are serious, you will acknowledge those price rises today. You are raising the price of electricity for families who are already facing electricity price rises. For a Prime Minister who has an argument about markets, you must answer this point: if you add a 62 per cent price rise—

The SPEAKER—Order! The time allotted for the debate has expired. The member will resume his seat. I remind the member that he should address his remarks through the chair.

Question put:

That the motion (Mr Abbott's) be agreed to.

The House divided. [3.00 pm]
(The Speaker—Mr Harry Jenkins)

Ayes............ 67
Noes............ 73
Majority........ 6

AYES
Abbott, A.J.  Andrew, K.
Baldwin, R.C. Bishop, J.I.
Buchholz, S. Christensen, G.
Cobb, J.K. Dutton, P.C.
Fletcher, P. Frydenberg, J.
Gash, J. Haase, B.W.
Hawke, A. Hunt, G.A.
Jensen, D. Kelly, C.
Ley, S.P. Markus, L.E.
McCormack, M. Morrison, S.J.
Neville, P.C. O'Dwyer, K.
Pyne, C. Randall, D.J.
Robert, S.R. Ruddock, P.M.
Secker, P.D.* Slipper, P.N.
Somlyay, A.M. Stone, S.N.
Truss, W.E. Turnbull, M.
Vasta, R. Wyatt, K.

NOES
Adams, D.G.H. Albanese, A.N.
Bird, S. Bowen, C.
Bradbury, D.J. Brodman, G.
Burke, A.E. Burke, A.S.
Butler, M.C. Byrne, A.M.
Champion, N. Cheeseman, D.L.
Clare, J.D. Collins, J.M.
Thursday, 24 February 2011

Questions without Notice

Tasmanian Pulp Mill

Mr WILKIE (3.04 pm)—My question is to the Prime Minister. Prime Minister, the Tamar River pulp mill would be Tasmania’s biggest infrastructure project, but it remains highly controversial, not least because of the complete breakdown in the state government approval process. While the majority of Tasmanians appear to support a pulp mill, many, including me, oppose this particular proposal also because it would be dirty and locally unpopular. Prime Minister, will you rule out any further federal financial assistance for the proposed Tamar River pulp mill, either directly or indirectly, including through the Export Finance and Insurance Corporation?

Ms GILLARD—I thank the member for Denison for his question. I say to the member for Denison on the question of federal financial assistance that I am advised that no application has been made for funding under the Export Finance and Insurance Corporation. On the question of the approval process: it is important to remind the House that that is not determined by cabinet; that is actually the obligation of the minister under the relevant piece of environmental legislation, and that legislation is, of course, the Environment Protection and Biodiversity Conservation Act. I can also advise the House that Gunns have made public statements to indicate that if the pulp mill does secure that environmental approval from the minister, the company plans to meet conditions that are stricter than those set out in the approval; so, if they get the approval, they have publicly stated that they intend to do better.

It is also important to note that the Tasmanian community is at the moment in a different position to the past. For generations everything around forestry in Tasmania has been characterised by conflict—and the member referred in his question to me that this has been a very divisive issue for the Tasmanian community. As he is aware, in an historic move several months ago the industry, union, community and environmental representatives sat down and started to work through a process to reach agreement on the future of forestry. They have produced a statement of principles. As I said in December last year, those involved have worked through a very complicated thing, a thing very much characterised by division. The fact that they have patiently done so is a credit to all of them.
That statement does include a commitment to a strong, sustainable timber industry, including a pulp mill, and a commitment to the progressive implementation of a moratorium on the logging of high-conservation value forests. This is not a government agreement; it was brokered by community, union, industry and stakeholder groups. Therefore, I view our role as a supportive role to bring that agreement to fruition and into life. In that regard we have announced, working with the Tasmanian government, the appointment of Mr Bill Kelty as an independent facilitator. He has been working through as an honest broker with the various stakeholder groups and is very well received by them.

On the process from here: as I understand the work involved that Mr Kelty is now facilitating, the stakeholder groups are planning to consult further to resolve outstanding issues. I understand there remains a great deal of goodwill. It is too early to say whether or not the statement of principles will form a lasting settlement of these difficult and divisive issues, but I am hopeful. I say to the member for Denison that there is cause for some cautious optimism.

On the process from here: as I understand the work involved that Mr Kelty is now facilitating, the stakeholder groups are planning to consult further to resolve outstanding issues. I understand there remains a great deal of goodwill. It is too early to say whether or not the statement of principles will form a lasting settlement of these difficult and divisive issues, but I am hopeful. I say to the member for Denison that there is cause for some cautious optimism.

Nation Building

Ms BRODTMANN (3.08 pm)—Mr Speaker, my question is to the Prime Minister. Will the Prime Minister advise the House of the decisions that this parliament must now make in the national interest and how leadership is vital in leading the national debate?

Opposition members interjecting—

The SPEAKER—Order! The Prime Minister will resume her seat until the House comes to order.

Ms GILLARD—I thank the member for Canberra for her question. I would say to the member for Canberra, and I would say to the House, that we stand here today in this House of Representatives in a peaceful, prosperous, multicultural nation, a creative and confident nation because of the reforms enacted by governments of both political persuasions over the past 30 years. These reforms ensured that our nation would be prosperous for the future and that it would be a nation of peace and creativity and multiculturalism.

If we go through the great economic reforms of our age, of the past 30 years, that have brought us here to this point—the floating of the dollar; the reduction of tariff walls; the embracing of free trade and an open, competitive economy; banking competition to ensure that we had competitive, stable banks; the goods and services tax, a major reform to the taxation system in this nation—these major reforms of the past have enabled us to have a prosperous economy that has survived the GFC, the global financial crisis, and it today can offer Australians the benefit of jobs. There are so many nations around the world where people lack the benefits and dignity of work, but in this country people can have the benefit of jobs.

And because of the courageous decisions of the governments’ past, we live in a multicultural society and we proudly have a non-discriminatory immigration program. It has not always been easy. It was not easy in the days of the One Nation challenge to the non-discriminatory immigration program. It was not easy, but both sides of the parliament worked together to ensure that we kept that non-discriminatory immigration program.

We entered this week in federal politics having had a divisive and ugly debate about multiculturalism. The Leader of the Opposition faced a test of his leadership, a test to endorse a non-discriminatory immigration policy, a test that required him to get rid of his shadow immigration minister and a shadow parliamentary secretary. He has
failed that test. We have ended this week with the Leader of the Opposition moving a motion he knew could not be carried in an act of absurdity to try to start a new fear campaign.

This is the year of decision and delivery. We will bring our reforming heritage, our Labor values of reform from the past, to the task of pricing carbon, to the task of implementing health reform, to the task of increasing opportunity for Australians through a better education system, to the task of ensuring Australians have the benefits and dignity of work and to the task of building the National Broadband Network to make sure we have the jobs of the future. And there the Leader of the Opposition stands, clutching his increasingly hollow three-word slogans: a man with no ideas, no policies, no plans for the nation’s future; a man who is skilled in the ability to wreck, but who lacks the ability to create. He has no idea how to drive the change that this nation needs. There are some members on his backbench who remember the proud reforming tradition of the Liberal Party. We will wait to see those members come to the fore over the coming weeks because they do not want to be associated with the politics of the Leader of the Opposition. And with those words, Mr Speaker, I ask that further questions be placed on the Notice Paper.

AUDITOR-GENERAL’S REPORTS

Report No. 31 of 2010-11

The SPEAKER (3.14 pm)—I present the Auditor-General’s Audit report No. 31 of 2010-11 entitled Administration of the Superannuation Lost Members Register.

Ordered that the report be made a parliamentary paper.

COMMITTEES

Selection Committee

Report

The SPEAKER (3.14 pm)—I present the Selection Committee’s report No. 15 relating to the consideration of bills. The report will be printed in today’s Hansard. Copies of the reports have been placed on the table.

The report read as follows—

Report relating to the consideration of bills introduced from 10 February 2011 and of private Members’ business

1. The committee met in private session on Wednesday, 23 February 2011.
2. The committee determined that it would not refer to committees any of the bills introduced from 10 February 2011.
3. The committee determined that it would not recommend any items of private Members’ business to be voted on.

DOCUMENTS

Mr ALBANESE (Grayndler—Leader of the House) (3.14 pm)—A document is presented as listed in the schedule circulated to honourable members. Details of the document will be recorded in the Votes and Proceedings.

83RD ANNUAL ACADEMY AWARDS

Mr CREAN (Hotham—Minister for Regional Australia, Regional Development and Local Government and Minister for the Arts) (3.15 pm)—on indulgence—in advance of the Academy Awards on Monday, I want to record a note of recognition of Australia’s international screen industry. This year, 10 Australians have been nominated for Academy Awards, the highest number to have been nominated since 2000. On behalf of all members of the House, I want to congratulate all nominees and the production teams which have honed their talent to this level.

I would like to pay particular tribute to Australian Film Institute award winner Jacki
Weaver, who has been nominated for Best Supporting Actress in Animal Kingdom and is only the second acting nominee for a performance in a film financed and produced here in Australia. The first was Geoffrey Rush for Shine, and Geoffrey Rush is also nominated this time, for Best Supporting Actor in The King’s Speech. I also want to congratulate those people behind the film-making, not just those who appear on the screen. Producer Emile Sherman has been nominated in the Best Picture category, also for The King’s Speech. Nicole Kidman has been nominated for Best Actress in The Rabbit Hole.

Mr Pyne—Why didn’t you give us notice?

Mr CREAN—I did give you notice. George Brandis was notified and he said he would notify the deputy leader.

Ms Julie Bishop interjecting—

Mr CREAN—I understand that, and that is why he was notified.

The SPEAKER—Order! The minister has the call on indulgence.

Mr CREAN—Ben Snow, Tim Burke and Joe Farrell are each up for separate visual effects awards. The artist and author Sean Tan has been nominated for an animated short film, Kirk Baxter has been nominated for film editing, as has Dave Elsey for makeup. I give special congratulations to the team of four Australians, including three from Rising Sun Research, which has already received an Academy Award for Technical Achievements in its CineSyne online collaboration software used throughout the international industry.

These nominations demonstrate the respect and credibility that the Australian film and TV industry has won on the world stage. Our technical and creative skills are world class. This success is a demonstration of this government’s deeply held belief that a creative nation is also a productive nation. This is an industry that we must invest in and keep strong to ensure that the talents and skills continue to thrive. Last week, in fact, I released the report into the Australian independent screen production sector. It examined how the sector is faring and looked at the early impact of the three film tax offsets which make up the Australian Screen Production Incentive. In the past three years the government has provided $412 million in support through the tax system, compared to $136 million in the three years previously.

I look forward to working with the Australian screen industry, but, most particularly, I wish all of the Oscar nominees the best for the awards, which will be announced on Monday.

Ms JULIE BISHOP (Curtin) (3.18 pm)—on indulgence—I wish to associate the opposition with the comments of the Minister for the Arts in relation to the Australian nominees—the actors, producers, writers and artists—for the Academy Awards, which will be announced on Monday. A number of members of this House will have seen The King’s Speech—what a fine film that was. We are also very proud of our fine actors in Jacki Weaver and Nicole Kidman. But I really do think that one nomination has been overlooked. I think that the Prime Minister deserves a nomination for starring in ‘A Woman with Conviction’ this afternoon.

The SPEAKER—Order!

QUESTIONS TO THE SPEAKER

Questions in Writing

Mr ALEXANDER (3.19 pm)—Mr Speaker, under standing order 105(b), I request that you write to the Minister for Infrastructure and Transport to seek reasons for the delay in answering questions in writing Nos 80, 81, 83 and 86, which appeared on the Notice Paper on 17 November 2010.
The SPEAKER—I will write to the minister as required.

ADVISORY COUNCIL ON AUSTRALIAN ARCHIVES

Appointment of Member

Mr ALBANESE (Grayndler—Minister for Infrastructure and Transport) (3.20 pm)—I seek leave—

Mr Hawke interjecting—

The SPEAKER—Order! The member for Mitchell! Perhaps I picked the wrong mentor for the member for Herbert. The Leader of the House has the call.

Mr ALBANESE—I am just waiting for—

Opposition members interjecting—

Mr ALBANESE—When you shut up, I will talk.

The SPEAKER—The Leader of the House is not helping, but it would help if the members on my left sat there silently for the 15 seconds it will take.

Mr ALBANESE—When they stop interjecting, I will talk.

Opposition members interjecting—

The SPEAKER—Order! The Leader of the House has the call!

Mr Anthony Smith—He obviously can’t do two things at once!

The SPEAKER—The member for Casey is warned!

Mr ALBANESE—I move—well, I won’t move it; I don’t care. It is Jane Prentice—I don’t care.

Honourable members interjecting—

The SPEAKER—Order! The House will come to order! I suggest, as painful as it might be for those on my left, that if they sat there silently for 20 seconds they could get on with business, including their matter of public importance.

Mr ALBANESE—by leave—I move:

That, in accordance with the provisions of section 10 of the Archives Act 1983, this House appoints Mrs Prentice as a member of the Advisory Council on Australian Archives for a period of three years.

Question agreed to.

COMMITTEES

Privileges and Members’ Interests Committee

Extension of Time

Mr ALBANESE (Grayndler—Leader of the House) (3.23 pm)—by leave—I move:

That the time for the Committee of Privileges and Members’ Interests to present its report on the inquiry into a draft Code of Conduct for Members of Parliament be extended to the end of the Budget sittings, 7 July 2011.

MATTERS OF PUBLIC IMPORTANCE

Broadband

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

The failure of the Government’s National Broadband Network to deliver taxpayers value for money.

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

Mr TURNBULL (Wentworth) (3.24 pm)—Over the last few days, the Prime Minister has regaled us with lessons in economics. She has talked enthusiastically about the law of supply and demand. She has talked about the virtues of competition and micro-economic reform. This reminds us of the way in which she described her approach to carefully analysing government policy. We all remember when she was pinged for having
opposed any increase in the pension. She said: ‘Well, I look at it this way and that way. I hold it up to the light. I take it away from the light. I look at it from every angle.’ That was her defence. So there has been a commitment to a methodical analysis of projects and, apparently, a commitment to competition. Yet when it comes to the biggest infrastructure project in our nation’s history, the National Broadband Network—$50 billion of investment overall—there is no scrutiny, no accountability and no competition.

The hypocrisy of this government is extraordinary. This is the most extravagant and reckless undertaking of the most reckless and extravagant government we have known in our lifetimes. This is a government that came into office and said that there would be no infrastructure project undertaken without a rigorous cost-benefit analysis having been done first. A cost-benefit analysis says: ‘What are we trying to achieve? We assume that in this case it is to ensure that all Australians have access to fast broadband at an affordable price.’ That is fairly straightforward. Having defined the objective, the cost-benefit analysis would then ask and answer the question, ‘What is the most cost-effective way of achieving that objective?’ That is all that it would do. The need to do cost-benefit analyses is the reason that the government set up Infrastructure Australia, whose task it is to do exactly that. But, in the case of the NBN, there has been no investigation by Infrastructure Australia, no cost-benefit analysis and no attempt to seek to answer the question, ‘What is the most cost-effective way of delivering universal and affordable broadband?’

I come to the government’s apparent commitment to competition, private ownership and the power of the market. We have heard a lot over the last few days about the importance of both market forces and the government getting out of the way of private enterprise. We have had a denunciation from the Prime Minister—it must have hurt her to say it—of Soviet style command economics. Yet here, with the NBN, that is precisely what we have. This is going to be a massive, government owned telecommunications monopoly. In an era when for years both sides of politics have said that telecommunications needs more competition, we are going through the extraordinary process of establishing another government owned monopoly. As though we have learnt nothing about economics, instead of ensuring that there is going to be competition with this new government owned telecommunications company in order to keep prices down, the government is legislating and contracting to prevent competition.

The wastefulness of the public expenditure and the absurdity of the government policy on this are well illustrated by the position of the pay-TV cable network—the hybrid fibre coaxial network—which currently delivers Foxtel pay TV and is owned in large measure by Telstra and also by Optus. It passes about 30 per cent of Australian households. It currently delivers broadband and, to some customers, voice services. It is capable of delivering broadband at a speed of 100 megabits per second. It is using the DOCSIS 3.0 protocol in Melbourne and other cities where Optus’s cable is deployed. In other words, it is capable of delivering precisely the high-speed broadband service that the Minister for Broadband, Communications and the Digital Economy, Senator Conroy, tells us will be available through the construction of this fibre-to-the-home NBN. But what are we going to do with the hybrid fibre coaxial network that passes 30 per cent of Australian homes? It is going to be overbuilt by the NBN at a cost of tens of billions of dollars and it will be prevented, by a contract with Telstra and shortly with Optus and
by legislation, from competing with the NBN.

The only reason for that prohibition, stated by the NBN, stated by its advisers, Greenhill Caliburn or, indeed, McKinsey, is to protect the economics of the NBN. This is what it has come to after years and decades of microeconomic reform in which both sides of politics have played a constructive role. We take nothing away from the achievements in microeconomic reform of the Hawke and Keating era. We take nothing away from them on that. They made great reforms. But now we have this latest Labor government that, far from promoting competition, is actually seeking to stamp it out. It is not as though it is seeking to protect an existing government monopoly; it is actually spending $50 billion of taxpayers’ money to create one. This is a script, a political nightmare, that the most imaginative scriptwriter could not have conceived a few years ago. It flies in the face of all of the progress towards microeconomic reform in this country and it will inevitably result in higher prices for users of broadband services.

Let’s be quite clear about this. If the government has a massively overcapitalised telecommunications monopoly, the government will be under pressure to generate revenues for it. It does not matter whether that government is a Labor government or a coalition government. The department of finance and Treasury will be screaming at all of the red ink and screaming at all of the lost investment, and they will be looking for additional revenue. That is going to place inexorable pressure on that monopoly to increase its prices. The only thing that could keep that monopoly honest and keep prices low is real competition, and the government is doing everything it can to stamp out any fixed line competition.

In terms of preparedness to allow this massive investment to be scrutinised or accountable to the parliament, let’s look at what the government has done. Let’s look at what the Prime Minister has done. The Prime Minister talks about holding everything up to the light and looking at it this way and looking at it that way. There will be no cost-benefit analysis. There will be no scrutiny or oversight by Infrastructure Australia. We begged and begged and demanded that the business case be published, and finally we got a redacted version of it. A business case of 400 pages was produced, of which 240 pages were kept secret. For a century we have had a Public Works Committee of this parliament which oversees the public works—the infrastructure—investments of the Commonwealth. It has been doing that for a century. Only the other day, as a member of the Public Works Committee, we solemnly considered $50 million of investment in garages and training rooms for the Army and heard Defence officials describe the cost-benefit analysis they had undertaken. But here, where you have $50 billion, the Public Works Committee—if the government has its way; if the Independents in this House let it have its way—we will be precluded from examining that investment. The government has even gone so far as to seek to exempt the NBN from the operation of the freedom of information laws. Never has so much money been spent by a government with so little scrutiny.

The policy it is pursuing is absolutely contrary and flies in the face of all of the economic reforms of the last few decades. We are all committed—every one of us in this House, I believe—to all Australians having access to fast broadband at an affordable price. There is no question that most Australians do have access to fast broadband. There is also no question that many Australians do not, and there are a variety of reasons as to
why they do not, which I will not delay the House with today. A responsible government faced with that challenge, that reality, would seek to ensure that those areas that do not have adequate broadband—whether they be in the bush or whether they be in parts of our big cities—are brought up to speed, literally as quickly as possible. There will be a variety of means of doing this. This is not a case of one size fits all. Australians do not care what technology delivers their broadband service. They want to be certain that it works. To paraphrase Deng Xiaoping—and if the foreign minister were here, he could give us the original: ‘It does not matter whether it is copper wire, glass fibre or wireless, as long as it delivers broadband, it works.’ That is the fundamental point the government is missing.

We are seeing right around the world the explosion of wireless broadband. This is a genuine telecommunications revolution. This year, 2011, will be the first year when more wireless enabled devices are sold—I am talking about smart phones, iPhones, iPads and devices of that kind—than devices that are intended to be connected to the internet through a fixed line, such as desktop and laptop computers. That is an extraordinary watershed. We see Apple, the leading company in this field, generating three times the revenue from its wireless smart phones, tablet type devices, than it does from desktops and PCs. This is not to say that wireless is the complete solution, but, equally, it is naive to imagine that the explosion of wireless services is not going to have an enormous impact on the broadband experience and the broadband future of Australia.

I say to the House—as someone who has been involved in the technology business for many years—that there is nothing more perilous than trying to pick technological winners and putting all your bets on one, and there is nothing more perilous than for governments to do that. The appropriate approach for a government is to identify its policy objective—which is universal, affordable broadband—and then ensure that we have that delivered in the most cost-effective way possible. If that means wireless in many areas and many applications, terrific. If that means upgrading HFC cable, terrific. If that means fibre, that is good too. It does not matter what the channel of communication is; what people want is the outcome.

I conclude with this point: right at the heart of this we see the government referring to what it claims are the productivity benefits from having fibre to the home. The government has not been able to produce—including in responding to written questions—any evidence of productivity benefits from a fibre-to-the-home rollout. There are many benefits from broadband—no question—but there is no evidence that there is a productivity lift in households going from, say, ADSL2+ to 100 megabits per second. Indeed, nobody can identify any applications for residential use that would require such high speeds, other than—as the Prime Minister said recently—500 channels of streaming television. Whether or not her assessment of the technology is right, we have to ask ourselves whether it is an appropriate allocation of scarce resources—$50 billion—to ensure that every household can stream 500 channels of TV simultaneously into their homes. (Time expired)

Mr ALBANESE (Grayndler—Minister for Infrastructure and Transport) (3.39 pm)—We just heard from the person who was appointed by the Leader of the Opposition ‘to demolish the National Broadband Network’. That is the charter that the member for Wentworth was given by the Leader of the Opposition. He just spoke about how inadequate current services are. There is a direct reason for that, and that is that he was a part of a government that had 20 failed broadband
plans in a row. Australia fell behind the rest of the world when it came to broadband. When those opposite left office, where did Australia rank against developed countries for optic fibre penetration? Australia ranked last—dead stone, motherless last. How many Australian cities ranked in the top 100 for broadband speeds? None—not a single one. Where did we rank on broadband speeds? We ranked 50th. As the rest of the world moved past us, the Howard government was frozen in time when it came to dealing with the National Broadband Network and the needs of tomorrow.

We just heard from the shadow minister for communications and broadband—who knows better than he says. He spoke about downloads of television channels. He knows that the National Broadband Network is not about downloads. That is just part of it. It is the uploads that will transform the productive capacity of our economy—in education, in health, in transport. The NBN will deliver competition, lower prices and better services. It will bring a stronger and more productive economy, with 25,000 jobs a year on average. The NBN will generate tens of billions of dollars of activity over the life of the project and will boost national economic output by some 1.4 per cent. It will transform competition in Australia’s telecommunications market. It will drive growth in our regions and overcome the tyranny of distance that exists within Australia, given our vast geography and relatively small population, and also our distance from markets in the world. It will give us major economic advantages.

What we see from those opposite is an extraordinary campaign, and we heard it again today—part of the dishonest campaign when it comes to wireless. The shadow minister knows that the Gillard government will deliver fibre to the home for 93 per cent of Australians and next generation fixed-wireless and satellite services to remaining areas. We are speeding up next generation wireless so that regional Australia gets faster broadband sooner. NBN Co. just last week acquired spectrum in regional and rural Australia to start building the fixed-wireless network.

Experts agree that, while wireless is one part of the picture, it is not a substitute for fibre. If you are going to rely on wireless broadband, you need a fibre network to support it and you need mobile phone towers on every street connected up to each other in a system through the fibre network. That is something that the member for Wentworth might have an interesting time explaining to his electorate when those towers go up on every corner of every street. That is the only way that it would work. That is why the experts all agree with our plan. Google chairman Eric Schmidt said last week:

Australia is leading the world in understanding the importance of fibre.

Hugh Bradlow, Telstra’s Chief Technology Officer, said in November:

Could we eight years and not require high-speed networks? The answer is no because of the capacity issue.

It is simple physics: fibre can deliver data at the speed of light directly to people’s homes in ways that wireless simply cannot. Fibre is the future-proof technology. It is as simple as that. And I believe that the member for Wentworth actually does understand that that is the case.

We have again had arguments about value for money and assessments. Once again, Infrastructure Australia has been raised. Infrastructure Australia is the body whose formation was opposed by the coalition and the body which they have continually tried to undermine. NBN will be value for money. You do not have to take it just from the gov-
ernment and from ministers. The McKinsey KPMG implementation study, with 543 pages of comprehensive financial analysis, was released on 6 May. We then had, when we reconvened after the government’s re-election in August, the call for the corporate plan to be released: ‘Give us the corporate plan. Show us what’s in it, and then we can make an assessment.’ We released the corporate plan on 20 December and it found that NBN will be an income-generating asset. As with all sound investments, taxpayers will get their investment back in full with interest—a rate of return of 7.04 per cent against an average 10-year bond rate of just 5.39 per cent.

The Greenhill Caliburn review found that the corporate plan is reasonable, commercial and contained ‘the level of detail and analytical framework that would be expected from a large listed public entity evaluating an investment opportunity of scale’. Alan Kohler, Editor in Chief for Business Spectator, had this to say:

Not only will the NBN not be a white elephant, it will almost certainly prove to be a great investment. In fact, without wishing to get carried away … it could represent, on its own, a huge national savings plan. When it’s finished the asset will be worth several times the government’s investment of $27.5 billion.

Google vice-president, Mr Vint Cerf, one of the ‘fathers of the internet’, said:

I continue to feel a great deal of envy because in the US our broadband infrastructure is nothing like what Australia has planned. … I consider this to be a stunning investment in infrastructure that in my view will have very long-term benefit.

The fact is that under the NBN plan, Australian taxpayers will own a world-class telecommunications asset. The industry understands, just like the Gillard government does, that the NBN will deliver real competition, lower prices and better broadband services for all Australians, especially in our regions.

When I have attended international conferences as the infrastructure and transport minister, our plan is highly regarded throughout the western world. Our competitors have taken note that after the sleepy era of those opposite—stuck in the past, 20 failed plans, nothing moving forward—this government is making Australia competitive once again. Those opposite continue to run interference and run opposition like they do for every single policy initiative of the government.

From time to time, oppositions will oppose government initiatives, but this opposition is so frustrated and angry at the loss last August—and we saw the festering anger today—so angry with the Australian people—

Honourable members interjecting—

Mr ALBANESE—And there we have it again. They are so angry with the outcome of the election that they have decided to oppose everything. They are totally divided, as we have seen on full public display this week.

The member for Wentworth went out there and made statements last night on Lateline that a decent Leader of the Opposition should have made when he slapped down the comments of the shadow parliamentary secretary assisting the Leader of the Opposition. When he did that, he did that out of desperation. Have you noticed how many questions the member for Wentworth has had about the National Broadband Network or anything else? Indeed, they sling him the Thursday MPI debate out of desperation so that he can make a single contribution to this House. Everything that they do is not determined by the Australian national interest; it is determined by their own internal political machinations. That is what we have seen this week with the Leader of the Opposition, who is opposed by the member for Wentworth, the mover of this MPI, and opposed by his own shadow Treasurer. The Deputy Leader of the
Opposition has been busy backgrounding newspapers about shadow cabinet discussions. The shadow finance minister wants the job of the shadow Treasurer who wants the job of the Leader of the Opposition who wants a job of the government.

The frustration is there. The young guns at the back there who yell so loudly, and come up to you in the corridors—you can understand the frustration. You can understand the frustration with people like the member for Mackellar and the member for Menzies occupying the front bench, because the Leader of the Opposition says that any day now the government might fall over.

Mr Fletcher interjecting—

The DEPUTY SPEAKER (Hon. Peter Slipper)—Order! The honourable member for Bradfield will remain silent!

Mr ALBANESE—That is an excuse to keep the shell there. That is his excuse, so those opposite feel that frustration. The only problem is that the Leader of the Opposition has his character flaw: the same people whose minds he wants to change so that they can help him form government are the people he is too busy abusing and denigrating day after day after day. And it is not just here in Canberra. They actually get on planes and fly up to electorates in order to abuse the Independent members of this parliament whom they want. They want them to change their mind and swap over and make Tony Abbott Prime Minister.

This is the year in which Tony Abbott enjoys his period as Leader of the Opposition. The only question is: will he make it to the winter recess? That is the question. I am very confident that he will not make it to December, to Christmas. One of his frontbenchers thinks parliament is sitting on Christmas Eve this year, you will recall—the member for Mackellar. She will be here in parliament but the Leader of the Opposition will not be.

The coalition has a dreadful record when it comes to delivering on national broadband. What you have from this government is vision when it comes to delivering on the National Broadband Network, like we have vision when it comes to delivering infrastructure across the board. This is a government that has doubled the federal roads budget. We have announced 87 of 120 major projects underway or complete, many of them running ahead of schedule. There is the Northern Expressway and Port Wakefield Road upgrade in South Australia, the Mandurah Entrance Road in West Australia—open two months early, in October 2010—the Kempsey Bypass which is on track to be delivered one year early. Those opposite did nothing about it. We provided the funds for it. We are busy building the longest bridge ever built in the history of New South Wales as part of that Kempsey Bypass.

We have delivered an investment in rail by more than tenfold. In our first term we have rebuilt more than one-third of the interstate rail network.

Mr Buchholz interjecting—

The DEPUTY SPEAKER—Order! The member for Wright ought not to interject from outside his seat.

Mr ALBANESE—As part of our stimulus plan, we have fixed 600 black spots projects and we have completed all 300 projects at high-risk level crossings from our investment into boom gates. We have shown that we can deliver on budget and on time, and the National Broadband Network, the most important infrastructure project, will future proof our economy. They know it; they just did not have the courage or the vision to do anything about it over the 12 long years of office and now they simply want to wreck and oppose rather than build what the nation needs. (Time expired)
Mr Hartseyker (Cowper) (3.54 pm)—I certainly welcome the opportunity to speak on this very important issue. It is all about the efficient and effective allocation of resources. I think that all in this House see the need for improvement in broadband services but the issue is: how do you deliver it? Do you deliver it in a way that is efficient and effective and provides a return on investment for taxpayers’ funds, or do you deliver it in a way which is more about PR stunts and photo opportunities and an endless waste of taxpayers’ money without scrutiny and without reference to economic outcomes?

That is the path that this government is taking us down. If we go back to December 2007, Senator Conroy gave a commitment on spending to ABC’s Lateline program, when he said:

We are committed to spending no more than $4.7 billion.

That was Labor’s commitment on the day we announced the broadband network, and we have never changed it. $4.7 billion was their commitment back in December 2007 and in just two years the price of Labor’s network did not go up 100 per cent, it did not go up 200 per cent—it has gone up 1,000 per cent. He has broken his promise to the Australian people not to spend more than $4.7 billion. He has broken that tenfold, and he says, ‘Trust me, it will all work out.’ How do we justify that expenditure?

When he had to get on the plane with the former Prime Minister and they were in a bit of jam because they could not find a commercial tenderer, an operator who could make it viable at $4.7 billion, he had to come up with something. They needed to have a major announcement. So they said, ‘Let’s come up with something that is truly spectacular, something that will capture people’s imagination—not something that is financially viable and not something that is actually going to deliver a return on investment,’ and they came up with an announcement that was going to cloak the fact that they could not get a commercial operator to pay $4.7 billion. In the true spirit of Labor, in the true spirit of the nanny state, they blow 10 times that figure in taxpayers’ money purely to provide political cover for their first failed proposal.

It seems incredible that when you look around at what markets are doing, you see a decline in the use of fixed lines. Senator Conroy has for months—in fact for over a year now—been quoting the benefits of South Korea and saying how good the South Korean system is, that it is something we should aspire to. When the Economist Intelligence Unit puts out a report and unfavourably compares Australia’s proposed national broadband network with what is happening in South Korea, he says that that is something we should compare to. When the Economist Intelligence Unit puts out a report and unfavourably compares Australia’s proposed national broadband network with what is happening in South Korea, he says that that is comparing apples with oranges. So he seeks to compare us with South Korea when it assists his case, and as soon as the very clear differences between the two systems are noted then he seeks to distance himself from that.

It is interesting to note also that in South Korea the use of wireless is outdoing the use of fixed line by two to one. So rather than looking at the overseas experience and gaining from that, looking out in the market and seeing what the trends are, he decides to dictate a solution that involves digging up 10.9 million backyards and providing fibre to the premises, whether that is economically justified or not. It is all about pursuing a political outcome.

How do you achieve that? You do not achieve that through thorough analysis. You do not achieve that through finding the most efficient way to deliver the service. You achieve that through protecting the project from scrutiny. You achieve that by denying
the Productivity Commission the opportunity to investigate the matter. You achieve it by denying the Joint Public Works Committee the opportunity to investigate the matter. You do it by denying the opportunity for documents to be sourced under freedom of information. You would expect that they would welcome scrutiny of a project that was allegedly a world leader and was allegedly going to take this country into the 22nd century. You would expect that they would throw open the door, because this project should stand on its own two feet. But instead, they fear scrutiny.

Mr McCormack—What have they got to hide?

Mr HARTSUYKER—Very good, member for Riverina—what do they have to hide? They fear scrutiny, and they fear the fact that the writing is on the wall.

Young consumers today do not want to be plugged into the wall. Young consumers want the flexibility that wireless offers. That is shown in markets around the world, where we see declines in fixed line telephony and declines in the plug-in mentality in favour of getting the internet where you are and when you are. There is the use of mobile devices. We see a massive shift. Any corporate director of operations would be looking at the markets carefully. He would be examining the trend. He would be trying to anticipate what consumers want. But here we have a government that says: 'I know what’s good for you. I know what the future holds here. We’re going to cause you all to have to plug into the wall.' Of course there is a use for fibre. It is a very effective medium, but it is just one of a suite of technologies that can deliver the appropriate outcomes for the Australian people.

There is no need to dig up every single backyard in Australia to deliver high-speed broadband. There is no need to spend $50 billion. Rather we should be focusing on fixing up broadband black spots, particularly in regional and rural areas. We should be focusing on the ways in which we can address the shortcomings of the current system. Why is it logical to provide a 100-megabit service throughout Sydney, Melbourne and Brisbane to those properties that are already passed by the HFC network, which can deliver 100 megabits a second through DOCSIS 3 already? Why is it a good use of taxpayers’ money to just ignore that existing technology? Why is it a good government policy to legislate to prevent competition from that alternative medium that could probably provide broadband at a far cheaper cost and could be achieved without having to dig up every backyard in Sydney, Melbourne and Brisbane? It is absolutely outrageous, yet this government continues, protected by that veil of secrecy that is the only thing between them and total embarrassment—that veil of secrecy that is protecting this project from the scrutiny that this project rightly deserves. It is protecting this government.

We have seen in New South Wales a government in place for 16 years, and they ran on a formula of spin. You see the New South Wales people’s reaction. In the long term they are seeing through the spin. Unfortunately, this government is using the same hymn book. They are adopting exactly the same strategies, and they will fall foul of the Australian people because this project does not stack up. This project is buttressed by anticompetitive measures. We have a Competition and Consumer Act 2010 that sees the need for competition as a major way of driving down costs to provide efficient outcomes to consumers. But when we have this project—the largest infrastructure project in Australia—what do they do? They legislate against competition. They legislate against a driver of cheaper prices and better outcomes for consumers. They legislate to buttress
their own political position, which is tenuous indeed. It is $50 billion—the largest infrastructure project in the country—and they need to protect it. They cannot champion its virtues; they have to hide it from scrutiny.

We have seen endless promises from this government broken. We have seen endless cases of waste and mismanagement, and this is going to be the greatest case of all. We are going to see not just a few stray billion dollars wasted; we are going to see $50 billion wasted and a huge capital loss that will have to be borne by the taxpayer. We are going to see countless opportunities squandered for alternative infrastructure projects because money is being poured down Senator Conroy’s budgetary black hole. We are going to see countless opportunities squandered for alternative infrastructure projects because money is being poured down Senator Conroy’s budgetary black hole. We see in Tasmania that they have had to force people to opt out. With all of the promotion and all of the fanfare over the National Broadband Network, subscriptions were so low they had to encourage people by forcing them into the project. What sort of vendor has to force people to buy their project? The minister responsible is the man who put the con into Conroy. This project is falling apart around him like a leper on a trampoline. It is an absolute disgrace that they are wasting $50 billion of taxpayers’ money. Anybody who believes they are going to achieve an IRR of seven per cent is living in a fool’s paradise. The government knows it. They have to protect the project from scrutiny because they know that when the facts are on the table this project just does not stack up.

Ms ROWLAND (Greenway) (4.04 pm)—I would like to thank the member for Wentworth because, just as the member for Casey, the former shadow minister for broadband, communications and the digital economy, gave me the most hilarious laughs during the federal election campaign with this policy—which remains, may I say, coalition policy today—the member for Wentworth has followed it up with an article in today’s Sydney Morning Herald where he quotes Deng Xiaoping, no less: ‘Let a hundred flowers bloom in broadband field’. He has taken inspiration from Deng Xiaoping. I do believe he is leading a Maoist insurgency against the Leader of the Opposition. We welcome that on this side. The other thing I would say, while we are quoting Deng Xiaoping, is that another one of his best quotes is ‘To get rich is glorious.’ He is hardly the man who is going to deliver accessible and affordable broadband for all when he takes inspiration from Deng Xiaoping.

One of the other things that is so hilarious about the article in the Sydney Morning Herald this morning is the member for Wentworth’s assertion that Japan and Korea have shown no significant productivity benefits from having a fibre-to-the-home, high-speed broadband network. I think we should help him pack his Louis Vuitton case, put him on his Learjet and send him to Tokyo and Seoul to see exactly what productivity gains are being made there. And do not take it from me. Let us have a look at the International Telecommunication Union and their case study of Korea. They say, ‘Well, isn’t it amazing that Korea has managed to do so well’. In fact, they call Korea an economic miracle in growth thanks to ICT. This is despite the fact that Korea is not demographically suited to having the highest internet penetration in Asia. It is not demographically suited to have the best communications with other countries, because they have their own language. Yet they have such a high rate of productivity growth, and why is that? That is because of their investments over many decades in high-speed fibre broadband networks.

I continue to be amazed by those opposite who wade into this debate and think that it is a question of wireless versus fibre, that somehow fibre is not going to be able to deliver all the solutions that we need. As a
short lesson, whilst a variety of technologies—as I have said in this place—will be employed in order to deliver high-speed broadband, they all require one thing. They require a backbone that will be sufficient to carry all the communications on it. I quote from the Broadband Commission who presented their case to the UN:

A high-capacity fibre optic packet transport backbone is the fundamental backbone infrastructure that countries need to deploy to support the growth in broadband services.

For those who are opposed to the NBN, who continually come in here and say that the government has picked one technology over another, this assertion is an absolute nonsense. As anyone will tell you—and this is known by those who go onto many of the blogs and technology websites where intelligent people have been contributing to this debate—the fibre based NBN backbone augments all other technologies because it is a technology neutral backbone. Nothing is faster than the speed of light. It alone has the capacity to achieve what is absolutely needed to deliver ubiquitous high-speed broadband all around the world.

You do not need to take this from me. Even at the Comms Alliance conference yesterday and on Tuesday, NBN Co., Telstra and Optus made the point that wireless broadband and fixed broadband are complements to rather than substitutes for each other. Optus went on to say that you might group HSDPA with ADSL and LTE with HFC as potential substitutes on a service-by-service basis, but there is no wireless technology that could be grouped with GPON which is the basis of the National Broadband Network.

We have endorsement for what we are doing in this country from people like Eric Schmidt, the former CEO and now Executive Chairman of Google. What he has to say is truly instructive:

Let me start by saying Australia is leading the world in understanding the importance of fibre. Your new Prime Minister ... has announced that ... 93 per cent of Australians ... will have gigabit or equivalent service using fibre. And the other 7 per cent will be handled through wireless services of a nature of LTE.

This is important. He goes on to say:

This is leadership. And again, from Australia, which I think is wonderful.

Eric Schmidt is one of the leading telco and communications experts in the world. It also amazes me that the Leader of the Opposition, both in here and publicly, seems to always have an opinion on a topic that he obviously knows nothing about. His latest effort over the break when he was talking about the NBN is a special:

It's pretty obvious that the main usage for the NBN is going to be internet-based television, video entertainment and gaming.

For the Leader of the Opposition to claim that the NBN will be used only to watch TV and play games shows just how little he knows about the issue. A lot of people made comments on what he had to say and I could not have expressed it better than this person in a letter to the *Sydney Morning Herald* who captured it perfectly:

The complete failure of the Leader of the Opposition to grasp the potential of next-generation communications networks is appalling—and unbelievably embarrassing for Australia were he ever to become prime minister.

I could not have said it better myself. While we are on the issue of people who have a very limited understanding of technology, the member for Wentworth, during the break, was talking about his iPad in the *Sydney Morning Herald* and how good it was. He said he did not need a fixed line because he had wifi. Telco 101 will tell you that wifi is actually processed through a wireless router which is in turn connected to a fixed-line connection. For these people who obviously
have no idea how the technology works to come in here and start lecturing us about how wireless should be the solution beggars belief.

I am glad that the member for Ryan is in the chamber, because I think listening to people is important and you often learn things from people in this place. I have been very interested over the last couple of months to hear the member for Ryan talk about a broadband delivery system happening in Brisbane thanks to Brisbane City Council. She said, ‘Why do we need the NBN when we have this fantastic partnership in Brisbane which is going through the sewers and delivering broadband far better than the NBN ever could?’ She brought it up again on Monday when she spoke in the debate on my private member’s motion. She said:

… the City of Brisbane is delivering this—this being high-speed broadband—to every household and every ratepayer in the city at no cost to the ratepayer and at no cost to the city.

I thought that was too good to be true—and guess what? It is. Yesterday you had only to look at the CommsDay headline ‘Brisbane flushes sewer broadband plans’:

Brisbane City Council has reportedly washed its hands of plans to install a broadband network through its sewer system ahead of the NBN roll-out, abandoning its relationship with i3 Asia Pacific, the firm that was aiming to splash out $600 million on the scheme. According to the Brisbane Times, Lord Mayor Campbell Newman dumped the project.

For those opposite who have been holding up for so many months that this is a fantastic alternative broadband plan, I will let that speak for itself. Yet again we have had those opposite stand up and say, ‘No, we need to let the market in; the market needs to be able to deliver.’ The member for Wentworth talked about how 30 per cent of Australia enjoys access to a cable network. That is right: it is a coaxial cable that goes down the eastern seaboard. Do not worry about anyone else who cannot connect to it. By the way, as much as he would like to say that this is a substitute for fibre, I have another little technology lesson. Cable is the same as spectrum in terms of it being a shared resource. You will never get the capacity and speeds that you need for the uploads we need in the 21st century purely on cable.

Yet again, those opposite have come in here purely attached to their policy that is over six months old. They have not replaced it yet. Regardless of anything else that happens, their policy is to cancel the NBN. Again today we see another appalling attempt to deny young people, to deny regional Australia and to deny the future of young Australians. (Time expired)

Mr FLETCHER (Bradfield) (4.14 pm)—
The question before the House in this matter of public importance debate this afternoon is a very simple one: are we getting value for money from the National Broadband Network or is it a very large expenditure which cannot be justified? To put the question another way: is Labor’s plan to spend $50 billion a sensible way to achieve the objectives which are uncontentious between the two sides of this House? It is uncontentious that we need to update and improve our broadband infrastructure. It is uncontentious that Telstra should be structurally separated to address the vertical integration problem. These issues are uncontentious. The issue of contention is whether the plan that Labor is pursuing is a sensible one to achieve policy objectives. And you would not have got a persuasive answer to that question from what we have heard this afternoon.

The Minister for Infrastructure and Transport told us in wafty general terms that it would transform productivity, but he could
not answer the precise question: what can be done for 100 megabits per second that cannot be done for 12 megabits per second or for slower speeds so as to justify the massive increase in expenditure that is required? He gave us wafty generalisations that fibre was a future-proof technology. Then we heard from the member for Greenway that apparently Google says that the National Broadband Network is a very good thing.

I have no doubt that, if you are in the business of delivering internet content and somebody proposes at their expense to build a brand-new network which you can use to deliver your content, that is an attractive proposition, but for those of us who are being asked to foot the bill—and that is every one of us, every Australian taxpayer—we probably want to give this proposition rather more scrutiny. What I want to put to you is that in fact this is not good value for money for three fundamental reasons: there is a very large amount of money here at risk for essentially political reasons without the business case having been made out, it is very unclear what public policy problem it is designed to solve and it is very, very wasteful.

My first proposition is that this is about politics. The reason there is $50 billion proposed to be spent is that Labor got itself into a hole when the policy it took to the 2007 election, which was to spend $4.7 billion on a fibre-to-the-node network, could not be delivered. The solution was political shock and awe—pull a big number out of the air, $43 billion, be visionary and say that we are now going to deliver fibre-to-the-home. The reason for this was not based upon any analysis of what could incrementally be delivered by fibre-to-the-home over other technologies, it was not based on any analysis of productivity benefits or other specific benefits; it was based upon a political need. If you look for evidence for that proposition, look at the business case—$41 billion put at risk, and what do we get for it? A return of seven per cent.

Interestingly, the corporate plan of NBN tells us that the company’s weighted average cost of capital will be 10 per cent. Let me make a basic proposition of corporate finance. You determine the value of the project by comparing the return to the cost of capital. Your desire is to have your return exceed your cost of capital. If your return is less than your cost of capital, you are destroying value—you have a project with a negative net present value. That is one of the most fundamental propositions of corporate finance. This project, on the admitted documentation of the National Broadband Network Co., is destroying taxpayers’ money. It is claimed to be justified on commercial grounds but, as the corporate plan itself says, no private sector investor would be attracted to this proposition. It is based upon unrealistic assumptions about take-up and it is driven fundamentally by political motives. It is perhaps not surprising that a Prime Minister who stood in front of the Australian people in April 2009 and recommended that this would be a first-class investment opportunity for mums and dads is no longer with us because what an unconscionably misleading thing that was to say.

The second problem which demonstrates why this National Broadband Network of Labor’s is not good value for money for the Australian people is that there is a real lack of clarity about what public policy problem it is designed to solve. If the problem is that we want to increase broadband penetration—the press release the Minister for Broadband, Communications and the Digital Economy, Senator Conroy, put out just before Christmas said that, because the OECD statistics show that that we are 19th in the world for broadband penetration, that added to the case for building the National Broadband Network—and if you believe that Minister Con-
roy is putting to us that the objective of the National Broadband Network is to drive up broadband penetration, this raises the very obvious question: how is it that building a new network is going to drive up broadband penetration when, by necessity, you are then constrained in your capacity to offer lower prices?

As Prime Minister Gillard correctly told the House last year, Australia has the fifth highest broadband prices in the world. What is the most powerful driver to increase broadband penetration? It is reducing broadband prices. When you go back and look at the data, as I have done very carefully, between 2000 and 2005 you saw a very clear relationship when Telstra, then the dominant provider of DSL, dropped its prices and penetration rose. But we now have a policy under which Labor is spending $41 billion, plus additional money. It is said there will be a commercial return on this and to achieve this return prices will have to stay high. In fact, the entry-level wholesale price that the NBN will be offering is $24. How does this compare to the band 2 unconditioned local loop service price, which is presently the basis on which competitive DSL prices are offered to the majority of Australian households? That price is $16. In other words, we are going to see a 50 per cent increase in the basic price, the wholesale price, which is the foundation on which retail prices are built.

So Labor’s policy does not address the fundamental objective, which it says is inherent in the policy of increasing penetration because you are increasing prices.

The third reason which demonstrates beyond doubt that this is not good value for money is that this plan will see useful telecommunications infrastructure trashed. The copper network owned by Telstra will be trashed. NBN Co.’s own corporate plan says that more than one-third of customers served by the copper network today can receive 16 megabits per second or more, yet that infrastructure is simply to be trashed. The hybrid fibre co-ax network can today deliver 100 megabits per second in Melbourne and, with simple upgrades, can deliver the same speed in the other four capital cities where the Telstra HFC network operates. The Optus HFC network operates on the same technology. These networks can, either today or very readily, deliver 100 megabits per second. They too are to be trashed. They are to be thrown away, they are to be squandered and they are to be shut down, and we are to be left with a National Broadband Network which will be a monopoly.

Indeed, to support the monopoly status of the NBN, which Stephen Conroy, the Minister for Broadband, Communications and the Digital Economy, gleefully goes around reminding us all of, there will be legislation passed which specifically places impediments in the way of persons proposing to enter the market in competition with the National Broadband Network. This is a profound reversal of 20 years of bipartisan telecommunications policy, which has always been underpinned by a commitment to increasing competition in the private sector market so as to stimulate lower prices.

We have seen a profound reversal of that policy, and we have a policy which is designed for political reasons, with an unconscionably large amount of taxpayers’ money at risk with no realistic prospect of a return, with a lack of clarity as to what policy problem is being solved and with scandalous waste in the destruction of the existing infrastructure.

(Time expired)

Mr Lyons (Bass) (4.24 pm)—I rise to speak on the matter of public importance put forward that we, the Gillard Labor government, have not delivered value for money in broadband. The MPI from Malcolm Turnbull, the member for Wentworth, today demonstrates the Liberals’ lack of under-
standing when it comes to broadband—and he was not even here to hear his own supporters. Is he out with Joe, sorting who will be the leader by Easter? Malcolm said last year—

The DEPUTY SPEAKER (Hon. Peter Slipper)—The member for Bass ought to know that he ought to refer to colleagues by their titles or their electorate.

Mr LYONS—Thank you very much, Mr Deputy Speaker. Last year the member for Wentworth said that 12 megabytes should be enough for anybody. We, the Gillard government, feel that Australians deserve better. Today I want to put on record my absolute support for the National Broadband Network. Let me tell you why.

Tasmanians have been putting up with some of the slowest, most expensive broadband in Australia, and the Labor government’s National Broadband Network is going to put an end to that. I am proud to be part of a government that is putting infrastructure on the agenda. After years and years of neglect from the high taxers, the party of ‘no’, we are getting on with the job of running the country and preparing for the future. Historically, Tasmania has the lowest proportion of households of any state or territory with broadband, at 49 per cent, compared with the Australian average of 62 per cent. But the federal Liberals have no plan to bring Tasmania up to speed with the mainland, let alone to give it world-class broadband. Even the state Liberals in Tasmania know that the NBN is crucial, and I think it is high time that the high taxers, the party of ‘no’, came on board. The NBN is going to transform Tasmania’s economy, along with the rest of our nation. I cannot overestimate the difference it is going to make to people in my home state.

I am lucky that the first NBN services were officially launched, in August last year, in my electorate, in the area of Scottsdale. Stage 2 includes other areas in my electorate, such as George Town. Under our National Broadband Network, the economy will be strengthened. It is the single largest infrastructure investment this nation has ever seen. It will modernise Australia and connect big cities and regional centres. The people in my electorate of Bass are very excited about the NBN. They are excited about the NBN because it will improve business productivity and allow businesses to be competitive on a national and international scale. The only concerns that my office has had about broadband is that of constituents wanting to be connected sooner. I have not had complaints that this is a waste of money, a waste of taxpayer’s dollars—not at all. My constituents know value for money.

If those opposite were keen on accountability and value for money, they would have done a cost-benefit analysis of the Adelaide-Darwin railway or the privatisation of Telstra. Where was the Productivity Commission when the cost-benefit studies were to be done on that? Where was the cost-benefit study on the $10 billion water plan? Did you do a cost-benefit analysis on the OPEL regional broadband plan? And what about the $11 billion black hole? The highest-taxing party this nation has ever seen, the party of ‘no’, could not add up. The NBN will directly support 25,000 jobs. I ask those opposite to tell me of their plans to create 25,000 jobs. I doubt they can. The alternative of the party of ‘no’ is to have towers and copper, which members of the opposition have consistently complained about. They are the NIMBYs: not in my back yard. Our plan gives better speed, and the amenity of Australia will be enhanced by the broadband fibre compared with towers and copper, which is the opposition’s plan.

The Liberal Party’s attitude to broadband reminds me of the time when the Americans
were first embracing the Edison telephone system. Sir William Preece, Engineer-in-Chief of the British Post Office, decided that the UK would not need a telephone system, as they had a superabundance of messengers and errand boys to run telegrams. Tony Abbott and his colleagues want to send our country backwards by pulling the plug on the NBN. We heard during the election campaign that the NBN would be the first thing to go if they were elected. Australia is thankful they were not. Australians cannot trust the Liberal Party on broadband. I need a spare set of hands to count how many failed policies they have on broadband. Was it 19 or 20 failed plans? And they still have no decent policy.

Consideration interrupted.

The DEPUTY SPEAKER—I remind the honourable member for Bass of the provisions of standing order 64. He should refer to the Leader of the Opposition by his title.

ADJOURNMENT

The DEPUTY SPEAKER (Hon. Peter Slipper)—Order! It being 4.30 pm, I propose the question:

That the House do now adjourn.

Broadband

Mrs GASH (Gilmore) (4.30 pm)—The much awaited pilot NBN trial at Kiama Downs and Minnamurra in my electorate of Gilmore has so far been a trial of deceit, misinformation and dismay of local residents. Kiama Downs and Minnamurra are both very significant suburbs in my electorate. Many residents attended information days and were excited at the prospect of obtaining broadband where they could not access it before.

Mr Sidebottom interjecting—

Mrs GASH—Do you want to speak, or is it my turn? Local residents have had many problems and issues with the installation. Yet another problem has come to light in the last few days. Perhaps it would be best if I explain the latest debacle with the trial by quoting page 6 of the Australian newspaper of Wednesday, 9 February:

Hugo and Olga Arnet live in Kiama Downs on the NSW south coast, one of five test sites for the government’s … NBN.

But having been promised, at an information session in August, that all cabling would be underground—and then gritting their teeth as the front lawn was dug up in September so the conduits could be laid—the Arnets were stunned when contractors returned to hang cables as well.

“They went down the road and up the road, and we thought at least we won’t have an ugly cable in front (of the house),” Mr Arnet said.

“I couldn’t believe my eyes when, in January, they started to hang an ugly black cable about a metre below the power lines.”

But it is not only Mr and Mrs Arnet who have been duped by NBN; Mrs Lorraine Hardy of Kiama Downs has come to me, highly distressed about being told she will have wires on her power pole, which in the past has caught fire, owing to salt build up. When Mr John Williams of Minnamurra invited me to his house to inspect NBN’s work, I was overwhelmed by stories from numerous other residents in his neighbourhood who have all been subjected to the same NBN bullying.

Most Kiama and Minnamurra residents have over the last few months watched NBN Co. dig up their lawns and drive heavy machinery over their gardens, all for the underground installation of an optical fibre network. Despite the continuous digging and despite the big industrial manholes labelled ‘NBN Co.’ now in their front lawns, NBN has now gone to residents demanding that they accept big black cables hanging off their roofs or they will get nothing. Despite the completed conduit in the front yards of these
houses in Minnamurra and Kiama Downs, NBN Co. has refused to explain why these residents cannot receive an underground installation. All the residents get is a final demand—let NBN hang the thick black cables in the air over your property or you will get nothing.

As soon as I started to ask questions of NBN Co., Mr John Williams was promptly offered an underground connection. Funny thing that. This begs the question: if underground installations are possible to these affected houses, as shown by NBN’s backflip towards Mr Williams, then why is it dragging residents through this stupidity and arrogance in the first place?

I have never seen a government project that has caused so many unnecessary problems. Wait, actually I have. There were the school halls or BER projects, the pink batts program and the housing stimulus debacle, which has left many of our subcontractors still without pay—and that is just to name a few. I can now see why the NBN is going to cost Australia $50 billion: because NBN Co. is going to be digging trenches before putting the NBN up on power poles. Maybe they have gone beyond the tip point. Is that why they will not answer the questions?

One resident who was promised underground cabling spoke to me and said she now has three thick black NBN wires crossing her property, only one of which is hers. One resident has had to have a strengthened support bracket attached to her roof because of the weight and thickness of the black NBN wires that were supposed to be sent underground in the first place.

This installation of the NBN so far has been simply absurd. Last time I raised the problems that my constituents were having with the NBN, the Prime Minister, Julia Gillard, personally labelled me a Luddite. The Prime Minister can label me however she wants, but it is not going to stop me from bringing to her attention the significant flaws with her grand NBN scheme or taking to her any of my constituents’ concerns in the future. I just hope the Prime Minister has the courage this time to actually ask NBN Co. what is going on in my electorate.

Alpine National Park

Mr KELVIN THOMSON (Wills) (4.35 pm)—I call on the Victorian government to make available to the federal Department of Sustainability, Environment, Water, Population and Communities all the information it needs to assess whether the introduction of around 400 cattle into Victoria’s Alpine National Park has breached the Environment Protection and Biodiversity Conservation Act. It has apparently so far not provided information or explanations about what it is doing to limit the impact of cattle grazing in the Alpine National Park. This is not good enough. It would appear that the Liberal government in Victoria, wagged by the National Party dog, is stalling for time. It knows this is a shocker and ultimately it will have to stop. But, like the Japanese whaling program, it is simply trying to get away with it for as long as possible.

In January I wrote to Minister Burke, urging that his department investigate this issue pursuant to the environment protection and biodiversity conservation legislation. I did so following a meeting with the Victorian National Parks Association, which is very concerned that the Victorian state government has introduced cattle grazing in the Alpine National Park. I share the VNPA’s concerns about the environmental impact of cattle in this sensitive area. I am further concerned that the state government seems to be somewhat duplicitous in its handling of this issue, claiming to some people that it is only conducting a trial while saying to others that it is implementing an election commitment.
‘Scientific grazing’ is as dodgy as the Japanese government’s ‘scientific whaling’. The use of cattle grazing to reduce fire risk in alpine environments is not supported by science. After the 2003 alpine fire, a study of the fire by Dr Dick Williams, Dr Ross Bradstock and Dr Henrik Wahren, published in 2006, found no statistically significant difference between grazed and ungrazed areas in the proportion of points burnt and concluded that ‘the use of livestock grazing in Australian alpine environments as a fire abatement practice is not justified on scientific grounds’. Furthermore, grazing was not recommended as a strategy by the Victorian royal commission into the Black Saturday bushfires.

After the 2003 fires the Howard government gave the Bushfire Cooperative Research Centre—the CRC—an extra $3 million for research. The National Party MP Peter McGauran claimed at the time in his press release on 8 September 2004: The Bushfire CRC research will provide a clear indication to the State Government that grazing for fuel reduction needs to begin immediately to avoid another bushfire season like last year. No evidence to support the theory that ‘alpine grazing reduces blazing’ ever emerged from this research. Not a skerrick! Furthermore, if further research is warranted, which is doubtful, there is land outside the Alpine National Park which could be used for this purpose. On the other hand, there is a wealth of evidence from more than 60 years work by the CSIRO, university and other scientists that cattle grazing damages fragile alpine environments. Cattle damage soils, spread weeds, trample moss beds and watercourses, and threaten rare native flora and fauna.

The Environment Protection and Biodiversity Conservation Act was enacted to ensure that matters which have real potential to impact on the environment are considered at a national level. There are a number of endangered species and communities listed under the EPBC which could be affected by the introduction of cattle. These include the alpine tree frog, spotted tree frog and a dozen species of EPBC listed flora. The Victorian National Parks Association believes, and I agree, that this is a matter which requires investigation.

But, really, this is not about what the federal government should do, but about what the state government should do. It should withdraw those cattle. Putting in those cattle was a crude political reward for its supporters. The six so-called research sites, chosen without consulting the Department of Sustainability and Environment’s or Parks Victoria’s own research departments, were chosen so every cattle player would get a prize. Why were no on-site surveys to ascertain the presence of threatened species conducted before the cattle were introduced? Why was no baseline monitoring done for this so-called ‘research’ program? The Alpine National Park is a park. It is not a farm, and the Victorian government needs to respect that.

**Paterson Electorate: Dungog**

Mr BALDWIN (Paterson) (4.39 pm)—Less than two hours drive from Sydney, you will find a town at the foothills of the magnificent Barrington Tops. The people are friendly, the air is fresh, the cafe food is hot and the beds are comfortable. While you are there you can learn about cattle or dairy farming, visit the nationally recognised Dungog Film Festival, watch an event at the beautifully manicured showground, buy a new outfit at a boutique or just walk the heritage streets. That little town is called Dungog. This little town is now facing the biggest challenge of its existence because of the actions of, and inaction by, our state and federal Labor governments. However, the great thing about challenges is that they present...
opportunity for growth, and I have no doubt we can emerge stronger than ever with the right support.

The Dungog business and residential community has been in a flux of turmoil since 2006, when the New South Wales Labor government announced plans to build the $477 million Tillegra Dam just north of the town. Many believe the announcement served only to divert attention away from the Milton Orkopoulos child sex scandal. It took until November 2010 for the Premier to see sense and cancel the project. This was on the back-end of four years of uncertainty, and a massive campaign spearheaded by the local people. By that time, the state Labor government had already wasted $100 million of taxpayers’ money on the project, jeopardised local investment, and left the town in limbo regarding its future.

Now, the people of Dungog have come together to plan on how best to revitalise their home. Their focus on roads, community infrastructure, employment and tourism is supported by the coalition. Other priorities include ensuring hospital and rail services are retained, and maintaining Dungog’s independent local government status.

I was saddened to read that the Dungog Shire Action Initiative felt dismayed after a press conference with Hunter minister Jodi McKay, in which she suggested the community was not adequately prepared to work towards the revitalisation. Ms McKay must not have spent much time in Dungog. In my time as a federal member, I have found the people to be some of the most sincere and hardworking I have ever encountered. It is a shame Ms McKay had no representative at a community meeting held in Dungog on 15 December, where hundreds of people worked together to discuss a renewal plan and suggested dozens of viable, workable solutions.

I am pleased that the state coalition today pledged $20 million to upgrade Main Road 301, which is desperately needed to kick-start all other areas of the town’s renewal. It would be a boost for tourism, business and residents. I have always said that when you build a road, you create a highway to opportunity. On behalf of the federal coalition I repledged my own roads package last year, and it remains coalition policy to deliver $20 million to upgrade Main Road 301 and $5 million to fix Main Road 7778-Gresford Road, to be delivered in addition to the state funding.

Continued health services in the shire are also vital. That is why, after community consultation, I lobbied federal health minister Nicola Roxon to redirect the $7 million she promised for a GP superclinic in Raymond Terrace, and instead invest $3m in the HealthOne clinic already planned for Raymond Terrace, with the rest to be split between the Medowie-Salt Ash region and the Dungog area. I urge all residents to register and attend the government’s consultation meeting on 7 March at Raymond Terrace Bowling Club at six o’clock to help convince Ms Roxon to invest in Dungog.

Testament to the community’s proactive and resilient nature, residents have not waited for a solution from government. Instead, they have organised a community sporting challenge. The GP Stakes will raise money to attract a new local practising GP. The target fundraising goal of $20,000 has already been reached thanks to the overwhelming generosity of the local community. This should not be necessary. Former Prime Minister Kevin Rudd promised that when it came to health, the buck would stop with him. Despite this, Dungog has lost a GP and residents have had to fund a public campaign to secure a replacement. It is not good enough. The Gillard Labor government needs to start a proper dialogue with the
community to get the outcomes it well and truly deserves, and I look forward to working together to achieve the bright future I know is possible. To my Dungog community I say this: you are not forgotten, and you will not be forgotten either by me or by the coalition.

Western Sahara

Ms PARKE (Fremantle) (4.44 pm)—I would like to take this opportunity to talk about the issues related to the Moroccan occupation of Western Sahara and the implications of this conflict for Australia. But first I thank the member for Page for the motion she moved on this topic and I thank all members who spoke in support of the motion. I note that the debate has been welcomed by the Australia Western Sahara Association, which will be celebrating the Saharawi national day this Sunday, 27 February. I also want to thank the Maritime Union of Australia and the Australian Workers Union for their efforts to raise awareness of the plight of Western Sahara; that is the kind of broader social and humanitarian engagement that is typical of organised labour in this country, and I applaud it.

The Western Sahara is a territory on the north-west coast of Africa bordered by Morocco, Mauritania and Algeria. It is one of 16 remaining United Nations-created, non-self-governing territories whose status has remained fragile in the aftermath of the colonial empires in Africa. In 1975 the territory, then known as Spanish Sahara, was divided between Mauritania—which subsequently renounced all claims to it in 1979—and Morocco in a treaty with Franco’s Spain that was strongly opposed by the local Saharawi people and against an advisory opinion of the International Court of Justice that all concerned nations had previously agreed to abide by. The ICJ held that, while some of the region’s tribes had historical ties to Morocco, these were insufficient to establish ‘any tie of territorial sovereignty’ between the Western Sahara and the Kingdom of Morocco. Furthermore, the court specifically rejected the notion that lands inhabited by nomadic peoples may be acquired on the basis of occupation as terra nullius. This aspect of the ICJ’s judgment was quoted by Justice Brennan in the historic Australian High Court decision in Mabo. Finally, the ICJ declared that the Saharawi population held a right of self-determination and that any proposed solution to the situation had to receive the explicit acceptance of the population.

That same year, 1975, Morocco invaded Western Sahara, ignoring the position of the United Nations and many in the international community who favoured a referendum to determine the region’s future. Morocco’s occupation led to a 16-year war which ended in 1991, when the UN brokered a ceasefire between Morocco and the Polisario Front and set up a peacekeeping mission, MINURSO, to organise a referendum on self-determination, which has not yet taken place. The two sides remain deadlocked between Morocco’s proposal to only grant Western Sahara some autonomy and Polisario’s call for a referendum with full independence.

This is a deep and protracted conflict, though it is little known; and it is a conflict in which certain Australian companies have, one way or another, taken a side. Despite being a poor, sparsely populated place, Western Sahara is rich in minerals and fisheries resources. The Moroccan government controls Western Sahara’s coastline and most of its mineral deposits, which include one of the world’s largest exploitable deposits of phosphate, which is used in the production of superphosphate fertilisers. Currently, three Australian companies are importing that phosphate, namely Wesfarmers CSBP in Western Australia, Incitec Pivot in Victoria
and Impact Fertilisers in Tasmania. I note that a Norwegian insurance company, KLP, has blacklisted Wesfarmers on account of its trade with Morocco in phosphate pillaged from Western Sahara.

These Australian imports hurt the people of Western Sahara in two ways. First, they effectively condone the circumstances in which the Saharawi people are deprived of the income from their own natural resources. This in turn is an obvious impediment to their push for self-determination and self-sufficiency. Second, there is an implication that, by allowing companies to import phosphate into Australia from Western Sahara, Australia is in some way condoning the current Moroccan occupation. The Department of Foreign Affairs and Trade website notes:

… given the status of Western Sahara as a Non-Self-Governing Territory, there are international law considerations with importing natural resources sourced from the Western Sahara. We recommend that companies seek legal advice before importing such material.

Speaking of legal advice, former United Nations legal counsel Hans Corell—who, incidentally, was my ultimate boss for much of the time I worked as a legal officer at the United Nations—advised the Security Council in 2002 in a written opinion on the case of Western Sahara that it is against international law to exploit mineral deposits in non-self-governing territories without the consent of the indigenous people of that territory; and also that, wherever such resources are developed, this must only occur for the direct benefit of those people. Neither of these conditions is currently being met.

I call on members to consider the role of Australian companies in connection with the exploitation and trade of Saharawi resources and whether this is in keeping with our general commitment as a nation to support self-determination, to oppose oppression and to reject the transgression of fundamental human rights.

Aged Care

Dr STONE (Murray) (4.48 pm)—I want to read parts of the contents of a letter I received very recently from Kyabram and District Health Services on the problems they are experiencing in providing excellent aged-care services to the community. They write:

As an aged care provider, who is committed to provision of high quality care, I wish to bring to your urgent attention a matter of critical importance to our aged care industry.

Older Australians, the people who made this country great, are being let down by the Federal Government’s failure to address the funding crisis in aged and community care.

As the numbers of older people have increased over the past decade, funding to meet the real costs of providing services and accommodation has fallen.

This year the increase in subsidies for aged care was only 1.7 per cent when the cost of living indicators have risen by 2.9 per cent, utilities in some states have gone up by as much as 10 per cent and the minimum wage has been lifted by 4.8 per cent.

As an aged care provider, we cannot make these numbers work, and older people are the losers.

On behalf of older Australians we welcome the Productivity Commission inquiry into aged care and look forward to working with Government on major reforms, but significant change takes time and older people don’t have that luxury.

I could not concur more strongly with their observations of how hard it is for community aged-care services to survive right now financially. No amount of volunteering and good intentions in a community can cover the costs of extra salaries and wages, the higher prices of utilities and the higher prices of calling out medical support.

There is a crisis, in fact, in rural Australia in relation to aged-care services being affordable and viable. That is because a lot of
these services are very small. Right across my electorate of Murray I have some 52 towns with fewer than 1,000 people, and often travelling between those towns is a half-hour-plus drive. Many of those very small towns have aged-care facilities and it is not right that they should be closed and that people’s families should have to drive hours to a city to visit their loved ones in their oldest age.

Today all of us, I believe, in parliament received a begging letter from the Victorian division of Alzheimer’s Australia. They stress the fact that an epidemic of Alzheimer’s disease is occurring. Each day in Victoria 53 new cases of Alzheimer’s or dementia are diagnosed. In total, there are some 66,000 people in Victoria suffering from dementia and in need of special care. Unfortunately, the Productivity Commission report which the Kyabram service referred to did not in its 42 recommendations once deal specifically with the issue of dementia. Dementia care needs the highest priority attention across Australia, but we do not have the Productivity Commission focusing on the issues of dementia and ageing at all.

Not only are staff salaries increasing at a rate that is unaffordable for most of my aged-care facilities but also there is a massive shortage of staff working in aged care. We all know that country students who train for professional occupations such as nursing—and particularly those who train to become division 1 and division 2 nurses—are most likely to then practise their skills in the country. If they are born and bred in the country, they work in the country, particularly mature age students who enter nursing when, as is often the case, they need to find a source of off-farm alternative income.

Unfortunately, as we know, this government has been unable to meet the needs of rural students through giving them an appropriate level of support in going to other places, such as a capital city, in order to train. Just today, two months late, we have been given information about the tertiary hardship support grants of just $3,000. That $3,000 is meant to extend over the three years of an undergrad’s training. It will help a little, but in no way will it compensate for the $20,000 a year that it costs to live away from home for study.

I need to remind the government that we have a crisis in aged care. We have a crisis of funding that is not being met with the increases in support from this federal government. We have a crisis in the number of skilled staff available to work in aged care. This government is not doing the hard yards to make sure that we have a new generation of trained nurses who can afford to train away from home initially but who will later come back to the country areas, if they have been born and bred there, to fill the needs.

(Time expired)

**Deakin Electorate: Our Lady of Perpetual Help**

Mr SYMON (Deakin) (4.53 pm)—Today I relate to the House yet another Building the Education Revolution project that has been opened in my electorate of Deakin. This is one of a continuing stream of good news projects coming up in my local electorate, and there are many more to come. The one I concentrate on today was for a small Catholic school in Ringwood, Our Lady of Perpetual Help. It has been an icon in Ringwood for many years but, as I say, it is only a small school and, in common with most schools and community infrastructure in the eastern suburbs of Melbourne, it is old and outdated. Although part of the school is quite old, they now have a wonderful new facility there.

I had the great pleasure to attend the opening of the new parts of the school at the end of last year and, because it is quite con-
strained and they do not have a lot of space there, they had to build up—they constructed a building with a new IT centre on the ground floor and new classrooms on the top floor. An IT centre is two to three times the size of a normal classroom and it gives the school access to an area that they did not have access to before—they simply did not have a place for IT.

Also, with their funding under the program, they were able to refit their assembly hall and build doors that open out onto the quadrangle—the courtyard—of the school. Before those doors were built, the children had had to walk around the side of the hall and go through a very narrow entrance, and if you have a couple of hundred kids trying to do that at any time it can be quite chaotic. Those of you who have seen it will know that. However, the opening day was not chaotic; it was a very good and fun day. It was good to be able to go there for the opening ceremony and have Father Joe from the church to officiate and Angela Lacy, the principal, to keep things running and hear not only from everyone involved in the project—those who helped to design and build it—but also from the children at the school, who had watched it change every day as the job was completed.

Every time I visited the school over the last year before the new facility was opened there was always something happening. There were always kids, as usual, lined up at the fence—they were usually boys, I might add—watching the machines either lift things up or take things down. Slowly but surely the construction started, and then it came on really quickly, and now the two-storey building is there.

Our Lady of Perpetual Help was established in 1932 and is one of the oldest public buildings left in Ringwood. It still looks like a great school from the outside, and I can certainly promise that it is a great school from the inside. In my electorate, we did not use template designs provided by either the state government or the Catholic Education Office; we used individual designs. Although it took a little bit of time to get the fine details right, the results are now standing there, and the uses the school can put the new facilities to are exactly what the school wants. The second storey classrooms are truly modern. They are 21st century classrooms; they are not mid-1950s or 1960s classrooms. Few of the structures at Our Lady of Perpetual Help have been touched since 1970, which is a long time for any school.

Over 110 people from various trades were employed on this project at different times and, although they were not all there all the time, it was a very handy thing for our local economy. During 2009, when this project was announced, and then into 2010, there was still not a lot of work around for local tradespeople or people employed in the construction industry. They certainly enjoyed and needed the work that came with a project like this.

I congratulate the school for the hard work they put into the project to get a better outcome for the school. It will be there for decades and generations to come. The school is growing in its attendance numbers and, with assets like this on the books, I am sure it will improve even more. This is a great outcome not only for Our Lady of Perpetual Help in Ringwood but also for the electorate of Deakin as a whole.

Riverina Electorate: Rotary Peace Community of Wagga Wagga

Mr McCormack (Riverina) (4.58 pm)—Yesterday was the 19th anniversary of the declaration of Rotary district D9700 peace community of Wagga Wagga. The Rotarian who came up with the idea of Wagga Wagga being a peace community was Tony
Quinlivan of the Kooringal club. His simple idea has today spawned 59 other peace communities in 17 countries. What a fantastic achievement, and what a marvellous ideal peace is.

On Sunday, I had the pleasure of attending a special ceremony to commemorate this initiative which was conducted, appropriately, in Wagga Wagga’s Victory Memorial Gardens. This park honours the men and women of the district who have fought the good fight in the name of peace over the decades. Representatives from the city’s six Rotary clubs—South Wagga, Sunrise, Woolundry, Murrumbidgee, Kooringal and Wagga Wagga—were in attendance.

Representatives of local high schools told a large gathering of the initiatives, including international awareness days and anti-bullying measures, being conducted in their schools to encourage peace. Awards to community members were also handed out. The recipients were Patricia Harrod, Detective Inspector Rod Smith, Carol Gordon, an anonymous person who is a Youth at Risk worker and Lex Bittar, a lifelong educational professional. To think that my home town was the first designated Rotary peace community in the world makes me feel extremely proud. May the idea spread even further, fostering friendship and hope the world over, and may the spirit of peace pervade the hearts and minds of all.

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

House adjourned at 5.00 pm

NOTICES

The following notices were given:

Mr Zappia to move:

That this House:

(1) notes that:

(a) Australian road laws and vehicle compliance standards vary between each of the States and Territories of Australia; and

(b) those variations are causing confusion and uncertainty to Australian motorists;

(2) calls on the Minister for Infrastructure and Transport to urge the States and Territories to adopt, through COAG, uniform road laws and motor vehicle registration compliance standards.

Mr Champion to move:

That this House:

(1) notes:

(a) the positive impact compulsory and voluntary income management is having on the wellbeing of families and children in Perth and the Kimberley in Western Australia;

(b) an independent evaluation of compulsory and voluntary income management in Western Australia showed that participants believed it had made a positive impact on their lives;

(c) that a non discriminatory income management system linked to the child protection system and school attendance has been rolled out in the Northern Territory to help children who are being neglected or are at risk of neglect;

(d) that more than 1700 people have moved off income management across the Northern Territory because they have found jobs and apprenticeships or improved their parenting skills; and

(e) that income management produces positive life impacts for individuals acquiring new skills through training and getting jobs; and

(2) calls for this initiative to be trialled in other communities to help those families and individuals receiving welfare payments who are:

(a) identified as high risk by Centrelink social workers;

(b) recommended by child protection workers; and

(c) or who volunteer to participate to improve their ability to manage and save
money and provide the essentials of life for their children.

**Ms Bird** to move:

That this House:

(1) notes that the Illawarra Ethnic Communities Council (IECC) celebrates its 35th anniversary in 2011;

(2) congratulates the Chairman, Mr Ken Habak for his many years of leadership of the IECC, and past and present members of the IECC for their service;

(3) acknowledges the extensive community services provided by the IECC to the Illawarra migrant community over the last 35 years;

(4) commends the Federal Government’s multicultural policy; and

(5) recognises that the Illawarra community is made up of diverse cultures, and lives in harmony with understanding and tolerance.

**Mr Georganas** to move:

That this House acknowledges that:

(1) a strong biosecurity and quarantine system is critical to Australia’s rural and regional industries, jobs, consumers and our natural heritage;

(2) Australian law protects Australia from pests and diseases carried by overseas animals, plants and their products; and

(3) the application of Australian law will continue to be rigorously applied in Australia and defended against external challenge.
The DEPUTY SPEAKER (Hon. Peter Slipper) took the chair at 9.30 am.

CONSTITUENCY STATEMENTS

Murray-Darling Basin

SunRice Australia

Mr McCormack (Riverina) (9.30 am)—At present, the main word being bandied about the Riverina, the electorate I represent, and more specifically the irrigation areas of that region, is ‘uncertainty’. There are a number of reasons for this. First and foremost is the dread unfairly foisted upon family farmers and regional communities due to the controversial guide to the Murray-Darling Basin Plan. The guide, released in October, proposes that cuts of up to 43 per cent of water entitlements be made to Coleambally and Murrumbidgee irrigation areas. Worse than that, however, is that just when family farmers were given some glimmer of hope, thanks to the inquiry by the House of Representatives Standing Committee on Regional Australia into the social and economic impacts of the Murray-Darling Basin Plan in regional Australia, the Murray-Darling Basin Authority returned to my area and told people that their cuts would actually be 55 per cent in real terms. It is like death by a thousand cuts.

Uncertainty has also been brought about by water buybacks. These are not buybacks from willing sellers, as the government would have us believe; these are buybacks from desperate sellers—farmers desperate to offset increasing bank debt and increasing financial pressure. Buybacks lead to stranded assets and waterless properties and do absolutely nothing to help struggling regional communities. Buybacks create uncertainty.

There is also considerable uncertainty in the Riverina due to a $600 million takeover bid for SunRice by the Spanish food giant Ebro. SunRice employs more than 600 highly skilled and qualified people in Australia and an additional 700 overseas. SunRice is a valuable Australian owned food business and one of the largest rice food companies globally. SunRice typically feeds up to 40 million people per day in more than 60 countries with high-quality Australian grown rice. Ebro is the world’s largest rice producer and has its sights set on SunRice in an attempt to increase its Asian presence. The Madrid based company has even improved its bid to buy SunRice by extending its commitment to buying rice at the benchmark Californian paddy price from five to seven years. Ebro has offered a good price at a time when rice growers are understandably wondering about their future.

Of course, a takeover of this magnitude brings the Foreign Investment Review Board into play. The Treasurer will also ultimately decide the fate of the deal. I am fearful that farmers who want to remain in the industry will be left in the lurch. Many other sectors—for example, dairy with the buyout of cooperatives—have found that the short-term financial gain to individual members is outweighed by long-term impacts such as reduced farm gate prices through the loss of market power. Companies can make guarantees for seven years, but what happens after that? We will not be able to control the price and we will not control any of the assets. While the decision comes down to individual investors or grower shareholders, farmers should recognise that once they lose majority control the focus of these operations will shift to the interests of the overseas shareholders. It is a deal which raises more questions than it gives
answers in a region which, at the moment, needs confidence, not more uncertainty. *(Time expired)*

**Hindmarsh Electorate: Road Safety**

Mr GEORGANAS (Hindmarsh) (9.33 am)—I rise to highlight the real and urgent need for traffic lights or other traffic controls to be installed at the intersection of Africaine Road and Tapleys Hill Road in Glenelg in my electorate. This intersection will be a major exit point for Glenelg and Glenelg North residents exiting the peninsula during the one-year construction period of the new, federally funded King Street Bridge. With the exit from the peninsula falling on the northern side of the suburb, many residents exiting need to turn right onto Tapleys Hill Road to access their shops, services and other major roads. However, turning right from Africaine Road into Tapleys Hill Road is fraught with difficulty and can be extremely dangerous.

Tapleys Hill Road is a notoriously busy major road with speed limits of 80 kilometres per hour in some parts. It is also a transport route for medium and heavy vehicles. The main dangers are not only the speed of the traffic along Tapleys Hill Road but the low visibility that drivers turning right out of Africaine Road have in both directions because of the curvature of the road. There is also limited space in the centre of the road to cross halfway and then wait safely for the traffic to clear on the other side of the road before continuing. The absence of a left turn lane out of Africaine Road also causes problems, as drivers waiting to turn left must queue behind those who are forced to wait a considerable time for a safe gap in the traffic to turn right.

These issues were highlighted most recently by an accident involving a constituent of mine who lives on the peninsula, Mr Peter Bijok, just weeks ago. He was a passenger in a car which crashed into a taxi when it tried to turn out of Africaine Road. Fortunately, Peter was okay, but I am deeply concerned that we do not have any more major accidents, fatalities or serious injuries. That is why I am 100 per cent behind my constituent’s call for traffic lights to avert such a disaster—or some sort of traffic control in that area.

I have received many letters, phone calls and emails to my office in recent weeks in support of the proposal. And I have been working hard to ensure that the City of Holdfast Bay, along with the state government, which shares responsibility for this issue, listen to us. There is nothing more important to me than ensuring all levels of government take responsibility for the safety of their people, and this is one issue which I will continue to fight for on behalf of all my constituents.

I have recently had a meeting with the office of the state minister for transport, Mr Patrick Conlon, who have assured me that they will work closely with us and the residents to try and do all that they can to come up with some sort of traffic control management in that area. I met with the local council last week. We had a discussion about how we could work this and go forward to ensure that we come up with a good solution that will service the people of Glenelg North when they are using Africaine Road onto Tapleys Hill Road while the federally funded King Street Bridge is being built.

**Egypt**

Mr ANDREWS (Menzies) (9.36 am)—The peaceful democratic movement in Egypt has seen regime change, and will hopefully see the ushering in of a new era in that country’s his-
tory. As the country moves towards democracy, as we hope it will, it is important that religious tolerance be at the fore of the construction of a harmonious and unified state. Under the previous regime the Christian population in Egypt, estimated at some 15 per cent of the 80-odd million Egyptians, faced unprecedented discrimination and persecution. It was clear that, despite constitutional assurance of religious freedom, Copts were treated unfairly, were discriminated against and were at times targeted in what can only be condemned as disgraceful acts of religious hate crimes, and law enforcement was reluctant to act where violence was being promulgated against Christians. Copts were not able to repair their churches; they were not able to raise funds for their churches. Converts to Christianity were, under the brutal regime of Hosni Mubarak, unable to alter their national identity cards, although there was no such obstacle for converts to Islam.

The military junta that is now in control of the Egyptian state pending democratic elections demonstrated their loyalty to the people of Egypt during the recent crisis. The military are respected by the people and did the right thing by the people of Egypt. They must now demonstrate that they are truly committed to affording liberty, freedom and protection to all Egyptians.

My electorate of Menzies, in Melbourne’s outer-eastern suburbs, boasts a large and very proud Copt community. It is a close-knit community with the church at its centre. Bishop Suriel and his team at the Donvale Coptic Orthodox Church oversee a comprehensive parish program and community support services, something they are in the process of expanding at the present time.

Copts have long been persecuted by Islamist jihadi radicals. I have long expressed concern in this place about the treatment of Copts in Egypt. With the end of the Mubarak regime, I join with the Coptic community in calling on the current military leadership to bring immediate change to Egypt and to afford true freedom and true protection, including religious freedom, to the Copts of that country.

WikiLeaks

Mr DANBY (Melbourne Ports) (9.39 am)—Twice I have been named on the front page of the Melbourne Age in their so-called WikiLeaks special reports. On neither occasion did Philip Dorling, the journalist, or his editor, Paul Ramadge, give me a chance to comment on these articles. This is surely a breach of journalistic ethics, and occurred even though I know Philip Dorling very well. Some American diplomat was reported in one of these leaks that I disagreed with former Prime Minister Rudd on asylum seekers. I do not resile from those views at all. In fact, they were reported on the front page of the Age at the time—some revelation, some secret!

WikiLeaks is a mixed bag. No-one supports the jailing of Julian Assange. Certainly I agree with American Ambassador to Australia, Jeff Bleich, that the exaggerated claims of certain people in the United States calling for Assange to be charged with treason and executed are of course ridiculous. But WikiLeaks has a mixed effect. Anwar Ibrahim, the Malaysian opposition leader, had a leak released on him of an anonymous diplomat in Singapore confirming the allegations of sodomy against him. That was of no help to the democratic movement in Ma-
laysia. Similarly, in Kenya there were a large number of deaths as a result of a WikiLeaks revelation.

It is very instructive for people who are interested in civil liberties and support human rights that Julian Assange has fallen out very strongly with the Guardian and the New York Times over some of his activities, which are not all in the direction of supporting human rights or civil liberties. He likes to portray himself as a lonely anarchist warrior, a fighter for transparency and human rights, but in my view he is more Bazza McKenzie than Bakunin. He gave an extraordinary interview to British television the other day. When asked about why the women in Sweden had taken up these charges against him, he said, ‘They got in a bit of a tizz when they discovered that I was double parking.’ What kind of a person would say something like that on British television? It disgrace all Australians and makes people think that Australian men have such sexist views. I think the bloated barristers and paid agents he has got on television screaming with hysteria about him being extradited to the United States are saying what you would expect people who want to fatten their cheques to say.

On examination, WikiLeaks is a mixed bag. It is good that we are aware of some of the issues that have been revealed, but the revelation of individuals involved and the jeopardising of individual people’s security and privacy is something we have to balance against that. There is a very brilliant paper written by Goor Tsalalyachin on WikiLeaks and national security for the Henry Jackson Society and I would recommend that any serious person who wants to examine the overall effect of WikiLeaks look at that. 

(Time expired)

Donor Conception Support Group of Australia

Mr IRONS (Swan) (9.42 am)—I rise this morning to speak about an important report tabled in the Senate on 10 February. This report is entitled Donor conception practices in Australia and I want to bring it to the House’s attention. Almost exactly one year ago I spoke in the House on behalf of the Donor Conception Support Group of Australia. Members of the group had visited the parliament to call for an inquiry into donor conception practices in Australia and as patron of the Donor Conception Support Group I was pleased to be able to support their cause.

I was a foster child and I know there are other members in this place who have been adopted. I, along with those members, certainly empathise with members of the donor conception group who want to find their relatives. It is perfectly natural for people to try to seek out their biological family and, despite the controversy which often surrounds this topic in public debate, I will do what I can to help their cause in the federal parliament because I know what it is like to wonder who your parents are and who your siblings are. On behalf of the group, I would like to thank all the members of the Legal and Constitutional Affairs References Committee for making this possible. The report and its recommendations have the potential to make a big difference to the lives of thousands of donor conceived Australians across the country and we cannot just let it collect dust on a library shelf.

I want to talk about a couple of the 32 recommendations that have emerged from this report and, in doing so, urge the government to give serious consideration to them. One of the first recommendations calls for nationally consistent legislation on donor conception that should include at a minimum:
• a prohibition on donor anonymity;
• a limit on the number of families a donor is able to assist;
• rights of access by donor conceived individuals to identifying and non identifying information about their donor and siblings; and
• protection for the welfare and interests of donor conceived children.

There is no doubt that drafting such legislation will be challenging for the government, but I believe it will be well worthwhile. We should not forget the story of Leonie, a member of the group, who found out her son has a total of 29 half-siblings conceived across two states. When you hear statistics like this, it is unsurprising that one of the key concerns of the Donor Conception Support Group is the worry of consanguineous relationships.

Many IVF children want to know that their father is more than just a test tube. There are compelling reasons to implement many recommendations from this report. Perhaps the key recommendation of the report is the call for a national register of donors and page 105 stipulates that any register should operate according to four principles. This register would be the central plank of any reform. In conclusion, I would like to bring attention to some thought-provoking recommendations in the report, many of which the government should seriously consider. New legislation is certainly required to regulate this industry and I urge the government to make an immediate start. In the meantime, both I and the donor conception support groups look forward to the federal government’s responses to the recommendations of this report.

**Throsby Electorate: Avoca Public School**

Mr STEPHEN JONES (Throsby) (9.45 am)—On Thursday last week I had the great pleasure of attending the official opening of a new purpose built classroom at Avoca Public School in the Southern Highlands, a part of my electorate. One of the great privileges of being a member of parliament is the opportunity to attend wonderful events such as this. Avoca Public School was established in 1872. The original stone building still stands on the site. It is on the top of the hill. It is one of the central features of the village. It is a landmark. It is now used as a library for the school.

I would like to take this opportunity to congratulate the entire school community, the parents and friends association and in particular the school principal, Ms Janine Hopwood, as well as teacher Serena Morgan and the school assistant, Sally O’Dwyer. It is a two-teacher school. They do a fantastic job. There is a wonderful sense of community within that school. I also had the great pleasure of meeting newly minted school captains Olivia Yearsley and Sean Young and numerous other representatives of the student body.

The school principal, Ms Hopwood; school staff; parents; and tradespeople have worked hard to deliver on this important project. What they have managed to do with support from the federal government is to remove from the site a building that has been described by them as mouldy, ratty, smelly and something that the kids hated to go into and replace it with a purpose built classroom. It is a fantastic outcome. I would like to recognise the work of everybody who has been involved in the project.

Now that the project has been completed, teachers and students will be able to enjoy teaching and learning in 21st century facilities that sometimes are not enjoyed by children and school communities in regional Australia—facilities that they richly deserve. The public
school at Avoca received $351,000 under the National School Pride program and Primary Schools for the 21st Century element of the Australian government’s BER program. It is well known in this place that the program was a key part of the government’s $42 billion economic stimulus plan, a plan designed to keep Australians in work and our economy out of recession. In particular, it was designed to ensure that the construction industry remained vibrant throughout the global financial crisis. While at the ceremony I had the great pleasure of meeting Mr Keith Jackson, who had celebrated his 80th birthday that week. Mr Jackson’s family and the family of his wife have lived in the region for over 100 years. He attended Avoca school. It is a testament to the community spirit that he turned up to an event such as this.

Petition: Bradfield Electorate—Turramurra Post Office

Mr FLETCHER (Bradfield) (9.48 am)—I rise to present a petition concerning Turramurra Post Office. The petition has been approved by the House of Representatives Standing Committee on Petitions.

The petition read as follows—

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

This petition of the residents of Bradfield draws to the attention of the House the announced closure of the Turramurra Past Office in New South Wales and notes that:

* it is located within retail, commercial and banking precinct where businesses rely on its services;
* provides a range of postal services to a large number of senior and elderly citizens;
* causes enormous inconvenience with this closure and the relocation of private postal boxes out of the area and
* Turramurra Post office is a profitable Australia Post outlet

We therefore ask the House to: urge the Minister for Broadband, Communications and the Digital Economy Minister Assisting the Prime Minister on Digital Productivity to use his power under the Australia Post Act to consult with the Australia Post Board regarding the closure of the Turramurra Post Office, located in Bradfield, on the grounds of the demographics of the members of the community and the inconvenience it causes local residents and businesses,

from 811 citizens

Petition received.

Mr FLETCHER—I have previously raised the issue of Turramurra Post Office in this chamber. The petition concerns the community’s reaction to the decision taken by Australia Post to shut the Turramurra Post Office. This decision first became known to the community when a ‘for lease’ sign appeared outside the front of the Turramurra Post Office. At that point, I contacted Australia Post to ask what was happening with the Post Office in response to inquiries by a number of concerned constituents. Australia Post advised me that they were indeed planning to shut down the Turramurra Post Office on 28 January. In response, among a range of actions, I initiated a petition and there was a substantial response in the community. At the same time, my state colleague Barry O’Farrell, the member for Ku-ring-gai, also initiated a petition and that will be tabled, I understand, in the New South Wales parliament later in the year. Barry has some other priorities in the next few weeks.

The petition draws the attention of the House to the announced closure of the Turramurra post office. It notes that it is located within a retail, commercial and banking precinct, it provides a range of postal services and, amongst other things, the closure would cause enormous
inconvenience and the relocation of private postal boxes out of the area would also cause enormous inconvenience.

In addition to the petition that I tabled today, the community has supported me in a range of other actions. Nearly 300 residents of Turramurra and concerned local businesspeople attended a community meeting in mid-January. I thank everybody who made the effort to turn up. Quite a few people were unable to fit into the hall we had booked on fairly short notice for the event and so listened to proceedings through a loudspeaker on the lawn outside. A senior executive of Australia Post attended at my request and she heard directly from the community about their concerns. Subsequently, Australia Post made written commitments in regard to continuity of service and has now established a new community postal agency at Eastern Road in Turramurra.

With the assistance of community representatives we formed the Turramurra Post Office Action Group and that group is continuing to monitor the performance by Australia Post on its written commitments. I thank all in Turramurra who have been involved in this and all who have signed this petition. I am very pleased to table this petition to inform the House of this important matter.

Petrie Electorate: Building the Education Revolution Program

Mrs D’ATH (Petrie) (9.51 am)—I rise to talk about the overwhelming success in my electorate, Petrie, of the Building the Education Revolution program. I have had the opportunity previously in this chamber to talk about Aspley East State School’s new library, opening learning areas and multipurpose rooms; St Paul’s School’s new junior library and classrooms; Bald Hills State School’s new multipurpose hall and library; Clontarf Beach State School’s multipurpose hall and extended library; Kippa-Ring State School’s multipurpose hall and new library; and Mueller College’s new classrooms and science and language centres. It is wonderful to see so many schools also using not just the P21 funding but the pride funding to actually purchase and implement smartboards through many classrooms now to give primary school students the benefit of using technology at an early age. Many of the extensions to existing libraries were done to accommodate separate rooms for the computers to once again give primary school children the opportunity to learn how to use important technology early in their lives.

I have seen these facilities not just being utilised by the schools over the last 12 months but actually being utilised by the broader community, as the Labor government planned that they would. I have seen churches using them in the evenings and on weekends. I have seen local communities using them for forums about important projects going on in the area so that they could meet and talk about the views of the broader community in relation to those projects. It is wonderful that these facilities are not just about supporting the schools but about the broader community.

I am very proud of the fact that with the start of the new school year in 2011 Deception Bay Flexible Learning Centre now has a new covered outdoor learning area; Deception Bay State High School has a new language centre; Aspley Special School has a new multipurpose hall; Redcliffe Special School has a new multipurpose hall; Redcliffe State High School has a combined trades training centre and science and language centre; Grace Lutheran Primary School has a new library, tuckshop, toilets and refurbished classrooms across the entire school; and Clontarf Beach State High School has a state-of-the-art environmental science
centre, which was visited by the Prime Minister when we had the community cabinet there in December 2010. Also, I am aware that Hercules Road State School is nearing completion of its new sports hall. This hall will be used not just for sporting activities but for outside-school-hours care. The BER programs—(Time expired)

Cook Electorate: Kerr, Mr Malcolm

Mr MORRISON (Cook) (9.54 am)—I rise today to pay tribute to my state parliamentary colleague the member for Cronulla, Malcolm Kerr. Malcolm Kerr was elected in 1984 and in his maiden speech he quoted the great Edmund Burke:

“It ought to be the happiness and glory of a representative to live in the strictest union, the closest correspondence, and the most unreserved communication with his constituents. Their wishes ought to have great weight with him; their opinion, high respect … It is his duty to sacrifice his repose, his pleasures, his satisfactions, to theirs; and above all, ever, and in all cases, to prefer their interest to his own.”

Malcolm Kerr has lived that for the last 27 years in our state parliament. He has lived that in our community, of which he is a dear friend. Malcolm has campaigned over this period of time and exemplified those great campaigning skills you would expect of any great local member. He has campaigned on roads, on beaches, on waterways, on schools, on hospitals and on youth issues over a very long period of time. In particular, he has been a strong advocate for law and order issues, protection and support for our police service and the integrity of our legal system. These are things that have marked out his career as a local politician doing a great local job for a great local community.

Malcolm has also stood up to recognise our great cultural heritage in this country. As a fellow representative of the area of our nation’s modern birthplace at Kurnell, Malcolm has always sought to honour the stories of our past, which go back not just several centuries but several thousand centuries. He has sought, like others and me, to try to tell and celebrate these stories together, rather than have them be a cause for division. He has celebrated cultural diversity, as I share in doing with him. In the comments he has made in our community he has always said that we must achieve unity in our efforts as much as we seek to recognise diversity. We do that through a sense of shared values that have been time honoured over our great history.

Malcolm has championed the cause of freedom of religion. As someone with a fellow faith to Malcolm, that is something that we share in great commonality. If we do not have freedom of religion in the religion that we practise then others cannot also have it. That is the shared sense of freedom of religion which I think all members in this place celebrate.

Malcolm is a great friend of our community—they love him and they have reason to love him. He has been an honourable friend to them; he has been at everything he should be at, and more, because of his great love and affection for his community. Malcolm is a friend of mine who has gone through difficult circumstances of late in suffering from depression, and I am so pleased to report to this House that he has conquered that through great strength, through the support of his friends and great care from the medical services.

As we go forward an election presents itself, and I wish all of those Liberal candidates who are standing in the shire—Mark Speakman, Graham Annesley, Melanie Gibbons and Lee Evans, every success. (Time expired)
Shortland Electorate: Central Coast National Servicemen’s Association

Ms HALL (Shortland) (9.58 am)—I rise today to congratulate the Central Coast National Servicemen’s Association on 15 years of service to the community, camaraderie and setting a really wonderful example for the community. Last Sunday I attended their 15-year anniversary. There are still 15 foundation members who are members of the Central Coast Association. The current president is John Carruthers, the secretary is Edna Daniels, Terry Zorbas is the vice president and John Harris is the treasurer.

During the 15 years that the Central Coast National Servicemen’s Association has been operating they have raised $55,000, which they have put into the community. It is an organisation that is built on the time that as young men they were forced to leave their jobs and come together to do national service. They had their lives interrupted, but out of that was built a strong bond which developed amongst them. I think it was this strong bond that continues and that has led to them combining to raise funds for their community.

The first president of the association was Barry Martin. He was president for only a very short period. Then John Carruthers, the current president, took over and was president for 4½ years. Milton Petit followed him. Unfortunately Milton is no longer with us, but he was a great worker in the community. Ron Marlins, who was president for about four years, made an enormous contribution. Dennis King and Laurie Bartlett have also served as president. They have all contributed enormously. They gave money to Wyong Hospital and they regularly give money to the girls and boys of the Australian Air League and to the Army Cadets. They have given to the dialysis unit, SES and cancer appeals.

I would like to put on record my particular thanks to the National Servicemen’s Association for allowing me to work with them and I thank them very much for the great honour they bestowed on me on Sunday in awarding me life membership of their association. Thank you very much. It gives me great pleasure to share with the House the great work that this group does within the community.

The DEPUTY SPEAKER (Hon. Peter Slipper)—Order! In accordance with standing order 193 the time for constituency statements has concluded.

SCREEN AUSTRALIA (TRANSFER OF ASSETS) BILL 2010

Second Reading

Debate resumed from 21 February, on motion by Mr Crean:

That this bill be now read a second time.

Ms BRODTMANN (Canberra) (10.01 am)—I rise today to speak in favour of the Screen Australia (Transfer of Assets) Bill 2010. This bill will facilitate the transfer of part of Screen Australia’s film library and associated sales and digital learning function to the National Film and Sound Archive.

The government recognises the importance of film to the Australian identity. That is why in 2009-10 it invested $93.6 million in Screen Australia and $23.7 million in the Australian Film, Television and Radio School. This funding does not include the Producer Offset scheme. Between July 2007 and November 2010, 233 productions received an offset that delivered $252 million in support of the industry—films such as Tomorrow, When the War Began and TV shows such as the popular Underbelly series, which, may I point out, was co-
written by my friend and former colleague from the University of Canberra, Felicity Packard. Felicity and her husband, Arthur Hill, who works for the ABC, are well known and well loved in Canberra. They are Canberra royalty in some ways, part of an old Canberra family. They are both incredibly talented people and we are proud that they continue to call Canberra home. It is likely that without the work of Screen Australia these culturally significant, popular and successful productions would not have got off the ground.

Screen Australia has also invested in two documentaries produced locally here in Canberra: For Valour and As Australian As. Another, by the name of The Digger: A History, is in the works. For Valour is a documentary for the History Channel that explores the stories of the Australian servicemen commemorated along the Remembrance Driveway for winning the VC, the Victoria Cross, in conflicts from the Boer War to the war in Afghanistan. As Australian As is a 10-part series for the Biography Channel in which eminent Australians amusingly, movingly and provocatively give their thoughts on what it means to be ‘as Australian as’. The feature-length documentary The Digger: A History is also for the History Channel and travels to the battlefields of South Africa, Egypt, the Western Front, New Guinea, Korea and Vietnam telling individual stories and illustrating actions and events that have defined the character and created the reputation of the Australian fighting soldier—the digger. These have all been produced by the local production company Bearcage here in Canberra.

Screen Australia is also responsible for the development of talent within the Australian film and television industry. In the ACT, for instance, Screen Australia and Screen ACT cosponsored Project Pod 2010. The aim of Project Pod is to increase capability and capacity in screen project development and support a group of targeted top projects to a market-ready stage. This support has been well received by the local industry here in the ACT. It is a small industry but a vibrant one, and, with the continued help of Screen Australia, it will continue to thrive and create a new centre for employment in Canberra. As I have said before, we have a very strong animation industry here and, as you can tell from what I have just explained, we also have a very strong film industry and documentary industry.

The Gillard government is not just committed to the development of Australian film and television. It is also committed to preserving and documenting our past—our history—through the work of the National Film and Sound Archive. The National Film and Sound Archive is a Canberra icon and a national icon. It is that fabulous old art deco building just beside the ANU, on the north side in my colleague the member for Fraser’s electorate. It currently holds over 1.6 million works, including film, television and radio programs, audio tapes, CDs, vinyl records, phonograph cylinders and wire recording. It also includes associated artefacts, such as photos and posters, scripts, costumes and vintage equipment.

The work of the archive can be traced back to 1935 with the creation of the national historical film and speaking record library at the National Library, which is in my electorate of Canberra. Over that time, it has changed names and legislative arrangements. However, its current iteration dates back to 2008, when the Labor government delivered on an election promise to de-merge the archive from Screen Australia and establish it as its own statutory authority. The task given to the archive, of preserving the works of Australian filmmakers, is essential in recording the development of an Australian industry, and it is essential in recording the history of our nation and the history of Australian culture. In 2009-10, the government invested $25.2 million in the National Film and Sound Archive to support its work,
and it is through this internationally recognised work that we have been able to preserve such films as the 1906 *The Story of the Kelly Gang*, that infamous film, and—

*A division having been called in the House of Representatives—*

_Sitting suspended from 10.07 am to 10.22 am_

**Ms BRODTMANN**—As many in this chamber would know, *The Story of the Kelly Gang*—that iconic 1906 film—was not just Australia’s first feature-length production but was recognised in 2007 by UNESCO as being the world’s first. Until recently, only about 10 minutes of this film was thought to have survived; however, through the work of the National Film and Sound Archive more film was found and restored, which means the Australian public can now see 17 minutes of the original 60-minute film.

This is just one example of the work done to preserve our rich cultural heritage kept on film. I support this legislation because of the terrific preservation work of the archive. But this is not to disparage the work of Screen Australia and its library. It has become clear since the establishment of these agencies that some functions currently undertaken by Screen Australia would be better placed within the National Film and Sound Archive. I speak mainly of the portion of the Screen Australia library that was produced by Film Australia and its predecessors. The Screen Australia library of film is one of the largest, at approximately 5,000 films and associated material, and one of the most historically significant sources of archival, documentary and stock footage in the country. This bill will also transfer the sales and commercial function that goes with that library, as well as the associated digital-learning function. The sales function relates to the commercial use of the film library’s holdings, while the digital-learning function relates to the online educational resources that use film and stills to provide a rich source of material for learners of all ages, from primary school to university and beyond.

As the National Film and Sound Archive is Australia’s premier and specialist collecting institution, it makes sense that the items I mentioned, currently stored by Screen Australia, should be transferred to it. This transfer will complement and enhance the direction already set by the National Film and Sound Archive to provide greater online content and improve access to its collection of audiovisual materials. It will ensure that this material is preserved and made available to generations to come.

Before I close, I would like to do a plug for the National Archives Shake Your Family Tree Program event tomorrow. It is being done in conjunction with a range of archives, including the National Film and Sound Archive, and it is going to be lots of fun for Canberrans. If their family migrated here in the 20th century, served in the defence forces, or worked for, or had any other dealings with, the Australian government, they can ‘shake their family tree’ and possibly find some of their family history.

There will be a whole day of activities. One that is of particular interest is the unexpected discoveries panel discussion. Peter Cundall, the environmental activist and gardener, who is well known to most of us in this House, journalist James Massola, who used to work with the *Canberra Times* and is now with the *Australian* online, and author Jackie French will reveal some of the surprises that were unearthed while researching their own family history. I am sure you have seen the shows on television in which celebrities from the UK and Australia have traced their family histories. It has been absolutely fascinating—disappointing and up-
setting at times, but a revelation for them. It has also been very deep and meaningful in giving
them a greater sense of identity through unearthing what their family was all about. Some get
murderers, some get criminals, some get barons—all sorts of things. It will be interesting to
see what comes of that event. I recommend to Canberrans the Shake Your Family Tree event,
which is on tomorrow.

I commend the bill to the House.

The DEPUTY SPEAKER (Hon. Peter Slipper)—I thank the member for Canberra and I
draw her attention to the relevance provisions in the standing orders.

Mr LAURIE FERGUSON (Werriwa—Parliamentary Secretary for Multicultural Affairs
and Settlement Services) (10.26 am)—Regardless of one’s passions, sometimes there is a
degree of reticence in speaking on some bills. Having endured a particularly banal attack on me
about a year and a half ago by one of our leading gossip columnists, who parades as a politi-
cal commentator, for having a passion for foreign film—apparently that is a crime—I never-
theless speak on the Screen Australia (Transfer of Assets) Bill 2010. Both the National Film
and Sound Archive and ScreenSound Australia have fulfilled very worthwhile purposes for
this country. However, looking at the background notes which describe the various manoeu-
vrings of those organisations and their history, I am reminded of all the double-crosses that
Gabriel Byrne experienced in Joel Coen’s film Miller’s Crossing, because quite a tortuous
Byzantine process has led us to these two fine organisations. Obviously there seems to be
merit in placing the 5,000 items that ScreenSound Australia has, and also its digital educa-
tional role, with the other organisation and consolidating into the one body, the National Film
and Sound Archive of Australia.

Both organisations have done very good work and they tell us a lot about our history. I was
at a recent showing of the preserved film The Last Days of Chez Nous, by Gillian Armstrong.
I recall seeing it many years ago, and it really was a film about my period at university et cet-
era, filmed essentially in Glebe, Sydney. It is good to see that the film is going to be preserved
permanently. It certainly is a part of this country’s history. Sydney, inner city life, relation-
ships, a cottage in Glebe: it really is necessary that that kind of thing be preserved. If you look
at the reality, 90 per cent of our pre-1930s film is missing. That is a pretty sorry story, but it is
not peculiar to Australian film. Occasionally you see very famous German films from the
1920s found in obscure cinemas in New Zealand. It is very worrying that we have not kept
this history, but it is great to see some of the work being done. The glass panel at the National
Film and Sound Archive was a revolutionary item in film in 1927, when it was utilised in For
the Term of His Natural Life, which of course is a major story in this country.

It is also interesting to look at the history. The previous speaker briefly referred to the work
done on The Story of the Kelly Gang and the fact that we now have about a third of it. It is
interesting to look at that in the context of its social history. When it was shown in 1906 it
returned £25,000. Interestingly, the film was banned in Victoria, in Benalla and Wangaratta. It
was stated that the showing of that film caused young boys to commit a robbery in Ballarat. It
is interesting to look at the impact that the film was seen as having.

As I said, Screen Australia has 5,000 titles that cover everything from royal visits to the
migration history of this country—the arrival of people, which is very contemporary, with a
recent SBS production—the social life, agriculture, the armed forces and all of those things. It
is also actively engaged in international film festivals around the world, trying to promote
Australian films, a very difficult process. It is involved in developing production market intelligence and it is gradually putting up Australian biographies on the website, the stories of people who are relevant to our industry—their experiences and the way that they came to the industry.

On the other hand, the National Film and Sound Archive is described as aspiring to be ‘the world’s premier archive of Australian audiovisual and emerging media cultural heritage’. In its last annual report, it notes that it faces the critical challenge of finding adequate storage for the collection. That is obviously important, because the reason we do not have 90 per cent of our pre-1930 material is that the films would have lain around cinemas in Guildford or Prahran and basically, over time, been forgotten about or found to be getting in the way of other things et cetera. So it is interesting that even our national film archive body has challenges in regard to its storage capacity. The NFSA also expresses concern in that same report about the challenges of the collection’s digitisation and accommodation for the material. However, I am pleased to see that it is engaging with Indigenous film and also with ethnic communities in this country so that we make sure that what we do preserve, promote and are actively engaged in is not just what could be seen as mainstream.

Some of the material they hold is of interest on a local level. I am surprised that they have film of 1930s soccer in this country. There is a local facet to that because two of the few areas of soccer’s popularity in New South Wales, besides the mining fields and the Wollongong south coast region—because of British mining migration—were around Granville and Auburn in Sydney. They were two of the few areas where soccer was strong in the 1930s, so it is worth while that we are preserving that period in Australian history, when the teams were essentially run by companies. Metters and Goodyear were basically running the sport in this country.

Another instance of the kind of work they are doing is Captain Thunderbolt, a 1953 production. Because it was not released widely in this country, despite being an Australian production, it reached the stage where it was eventually cut by one-fifth for television, and that part was essentially lost.

The NFSA is an organisation that has, as people have noted, 1.6 million items, composed of over 300,000 audio recordings, over 400,000 moving image recordings and 870 very variegated artefacts and documents. Having noted the operation, over two years, of the separate organisations, there seems to be a sound logic behind making sure that that which is the major archival site for Australian material does in turn receive those other 5,000 items, and that the commercialisation, promotion and, as I said, digital education role does lie with the one organisation. I commend the bill to the House.

Mr CREAN (Hotham—Minister for Regional Australia, Regional Development and Local Government and Minister for the Arts) (10.33 am)—in reply—It is a pleasure to follow both the member for Canberra and the member for Werriwa—the member for Canberra because she represents the area in which the National Film and Sound Archive is housed and the member for Werriwa because of his love of film and history, and I think we have just heard a reinforcement of that. I was also interested to note the early model of regional censorship, with The Story of the Kelly Gang being banned in Benalla! That is certainly not the intended direction of our regional policy, but it is an interesting historical reflection. We do have a proud tradition in film, and it is important that we record it and house it, catalogue it and util-
ise it so that people can not only have access to it but also use it as an educative and informative tool. I have had the opportunity to visit the National Film and Sound Archive and they do a great job.

Essentially, this is a simple proposition in the Screen Australia (Transfer of Assets) Bill 2010. It facilitates the transfer of part of Screen Australia’s extensive film library and its associated sales and digital learning functions to the National Film and Sound Archive, so the National Film and Sound Archive will become the National Film and Sound Archive of Australia. It will hold a complete and ongoing collection. This transfer from the film library is one of the largest and most historically significant sources of archival, documentary and stock footage in Australia and it will ensure that this valuable resource is preserved and developed into the future. The transfer will also enhance and complement the National Film and Sound Archive of Australia’s new direction, providing greater online content and improving access to its collection of audio and visual materials. I commend the bill to the House.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

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

STATUTE LAW REVISION BILL (No. 2) 2010

Second Reading

Debate resumed from 24 November 2010, on motion by Mr McClelland:

That this bill be now read a second time.

Ms JULIE BISHOP (Curtin) (10.37 am)—My colleague the member for Stirling has opposition responsibilities for this legislation, but he is absent from parliament today on parental leave. He and his wife, Georgina, have just had a baby boy, William. So, while sending him my congratulations, I note that his absence means I have responsibility for the opposition’s response to this legislation. On the face of it, the Statute Law Revision Bill (No. 2) 2010 is unlikely to generate much public debate or indeed any public interest. But every bill presented to this parliament deserves considered analysis, and so I will try to give this bill appropriate scrutiny—its moment in the sun, its 15 minutes of Warholian fame.

According to the explanatory memorandum, the main purposes of the bill are to correct technical errors that have occurred in acts as a result of drafting and clerical mistakes, and to remove references to specific ministers and departments so that when changes are made to the Administrative Arrangements Order legislation does not need to be amended. The bill also contains amendments to modernise language, to ensure consistency of language and to make other technical amendments in certain legislation. The bill also repeals a number of acts that are obsolete. My interest was immediately sparked by the provisions regarding the names of ministers. It seems that it will make it so much easier for the Prime Minister to correct those fundamental errors that she made when first announcing her cabinet after the election. Colleagues will remember that she had to make a number of hasty amendments. Through sloppy administration or oversight—or perhaps it was a deliberate dig at some of her colleagues—she had to make a number of changes.
Ms Hall—Point of order, Madam Deputy Speaker: I would like to draw your attention to the content of the bill. The shadow minister is not being relevant.

The DEPUTY SPEAKER (Ms K Livermore)—I ask the Deputy Leader of the Opposition to confine her remarks to the bill before the Committee.

Ms JULIE BISHOP—I certainly am. I am referring to the provision making it easier to make changes to ministerial titles without having to go back and refer to parliament. It also will make it much easier for the Prime Minister to reshuffle her cabinet. And most certainly a reshuffling of the cabinet is well and truly on the cards, as we have seen the Assistant Treasurer auditioning for the Treasurer’s position every day in question time. There is also a concerted effort within the AWU to replace the Minister for Trade. So these provisions will assist the Prime Minister—

The DEPUTY SPEAKER—Order! The Deputy Leader of the Opposition will confine her remarks to the bill before the Committee. This is straying away from the substance of the bill, and I call her back to the bill before the Committee.

Ms JULIE BISHOP—I would hope that the Chief Government Whip is not being too precious about this. Let me give you an example. When the Prime Minister drops the word ‘multicultural’ from a parliamentary secretary’s title and then merely days later decides to insert the word ‘multicultural’ in a title for political purposes, this bill will make it much easier for her to do that.

As for the purpose of attempting to modernise the language in our statutes and laws, I am certainly in favour of that. After all, even a reading of Shakespeare invites some to observe: to modernise or not to modernise, that is the question. In fact, the many changes—and the explanatory memorandum runs to some 26 pages of amendments; this is a substantial matter—grapple with issues such as the use of a capital ‘I’ for internet in legislation, as included, for example, in the Corporations Act 2001. So this bill seeks to replace ‘Internet’ with an uncapsitalised common noun—that is, ‘internet’. In case you think this is an arcane point, there is an internet standards community which has differentiated between ‘the Internet’, a proper noun with a capital ‘I’, and ‘internet’, a common noun which is a contraction of the term ‘interconnected network’. I am pleased that this bill has now sorted that one out.

One of the other provisions contained in the bill is to change ‘authorize’ to ‘authorise’. It specifies the Marriage Act of 1961. I think this is just indicative of the perils of Microsoft autocorrect in word processing. I am not sure why this particular piece of legislation has been singled out for the correction of this drafting style. I am led to believe by the Parliamentary Library that there are literally hundreds of examples of such verbs, synonyms, hypernyms and troponyms. Take the word ‘modernise’ itself as opposed to ‘modernize’. We have at least corrected that as far as the Marriage Act is concerned.

As to the third purpose of repealing obsolete acts, it is important that we review our legislation from time to time to reflect contemporary circumstances. Times change and societies change, but this is not always reflected in the rules and the laws that govern us. Complexity in life begets complexity in legislation, and it can be a monumental task to simplify legislation once it has become complex and elaborate and also to remove from the statute books unnecessary or obsolete legislation. In fact, there is a global website dedicated to obsolete laws. Its address is www.dumblaws.com. It canvasses some of the quirky laws across the world that

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remain on the statute books. I would recommend that members read the section on Australia because it goes into some of the state, territory and federal laws that would go in the category of downright crazy laws.

Nevertheless, I do support this attempt to correct errors, modernise the language of some of the acts and repeal obsolete acts. This bill should be supported. More importantly, in fact, it should be supported because the government informs us that there are no financial implications arising from it.

The DEPUTY SPEAKER—The deputy opposition leader did not quite make the 15-minute Warhol benchmark but did it justice nonetheless!

Mr NEUMANN (Blair) (10.45 am)—I speak in support of the Statute Law Revision Bill (No. 2) 2010. It was a fascinating contribution from the shadow minister for foreign affairs. We are seeing the ructions, the rancour and the rifts in the coalition about her position and her description—

Ms Julie Bishop—Madam Deputy Speaker, I rise on a point of order. Having been admonished by you for not remaining relevant to the bill before the chamber, I point out that the next speaker is in fact attempting to stray from the topic in the same way. I am sure you will mete out equal punishment to him.

The DEPUTY SPEAKER (Ms K Livermore)—I take the member's point and I issue the same reminder to the member for Blair. I will be listening carefully.

Mr NEUMANN—I am mortified and horrified that the shadow minister is so precious about her own title when faced with the ambitious erstwhile colleagues who so desire her position.

The DEPUTY SPEAKER—Order!

Ms Julie Bishop—Madam Deputy Speaker, I must rise to take a point of order. The point of order is on relevance to the bill. I ask the speaker not to stray from the precise terms of this extremely important Statute Law Revision Bill, particularly in the presence of the esteemed Attorney-General.

The DEPUTY SPEAKER—The member for Blair will confine his remarks to the bill, please.

Mr NEUMANN—I will. Sadly the Australian Labor Party has only occupied the treasury bench about 30 per cent of the time since Federation—so, if we are to be held at fault for omissions and problems in relation to statute law revision, we will accept 30 per cent of the failure. Those opposite should accept 70 per cent. The good thing about statute law revision is that both sides of politics seriously have made attempts in the last 30 years to redress the problems. It is a serious issue if you have got legislation that refers to non-existent sections or there is an O where there should be a zero or there is an apostrophe missing or there is the word ‘also’ in some section which makes the section nonsensical. There can be chaos in a courtroom or in the community when it comes to understanding what a piece of legislation means.

Correcting drafting or clerical errors is important. We need to modernise the language. Sometimes old statutes need to be modernised. I can well remember, when I was studying law at the University of Queensland, seeing legislation that referred to women and children as
'chattels'. That was in legislation that was on the statute books. So there is a real need to seriously look at legislation to update the language to make sure it is consistent in style and reflects community standards of linguistics, morality, ethics and virtue. So this is important legislation.

I will run through some of the errors being corrected in the bill. There is a reference, for example, in the Australian Securities and Investments Commission Act to a subsection that simply does not exist. That should be changed. There is a reference in the Corporations Act 2001 to the Fair Trading Act 1987 of Queensland, when it should be the Fair Trading Act 1989. There are other things that need to be fixed up in the Corporations Act. It incorrectly refers to a section 610BA when it really should refer to 601BA. These are important changes to make. The word ‘website’ should be rendered as one word, not two words. If we were talking about 30 or 40 years ago that might be correct, but it is certainly not correct now. And, as the shadow minister for foreign affairs correctly pointed out, there is a need to be consistent with the capitalisation of the word ‘internet’, and the common usage should be used.

There is a typographical error, for example in the Customs Act, where the Arabic numeral ‘1’ is represented by the letter ‘l’. That is a mistake. There is a section of the Great Barrier Reef Marine Park Act that is totally redundant that incorrectly contains the number ‘6666’. There is a situation where an apostrophe is wrongly added after the word ‘representative’ in the National Consumer Credit Protection Act. In the Ozone Protection and Synthetic Greenhouse Gas Management Act, instead of H2O, which we know is water, the act has got H20. So there are some changes that need to be made.

In the Veterans’ Entitlements Act, ‘entitlements’ is wrong; it should be ‘entitlement’. We have also got, as I said before, the word ‘also’, which makes a nonsense of one of the other pieces of legislation that deals with proceeds of crime. There is a really bad mistake in the family law legislation where there is no particular definition referring to family violence. So a number of changes need to be made. I think a classic case of someone messing it up is the reference to steps ‘2, 2A’ and ‘2A’ a second time in schedule 6 of the Veterans’ Entitlements Act 1986. That is simply a duplication that needs to be removed. Sometimes we can make mistakes that simply make up words that cannot be found in the English language—for example, words in relation to tradeable water rights. The Water Act 2007 incorrectly makes reference to ‘tradable water rights’. The classic and best one that I could find was where the Water Act refers to not ‘mediation’ but ‘meditation’. That is something we should all think about. We see perhaps the need for mediation at question time, and the speaker talks about that. But I think at times as federal politicians we need to undertake just a bit of meditation, and with those words I support this legislation.

Mr SIMPKINS (Cowan) (10.51 am)—I would like to take this opportunity today to make some comments on the Statute Law Revision Bill (No. 2) 2010. As has been so well put by the two previous speakers this morning, there are a range of things that need to be fixed up across a great many pieces of legislation. I am sure that that will be the case in the future as well as we either adjust our language or adjust our view of the realities of the current moment. What so many think is the gospel truth now may be seen in a brighter light in the future. I was reminded recently by the member for Tangney, and I support him on this, that these days it seems that when you talk about CO2, you must have as an addition to that the word ‘pollu-
tion’. In the future, we might well see changes in law which reflect on the commentary of the current age.

I would like to cover some points with regard to item 6 in schedule 2 of the bill. When you reflect on what this Statute Law Revision Bill will be doing to fix up minor errors in legislation, you will find that it will make a lot of laws easier to understand. Within the context of the item in the schedule, I would like to take this opportunity to talk about some things that happened in the Cowan electorate in the lead-up to the federal election last year. There is a specific address that is very relevant in this matter—64 Wanneroo Road, Marangaroo. About a year and a half ago, the house at this address was reported to me as being derelict. It had squatters living in it. There had been a lot of damage done to it. It was uninhabitable by those who had been there and seen it. So it came to me as a bit of a surprise that this house was taken up by my principal opponent in the last election as an electorate office. Of course, this is completely contrary to by-laws, but the City of Wanneroo did not have any great problem with that. So when we talk about electoral laws a few interesting things can be done. Shortly after that house was taken up as a campaign office, I noticed in this derelict house that is not—

Ms Hall—Madam Deputy Speaker, I raise a point of order on relevance. I have had a look at schedule 2, item 6 and I would have to say that the contribution being made by the honourable member for Cowan is not relevant.

Mr SIMPKINS—I will go to that fact: this is about electoral and referendum amendments. When people appear on electoral rolls specifically to gain votes—

Ms Hall—Madam Deputy Speaker, further to the point of order: item 6 refers to changing ‘the’ to ‘a’. It is a very long bow that is being drawn and one that I do not think we can countenance.

The DEPUTY SPEAKER (Ms K Livermore)—The member for Cowan does have to make his remarks relevant to the bill currently before the Main Committee.

Mr SIMPKINS—Madam Deputy Speaker, I think that, with regard to pre-poll voting and other measures—

The DEPUTY SPEAKER—Order! Based on the reminders that have been given to others members in this debate, I do have to ask the member for Cowan to confine his remarks to the content of this bill.

Mr SIMPKINS—Under the circumstances, I guess I can fill the remaining minutes talking about the bill. As has been said, there have been a lot of aspects of Commonwealth law that have been locked in the past. When the member for Blair talked about women and children as chattels—and I know that he was not referring to a law that is actually to be amended here—I noted that that is something we are very glad to have seen the end of. Unfortunately, it is those parts of legislation that do appear in other countries, so it would be good if more countries around the world actually had bills such as the Statute Law Revision Bill (No. 2) 2010.

When we look through what we have here in the various schedules and amendments, we can see that there are a lot of interesting things that have been changed. I take up an issue that the shadow minister for foreign affairs spoke about: the use of ‘s’ and ‘z’ in the legislation. It always surprises me how things like this can occur, not just when you have things such as US to Australian spellcheckers but also when you have so many people involved in a process—
the public servants, the department and the drafters of laws that are tasked with getting these things right—yet these sorts of things still slip through. Mistakes are still made and it is bizarre, isn’t it, how you can have so many people looking over pieces of legislation yet mistakes are still made. That is unfortunate.

A number of unfortunate things have happened in the past and there is plenty of room for further amendments in the future with regard to a lot of laws. Since the Attorney-General is still here, I will say that I think there will be plenty of room in the future to make other changes. Whilst they might not be described as minor errors—they could be major errors—there are a number of aspects to do with electoral law reform and the reform of the way in which the electoral rolls are conducted in this country. As we know, there are some people who will stop at nothing—

The DEPUTY SPEAKER—Order! The member is straying from the bill yet again.

Mr SIMPKINS—Madam Deputy Speaker, I am merely seeking to encourage the Attorney-General to keep up this good work with regard to statute law revisions and amendments across a range of different bills. We are certain that there has been significant fraud in the past and that we should never accept even one person doing the wrong thing.

Imagine, for instance, a case of people signing on to the electoral roll, with no intention of living at a house, such as occurred in my electorate, with Mr Barson and Mr Pastorelli, who happened to be the main supporters of my Labor opponent at the last election. It is a tragedy.

The DEPUTY SPEAKER—Order! The member for Cowan is reminded to confine his remarks to the bill.

Mr SIMPKINS—I have appreciated the opportunity to do so and, while I have always thought I could find more things that would be worthy of speaking about in this bill, I see no point in further delaying the business of the chamber with further comments.

Mr McCLELLAND (Barton—Attorney-General) (11.00 am)—in reply—Briefly, I thank members for their contributions—some more relevant than others, I must say—to the debate on the Statute Law Revision Bill (No. 2) 2010. I am encouraged to see that, aside from comments straying a little from the mark, essentially the purpose of the bill attracts bipartisan support in the parliament. It is a practice that has continued over a period of successive governments.

The government is happy to facilitate and support the passage of this bill and, more generally, statute law revision bills which perform a vital service in improving the quality of Commonwealth legislation. The series of regular reviews of legislation by the Office of Parliamentary Counsel—often occurring during periods of the parliament being prorogued for elections—enables minor errors in the Commonwealth statute books to be efficiently addressed and improves the accuracy and usability of Commonwealth acts. These improvements complement the government’s commitment to creating clearer and more accessible Commonwealth laws.

The bill also amends references to specific ministers and departments and, in doing so, will have a particular impact on the clarity and usability of a large number of Commonwealth laws. By inserting generic references to the names of ministers and departments the bill will allow users of legislation to more easily identify the appropriate minister or department with relevant authority under an act, even after machinery of government changes occur.
This bill was prepared on the initiative of the Office of Parliamentary Counsel. I commend the office on the quality of the bill and its commitments to maintaining the accuracy and clarity of the Commonwealth statute book. I commend the bill to the House.

Question agreed to.

Bill read a second time.

Ordered that the bill be reported to the House without amendment

**APPROPRIATION BILL (No. 3) 2010-2011**

Cognate bill:

**APPROPRIATION BILL (No. 4) 2010-2011**

Second Reading

Debate resumed from 23 February, on motion by **Mr Gray**:

That this bill be now read a second time.

**The DEPUTY SPEAKER (Ms K Livermore)**—Before the debate is resumed on this bill, I remind the Committee that it has been agreed that a general debate be allowed, covering this bill and Appropriation Bill (No. 4) 2010-2011.

**Mr TEHAN** (Wannon) (11.03 am)—I appreciate the opportunity to speak on the Appropriation Bill (No. 3) 2010-2011 and cognate bill, although, sadly, what I am going to have to say will not fill the Australian people with joy. What we are seeing from the Gillard government are overruns on so many programs and such waste that one wonders about the long-term future of the country, unless the government can stop behaving in such a reckless manner.

Recently we have seen a $2 billion tax for the flood levy. The government started by asking the Australian people and Australian businesses to contribute to the flood and also to the cyclone damage. Then, after the Australian people through hard work had given dollars, they found themselves whacked with a levy on top of that, which will not do anything to help people continue the volunteer effort, if all their efforts are just going to end up with the government just coming over the top and taxing them.

One of the great things about this country is the volunteer spirit and contribution we have, and I think that is something that we need to protect and cherish. If the government had stuck with its budget six months ago the levy would not have been necessary. This tax, which came on top of such a great volunteer effort, would not have been necessary.

The simple take-home message from these appropriations bills is that the government needs to live within its means. The Gillard government is a government that taxes, spends and borrows on repeat. It is a bit like the old cassette recorder that gets stuck in the car. All we seem to get is the message ‘Tax, spend, borrow, tax, spend, borrow’, until you have to give it a hard thump to try to get it to stop. I think the only way we are going to be able to get a hard thump is at the next election. We will be doing all we can to point out to the Australian people that we have to change the government because this one just taxes, spends and borrows.

It is also a government that shies away from hard decisions. It could have found the $2 billion it needs from the flood levy by making some hard decisions, but unfortunately it did not have the political courage to do so. This is a government that is borrowing $100 million a day. Interest rates are increasing and will continue to increase while the government continues to
borrow $100 million a day. Sadly, this will hurt Australians. This will hurt Australian families, Australian small businesses and Australian farmers.

These appropriations are a symbol of the huge waste of this government and they are there for everyone to see. Like every family in Australia, the government needs to manage its budget. If Australian families have to live within their means, then why shouldn’t the government? Australian families know that if they were borrowing the equivalent of $100 million a day in their budgets they would be in big trouble and would have to change the way they were going about things. Sadly, this government does not see it that way and if we are not careful our children are going to face a huge debt that future governments will have to make drastic decisions to help pay off.

Responsible governments, such as the Howard government, put money aside for a rainy day. If the Gillard government were a responsible government it would not be in the position it is now—with the spending in these appropriation bills and the need to tax the Australian people further to pay for the $10 billion to 20 billion necessary for the flood and cyclone recuperation.

While I am talking on this subject, I would like to touch on a point that was raised in the Herald Sun today about how we are still yet to see a plan from this government on how it is going to help western Victoria recover from the floods. We have seen a government which has focused heavily on twisting arms and doing backroom deals to get its $2 billion levy in place, yet we have seen nothing from the Gillard government on how it is going to help those communities in western Victoria that are struggling with the flood recovery. If there was a simple message I would like to give today it would be: please stop focusing on taxing our communities and please focus on a plan that will help them recover from the devastation that has been wrought upon them.

Today’s Herald Sun highlights that 13 mayors have written to the transport minister asking how the minister is going to help as they want to get on with doing repair work—fixing the roads and rebuilding bridges—and, importantly, doing it in a way which improves the infrastructure so that with future flooding there will not be such severe damage. They have not heard back from the government, so they are sitting there waiting and wanting to know where they can spend money, how they can spend money and what contribution they will get from the federal government to help in that regard. What has made this all the more difficult for them is that previously they have seen government programs where money has been wasted. So we have a vital need at the moment for government money to go into important projects, yet they are getting nothing of that and they are looking back and seeing programs that have wasted Australian taxpayer dollars.

In my electorate of Wannon there was a huge problem with insulation batts, in Hamilton, Warrnambool and Port Fairy. In Port Fairy the installers, who like many established themselves overnight due to the hasty, poor policy created by the Labor government, left without a trace. They had been staying at a local caravan park and they left clients with no reliable contact details, unfinished work and insulation material strewn all over the road. These people were the ones who benefited from the government’s pink batts program, who profited from the Australian taxpayer dollars that the government so carelessly threw away, leaving behind pensioners and families wondering what type of insulation they had in their roofs and whether the way that it had been installed was potentially a severe fire hazard for them.
There was a storage company in Warrnambool who were left with a shed full of batts that no-one came to collect. It is important to point out that not only were they left with those batts but they were left with no direction as to what they should do with them. So that storage space, which could have been used to earn that company more money, could not be used as the batts had to remain there while the company waited for the government to tell them what they could do with them. Sadly, it took six to nine months before they could get any direction from the government as to how they could deal with the batts that had been left there. During the months that the batts sat in their storage shed with no payment this business lost income. Not only did this business pay through their taxes for the government’s wasteful program but they also paid through lost revenue. There was no recompense for the business. Now they will pay again as a result of government waste, this time in the form of a new levy.

Only four months ago, Edy Foster and her family, from Simpson, were living in darkness in certain rooms of their house because batts that had been installed around downlights smouldered when the lights were on. Mrs Foster feared for her family’s safety because despite her warnings to her children there were times when they turned the lights on without knowing the danger of the smouldering batts in the roof. Not only did Mrs Foster have to get an inspector out to inspect her home and the insulation that had been installed by a company going by the name of SS Greenforce, at additional cost to the taxpayer; she then had to wait for months, while fearing for her family’s safety, for someone to finally come out to remove the dangerous insulation. Mrs Foster called the government hotline three times to try to gain assistance to get the unsafe insulation removed. It was not until the issue had been raised by the media that she finally got some action from the government and had some contact about getting the insulation removed. Sadly, we are still hearing similar stories about waste. We are hearing stories of government contractors coming down to inspect flats and doing four flats and then another inspector coming down a week later to do the remaining two flats. All this is an additional expense to the taxpayer.

The pink batts program was a complete and utter waste of taxpayers’ hard-earned dollars. Sadly, in my electorate we have also seen this with the BER program. We have examples of contractors heading from Geelong, travelling 2½ hours, to do garden remedial work and then driving back again, and that remedial work took half an hour. Why couldn’t a local contractor have been used? We have schools getting $800,000 halls where there are six students at those schools. We have Dunkeld Primary School where they wanted to use the classrooms which were to be demolished to build new change rooms for the local cricket club. They could not. They also wanted to construct the building using local labour, and that local labour put off work for 12 months while they waited for the approval process, only for the state government, through the federal government, to decide that what they were going to get were demountable classrooms from Melbourne delivered up to the school. This type of gross waste hurts local communities and especially regional and rural communities. Because those businesses put off work they would have had in order to help with the school, they lost income and they cannot grow and expand as they should be able to.

In contrast to what the government are doing, the coalition are committed to doing everything necessary to rebuild and repair the budget. We have outlined savings. In fact, last year the coalition set out $50 billion worth of savings and cuts to the Rudd-Gillard government’s reckless and wasteful spending. And earlier this month the coalition outlined more than $2
billion in further savings measures that the Gillard government should adopt instead of its flood tax. If Labor had been taking proper care of their finances, as the Howard government did previously, they would not be in the position where they were caught off guard and felt they needed to add another tax to dig themselves out of their budget black hole.

Instead of a new tax, the government needs to cut wasteful spending such as government advertising, reduce consultancy expenses, put a freeze on Public Service recruitment and cancel the National Broadband Network. It also needs to stop its mantra of tax, spend and borrow. If it continues to head down this path, the long-term future of the Australian economy is going to be very bleak indeed and the long-term future for our local communities is going to be very bleak indeed. If Australian families can live within their means, the government should be able to do likewise. It needs to stop borrowing $100 million a day. It has to learn to live within its means. It has to stop taxing, spending and borrowing in a way that is going to hurt us for the years ahead.

Mr Sidebottom (Braddon) (11.18 am)—I just remind the member for Wannon, after listening to you discussing exceptions rather than the rules, ‘I’d rather be negative than positive,’ and then reading the rest of your speech as a template prescribed by your party for presentation in both chambers, that not only do you not have a sense of history, my friend, but you have a selective memory and, in some cases, you have got total amnesia. First and foremost, I have listened to the mob on the other side trot this stuff out day in and day out as if, in the historical context, we have never faced a global financial crisis: we didn’t face it, it didn’t happen, and so any measures that we put in place were not necessary and did not help. But, of course, they know deep down that that is absolute rubbish. It did occur. We acted and—I see he is being fed lines now by his colleague. He couldn’t dream something up himself!

Mr Tehan—Madam Deputy Speaker, I seek to intervene.

Mr Sidebottom—No, you can’t. Sit down. I will be using my time, thanks.

The Deputy Speaker (Ms K Livermore)—Is the member for Braddon willing to give way?

Mr Sidebottom—No, I do not accept his question.

Mr Tehan—I rise, then, on a point of order, Madam Deputy Speaker. I wanted to remind my dear friend opposite that we went through the Asian financial crisis.

Mr Sidebottom—What is the point of order?

The Deputy Speaker—There is no point of order. I remind the member for Wannon that he was heard in silence in the chamber. I ask that he pay the same courtesy to his colleagues.

Mr Sidebottom—Indeed. I do thank the former government for trying to tackle the Asian financial crisis. But I would remind those opposite—before the member for Wannon rushes out of the chamber because he does not want to hear the truth—that we went through a financial crisis, we acted and this country stands in a much better position now than just about any other comparable country and economy.

Dr Jensen—Four people died as a result of that program.

Mr Sidebottom—You do not like hearing it. You would rather come out with the exceptions rather than the rule. Okay, there were issues in some of the programs. We understand
that, but, I tell you what, many, many thousands of people got home insulation and it is safely installed and they are happy about that. If you want to tell me that all your schools in Wannon do not accept their BER projects as being important and greatly needed, then I will fly—and you know it! Yet they trot this rubbish out each time. I just want to remind them. I would like also to remind those opposite, particularly the member for Wannon, as he is rushing out the door, that this opposition’s record in terms of financial responsibility is appalling. In the last election—quickly forgotten by all those opposite—there was an $11 billion gaping, thumping, monstrous black hole! They don’t want to know about it.

Dr Jensen—What about your costings on the resource tax?

Mr SIDEBOTTOM—Here we go! Of course you can try and talk over the top, friend, but that just exactly indicates that you do not want to hear the truth—as is the case with the member for Tangney most times, because he likes to be a contrarian. We all know what that means. The so-called cuts, the savings, that you were going to propose in a bipartisan way for the reconstruction levy—blow-out after blow-out and you know it. You are even double-counting half the time. Of course you cannot explain it. You have got Joe Hockey trying to explain one thing and Andrew Robb trying to explain another. Tony Abbott has gone completely silent. I do not know what has happened. It must be the continuation of that interview on the television! Just a nod, nod and a stare. ‘I don’t want to know anymore,’ he says.

Anyway, we know about the mob opposite. I would like to talk about some good news, and that, Madam Deputy Speaker—as no doubt you have given me some leeway there—is in Appropriation Bill (No. 3) 2010-2011 and Appropriation Bill (No. 4) 2010-2011. These appropriation bills will be dealing with $2.3 billion worth of appropriations for a number of fantastic programs, many of which actually affect my electorate. That is what I would like to concentrate on if I may.

First and foremost, part and parcel of the appropriation was $22.4 million to assist Tasmanian forestry contractors and employees respond to the challenges now facing the Tasmanian native forest industry. They are considerable. There is massive restructuring required in Tassie. I do thank all those that have sat down—many of them opponents, traditionally—to try to nut out a statement of principles to take that industry forward into the future. They have shown terrific courage and leadership, all of them, and I do thank them. I really hope that these guiding principles are able to restructure the industry into the future.

This appropriation delivered on our election commitment to respond to these challenges. We committed a $20 million package during the federal election, and more recently the government announced that it would increase the size of the package by more than 10 per cent to $22.4 million. We have delivered on that promise and that process is now well underway. Hopefully, those people chosen from the application round will benefit from this and we will be able to restructure the industry to have a sustainable future.

Another appropriation is $69.8 million brought forward from 2011-12 for DEEWR to meet contractual commitments for projects relating to the non-government schools component of the Building the Education Revolution which have been completed earlier than expected. Only last Friday I was able to open the Peter Chanel Centre at Marist Regional College, which is a new science and language complex. It has a fantastic design and is very student oriented, very community connected. I want to congratulate Sue Chen and the Marist College
on a fantastic project. It joins many other projects in my electorate. Indeed, in my 63 schools there have been something like 95 BER projects and nearly $100 million worth of investment. It is fantastic, as it is throughout this country. I know community after community and school after school have benefited greatly from it. It was part and parcel of the jobs stimulus, and as a result many people were employed and jobs sustained because of the BER. Congratulations to all those involved.

I also notice there is $48.3 million, representing a reappropriation of amounts from the last financial year, for the non-government schools component in this instance, for trades training centres. What a fantastic program that is. In my electorate we have been very fortunate. We have a trades training centre already up and running at St Brendan-Shaw College. The latest one has just been announced at Marist College and I have two trades training centres in the Circular Head region, in Circular Head Christian School and Smithton High School, which has a year 11 and 12 annexe as well. Congratulations to all those people. Of course, these trades training centres will allow people to start to develop their skills earlier on and it will help build up our skills capacity for the future.

I will turn to some of the other appropriations which are so important and which will benefit every electorate. There is an additional $14.6 million to double the capacity of the Connecting People with Jobs relocation assistance pilot program to up to 4,000 places. I notice, Madam Deputy Speaker Livermore, and it is of course relevant to you and your area—and I commiserate with you on the damage that was caused there and I hope things are beginning to get underway and get back to normal again—a primary focus of the program will be to assist eligible unemployed Australians to relocate to Queensland to take up employment opportunities in flood affected areas. I also note the Attorney-General’s Department will provide $120.8 million to assist people in Queensland, New South Wales, Victoria, South Australia and Western Australia who have been adversely affected by the floods which began in late November 2010 and which have unfortunately been rolling out right through to the present. Tasmania has been included in that and, subsequently, areas affected by Cyclone Yasi.

There are other appropriations, and this one is very dear to my heart, as I am sure it is to many members. The Australian Sports Commission will be provided with $21.6 million to continue the Active After-School Communities program until December 2011. Madam Deputy Speaker, I think you actually spoke in parliament on this program. This is a wonderful program in my local area. Just to remind members, in Tassie they run 90 sites and, in my electorate, 20 sites. They are in places such as Sheffield, Latrobe, Devonport, Spreyton, Ulverstone, Riana, Burnie, Somerset, Wynyard, Smithton, Stanley and Strahan, to name just some of those important sites. Each child participating receives up to 80 free sports sessions, 80 free healthy afternoon snacks—I tried one of those; they were very good—and free access to a qualified coach and sports equipment in a supervised environment. That all adds up to a lot of fun and some healthy living and eating. Over 2,500 children participate state-wide in Tassie in 40 different sports. There is an amazing array of sports.

In term 3 of last year local coach Leanne Bissett was presented with a Tasmanian 5 Star Community Coach Award in recognition for outstanding coaching provided to children in the AASC program on the north-west coast of Tassie. Leanne works as a part-time development officer in north-west Tassie for Hockey Tasmania, so having her involved in the program gives the opportunity to create excellent pathways for children to move from the AASC pro-
gram at schools into hockey clubs and associations. It is a fantastic program. I thank the Minister for Sport for extending the funding and I, along with no doubt lots of my colleagues, will be advocating that that funding be extended well beyond 2011. I thank all of those who have participated in the program.

Another area of appropriation that is very important—I moved a motion on this in this House, with the support as well of colleagues on the other side—concerns the provision to AusAID of $129.2 million for, amongst other things, contributions to the Global Fund to Fight AIDS, Tuberculosis and Malaria, and to maintain Australia’s share in the International Development Association. Importantly, $20 million will be contributed to the global fund. This is part of a new $210 million commitment to the Global Fund to Fight AIDS, Tuberculosis and Malaria, between 2011 and 2013, in support of the fund’s critical role in tackling these three deadly diseases. Every one of them is preventable and it is cheap to prevent them. So, with a lot of international goodwill and Australia playing its part in trying to tackle these preventable diseases, we can certainly help the lives of individuals and communities. But most importantly we are tackling poverty, which is at the essence of national and international security. If we can tackle poverty then we can genuinely and practically improve the lifestyle and life prospects of individuals. I know that that view is shared by all members whom I know in this House. I thank the government for the continuation of its support for the program.

I will finish with appropriations in relation to regional Australia, regional development and local government. There is an amount of $5.9 million to strengthen local engagement and improve whole-of-government coordination of policy for regional Australia. That is a really important initiative of this government. I look forward to the Department of Regional Australia, Regional Development and Local Government continuing to evolve its role, particularly working with Regional Development Australia as they continue to roll out their channelling and facilitation role. I look forward particularly to working with the Tasmanian group of Regional Development Australia.

The government will also provide an additional $100 million as part of the government’s partnership with local government. They are very important partnerships. Importantly, the government will also provide $30 million, which is a re-appropriation from 2009-10, to meet project commitments under the Regional and Local Community Infrastructure program, many of which fortunately found their way into my electorate. They have really helped to improve community capacity and the creation of many new facilities. It is so important to our local communities. I thank all those involved in local government. They play a terrific role and I look forward to their constitutional recognition in the future.

Mr ROBERT (Fadden) (11.33 am)—It has been a long time since poor Kevin was knifed, when the government had lost its way but, as we look at Appropriation Bill (No. 3) 2010-2011 and Appropriation Bill (No. 4) 2010-2011, building on appropriation bills Nos 1 and 2 coming from supply for the budget, ‘lost its way’ continues to be a mantra shouted strongly and loudly. The budget and indeed the appropriations continue to have lost their way.

There is no finer example of this than looking at the continual disaster that is Labor’s border protection policies and suite of policies that, in August 2008, wound back some of the most effective protections to ward off the scourge of people smugglers, to the point where over 200 boats and over 9,000 irregular maritime arrivals have come to our shores.
What is most vexing is not that people are paying people smugglers so that they can come here to seek a better freedom but that those who sit behind razor wire right now in some of the most desperate conditions in the world are being locked out of Australia because of the current IMAs. It has been said in the parliament in recent days that if you are in an Afghan refugee camp on the border with one of its neighbours you have a one in 10 chance of your asylum application being picked up through the normal channels. If you jump on a boat and pay a people smuggler, that figure rises to 97 per cent. How the government continues its hollow rhetoric that there are no pull factors is beyond me.

I see in Appropriation Bill (No. 3) 2010-2011 that there is $290 million extra for the running costs in the blow-out this year for offshore asylum seeker management. In Appropriation Bill (No. 4) 2010-2011 there is $152.8 million in additional capital expenditure for the establishment of the Northam detention centre and the Inverbrackie detention centre previously announced by the government. History is always an interesting witness. On 8 February 2008, Senator Evans said:

The Pacific solution was a cynical, costly and ultimately unsuccessful exercise introduced on the eve of a Federal election by the Howard Government.

Is this senator kidding me? He then said that the entire project cost a staggering $289 million. That $289 million was from the period September 2001 to June 2007 for the Nauru and Manus OPCs whereby the number of boats dropped from an extraordinary number to three a year. There are something like three a week at present. That was $289 million over seven years. Here we are looking at a $290 million in blow-out costs for six months, not seven years. Indeed the total, as a statement of fact, for this financial year alone for the asylum seeker debacle is a $750 million blow-out, and the total blow-out in the budgets since Labor watered down the effective border security measures has been $1.4 billion—fact. At the current rate, by the end of the 2011-12 financial year, the amount of money by which the budget will have blown out because of Labor’s failures in this space will be a staggering $1.9 billion.

Surprisingly, those figures are quite close to the amount that will be raised by the new tax the government is seeking to put on Australians. When we speak about the flood levy, which I and my colleagues will certainly vote against, I am reminded that communities around the country continue with great spirit and great goodwill to do whatever they can. Last Saturday night I was at a community concert in Paradise Point where the council to their credit had put on Popera in the Park. Thousands and thousands of people attended. The goal was to raise $15,000. The major sponsor was the local Bendigo Bank. The chairman, Ann Glenister, did a wonderful job, with the bank coming there and joining the community. The community raised $33,000, with all the money bypassing the state Labor government and going directly to the Mayor of Lockyer Valley. That is the spirit of a generous Australian community. However, the more I hear about the flood levy and the tax, the more I see people disappointed that that spirit has not been fostered but has indeed been dampened.

As we look at these appropriation bills, especially in the area of asylum seeker failures, we need look no further than Defence, with a strategic reform program building on the last Hawke-Keating Labor governments where they had a Defence reform program building on
the last disaster under Gough Whitlam, who despised Defence in the extreme. The SRP was saving $20 billion over 10 years. It is now simply about cuts. And the cuts are damaging operational capability. In typical spin style, Labor said that the strategic reform program was not about cutting and it would not impact operational capability, and that it is about streamlining, efficiency and effectiveness.

In the last financial year, Navy handed back $200 million in maintenance funds. Yet now we cannot put an amphibious ship in the water, with **Tobruk**, **Kanimbla** and **Manoora** completely out of action. Could you imagine if Cyclone Yasi had hit Cairns? We would have had tens of thousands of refugees. Where is the offshore medical facility, where is the offshore helicopter-carrying facility, where is the capacity for stores and food and water offshore? They are not there.

The minister should be sacked for negligence in not allowing a full naval amphibious capability to be available when we knew we were entering the cyclone season and we knew that weather patterns were changing from El Nino. When the full horror of the lack of amphibious capability was produced to the Australian people, the minister had the hide, the audacity and the temerity to blame the department—‘The department did not keep me informed. The department has pulled the wool over my eyes.’ I thought that under the Westminster system the minister is accountable, but not this minister. The department is at fault. He even went so far as to release some of the advice he had received to show how much the department was at fault. This minister is not responsible; he is just the minister.

Now we have no amphibious capability, no ability to respond to disasters overseas, no capacity in countries in our immediate area where Australian citizens may need assistance, no offshore helicopter capability, no stores, no ability to carry a battalion group, nothing. The two previous Labor ministers over the last 3 1/2 years failed to ensure that the SRP was not a series of cuts. They failed to ensure that it was simply about efficiency. They have failed and capability is being impacted. As I look at the budget I am deeply concerned as to where this is going in terms of the waste and the management and where it will end. In terms of my brief comments, I will simply leave it there and call on the government to address these failures, especially the failure in border protection. The amount of money needed to deal with their continual failures keeps racking up.

**Mr KELVIN THOMSON** (Wills) (11.42 am)—We have certainly had a wild couple of months in Australia and right around the world, from the climate disasters—the floods, the cyclones and the bushfires—to the natural disasters, such as earthquakes, and the riots and protests in Africa and the Middle East. I want to extend the sympathy of the electorate of Wills to all of the victims of these events and to their families: to the victims of the floods in Queensland, Victoria and Brazil; to the victims of Cyclone Yasi; to the victims of the Western Australian bushfires; to the victims of the terrible Christchurch earthquake; and to the killed and injured in the political protests in Egypt, Libya, Iran, Tunisia, Bahrain and elsewhere in Africa and the Middle East. Our hearts go out to so many innocent people—men, women and children whose lives have been cruelly cut short or changed and blighted forever by events over which they had no or little control.

As well as responding with compassion and generosity to those who have suffered and who are still suffering, as we must, we also need to think hard about the causes of these events. Surely we do not want them to become commonplace, part of the everyday experience of our
children and our grandchildren. This would be a terrible legacy for which our children and grandchildren would rightly hold us in contempt. There are some disasters—and the earthquake in Christchurch is a classic example—which we simply cannot prevent. I accept that. But much of our pain and suffering is avoidable. First, if we think about the riots, protests and revolts in the Middle East and Africa, of course they are motivated by a hunger for democracy and it is our obligation to help ordinary people achieve that, not to support undemocratic regimes simply because they support us. They are also motivated by hunger pure and simple, by the failure of governments in these countries to provide the basics of adequate, affordable food and clean drinking water. This failure breeds desperation and this desperation leads to revolt.

Why is there not enough food or clean water? With food, on the demand side we see population growth, rising affluence and the use of grain to fuel cars. On the supply side we see soil erosion, aquifer depletion, the loss of crop land to non-farm uses, the diversion of irrigation water to cities, the plateauing of crop yields in agriculturally advanced countries and, due to climate change, crop-withering heatwaves and melting mountain glaciers and ice sheets.

The impact of population growth on food resources is clear and dramatic. The world’s population has nearly doubled since 1970. We are adding 80 million people each year. Tonight there will be another 200,000 mouths to feed at the world’s dinner table, and many of those mouths will have empty plates. This growth is taxing the limits of the earth’s land and water resources. Lester Brown’s article ‘The great food crisis of 2011’ points out that, as well as this global population growth, there are now some three billion people moving up the food chain, eating greater quantities of grain-intensive livestock and poultry products. This rise in meat, milk and egg consumption has no precedent. Total meat consumption in China today is already nearly double that of the United States.

The third major source of demand growth is the use of crops to produce fuel for cars. In 2009 the United States sent 119 million tonnes of grain to ethanol distilleries to produce fuel for cars. That is enough to feed 350 million people for a year. European diesel cars are causing a growing demand for plant based diesel oil such as palm oil. This is not only reducing land available to produce food crops in Europe; it is also driving the clearing of rainforests in Indonesia and Malaysia for palm oil plantations.

Then there is the problem of water. The Arab Middle East is the first geographic region where spreading water shortages are shrinking the grain harvest. The irrigated area is shrinking in the Middle East—in Saudi Arabia, Syria, Iraq and possibly Yemen. In Saudi Arabia, which was totally dependent on a now depleted fossil aquifer for its wheat self-sufficiency, Lester Brown says production is now in ‘freefall’. Between 2007 and 2010, Saudi wheat production fell by more than two-thirds. By 2012, wheat production will likely end entirely, leaving the country totally dependent on imported grain.

But the food and water problems are not confined to the Middle East. The large-scale use of mechanical pumps to exploit underground water is depleting aquifers, fast shrinking the amount of irrigated area in many parts of the world. Today, half of the world’s people live in countries where watertables are falling as a result of overpumping depleted aquifers. In France, Germany and the United Kingdom, which together account for one-eighth of the world’s wheat harvest, wheat yields are no longer rising at all. Another trend slowing the growth in the world grain harvest is the conversion of crop land to non-farm uses. Suburban
sprawl, industrial construction and the paving of land for roads, highways and parking lots are all claiming crop land in California, in the Nile River basin in Egypt, in China, in India and, of course, here in Australia. Diverting water to cities means less irrigation water available for food production. Lester Brown says:

California has lost perhaps a million acres of irrigated land in recent years as farmers have sold huge amounts of water to the thirsty millions in Los Angeles and San Diego.

Another emerging threat to food security is the melting of mountain glaciers. This is a particular issue in the Himalayas and the Tibetan Plateau, where ice melt from glaciers helps sustain the major rivers of Asia such as the Indus, Ganges, Mekong, Yangtze and Yellow rivers during the dry season and, of course, sustains the food produced in these mighty river valleys.

There are a number of things the world needs to do to alter this stark, grim picture, but chief among them—principal among them—is to halt our rapid population growth. In this task every country has a responsibility to halt its own population growth and to get its own house in order. If we do not—if we fail in this task—we will see a future of food and water shortages, rising prices, declining availability and affordability and the grim consequences of this: violent disputes over access to scarce resources. We will see more war, more terrorism, more refugees and more boat people. To pull our weight—to stabilise Australia’s population—is, frankly, not that hard. All it requires is for us to return our net overseas migration to around 70,000, the kind of level we regularly had during the 1970s and 1980s.

It is claimed, particularly by big business and property developers, that we should not do this and that we should maintain our current net overseas migration rate, which is over 200,000. But I urge anyone who believes that there is substance in the argument that it is a good idea to keep on going down the high-migration road to look at a report prepared by the National Institute of Labour Studies for the Department of Immigration and Citizenship. This 335-page report, *Long-term physical implications of net overseas migration: Australia in 2050*, was put on the department’s website before Christmas. It did not receive much publicity or public attention, which is regrettable. The institute found that the magnitude of the impacts, at all net overall migration levels, suggests that—unless substantial and timely actions are taken to address these impacts—some impacts have the potential to disrupt Australia’s economy and society. It found that if we were to maintain the level of net overseas migration we have had for the last couple of years, Sydney and Melbourne would require more than 430,000 hectares of new land for housing. Farms and public land would be consumed, as bulging cities expanded. Sydney would lose about half its land used for fresh fruit and vegetable production, as Sydney and Melbourne rose to seven million people. The loss of productive land would slash agricultural output under the higher immigration scenarios, forcing the import of key staples, including fruit, nuts, oil and pig meat. Even for the dairy, lamb and vegetable categories, net imports would be required by 2050 for the 260,000 net overseas migration level.

The advocates of population growth ignore this dreadful, terrible legacy that we are leaving for future generations: a world with not enough food or clean water; a world in which more people, not fewer, will starve. They claim continuing population growth is necessary for ongoing economic prosperity. But is it? There was another report released in December 2010, this one in America, carried out by Fodor & Associates, titled *Relationship Between Growth and Prosperity in 100 Largest US Metropolitan Areas*. As the title suggests, this study exam-
ines the relationship between population growth and economic prosperity in the 100 largest US metropolitan areas, looking at economic wellbeing using well-known indicators such as per capita income, unemployment rates and poverty rates.

The study found that faster population growth rates are associated with lower incomes, greater income declines and higher poverty rates. Unemployment rates tend to be higher in the areas with faster population growth. The 25 slowest-growing metropolitan areas outperformed the 25 fastest-growing in every category. In 2009, they averaged US$8,455 more in per capita personal income. The findings show that the common refrain from local officials and others that, ‘We have to grow to provide jobs,’ or even, ‘We have to grow or die,’ are just mindless slogans—there is no scientific or economic evidence to substantiate them.

This is not only true within America; it is also true around the world. Charles Berger from the Australian Conservation Foundation reports that between 1997 and 2007 no fewer than 11 OECD nations achieved faster per capita economic growth than Australia, despite slower population growth—or even, in some cases, no population growth or even a slight decline. Norway has a thriving economy, notwithstanding much lower population growth than Australia. Slovakia has a stable and ageing population and a booming economy. The Netherlands, the Czech Republic, Poland, Hungary and Finland all have stable or low-growth populations and yet they have vibrant economies.

We need to understand that our population growth rate is not giving us economies of scale; it is giving us diseconomies of scale, such as traffic congestion. The cost of electricity, gas and water infrastructure is rising, fuelled by these diseconomies of scale, leading to rising prices and real hardship for pensioners and ordinary families. The rapid migration rate also makes it harder for our unemployed and people on disability support pensions to find a job. Leaving these people behind is bad for them and bad for the economy. The Norwegians, the Dutch and the Swiss do not do it, and they prosper as a result.

I want to turn, in the time remaining to me, to the role of carbon and other greenhouse gas emissions in the weather instability we have been experiencing, both in Australia and around the world. This century, we have had the worst droughts ever in the country’s history. The sceptics said that was not climate change. Two years ago we had the worst bushfires ever in the country’s history. The sceptics said that was not climate change. This year we have seen the worst floods in the country’s history, and the biggest cyclone in the country’s history. And the sceptics are still out there, clutching at straws, saying: ‘Prove it. Prove it. Prove it.’

Climate scientists have been telling us for years that increasing carbon emissions would increase the earth’s temperature and give us bigger and more frequent droughts, bushfires, floods and cyclones. This is exactly what is happening. We need to cut our carbon emissions. Our children will not thank us if we leave them a world of CycloneYasis, Lockyer Valley floods and Black Saturdays.

Every year shows that the climate is less stable than the year before. We saw droughts from 2002 to 2009 devastating the Murray-Darling Basin and Australian agriculture. The Black Saturday Victorian bushfires of 2009 cost 173 lives and $4.4 billion dollars. The 2011 Queensland and Victorian floods cost 36 lives and the federal government is now finding $5.6 billion for reconstruction. We ignore the lessons of this weather instability, this weather of mass destruction, at our peril. The cost of the droughts, bushfires, floods and cyclones is massive. It is clear that the costs of inaction on weather instability will exceed the costs of action and we
need to stop the rise in carbon emissions in Australia and globally and reduce Australia’s emissions and global emissions as fast as we possibly can.

Mrs PRENTICE (Ryan) (11.56 am)—We are here today to discuss a variety of appropriations put forward by the government in Appropriation Bill (No. 3) 2010-2011 and Appropriation Bill (No. 4) 2010-2011. I would like to take this opportunity to speak on an area where the government continues to lose its way, and that is the issue of aged care. Whilst there is, I note, $24 million for the Pharmaceutical Benefits Scheme, there is still a lot more that needs to be done. Aged care in Australia is a topic that is close to my heart. When I first arrived here I spoke about the importance of social connectedness and active ageing in my maiden speech. I said:

Just to put the potential impact—

of an ageing population—

into perspective, it is worth noting the statistics: by 2050, one in two voters will be aged over 50 and, by 2055, 78,000 Australians will be aged over 100. We need to acknowledge not only the cost but also the potential benefits of age. Australians aged 55 and over contribute an estimated $74.5 billion per annum through voluntary, unpaid and caring work. We must not dismiss their enormous contribution and potential. That is our challenge.

The ageing of our population is the biggest social issue facing Australia, and potentially one of our biggest fiscal issues. Our population is ageing rapidly, living longer and experiencing more complex health conditions. This is resulting in increasing and changing aged-care needs. Society itself is changing. We are experiencing a shift in the size and composition of households. As Bernard Salt points out, the time we spend in each phase of our lives has shifted inexorably. Whereas life used to consist of birth, childhood, adulthood, retirement and then death, technology and modern society now see us experiencing birth, childhood, teenage years, young adulthood, middle age, retirement and beyond. More and more, life after retiring from work is long, vibrant and full. It is no longer a matter of simply having a few years to put your affairs in order.

Whilst this, of course, can be a huge benefit to our society, it unquestionably affects the aged-care industry. There are more and more people needing these services and this demand will only continue to increase. And, unlike our parents, you can be sure that the soon-to-retire baby boomers will be very demanding and not accepting of basic care. There will also be fewer taxpayers to support this increased burden. The dependency ratio in 2007 was six working people to support every person aged 67 years and over, but by 2047 this will have almost halved to 3.2 people of working age. With fewer people generating taxation revenue, care options of concessional and assisted aged-care residents—those with the least resources—will be jeopardised.

The implications of an ageing population and the need to increase aged-care services are challenging. It is vitally important that we formulate policies that can actually be delivered. There is growing and alarming evidence that the aged-care sector cannot provide the care that Australians expect. Until there is structural reform of the sector, the care and wellbeing of senior Australians is at risk. The industry is already close to crisis, with 40 per cent of aged-care providers operating in the red as at June 2010. Senior Australians are increasingly finding they are unable to access the services and care they need, when and where they want. Two thousand aged-care beds and 786 bed licences have been lost since 2007. It is a concern that,
at a time when there is an increasing demand for services, some providers are walking away from the sector due to the lack of viability of providing high-care beds and the increasing compliance demands of government. The outlook is bleak in terms of growing the capacity of aged care in Australia.

Within this industry there are many dedicated and committed individuals doing an inspiring job under difficult circumstances. My local aged-care providers do a tremendous job with limited funding and resources, and I am committed to giving them a voice. I have seen firsthand the frustration of the sector with the approach of this government to aged care and its failure to deliver on promises and take hard decisions. I am concerned about the current government’s lack of attention to the aged. I am concerned about the expectations that the Rudd and Gillard governments have raised and their subsequent failures in not meeting those expectations.

I am also quite disappointed that, both in Mr Rudd’s first round of health reforms and in Prime Minister Gillard’s recent rebadging of the program, aged care and mental health missed out. It is no longer good enough for this Labor government to continually point the finger at the Howard government. The ALP has had a full term of government and has been in power for four years now, and it is simply no longer acceptable to blame their own failings on the previous government. Kevin Rudd went to the 2007 election with his own agenda for aged care. There is no-one else to blame for the expectations and standards he set for his government, just as there is no-one else to blame for failing to achieve these standards, failing to achieve any reform and failing to make any improvements.

The costs the ageing population will cause the economy is a major issue facing Australia. This of course raises further concerns given the absolute waste and irresponsibility with which this government treats public funds. A mainstay of the Howard government’s policy agenda was to start preparing today for the financial demands of tomorrow. A spendthrift government today puts us all at risk tomorrow. This is not an area that can be funded tomorrow by yet another great big new tax or levy. How responsibly we manage and spend today has an enormous impact on our capacity to properly fund aged care in the future.

Currently the budget simply cannot sustain Australia’s demographic changes. The declining workforce will generate insufficient tax revenue to meet the healthcare and aged-care demands of our ageing population, yet the need for reform has never been greater. Any reforms must be fiscally responsible—although I have little faith that this Labor government can achieve that. We need to make improvements without being financially irresponsible. To quote Mike Woods:

… the system is expected to provide care to over 3.6 million older Australians by 2050. It is inevitable that government expenditure will rise. The challenge is to reform the system, while keeping that expenditure within sustainable limits.

This is obviously of huge concern, given the current debt and spending levels of the government.

The federal government has said that it would manage its fiscal exposure by setting the criteria for needs assessments, the resource levels for approved services, the co-contribution schedules and the standard for basic accommodation. Yet again, the coalition has some concerns about the government’s ability in this area given their track record. Reforming the system raises challenging implementation issues. We have seen the government fail with the im-
plementation of their home insulation scheme, with BER and with the Green Loans Program—and I note in this appropriations bill there is a re-appropriation of $25 million, and that is due to unspent amounts from last financial year in this program—and we have seen countless other broken promises. The aged-care industry is vitally important to our nation and as a society. There is a better way to deliver for this industry than what the Rudd and Gillard governments have shown.

We all acknowledge that there is a need for reform for the aged-care industry. We should never walk away from a challenge or bury our heads in the sand when things get tough. This is particularly apparent when it concerns elderly Australians who have contributed so much to our society. We can and must meet this challenge to ensure that we as a society live up to our duty to protect the elderly. That is a self-evident truth but it needs to be said again and again, because we must prepare today for those significantly increasing demands of tomorrow. We cannot afford the Gillard government’s continuing poor and reckless financial management.

Mr ADAMS (Lyons) (12.06 pm)—I speak on Appropriation Bill (No. 3) 2010-2011 and Appropriation Bill (No. 4) 2010-2011, which cover the $22.4 million that will assist Tasmanian forestry contractors and employees to respond to the challenges facing the Tasmanian native forestry industry.

This is an issue I have had strong connections with, because most of the forestry falls in the areas I cover in Tasmania and the people who work in the industry are located in my area, predominantly. There has been enormous turmoil in the forest industry going back many decades. There seems to be no accommodation for both the industry and the Greens’ objections to the industry. We were at an impasse. Business confidence and the industry were suffering. Something had to be done. The industry is a good one but, by undermining the market and preventing change through education, science and technology, the industry has been brought to its knees.

I still believe that we have a sustainable and viable industry for general woods grown in plantations, but for high-value timbers we have a huge dilemma because these just do not grow in plantations. They have a natural range and a natural environmental climax which, if not looked after, becomes what I would call a jungle. They can suffer the ravages of climate, fire and weeds without any means of being managed or locked away. This could be okay for a few years but, with climate changing in cycles, species could very easily disappear overnight and there will be few plans to help save them.

There were eight principles laid down by the group that was tasked to come up with a solution to the conflict and to develop a new and innovative direction for the forest industries that did not compromise certain environmental goals. From that, both state and federal governments decided they wanted an independent group to take the principles and come up with a lasting deal. Federal Sustainability and Environment Minister Tony Burke believed that Mr Kelty was the perfect person to pull off the difficult task aimed at ending three decades of conflict over native forest logging in Tasmania. It is a unique undertaking because of the unprecedented level of agreement and goodwill between industry and green
groups in Tasmania, and it did not create a precedent for reform of the forest industry, nationally.

I have been fighting for the industry for many years—about 40, I would think. It has been a gruelling path inching towards change in the industry. I know we need a solution but I believe Tasmanians will not accept state forestry being closed to wood production. We have had forestry since white settlement and native peoples have used the forest for thousands of years. The state government has made some guarantees to the sawmilling industry to continue supply into 2027. We may face job losses from Gunns closing its hardwood sawmills and leaving the harvesting of native forests. The company’s decision was to try to gain a social licence for a pulp mill, but it has hit many of its workers very hard. It has been a tough time for them.

This means the industry, which was based on 300 cubic metres of high-quality sawlogs a year, has now gone. The pulp wood that came from native forests is now available for other uses, like woodchips. The argument was that it was seen that the pulp industry was driving the sawlog industry, but the economics of this was actually the other way round: we needed the pulp industry to keep the sawlog industry economically viable.

Locking up traditional forest did not and does not make any economic sense. Who is going to pay for it? Who is going to manage it? Taking out the forest workers means that we have lost firefighters and machine operators who help with land management, along with emergency service workers. Being able to source wood for the hardwood saw industry is important for the future. Being able to source specialty woods for the craft industry is important also. All of this wood is from native forests.

The road system in the native forests of Tasmania will deteriorate, which will destroy any hope of selective logging for sawmills to be economical. The questions have to be asked: can a sawmilling or craft industry survive; who will pay for the management of the Tasmanian native forests if forestry does not?

I understand that New Zealand sold its forest assets to American pension funds and now foreign capital ships those logs to America for processing. Do we really want Tasmania to follow that option? We need some options and we need to assist the people whose businesses have been ravaged by this forest debate. We need a pulp mill for Bell Bay, with some very high-conservation-value forestry areas like the Styx Valley going into reserves for the government to manage.

When the industry and the green movement got together in Tasmania to try and solve some of their difficulties, it was a chance to try and move the industry and the argument into this century, to try and negotiate change without closing the industry. The federal government has come up with a $22.4 million package which is to provide exit assistance and ongoing business support for Tasmanian forest contractors who wish to retire or turn their businesses into another line. This was an election promise that the Gillard government has delivered on, a promise to provide much-needed help for contractors and their employees because of the heat these people had to endure as a result of Green action.

The program aims to reduce business ‘overcapacity’ in the native forest harvest and haulage contracting sector by reducing the number of businesses that operate in that sector. The program provides up to $17 million for exit assistance to harvest and/or haulage contracting businesses. The government also agreed to provide $5.4 million in financial support for those
who will remain in the industry so that we do not lose the skills or the machinery as new avenues in the industry are opened up as a result of the Kelty inquiry.

Contractors wishing to leave the industry could apply for funding immediately. Applications for exit assistance closed on 13 December. Details of business assistance funding are still in the process of being rolled out. Applications for the government’s Tasmanian Forest Contractors Exit Assistance Program have now closed. Eighty-three applications were received, demonstrating a strong interest in the program. All of this information is available on the department’s website.

In the past, contracts have also been a problem. They allowed contractors to undercut each other, and this encouraged some unsafe practices to occur. The Gillard government welcomes the Tasmanian government’s commitment to put in place a system of fair contracts in the forest industry. This will be vital for securing the viability of the industry.

The assessment committee met in late December 2010 to assess these applications against the selection criteria in the program’s guidelines. The guidelines stated:
Exit grant recipients will need to demonstrate that they have left the forest contracting industry by disposing of equipment and agreeing not to return to the contracting sector for a period of five years.

The guidelines also stated:
To be eligible to apply for exit assistance a business must:
(a) have an Australian Business Number (ABN); and
(b) conduct its activities predominantly in the Tasmanian native forest harvest and/or Tasmanian native forest haulage contracting sector; and
(c) have been operating as a harvest and/or haulage business for the period 1 January 2009 to 30 June 2010 and had a contract (operative or inoperative), quota or delivery arrangement; and
(d) be able to show business related debt.
As the media release said:
Eligible contracting activities are the harvest of wood from Tasmanian native forests and the haulage of wood from Tasmanian native forests. Applications will not be accepted for contracting activities other than for harvesting and/or haulage of wood from native forests in Tasmania.

According to the grant assessment plan:
On receipt, applications will be handled in accordance with the DAFF grants management manual. The secretariat will assess all applications against the eligibility criteria stipulated in the program guidelines. Applications that meet the eligibility criteria will progress for further assessment.

Where there is insufficient information to support the claims being made in the application, the secretariat will request further information from the applicant. This information must be provided by the applicant within five working days of the request. If this proof is received within the five day period, the department will forward the application to the Advisory Panel. If the proof is not received within the five-day period, the department may not forward the application and the application may lapse.

So there is a rigorous process for each step of the application. Furthermore, the plan stated:
The department may seek clarification from an applicant at any stage of the assessment process.
Applications not meeting the eligibility criteria will be recorded as ineligible.
Copies of all eligible applications will be provided to the Advisory Panel.
Rather than provide payments to each and every contractor in Tasmania, it has always been
the government’s intention to conduct a competitive grants process. Suitability of the appli-
cants will be determined by ranking them according to merit criteria, as was mentioned ear-
lier. Under ‘Roles and responsibilities’, the assessment plan states:

The Tasmanian Forest Contractors Exit Assistance Program secretariat will receive, store, open, register,
handle and file applications in an accountable manner.

The Advisory Panel will assess applications against the program’s objectives, eligibility criteria and
merit criteria.

The Advisory Panel may draw upon material and information other than an applicant’s written submis-
sion in the assessment process. For example, advice from a financial expert may be considered by the
Advisory Panel.

The plan continues:

The Advisory Panel will be prepare an Assessment Report, including recommendations on which appli-
cants should receive funding and the level of funding to be offered, to be presented to the Tasmanian
Forest Contractors Exit Assistance Program in the Department of Agriculture, Fisheries and Forestry for
submission to the decision-maker for decision.

I believe the Greens have made an allegation of fraud. I hope they have their facts straight and
that they have reported that to the relevant people. If they have raised an issue that does not
directly relate to someone taking fraudulent advantage of the government’s proposal to assist
people from the industry then I would say, ‘Shame on you,’ and ask them to desist. These for-
est contractors have taken a lot over the last few years, and they deserve some assistance to
help them move out of the industry and find other forms of employment. I believe the guide-
lines in place are stringent and the decision-making was done, independent of politics, after
assessing the needs of applicants. There is also some assistance for those who were unsuc-
cessful but who could be eligible for financial support under the revised guidelines for the
measure by the Tasmanian government. If anyone has reason to believe that the department
has been provided with false or misleading information in relation to an application for a
grant from this or any other program, it should be referred to the fraud investigations and se-
curity team that operates independently of the advisory panel.

Grant recipients have legally enforceable obligations to exit the Tasmanian forest contrac-
tors sector. The government takes allegations of fraud seriously, and if any person has infor-
mation that indicates that a grant recipient has provided the Commonwealth with false or mis-
leading information they should contact the department’s fraud investigation unit. Allegations
will be investigated, should credible evidence be presented to the department that warrants
further investigation, and information will be referred to the appropriate authorities. However,
if these allegations are deemed to be false or frivolous then I would be very concerned that
there is some vindictiveness going on between the forest workers and the greens again. This
was supposed to be helping those two groups come together, and work together for a mutually
useful future in the industry. By the same token, if there have been some people taking dis-
honest advantage, and it is proven, this government will ensure that they will be taken to task,
and there will be a transparent process in dealing with that.

All this is part of a task to redevelop an important rural industry. We need the assistance of
government to make this monumental change, and we need the goodwill of all to make it
work. The funding is part of the big picture, and I for one am thankful that something can be
Mr McCormack (Riverina) (12.21 pm)—Appropriation Bill (No. 3) 2010-2011 and Appropriation Bill (No. 4) 2010-2011 are more proof of everything that is wrong with the Labor government’s ability to manage the economy. They include wasteful spending and poor management leading to structural deficits which will result in families being unfairly hit by higher costs of living. This Labor government stress that they are helping workers and assisting families and—wait for it—regional Australians. Nothing could be further from the truth. They do nothing of the sort.

Since coming to power in 2007 Labor has been a government of waste, a government of spending—so much so that it has forfeited the $20 billion surplus it inherited from the fiscally responsible Howard-Vaile coalition as well as two funds that were established for the nation’s future. We have another coalition on the Treasury benches now. We have Labor in government, but the Greens are in power. Make no mistake about it: come 1 July, just 126 days away, when the Greens take control of the Senate, every piece of legislation will have a Greens tinge to it. This is why Labor, and particularly the Prime Minister, is pushing so hard for a carbon tax, a carbon tax in relation to which the same Prime Minister said pre-election—the day before, in fact—‘I rule out a carbon tax.’ Now, according to the Prime Minister, Australia cannot do without a carbon tax. It is good for business, she says. It is only going to hurt businesses, because every one of their inputs will have its price pushed up by having this carbon tax in place. It is going to push up petrol prices. In fact, the carbon tax—

Mr Adams—What about climate change? We don’t have to worry about it?

Mr McCormack—I can hear the member opposite deride me for saying this, but a carbon tax should really be renamed an ‘electricity tax’, because that is what it is. It is just going to push the price of electricity up. I was most interested at the luncheon yesterday for the Mongolian Prime Minister, Sukhbaatar Batbold, who mentioned in his speech that he had visited the Hunter Valley coalmines, the same coalmines that this Labor government with the Greens tinge so desperately want to stop operating. They do not want coalmines; it is not in their interests. All they want to do is have a carbon tax foistered upon the families, the businesses and the people of Australia.

This government always say and maintain that they are there for a fair go for the battlers, but they are proving anything of the sort. How can they say that they are there to give everyone a fair go when all they are doing is increasing debt? They are borrowing $100 million every day, and we are going to be left saddled with that debt—our grandchildren are going to be left saddled with that debt, particularly with the rollout of the NBN. A National Broadband Network, I might add, is not going to be available for towns with fewer than 1,000 premises—and there are many of those in my electorate of Riverina; there are many of those right across regional Australia.

Mr Adams—They’ll get wireless!

Mr McCormack—He says, ‘Get wireless.’ Indeed, America is rolling out a wonderful wireless network. Ninety-eight per cent of Americans are going to have access to that high-speed internet wireless network. If it is good enough for 98 per cent of Americans to have it—I think at a cost of $17 billion—then surely it would be good enough for Australia, which is
roughly the same size as mainland USA. As I said, 98 per cent of Americans are going to have access to it, but here in Australia not quite that many—in fact, far fewer—are going to have access to Australia’s expensive NBN. All it is going to do is saddle our grandchildren with a huge cost that they will be struggling to meet. Hopefully, future coalition governments—and, hopefully, that will not be too far away—because we are fiscally responsible, will be able to service that debt, because we will have to.

Another classic example of Labor’s waste is the Building the Education Revolution, which has brought about so much heartache and so much debt for the Treasury.

Ms Rowland interjecting—

Mr McCormack—It is a great idea in principle, and your electorate may well have benefited from it. There certainly have been places in my electorate—and Ungarie is a great example—that got basically a tin shack and it cost thousands upon thousands of dollars. The acronym BER means Building the Education Revolution, but in some parts of my electorate it stood for ‘builder’s early retirement’ fund because that is what it was. There was so much waste and mismanagement. A classic case was at Hillston, where they already had the steel girders up and it cost $1 million to put the bricks up. Quite frankly, it was a complete waste of money. As I said, it is a good idea in principle. There have been so many fanciful projects that are thought up in some prime ministerial thought bubble or some Labor caucus focus group. They have good ideas but they are not actually able to roll them out in an economic, sensible and practical way, which is what most everyday Australians have to do.

I have to reiterate that not many of those on the Labor side have run businesses—a few, but not many, and certainly not as many as on our side of the chamber. If you run a business you cannot spend more money than you bring in. If you do, you are going to have to pay it back. The trouble with Labor is that someone will have to pay it back but it is going to be the Australian public who have to pay it back. It is going to be a fiscally responsible Liberal-Nationals government which will end up paying it back. With power bills set to rise, petrol going up and everyday costs of living, the pressures are just enormous.

Yesterday we heard that this Labor government cannot even find $5 million—it cannot even write a cheque for $5 million—to provide the Australian War Memorial with the additional funding it requires to keep its doors open. I think that this might be some way of forcing people to pay admission. I think that is the modus operandi here. That is the ulterior motive. But to not be able to find $5 million in a budget of $350 billion to me is quite extraordinary. The War Memorial stands as a shrine to our fallen, our heroes, our bravest of the brave. If the War Memorial needs $5 million the War Memorial should receive $5 million. Just write the cheque, put it in the post or, better still, go down and present it to General Cosgrove, the Chairman of the Council of the Australian War Memorial. There should be no question about this. The Prime Minister says this is the year of decision and delivery. She has got the Ds right, but it should really be ‘debt and delay’. Just think about that. Everything with this government is about debt. Everything is about delay—putting it off to a review committee or putting it off to a focus group. It is unbelievable. If the War Memorial requires $5 million in additional funding, I say, ‘Write the cheque.’ This is a no-brainer. It should not even be questioned.

We also see that we have another rollout of tenders for buybacks in the Murray-Darling Basin. That was announced by the water minister after the interim findings from the inquiry
by the Standing Committee on Regional Australia into the impact—how this is going to hurt the social and economic welfare of the people who live in the basin.

The chair, the Independent member for New England, Tony Windsor, announced three interim findings. The very first one was about putting more strategic buybacks in place and reducing that Swiss cheese effect. The second one was about putting in place measures to help the taxation needs of the irrigation corporations, because if they were to put some of the infrastructure in place they would be slugged with a huge tax bill, which of course nobody wants. The third finding was to focus on not wasting water in overbank flooding of wetlands and icon sites which require environmental watering.

I go back to the first finding, relating to the Swiss cheese effect of the small strategic buybacks. The finding came about because we were discovering that too many farmers were being forced to sell their water because of debt pressures, and here we had stranded assets—you would see a patch of green and then three patches of brown. A lot of the irrigation companies were worried that they would not be able to service their customers because they had a bare paddock here and a rice paddie there. Mr Deputy Speaker, I seek leave to continue my remarks later.

Leave granted; debate adjourned.

ADJOURNMENT

Ms BRODTMANN (Canberra) (12.31 pm)—I move:
That the Main Committee do now adjourn.

Small Business

Mr BILLSON (Dunkley) (12.31 pm)—I want to reflect on what happened in the House of Representatives this morning. We had an opportunity as a parliament to do something sensible, something helpful, for the small business community but, sadly, government members and some of the crossbenchers chose to leave in place a completely unjustified and unnecessary regulatory burden on business. I refer to the passing on to small business of the payments under the government’s paid parental leave scheme. After the government decides who is eligible and the government agency, the Family Assistance Office, sorts out at what level that eligibility applies, the paperwork is then processed by the Commonwealth. Rather than simply paying eligible persons direct, the government is insisting that after 1 July those funds be transferred to the employer for on-forwarding. The problem is that that is not a simple transaction, and it is not a light impost on small businesses, particularly those that are cash strapped and time poor.

The government have a complete blind spot when it comes to small business because they are so far removed from the challenges that small-business people face every day—trying to maintain the employment opportunities they provide, their own business viability, and the crucial contribution that their small businesses make to so many communities. The government boast about employment figures since their election, but you never hear them talk about the most damning employment figure during their period of government: since the Rudd-Gillard government was elected, 300,000 jobs have been lost in small businesses right across Australia. If you are sitting in a major capital city or if you happen to be sitting in a mining town, you might not be too bothered about that. But for the vast number of other communities right across our continent, small business provides the engine room for the economies of
those areas. It provides opportunities for meaningful livelihoods and a chance to contribute and nurture the economic fabric of those areas. So 300,000 jobs have been lost in that sector of the economy that is so crucial to so many communities. That should be of concern to this government—but it is not.

We saw in the lead-up to the election a comprehensive microeconomic reform package from the coalition to put the business back into small business—to breathe life, energy and optimism back into this sector of our economy that has sat back and felt as though it was being beaten around every other day, burdened with new unnecessary regulation, red tape and impost, and completely ignored when it comes to issues of the design of government programs. As changes in our economy have played out and as the government has sought to respond to them, we have never seen the small business interests advocated at all.

We saw it with the carbon tax. Everyone was out there with their hands out to be compensated. What was small business told to do? ‘Suck it up, men and women of the small business community, and pass it on to consumers.’ We know at this time, when so many household budgets are under great pressure, that there is a cost consciousness amongst consumers. Consumers are wary and uncertain about their own financial security. They too are experiencing cost increase upon cost increase, the cost of living going through the roof and energy prices screaming through the roof. But did the government respond to that challenge? No. In responding to the global financial crisis, were small business interests taken into account? No. Even some of the guarantee and design arrangements of the government’s package knowingly conspired against the interests of small business. Even today we see Joseph Healy, a senior executive with the National Australia Bank, echoing my call for decisive action to make sure that finance is available for small business—that the oxygen of those enterprises for the wealth that they create and the opportunities that they provide is made available. It is not being made available at the moment, and the government seems incapable of or uninterested in doing anything about it.

We saw another episode this morning: a chance to do something quite commonsense and practical to relieve the burden of red tape. It is understandable that the Australian Retailers Association, as just one of a number of industry organisations, has already come out saying how outraged it is by the denial of the logical changes to the paid parental leave payment arrangements that the coalition proposed. It talked about the prospect today for a bipartisan approach, to recognise that paid parental leave is welcomed widely throughout the community but that there is no good reason to burden small businesses with the pay clerk responsibilities of administering it. This is a grim day.

I sought to highlight the serious concerns to the crossbenchers about this issue in their communities. I am not sure what they took into account, but they certainly did not take into account the small businesses in those communities. Seeing the crossbenchers sitting with Greg Combet between them just reinforced the very point that this is all about fitting up small businesses with the machinery so that they can be touched up to top up these deficient paid parental leave payments that the government has introduced. This is a damning day for this government. Indifference is turning the damage to the small business community—(Time expired)
Learning and Development Disorders

Ms ROWLAND (Greenway) (12.37 pm)—In my maiden speech to parliament I raised the issue of disability, specifically children with learning and development disorders. I rise today to address these concerns again, because disability is an area of great concern to me. I believe one of the most important issues surrounding disability is inclusiveness. I am talking about the ability for people with disabilities to be afforded equality of opportunity with all other members of society have. Providing people who have physical, mental and multisensory difficulties with educational opportunities is paramount for their development and transition into the workforce. As I said in my maiden speech, education is the great enabler. It is my profound belief that all people with disabilities should be so enabled.

During my association with William Rose School, in Seven Hills in my electorate, which caters for children with a sensory disability and an additional disability, I have been profoundly affected by the school’s remarkable young people, its staff and its parents and carers. These young people have displayed to me the great talents and potential that all children have. During a visit to the school’s celebration day last December, I was deeply moved by the progress of one young boy in particular. This student is suffering from a degenerative eye disease that has consequently resulted in him progressively becoming blind. He showcased a brand new talent that he had learnt at a very young age in a very short period of time: this young boy had learned to read braille.

William Rose School is a fine example of excellence in disability education. This is due to the school’s extremely hardworking staff, including its assistant principals, Ms Mariane Youness and Ms Leonie Donaldson, and their incredible principal, Mr Trevor Townsend. During a visit to the school last week for the official opening of its new $1 million facilities funded under the BER, Trevor endorsed my belief in education as the great enabler. He was even kind enough to cite my maiden speech. The talents of all those at William Rose are inspirational reminders of the great potential that people with disabilities possess and of what the power of education means in practice, especially when people like the staff at William Rose are providing it.

Education provides the stepping stones that allow people the dignity of work, and this is the second aspect of our obligation to people with a disability. The benefits of transitioning people with disabilities from welfare into the workforce are not lost on me. Due to my involvement with the Endeavour Foundation, an organisation also operating in Seven Hills in my electorate, I appreciate the need for disabled people to enjoy the same employment opportunities as everyone else. In a visit to the foundation last year I was able to witness firsthand the benefits of enabling disabled people the opportunity to enter the workforce. In Seven Hills the Endeavour Foundation provides supported employment to over 100 people with a disability. This excellent work must be encouraged and replicated to ensure that all people are provided with the opportunity to enter the workforce.

In anticipation of the Productivity Commission’s findings on the National Disability Insurance Scheme, a public policy focus on the topic of disability is even more appropriate. As the Minister for Families, Housing, Community Services and Indigenous Affairs, the Hon. Jenny Macklin, said in 2009:
We know that social insurance is a feature of the disability systems in other developed countries which have better outcomes than Australia on a range of indicators—including employment for people with disability.

This new scheme could potentially signal a new and improved chapter for disability in this country.

In finishing, I would like to mention the potential that exists in the National Broadband Network to enhance inclusiveness for people with disabilities. In 2007 the OECD published *The digital inclusion perspective*, which analysed how, particularly, high-speed broadband has the potential to markedly improve the lives and life chances of all people with disabilities. That is another reason that I am such a vocal advocate for the NBN, and I note the potential for social inclusiveness for people with disabilities can never be measured in an economic analysis.

**Innovation, Industry and Science Policy**

*Mrs Mirabella* (Indi) (12.41 pm)—I rise to speak about the government’s callous disregard for innovation, industry and science policy. I do so after being given another extraordinary insight into the embattled minister’s approach—or, should I say, lack of approach—in Senate estimates yesterday. We heard that a chief scientist who was appointed specifically to advise the Prime Minister has apparently never even met her and that she had only ever met the previous Prime Minister once. We found out that a science minister, who used to be a school teacher, no less, does not know or care about the impending axing of two critical school science education programs. We also learnt that Senator Carr has not had a single conversation with the administrator of REDgroup Retail and has not even bothered to appropriately inform himself about the potential closure of 195 Borders and Angus and Robertson stores nationwide—and with them of course thousands of jobs of hardworking Australians. He thinks these issues have, in his own words ‘bugger-all’ to do with him. It was also confirmed yesterday that the government broke a whole series of promises and signed commitments to the car industry and has serious holes in its figures on the Green Car Innovation Fund—and all of this is before we even get to the woeful record on manufacturing policy and the highly misguided attempts to make massive cuts to support for Australian research and development.

On Senator Carr’s dizzying succession of contradictions in his time in the job, quite a poor record is there for all to see. But he slipped under the radar a bit. He has boasted about increasing spending on his portfolio, but he ripped out billions of dollars in January, admitting that he will be hauling a whole lot more out of his portfolio in this year’s budget. He said he was not interested in giving money to projects that would have occurred without government support anyway. But almost before the words had left his lips, he gave $35 million to Toyota, who admitted they had no idea how to use it, and sank another $120 million into a program called the Green Building Fund, which operates almost entirely on that basis. He also tried to fool Australians that his ridiculous, absolutely absurd cash-for-clunkers scheme would ‘change the way Australians lived, worked and travelled’—what a joke!—and then he set his department on the futile task of figuring out how it would work, before ultimately clambering away from the wreckage of it altogether, six months down the track.

And how about the minister’s railing against the coalition’s proposal to reduce money from the Green Car Innovation Fund by saying that it showed Tony Abbott was unworthy to be and
supposedly did not have the judgment to be PM. He was shown up as the ineffective minister that he is—and the government too for its hypocrisy—when the Labor Party finally acknowledged that this was a wasteful fund and doubled the cuts to this program. So by Senator Carr’s own analysis, Ms Gillard should be twice as unworthy to be Prime Minister. It is very rich for the minister to go out there and try to bully industries and those who try to highlight these deficiencies. Also, it is really to his own side that he should look, because it appears the executive and the Prime Minister are making decisions without regard for the minister and that is causing a lot of embarrassment and contradictions in the portfolio.

This minister is so bad that he has even been the subject of stinging public criticism from his own expert adviser—Terry Cutler. Indeed, the belligerent incoherence he brings to the portfolio area is something that we on this side of the House do not support. To adopt a backwards, defensive, interventionist philosophy when it comes to innovation is not what the coalition is all about, and I want to make it clear that business and science should expect from us not central dictates from a belligerent, bullying minister but sensible policy that recognises they know best how to direct policy in their field. Unfortunately, there are more holes in Labor’s policy on innovation, industry and science than in a block of Swiss cheese. (Time expired)

The DEPUTY SPEAKER (Hon. Peter Slipper)—I would mention to the honourable member for Indi the provisions of standing order 64, which would require her to refer to the Prime Minister by her title.

Australian Institute of Sport

Dr LEIGH (Fraser) (12.46 pm)—Canberra is the sportiest city in Australia. We are not just the national capital, the cultural capital and the research capital but also the sporting capital. At the last Commonwealth Games Anna Flanagan, Alicia Coutts, Ellie Cole and Luke Adams, amongst many others, continued a proud tradition which sawCanberrans at the Games bring home more medals than those of any other Australian city. Admittedly, having the Australian Institute of Sport tucked away in the suburb of Bruce, in my electorate, does provide a little help.

We are all familiar with the dent in the national pride at the 1976 Montreal Olympic Games which led to the opening of the AIS, in 1981. Since that time the AIS has become a world renowned institute, the envy of the nations of the world for the sporting supremacy which it has helped Australia achieve, so much so that other nations around the world have started to replicate the AIS model, including the United Kingdom, which hopes to overtake us in the medal tally at the 2012 London Games—though, of course, we know the Aussies will prevail in the end. But, as the folks at the AIS remind us, the race for sporting supremacy has no end. It is an ongoing pursuit.

The AIS is not all sports: it is a community, a support network and a family. This shrine of sporting excellence fosters and develops the sporting talents of our young athletes as well as their education. Myriad people—coaches and training squads, house parents, athletes’ own parents, massage therapists, sport psychologists, sport scientists, administrative staff and chefs—deserve our thanks for their efforts. This professionalism of the sporting talent at the AIS is complemented by the sporting enthusiasm ofCanberrans. Whether it is cheering the Raiders, the Capitals, the Brumbies, Canberra United, the Comets, the Canberra Strikers or the Lakers—at the national level—or the Magpies, Ainslie, Eastlake, the Gungahlin Reds, Bel
West, Majura Football, Ginninderra Tigers or any of the many other proud local sporting teams, our city loves sports. But we do not just like to watch; we love to strap on the boots and have a go. More Canberrans participate in sports than those of any other state or territory in Australia. Thirty-six per cent of Canberrans participate in sports, with the Australian average being just 27 per cent.

But sport is more than just a game. Our sporting teams are made up of people who are members of our community. For all the negative headlines about sportspeople, there are so many more unwritten stories about the role models, the heroes and the community service.

Sport is a great egalitarian pursuit, a social tool that helps us fight prejudice in our society and understand one another. Late last year, I hosted a gathering of officials from the many sporting teams in my electorate. Among those who attended was John Gunn from Multicultural Youth Services ACT. A few weeks previously, when I visited the MYS to see some of the young refugees in Canberra and the support that MYS was providing them, John told me how sports helped the young kids settle in and how great they were at it. He was astounded not only by their ability but by the happiness it brought, and he just wished there were some way he could get them into the local teams.

At my office, amongst the discussions of successes and challenges faced by the various teams and codes present, John rose to tell the group about the refugees at MYS. In general, their response was: 'No problem, mate. Send us the names. We'll give them a pair of boots and a jersey and see how they go.' The manager of the Gungahlin Jets added: 'After all, North Melbourne just picked Majak Daw as a rookie, the first African migrant to play AFL and someone who came here as a refugee. Who knows, we might have a couple of Majaks here.'

Sport in our nation is not just about the medals or the trophies; it is about something much deeper. Our love affair with sport is about more than the entertainment. We love it because of the opportunities it gives our kids, the contribution sport gives back to the local community and the escape it provides. But we also love it because, on the sporting field, prejudice disappears. All are equal on the field. The team is our team. We all become mates, whether we know the supporter next to us or not. This is why sports give our nation so much pride.

**Petitions: Fuel Prices**

Mr TEHAN (Wannon) (12.51 pm)—I rise today to present two petitions with a total of 6,409 signatures from chief petitioner Bill Brown and the residents of Colac and district, who wish to draw to the attention of the House the price of petrol in Colac, which appears to be set by two major food retailers, with no effective competition between them.

The petitions read as follows—

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

This petition of the residents of Colac and District draws to the attention of the House that the price of petrol in Colac appears to be set by two major food retailers and there is no effective competition between them.

We therefore ask the House to: take positive action to provide the residents of Colac and District with a fair pricing structure for fuel and call on the Government to investigate the practice of monopoly fuel outlets and their impact on rural communities.

from 5,417 citizens and 992 citizens

Petitions received.

MAIN COMMITTEE
The DEPUTY SPEAKER (Hon. Peter Slipper)—A division having been called in the House, proceedings are suspended. Because it is 10 to one, I am happy to finish for the day if there is consensus. I will therefore put the question that the Main Committee do now adjourn. Question agreed to.

Main Committee adjourned at 12.52 pm